

7 March 2025

CCC Merger Inquiry Notice No. 14 of 2025

Notice of Inquiry into in respect of the Proposed Acquisition by Louis Dreyfus Company Suisse S.A. of (i) shares in Grunau Illertissen GmbH; (ii) certain assets of BASF Personal Care & Nutrition GmbH; and (iii) certain IP rights and trademarks of Cognis IP Management GmbH, BASF SE and other BASF entities; and (iv) certain assets (primarily inventories and contracts) of numerous global BASF entities

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the “**Regulations**”) that the COMESA Competition Commission (the “**Commission**”), after receiving a notification in terms of Article 24 of the Regulations regarding the Proposed Acquisition by Louis Dreyfus Company Suisse S.A. (“**LDCS**”) of (i) shares in Grunau Illertissen GmbH; (ii) certain assets of BASF Personal Care & Nutrition GmbH; and (iii) certain IP rights and trademarks of Cognis IP Management GmbH, BASF SE and other BASF entities; and (iv) certain assets (primarily inventories and contracts) of numerous global BASF entities (collectively, the “**Target Business**” of the “**Assets**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that the transaction notified concerns the proposed acquisition by LDCS of certain parts of BASF SE’s (BASF, together with its controlled affiliates, the “**BASF Group**”) businesses primarily relating to food performance ingredients, health ingredients, protein hydrolysates as well as conjugated linoleic acid for animal nutrition, and consisting in particular of the Target Business. The parties submitted that, a wholly-owned subsidiary of LDCS, namely Blitz F-24-482 GmbH (Blitz), will be the direct acquirer for purposes of the Proposed Transaction.

The parties submitted that LDCS, together with Louis Dreyfus Company B.V. (“**LDC**”) and companies ultimately controlled by LDC, represent the “**LDC Group**”. The LDC Group is a global merchant and processor of agricultural goods and is active along the entire value chain, including origination and production, processing and refining, storage and warehousing, merchandising and distribution. LDC operates various platforms including coffee, cotton, rice, grains and oilseeds, sugar, juice, freight, food and feed solutions, carbon solutions and global markets. Within the Common Market, the LDC Group operates in Djibouti, Egypt, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Tunisia, Uganda and Zambia.

The parties submitted that the Target Business is a supplier of naturally derived food performance and health ingredients, with a range of over 125 products. The main

applications of the Target Business' products relate to the food and beverage sectors, and range from bakery goods to dairy products, to functional food, supplements and specialized nutrition, animal feed, as well as the pharmaceutical and cosmetics sector. With the Common Market the Target Business operates in Djibouti, Egypt, Kenya, Sudan, Tunisia, and Uganda.

The parties submitted that there are no horizontal overlaps or vertical relationships between the merging parties in the Common Market. The purchase of the Target Business is strategic to the LDC Group since it will allow it to strengthen and expand the Group's presence in the ingredients markets across a number of countries. In particular, the Proposed Transaction will lead to synergies for LDC Group by allowing it to integrate BASF Group's high-quality food performance and health ingredients in the product offering to its customers. Equally the Group will be as a result of this acquisition be able to offer a more comprehensive range of products to its customers, build stronger customer relationships and enhance its overall market position over time, including expanding its presence in new markets.

The parties also submitted that for BASF, the sale of the Target Business to the LDC Group offers the Target Business and its employees a promising perspective. For BASF, the sale is part of a strategic portfolio optimization as the Target Business has limited synergies and integration into BASF and is no longer a strategic focus area.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether the proposed transaction is likely to substantially prevent or lessen competition in the Common Market and whether the proposed transaction is or would be contrary to the public interest as provided for under Article 26 of the Regulations. In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the parties to the proposed transaction to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: akamanga@comesacompetition.org. All written representations should be sent to the Commission not later than **26 March 2025**.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Mr. Ali Kamanga, Manager, Competition Division** on Tel: +265 (0) 111 772 466 or akamanga@comesacompetition.org.

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.