BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING IN M/S. NISHAT SUTAS DAIRY LIMITED BY M/S. SÜTAŞ SÜT ÜRÜNLERI A.Ş. FROM M/S. NISHAT MILLS LIMITED, M/S. NISHAT AGRICULTURE FARMING (PRIVATE) LIMITED AND MS. SADIA YOUNAS MANSHA

CASE: 1639/Merger-CCP/2026

SEAL OF THE COMPETITION COMMISSION ISLAMABAD

Ms. Bushra Naz Malik
Member

ORDER

1. The Competition Commission of Pakistan (the "**Commission**") received a pre-merger application (the "**Application**") from M/s. Nishat Mills Limited (the "**Notifying Party**") seeking approval for the acquisition of % shareholding in M/s. Nishat Sutas Dairy Limited (the "**Target**") by M/s Sütaş Süt Ürünleri A.Ş. (the "**Acquirer**") from M/s. Nishat Mills Limited, M/s. Nishat Agriculture Farming (Private) Limited and Ms. Sadia Younas Mansha, collectively referred to as Nishat Shareholders (the "**Sellers**"), pursuant to the Share Sale and Purchase Agreement dated 30th September, 2026 (the "**Agreement**").

2. The Application was filed under Section 11 of the Competition Act, 2010 (the "**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (the "**Merger Regulations**").

Merger Parties

Acquirer

3. M/s. Sütaş Süt Ürünleri A.Ş. is a joint stock company incorporated in 1974, under the laws of the Republic of Turkiye.

4. It is involved in the manufacturing, marketing and selling of dairy products in Turkey and Europe. It is active in Pakistan only through the Target, a joint venture among the Acquirer and the Sellers established on 19th July, 2019.

Target

5. M/s. Nishat Sutas Dairy Limited is a public unlisted company incorporated under the laws of Pakistan on 19th July, 2019. It was established as a joint venture among the Acquirer and the Sellers.

6. It is engaged in the manufacturing, distributing, marketing, packaging, and selling of dairy products.

Sellers

7. Sellers comprise of M/s. Nishat Mills Limited ("**NML**"), M/s. Nishat Agriculture Farming (Private) Limited ("**NAFL**") and Ms. Sadia Younas Mansha.

8. NML is engaged in the manufacturing of textile products whilst NAFL is engaged in corporate agriculture farming.

Transaction

9. As per the information contained in the Agreement and the Application, the proposed Transaction involves the acquisition of ordinary shares[1], being % of the issued share capital of the Target.

10. The total consideration for the proposed acquisition is PKR /- (approx.), representing foreign direct investment (FDI) which is deemed to be the transaction value (the "**Transaction**").

Phase-I Competition Assessment

Procedural Review

11. Based on the Application and the subsequent information obtained thereto, the Commission conducted a Phase-I competition assessment of the Application, including supporting documentation, to evaluate compliance with the Act and the Merger Regulations, particularly focusing on potential competition concerns, including the likelihood of the creation or strengthening of a dominant position post Transaction.

Relevant Market

12. The Acquirer is a joint stock company and is engaged in manufacturing, marketing, distributing and selling of dairy products in Turkey and Europe. It is active in Pakistan through the Target.

13. On the other hand, the Target is primarily engaged in the manufacturing, distributing, marketing, processing, packaging, and selling of milk and dairy products. Its products include MilkField, Cremza topping as well as T-Yari whitener.

[1] The Transaction pertaining to establishment of a joint venture among the Acquirer and the Sellers has already been consummated and an application under the Section 11(12) of the Competition Act, 2010, was processed by the Commission. Accordingly Ex-Post Facto Order was issued on 3rd November, 2026.

14. Taking the above into account, the relevant product market in this case has been identified as **"Retail Packaged Dairy Products"** while the relevant geographic market is **"Pakistan"**.

Market Share

15. As per the Application, the Target's pre-merger market share is estimated to be % in the relevant market[2] which is expected to remain the same post-transaction.

Competition Analysis

16. The Acquirer and its associated companies have no presence in Pakistan other than through the Target. As the Proposed Transaction does not entail a horizontal or vertical integration between the Acquirer and the Target, the Proposed Transaction is not expected to result in any increase in market concentration or adversely affect the existing competitive structure in the relevant market.

17. Following the completion of the Proposed Transaction, the Acquirer will hold % shareholding of the Target and will have sole control over the Target. However, such acquisition of the shareholding does not result in any increase in the Target's market share as the Proposed Transaction involves a change in ownership and control of the Target.

18. Moreover, it does not create entry barriers or significantly enhance the market power of the Acquirer, and the Transaction is not anticipated to limit the ability of the existing or potential competitors or to exclude them from competing effectively. Moreover, no credible risk has been identified for either unilateral conduct or coordinated behavior that could substantially lessen competition in the relevant market. Therefore, the Transaction is not likely to substantially lessen competition, by creating or strengthening a dominant position.

Determination

19. The Commission concludes that the proposed Transaction does not create or strengthen a dominant position in the relevant market, as defined under Section 2(1)(e) read with Section 11 of the Act and the Merger Regulations, 2016.

[2] Based on Delivery and Market Estimates, a Study Conducted by Tetra Pakistan in September 2025.

20. Without prejudice, it is hereby clarified that the present assessment is strictly limited to the review of the Transaction under Section 11 of the Competition Act, 2010.

21. Notwithstanding, the matters which may fall outside the scope of the Commission's purview remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.

22. It is so ordered.

Ms. Bushra Naz Malik
Member

ISLAMABAD, 4th Nov., 2026.