

Case File No. CCCC/MER/07/32/2026

**Decision¹ of the 11th Meeting of the Panel Responsible for
Determinations Regarding the Proposed Merger involving
Nikolaus (BC) Bidco GMBH and Everllence SE**

ECONOMIC SECTOR: Energy



17 September 2026

¹ In the published version of this decision, the COMESA Competition and Consumer Protection Commission has omitted or replaced information by ranges of figures or a general description, due regard was/is had to the legitimate interest of undertakings in the protection of their business secrets, pursuant to Rule 37 of the COMESA Competition and Consumer Protection Rules 2025.

The Panel Responsible for Determinations,

The Panel Responsible for Determinations (“**Panel**”) established pursuant to Regulation 20 of the COMESA Competition and Consumer Protection Regulations, 2025 (the “**Regulations**”):

Desirous of the overriding objective of strengthening and achieving convergence of COMESA Member States’ economies through the attainment of full market integration as enshrined in the Treaty Establishing the Common Market for Eastern and Southern Africa (the “**Treaty**”);

Cognisant of Article 55 of the Treaty;

Having regard to the Regulations, and in particular Chapter Four thereof;

Recalling the overriding need to establish a Common Market;

Recognising that anti-competitive mergers may constitute an obstacle to the achievement of economic growth, trade liberalization and economic efficiency in the COMESA Member States;

Considering that the continued growth in regionalization of business activities correspondingly increases the likelihood that anti-competitive mergers in one Member State may adversely affect competition in another Member State;

Determines as follows:

Introduction and Relevant Background

1. On 7 August 2026, the COMESA Competition and Consumer Commission (the “**Commission**”) received a notification regarding the proposed merger involving Nikolaus (BC) Bidco GMBH (“**Nikolaus Bidco**” or “**Primary Acquiring Undertaking**”) and Everllence SE (“**Everllence**” or the “**Primary Target Undertaking**”), pursuant to Regulation 42(1) of the Regulations.
2. Pursuant to Regulation 47 of the Regulations, the Commission is required to determine whether or not the merger is likely to substantially lessen competition and/or is likely to significantly affect public interest in the Common Market.

The Parties

Nikolaus Bidco (the “Primary Acquiring Undertaking”)

3. Nikolaus Bidco is a special purpose vehicle that is ultimately controlled by funds managed and/or advised by Bain Capital Investors, LLC (“**Bain Capital**”). Bain Capital is a global private investment organisation headquartered in Boston, United States. Bain Capital, through its various funds, invests in companies across a number of industries, including information technology, healthcare, retail and consumer products, communications, financial services and industrial/manufacturing. Nikolaus



Bidco, its controllers and all firms under their direct and indirect control are collectively referred to as the “**Acquiring Group**”.

4. In the Common Market, the Acquiring Group operates in Burundi, Egypt, Eswatini, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Tunisia, Uganda, Zambia, and Zimbabwe.

Everllence (the “Primary Target Undertaking”)

5. Everllence, is a global engineering and manufacturing company headquartered in Augsburg, Germany. It specializes in propulsion, power and energy solutions for maritime, energy and industrial applications. Everllence develops and delivers advanced technologies that support the transition toward climate-neutral operations.
6. Everllence operates across three divisions, namely: 2-Stroke Engines, 4-Stroke Engines and Turbomachinery. The parties submitted that Everllence has subsidiaries in Egypt and Kenya. Further, in the Common Market, Everllence's activities have been limited to the supply of 4-stroke engines (power) and generator sets/power generation equipment; the supply of 4-stroke engines for marine; and the servicing and the supply of spare parts.
7. Everllence and its controlled subsidiaries are collectively referred to as the ‘**Everllence Group**’ or the ‘**Target Group**’.
8. In the Common Market, the Target Group operates in the Democratic Republic of Congo, Djibouti, Ethiopia, Egypt, Eswatini, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Sudan, Tunisia, Uganda, and Zambia.

