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[Contains business secrets]

Our reference: 8819072/1
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Oslo, 10. July 2015

THOMMESSEN

**SIMPLIFIED NOTIFICATION: THE GOLDMAN SACHS GROUP, INC. AND ALTOR FUND IV'
PROPOSED ACQUISITION OF JOINT CONTROL OF HAMLET PROTEIN A/S**

1 THE PARTIES

1.1 Notifying parties

Name: The Goldman Sachs Group, Inc ("**Goldman Sachs**")
Address: 200 West Street,
New York, NY 10282
USA

Name: Altor Fund IV Holding AB ("**Altor**")
Address: Jakobsгатan 6
SE-111 52 Stockholm
Sweden

1.2 Other undertakings concerned

Name: Hamlet Protein A/S ("**Hamlet**")
Address: Saturnvei 51
DK-8700 Horsens
Denmark

1.3 Contact for all parties

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The proposed transaction (the "**Transaction**") is the acquisition by Goldman Sachs and Altor, indirectly through affiliated holding companies, of joint control of the Danish company Hamlet Protein A/S ("Hamlet", together with Goldman Sachs and Altor, the "**Parties**").

Hamlet is currently a company owned by a Danish holding company, Hamlet Protein Holding A/S ("**Hamlet Holding**"). The controlling parent company of Hamlet Holding is P-HP 2007 A/S, a holding company without any business activities. P-HP 2007 A/S is owned by Polaris Private Equity II K/S and K/S (CIV) af 8 februar 2005. P-HP 2007 A/S currently owns [REDACTED] of the shares in Hamlet Holding. The remaining [REDACTED] of the shares in Hamlet Holding are held by various shareholders as set out in the table below:

[illegible]

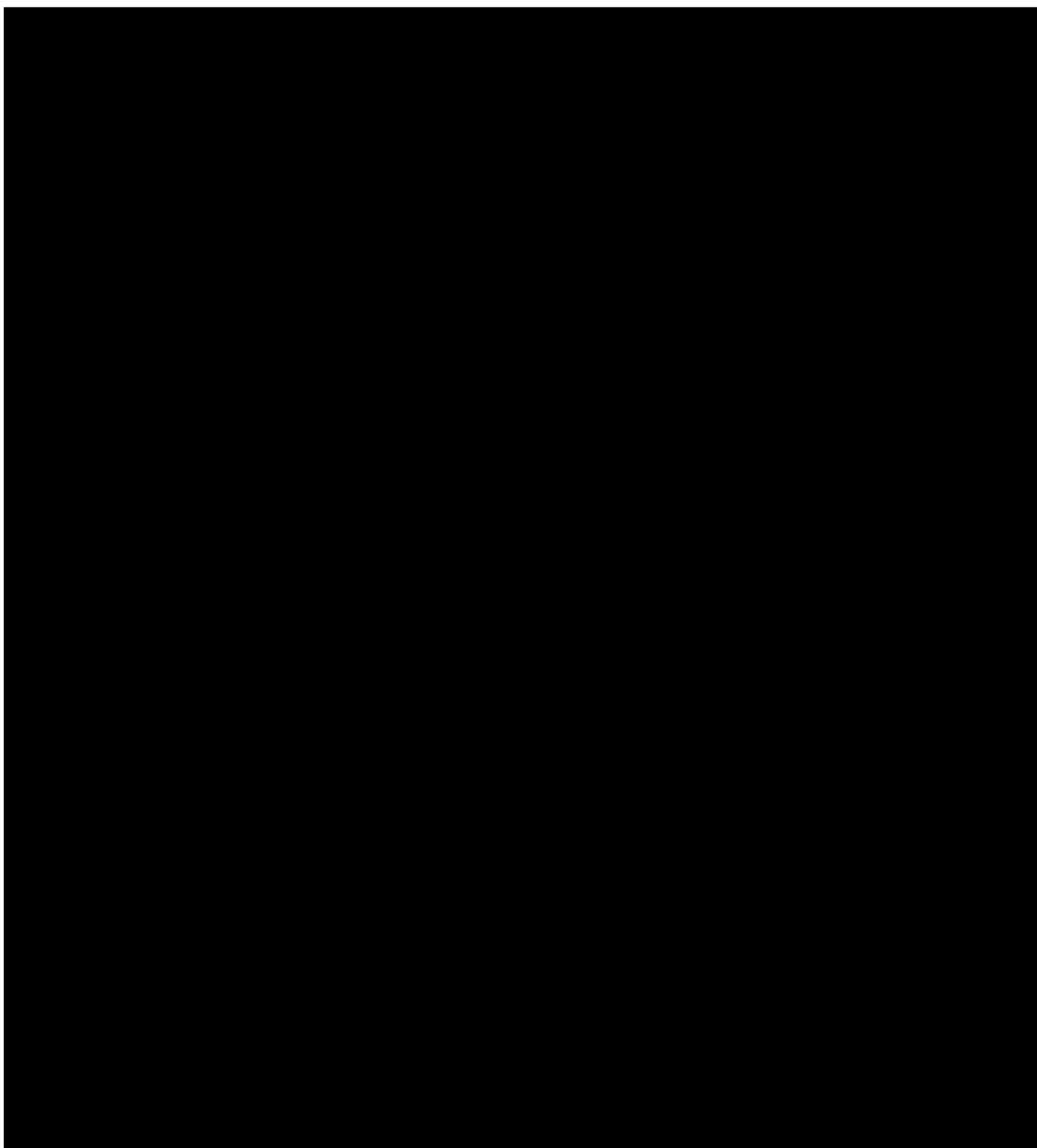
More specifically, the Transaction is the acquisition by Goldman Sachs and Altor (via their respective affiliates) each acquiring 50 % of the shares in a [REDACTED]

