

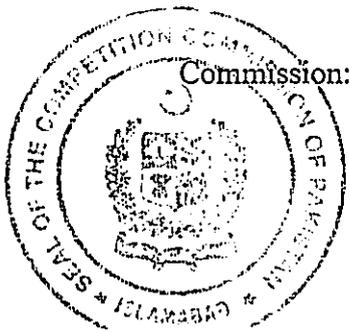


BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF THE ACQUISITION OF ADDITIONAL %
SHAREHOLDING OF M/S. PIONEER CEMENT LIMITED BY M/S. MAPLE LEAF
CEMENT FACTORY LIMITED FROM CAPITAL MARKET.

CASE NO. 1581/Merger-CCP/2025



Dr. Kabir Ahmed Sidhu
Chairman

ORDER

1. On 19 November 2025, M/s. Maple Leaf Cement Factory Limited (“Acquirer”) submitted a pre-merger application (the “Application”) to the Competition Commission of Pakistan (the “Commission”). The Application pertains to the proposed acquisition of additional % of M/s. Pioneer Cement Limited (“Target”) by the Acquirer, in accordance with the Board Resolution (the “Resolution”) dated 13 November 2025.
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

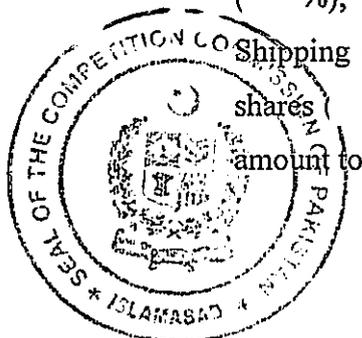
3. Maple Leaf Cement Factory Limited is a publically listed company, incorporated on 13 April 1960 in Pakistan. It is engaged in the manufacturing and sale of cement and its allied products. It is a subsidiary of Kohinoor Textile Mills Limited (KTML). The Acquirer currently holds % shareholding of the Target, while its associated company, Maple Leaf Capital Limited (Maple Capital), also holds % shareholding.

Target

4. Pioneer Cement Limited is a publically listed company, incorporated on 9 February 1986 in Pakistan. It is engaged in the manufacturing and sale of cement and its allied products.

Sellers

5. The sellers include Vision Holdings Middle East Limited with shares (%); Inship Management Limited with shares (%); Imperial Developers and Builders (Private) Limited with shares (%); Sealog (Pvt.) Ltd. with shares (%); Inshipping (Private) Limited with shares (%); Inservey Pakistan (Pvt.) Ltd. holding shares (%); Forbes Shipping Company (Private) Limited with shares (%); and shares (%) through the Pakistan Stock Exchange. These holdings will collectively amount to shares, representing % of the total.



Transaction

6. As per the Application, the Acquirer has proposed to acquire additional % shareholding of the Target from the Sellers. Total consideration for the proposed acquisition is PKR to PKR which is deemed to be the transaction value. (the "Transaction").
7. The Acquirer, including its associated company, currently holds % of the Target's paid-up capital. Upon completion of the Transaction, the Acquirer's aggregate shareholding in the Target will amount to %.

Phase-I Competition Assessment

Procedural Review

8. Based on the Application, the Commission undertook a Phase-I review to assess the competitive implications of the Transaction. The evaluation included an examination of the documentation to determine compliance with the provisions of the Act and the Merger Regulations, with particular focus on potential competitive concerns, including the likelihood of the creation or strengthening of a dominant position post-Transaction.

Relevant Market

9. While the Acquirer operates both in the Grey Cement and the White Cement markets, the Target operates only in the Grey Cement market.
10. Keeping in view the foregoing, the relevant product market in this case is determined as, "Production and Sale of Grey Cement" and the geographic market is defined as "Pakistan".

Market Share

11. As of FY24, the Acquirer, has a total production capacity of thousand tons, representing approximately % of Pakistan's total cement industry capacity of thousand tons. The Target, has a total capacity of thousand tons, corresponding to % of the total market. Together, the Acquirer and Target account for thousand tons, or about % of the national cement production capacity.

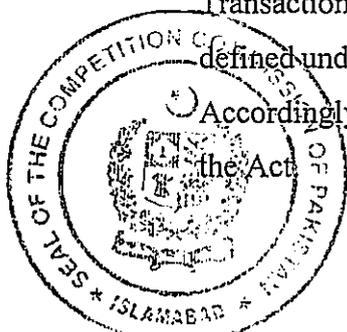


Competition Analysis

12. The proposed acquisition is horizontal in nature because the Acquirer and the Target operate at the same level of the supply chain and supply the same product. Both compete directly in the national cement market, and the assessment therefore focuses on whether the merger would materially increase concentration or reduce effective competition.
13. Based on total national market share, the Acquirer holds approximately percent, while the Target accounts for around percent. Following the transaction, the merged entity would have a combined national market share of roughly percent.
14. Although the transaction is horizontal, the combined market share remains moderate. The merged entity would continue to face strong competitive pressure from several established cement producers that individually hold comparable or larger shares of the national market. As a result, the merged entity would not be in a position to behave independently of market forces.
15. The potential for unilateral effects is limited because multiple sizeable competitors would remain in the market, preventing the merged firm from profitably raising prices or restricting output. Coordinated effects are also unlikely to be strengthened, as the market already consists of several large independent players. The transaction does not involve any vertical elements and therefore does not raise concerns relating to input foreclosure or distribution constraints.
16. Overall, despite being horizontal in nature, the transaction is unlikely to result in a substantial lessening of competition. The merged entity's market share would remain moderate, and effective competitive constraints from other major producers would continue to operate at the national level.

Determination

17. Based on the information provided, 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. Accordingly, the proposed Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.



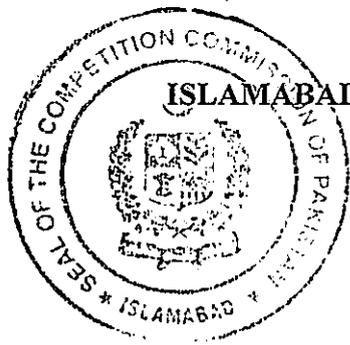
18. Notwithstanding the above, matters which may fall outside the scope of the Commission's jurisdiction, remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.

19. It is so ordered.



Dr. Kabir Ahmed Sidhu

(Chairman)



ISLAMABAD, Nov 27th, 2025.