Jurisdiction of the Commission

9. Regulation 42(1) of the Regulations requires a ‘notifiable merger’ to be notified to the Commission prior to its implementation. Only mergers that satisfy the prescribed thresholds pursuant to Regulation 41(5) and 41(8) of the Regulations are regarded as notifiable mergers. The merger notification thresholds are prescribed under Rule 23(1) of the Rules which provides that:

Pursuant to Chapter Four of the Regulations, a merger shall be notifiable if:

- a) the combined annual turnover or combined value of assets, whichever is higher, in the Common Market of all parties to a merger equals or exceeds COM\$60 million; and
- b) the annual turnover or value of assets, whichever is higher, in the Common Market of each of at least two of the parties to a merger equals or exceeds COM\$10 million, unless each of the parties to a merger achieves at least two-thirds of its aggregate turnover or assets in the Common Market within one and the same Member State.



10. The undertakings concerned have operations in two or more Member States. The undertakings concerned derived turnover of more than the threshold of USD60 million in the Common Market and they each derived turnover of more than USD10 million in the Common Market. In addition, the parties did not derive/hold more than two-thirds of their respective aggregate turnover or asset value in one and the same Member State. The Panel was thus satisfied that the transaction constituted a notifiable transaction within the meaning of Regulation 41(5) and 41(8) of the Regulations.

Details of the Merger

11. The notified transaction concerns the indirect acquisition of a majority of the shares and voting rights in Everllence and a number of its direct and indirect subsidiaries by funds managed and/or advised by Bain Capital from Volkswagen Aktiengesellschaft ("**Volkswagen**") by way of a share transfer. Following completion of the Proposed Transaction, Volkswagen will indirectly retain the remaining 49% of the shares and voting rights in Everllence, and Everllence will thereafter be jointly controlled by funds managed and/or advised by Bain Capital on the one hand and Volkswagen on the other.

Competition Analysis

Consideration of the Relevant Markets

12. In the determination of the relevant market, which is divided into relevant product and relevant geographic markets, the Panel is guided by the COMESA Guidelines on Market Definition, the Commission's decisional practice and where relevant, other authorities on the subject.
13. The Panel noted that the transaction was not likely to raise any horizontal or vertical overlap.

Manufacture and supply of engines

14. The Panel noted that engines are designed to convert one form of energy (fuel) into another form (mechanical energy) or from mechanical energy into electrical energy.² Engines are driven by energy released from the combustion of fuels.
15. The Panel noted that engines may be distinguished based on the energy source it uses (such as diesel or gas), the engine design/functionality (such as two-stroke or four-stroke), or intended use of the engine (such as on motor vehicle, aircraft, motorcycle, or for electricity generation). The distinctions notwithstanding, all engines operate using the principal of internal combustion systems that convert fuel into energy for propulsion or power generation.
16. The Panel also noted that the parties supply two-stroke for power and four-stroke engines for marine. The Panel further noted that two-stroke and four-stroke engines

² <https://www.mechstudies.com/what-engine-definition-parts-equation-working-types-maintenance/> accessed on 17 September 2026



can be distinguished given that two-stroke engines operate on a simplified combustion cycle in which intake, compression, combustion and exhaust processes are completed within a single crankshaft revolution, producing power with each revolution.³ To the contrary, four-stroke engines complete the combustion cycle over two crankshaft revolutions. The difference in operating cycles affects how energy is generated and delivered under each type of engine. The Panel further observed that two-stroke engines are often found in smaller, lower-power equipment (such as scooters, dirt bikes, jet skis, smaller outboard motors, and lawn equipment)⁴ as opposed to four-stroke engines⁵ that are often used in motorcycles, cars, generators, or lawn mowers.

17. The Panel therefore observed the possibility for narrower markets for engines depending on the functionality, intended usage and price which may limit substitutability. This notwithstanding, the Panel observed that the transaction would not result in a change in the market structure for engines and that any alternative narrower market was unlikely to alter the competitive assessment.
18. The Panel considered that given the absence of horizontal overlaps, a broad market **for the manufacture and supply of engines (which includes two-stroke and four-stroke engines)** could be construed.