. In addition,

, Thus

The Transaction will be effected by a newly established Danish company, [REDACTED], which through a newly established [REDACTED] itself held through [REDACTED] a newly established [REDACTED], to be named [REDACTED] [REDACTED] which will be jointly controlled by Goldman Sachs and Altor,

The following diagram shows the ownership structure of Hamlet following completion of the Transaction: [The whole diagram is confidential]



The proposed Transaction is subject to a merger filing pursuant to the EU Merger Regulation. Thus, in parallel with this standardized notification, a Form CO is being lodged at the European Commission at 10 July 2015. This notification only relates to the part of the Parties' business which falls outside the scope of the European Commission's one-stop-shop jurisdiction pursuant to Article 8 of the EEA Agreement. A more in-depth account of this issue is provided in section 6.1 below.

3 THE STRUCTURE AND BUSINESS AREAS OF THE UNDERTAKINGS CONCERNED

3.1 Goldman Sachs

Goldman Sachs is a global investment banking, securities and investment management firm that provides a range of banking, securities and investment services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high net-worth individuals. Goldman Sachs' global activities are generally

divided into four segments; (i) investment banking, (ii) institutional client services, (iii) investment and lending, and (iv) investment management.

No legal entity or individual person owns a controlling interest in Goldman Sachs.

For more information on Goldman Sachs, please visit: www.goldmansachs.com

3.2 Altor

3.2.1 Overview

Altor Fund IV is a private equity fund, with a committed capital of EUR 2,000 million, which focuses on investments in the mid-market segment of the Nordic region.

The fund manager (Altor Fund Manager AB) of Altor Fund IV has the

[REDACTED]

Besides Altor Fund IV, the Altor funds consist of three more private equity funds and their respective portfolio companies. The additional funds are (i) Altor 2003 Fund, (ii) Altor Fund II and (iii) Altor Fund III. The general partners of these additional funds are wholly owned by

[REDACTED]

[REDACTED]

As a result of the ownership and control structure described above, [REDACTED], the portfolio companies of the four Altor funds and their portfolio companies constitutes one economic entity for merger control purposes.

A list of Altor's controlled portfolio companies is found in the **Altor Confidential Annex 1.**

Among its portfolio investments, Altor Fund III has joint control over EWOS, a Norwegian fish feed producer, together with Bain Capital Investors LLC ("**Bain Capital**").² The soya-based protein produced by Hamlet could potentially be used in EWOS' manufacturing of fish feed. However, for the cost reasons set out below, it is very unlikely that EWOS or its competitors would use Hamlet's products.