Supply of generator sets

19. The Panel noted that Everllence supplies complete generator sets to end customers and it was only involved in the assembly of the gensets using its own 4-stroke engines while it sources the alternators for the generators from third-party suppliers.
20. The Panel observed that a generator set (or genset) consists of an internal combustion engine coupled with an electrical generator (alternator), forming an integrated unit capable of producing electricity.⁶ The engine converts fuel into mechanical energy, which is then transferred to the alternator and converted into electrical power. Gensets, therefore, function as self-contained power generation units.
21. Generators convert chemical energy contained in diesel or gas fuel into mechanical energy which ultimately produces electric energy. They are used to provide power for lighting, appliances, and machinery as an alternative source particularly for off-grid areas. Generators may be distinguished depending on the type of fuel used, that is either petrol/gas or diesel. The Panel noted that this approach was consistent with the decisional practice of the Committee Responsible for Initial Determination (the "CID") in **K2024528179 (South Africa) Proprietary Limited/Barloworld Limited**⁷ which

³ <https://dailymotoring.com/what-is-two-stroke-engine/> accessed on 17 September 2026

⁴ *Ibid*

⁵ <https://dailymotoring.com/what-is-four-stroke-engine/> accessed on 17 September 2026

⁶ Submission by the parties under Exhibit A

⁷ See Decision of the 121st Meeting of the Committee Responsible for Initial Determinations regarding the Proposed Merger Involving K2024528179 (South Africa) Proprietary Limited and Barloworld Limited



considered generator sets as a distinct product market that could be categorised based on the type of fuel used.

22. In the present transaction, the Panel considered that a further delineation of the market for the supply of generator sets was not necessary given the absence of any horizontal overlap between the activities of the parties. The Panel considered that any alternative market was unlikely to alter the competitive assessment.
23. For purposes of the current transaction and given the absence of any horizontal overlap, the Panel construed **the supply of generator sets as a relevant market**.

Provision of aftersales services

24. The Panel noted that the provision of aftersales services was linked to the supply of engines and generator sets given that this service was provided to customers that would have purchased the respective products from the Target Group. The Panel observed that the market entails the servicing and provision of spare parts for engines and generator sets.
25. The Panel considered that given the transaction was unlikely to raise any competition concerns in the markets for engines and generator sets, it was unlikely for there to be a change in the structure of aftersales services market. The Panel further considered that it was not necessary to delineate the aftersales market further for the purpose of assessing the present transaction. Therefore, the Panel identified **aftersales services** as a relevant market.
26. Based on the foregoing assessment, and without prejudice to the Panel's approach in similar future cases, the Panel construed the relevant product markets as the:
 - a. **manufacture and supply of engines (including two-stroke and four-stroke engines);**
 - b. **supply of generator sets; and**
 - c. **provision of aftersales services.**

Relevant Geographic Market

27. The Panel noted that the COMESA Guidelines on Market Definition define the relevant geographic market as comprising **"...the area in which the undertakings concerned are involved in the supply and demand of products or services, in which the conditions of competition are sufficiently homogeneous, and which can be distinguished from neighbouring areas because the conditions of competition are appreciably different in those areas"**.⁸

⁸ Paragraph 8 of the COMESA Guidelines on Market Definition.



Manufacture and supply of engines

28. The Panel noted that Everllence's manufacturing operations were globally centralised by product class with 2-stroke engines designed in Copenhagen and manufactured predominantly by licensees in Asia. Furthermore, 4-stroke engines were produced in Germany, France or India and in some instances, by licensees. The Panel noted that with respect to the Common Market, the products were present through direct exports from across the global locations where production takes place and through subsidiaries of the Target Group present in the Common Market.
29. The Panel therefore observed that the relevant geographic market for the manufacture and supply of engines was likely to be global as any demand substitution would be to other players competing with the Everllence Group at global level.
30. The Panel considered the market for manufacture and supply of engines to be global.

Supply of generator sets

31. The Panel noted that the Target Group, which is based in Germany, assembles gensets and directly exports into the Common Market. Further, the Target Group supplies generator sets to the rest of the Common Market through its subsidiaries based in Egypt and Kenya. The Panel observed that the Target Group was likely to be constrained by competitors operating at a global level, as such the geographic market for the supply of generators was likely to be global.
32. The Panel noted that in the decisional practice of the CID, the geographic market for the supply of generator sets was considered COMESA-wide in view of operations of the Target entity's in the Common Market which was likely to limit any competition concerns to the COMESA region.⁹ However, the Panel considered that given the present transaction raised no horizontal overlaps, the geographic market could be left open and this would not affect the competitive assessment.
33. In view of the foregoing, the Panel left the geographic scope for the supply of generator sets open.