For more information on Altor please visit: www.althor.com

3.2.2 EWOS

EWOS is jointly controlled by Altor Fund III and Bain Capital Investors, LLC ("**Bain Capital**"), and produces and supplies fish feed and nutrition for farmed fish. In the EEA, EWOS produces and supplies complete fish feed for salmonids (salmon and trout) from its operating

¹ Altor Fund Manager AB is wholly owned by [REDACTED]

² Bain Capital/Altor/EWOS. Bain Capital' and Altor Fund III' acquisition of EWOS Group was approved by the Norwegian Competition Authority the 25 September 2013. See also Commission decision COMP/M.7015.

facilities in Norway and the UK. Outside the EEA, EWOS produces and supplies fish feed and nutrition for salmonids from its operating facilities in Chile and Canada.³

EWOS also produces and supplies fish feed for pangasius catfish and other species. However, these types of fish feed are produced at its operating facilities in Vietnam and are not sold in the EEA. As the Transaction will have no effect in the EEA in respect of fish feed for pangasius catfish and other species of fish, no further information is provided in respect of these products in this notification.

EWOS' fish feed contains a range of raw material ingredients, including [REDACTED]. EWOS produces a range of different complete salmonid feed products that vary according to functionality.

In Norway, EWOS turnover in 2014 was [REDACTED] and EWOS operating profit was MNOK [REDACTED]

The table below provides an overview of the types of fish feed EWOS produces and the relevant production locations:

Type of Fish Feed	Production Locations
Salmon feed	Norway, Chile, Canada and the UK
Trout feed	Norway, Chile, Canada and the UK
Feed for pangasius catfish and other species	Vietnam

Source: EWOS

Further information on EWOS is available on its website at www.ewos.com

3.3 Target: Hamlet

Hamlet was established in Horsens (Denmark) in 1992 and is engaged in the development, production and sale of soya proteins used in high value animal feed, primarily for young animals such as piglets, calves and poultry. Typical users are animal feed formulators, compound feed manufacturers, pre-mix manufacturers and so-called integrators (i.e. animal producers that produce their own feed).⁵ All of Hamlet's products consist of soya meal treated with Hamlet's patented enzyme treatment process. Hamlet's treatment process (like other protein content enhancement processes used for soya meal) [REDACTED] and, consequently, boosts the protein content of the product.

Hamlet has approximately 95 employees and operates from premises in Horsens and Findlay (Ohio, USA). The company has an annual total turnover of approximately [REDACTED] in 2014, of which almost [REDACTED] was from sales to customers in Denmark and slightly above [REDACTED] from sales to customers in the EEA as a whole.

³ In October 2014, Albain Holdco AS (the EWOS Group's ultimate parent company) acquired Nova Austral. Nova Austral is a Chilean fish farmer that produces salmon in Chile. Nova Austral obtains its fish feed [REDACTED] which buys [REDACTED] has never bought any of [REDACTED]

⁴ The conversion is done using the European Central Bank's bilateral yearly exchange rate (EUR) for 2014.

⁵ Hamlet also sells small volumes of its products to manufacturers of pet food formulations (predominantly in Mexico).

As is evident from the table below, the bulk of Hamlet's products were used in the manufacture of feed for piglets.

Species	Hamlet Turnover 2014
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

The formula of Hamlet's products varies slightly to best support the growth of different animals at different ages. Hamlet has focused on speciality soya protein for young animals such as piglets, calves and poultry. Hamlet has [REDACTED]

Hamlet's turnover in 2014 [REDACTED]

Hamlet has [REDACTED]

To the best of Hamlet's knowledge, [REDACTED]

In line with this, [REDACTED]

In summary, [REDACTED]

3.4 Relevant markets (affected by the transaction)

There is no horizontal overlap between Hamlet and any undertaking controlled by Goldman Sachs or Altor.

There is a potential vertical relationship between Hamlet and EWOS. The Parties consider that this relationship is, at its most acute, only potential because although Hamlet's products could from a purely technical perspective, be used by EWOS, it would not be rational for EWOS to switch from its current soya protein inputs to Hamlet's considerably more expensive products. Hamlet's products have not been developed for fish feed, and this segment has never been a focus area of Hamlet.⁷

⁶ [REDACTED]