Provision of aftersales services

34. The Panel observed that aftersales services of the Target Group were intended for customers of engines or generators sets. The Panel further observed that that in the context of the Common Market, the Target Group had subsidiaries only in Kenya and Egypt. However, the Target Group provided aftersales services in Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Mauritius, Seychelles, Somalia, Sudan and Tunisia. The Panel considered that this suggests that the geographic scope of this market was likely broader than national.

⁹ See Decision of the 106th Meeting of the Committee Responsible for Initial Determinations regarding the Proposed Acquisition by Discovery Energy Holdings, L.P. of Sole Control Over the Energy Business of Kohler CO.; Decision of the 121st meeting of the Committee Responsible for Initial Determinations regarding the Proposed Merger involving K2024528179 (South Africa) Proprietary Limited and Barloworld



35. However, the Panel considered that demand for aftersales services was practically limited to the national borders of a country where the related engines or generator sets were supplied. The Panel therefore considered that the markets for aftersales services were national and pertained to Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Mauritius, Seychelles, Somalia, Sudan and Tunisia where the services are supplied.

Conclusion on Relevant Market

36. Based on the foregoing assessment, and without prejudice to the Panel's approach in similar future cases, the relevant markets have been identified as the:
- a. **global market for manufacture and supply of engines (including two-stroke and four-stroke engines);**
 - b. **market for the supply of generator sets whose geographic scope is left open; and**
 - c. **provision of aftersales services in Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Mauritius, Seychelles, Somalia, Sudan and Tunisia.**

Consideration of Substantial Lessening of Competition or "Effect" Test

Market Shares and Concentration

37. The Panel observed that the proposed transaction would not result in a change in the structure of the identified relevant markets given the absence of any horizontal overlaps between the activities of the parties. The Panel considered that the transaction would not result in a concentration of the relevant markets nor raise related competition concerns.
38. Notwithstanding the absence of any horizontal overlaps, the Panel observed that the merged entity would continue to be constrained by global players in the market for the supply of generator sets such as Wärtsilä, Bergen Engines AS, HD Hyundai Heavy Industries Co., Ltd. And Anglo Belgian Corporation ABC.
39. The Panel further considered the parties' submission that with regards to the supply of four-stroke engines market segment which were supplied in the Common Market, the merged entity would continue to face competitive constraints from several established competitors such as Wärtsilä in Finland, MTU/Rolls-Royce Power Systems in Germany, ABC in Belgium, Bergen Engines Langley Holdings in the United Kingdom; and INNIO in Austria.
40. The Panel also considered that for the aftersales services market, the licensees of the Everllence Group (including CSSC Marine Power/Shaanxi Diesel Heavy Industry in China, Hudong Heavy Machinery in China, Henan Diesel Engine Industry Co. in China; Kirloskar Oil Engines Ltd. In India, IHI Power Systems/JFE Engineering in



Japan; Hanwha and STX Engine in South Korea) would still compete with the merged entity in respect of their own-built engines.

41. The Panel also observed that the pattern of competition in the aftersales services market was likely to mirror the parties' respective competitors in the markets for gensets and four-stroke engines given that aftersales services were provided by suppliers of the related equipment. The Panel therefore considered that the merged entity would be constrained in the aftersales market by its competitors in the generator sets and engines market.
42. In view of the foregoing, the Panel concluded that the transaction was unlikely to raise any competition concerns resulting from a change in the relevant markets structure.

Determination

43. The Panel was satisfied that, pursuant to Regulation 47, the merger was not likely to substantially prevent competition in the Common Market or a substantial part of it, nor would it significantly affect public interest.
44. The Panel, therefore, approved the merger pursuant to Regulation 48 of the Regulations.

Dated this 17th day of September 2026