⁷ It can be mentioned that among its portfolio investments, Altor (through Altor Fund III) controls Haarslev Industries A/S, a Danish group of companies that designs and manufactures rendering and fish processing equipment as well as equipment for drying of waste water sludge. The rendering and fish processing equipment is primarily used for handling organic raw material in the slaughtering industry (mainly cattle, pigs and poultry), and in the production of fishmeal and fish oil. Haarslev's customers predominantly consist of renderers, slaughter houses, fish and meal plants and the like, who process the organic raw material and typically sell the processed by-products (i.e. the fats, oils, meat- and bone meal etc) to various animal feed producers. The equipment manufactured by Haarslev is used to press, cook, dry and grind the raw material (animal by-products and fish), but can technically also be used to grind, press and dry vegetable raw material such as sunflower seeds and soya beans. Accordingly, Haarslev does not provide any solutions or machinery for the extraction of any kind of vegetable protein. Haarslev does [REDACTED]

At the request of individual customers, Haarslev [REDACTED]

These sales are [REDACTED]

Between 2010 and 2013, [REDACTED]

For the [REDACTED]

For good order, the Parties will nevertheless provide an overview of a description of the products and the potential vertical relationships below. The overview will demonstrate that no competition concerns arise from the Transaction.

3.4.1 Relevant Product Markets for Hamlet (Protein Products)

(i) Protein as an input in animal feed and fish feed

Protein is one of the main ingredients in animal feed and fish feed. It can be obtained from a number of different sources. Manufacturers of animal feed and fish feed can choose from a range of proteins, either of animal origin (i.e. blood plasma, whey protein and fishmeal) or of vegetable origin (i.e. potato protein, pea protein, soya protein, wheat gluten, wheat, rape seed or corn gluten/meal). Often, a feed formulation includes protein from more than one of these sources. The precise composition of the protein component of a feed (and the feed in general) is influenced by a number of factors. These include availability (not all types of protein are available in the required quantities everywhere in the world), the type of feed (depending on the type of animal and its age), tradition and local factors (for example the presence of parasites or diseases) in the relevant country and, crucially, price.

In some feed applications (for example fish feed), price is a more influential factor than in other types of feed because the customers (fish farmers) are very cost sensitive. Given the wide variety of available sources of protein, there are, for all types of animal feed and fish feed, more than one source of protein that potentially can be, and are, used by feed manufacturers.

There are various oilseed meals among the vegetable origin sources of protein. These are the residue that is left after the oil has been extracted from the seeds, usually by crushing. Oilseed meals are mainly derived from soya, rape and sunflower seeds. Depending on the type of feed and other factors as mentioned above, the different types of oilseed meal can be substitutes for one another.

Soya meal is used widely in animal feed and fish feed as a source of protein. It can be used either in an untreated form, where its protein content is around 42-49 % or in the form of soy protein concentrate ("SPC"), in which case its protein content increases to 50-65 %. SPC can be made by one of four types of industrial process: (i) alcohol extraction, (ii) steam extrusion, (iii) fermentation and (iv) biotechnological processing (i.e. enzyme treatment). Hamlet's products generally have a crude protein content of [REDACTED].

(ii) Product Market Definition⁸

In previous decisions, the EU Commission has noted statements that there is considerable substitutability between the different oilseed meals but left it open whether they form a single product market⁹, or concluded that there was a chain of substitution that justified

avoidance of doubt, Haarslev manufactures only processing equipment and does not process any by-products itself. Therefore, the Parties do not provide in this notification any further information on Haarslev's business.

⁸ A summary of relevant precedents from the Danish Competition Council is contained in Annex 2.

⁹ IV/M.941 – ADM/Actos & Hutcheson-Soya Mainz, paragraphs 14 and 15, IV/M.1126– Cargill/Vandemoortele, paragraph 11, COMP/M.2271 – Cargill/Agribrands, paragraph 9 and COMP/M.6626 DLG/DanishAgro/DanHatch, paragraph 25 and COMP/M.6383– Cargill/Lprpfrance, paragraph 35.

considering them all to form part of a single product market¹⁰. The Commission has also considered whether SPC could form a distinct product market but left the conclusion open.¹¹

EWOS and other fish feed manufacturers predominantly use [REDACTED]. In particular, with regard to the types of fish feed manufactured by EWOS, the principle substitutes [REDACTED].

In the Parties' view, Hamlet's products form part of an overall market for protein products that includes (i) at least other vegetable protein products such as oilseed meals; and (ii) protein derived from animal sources.

A more narrowly defined market for Hamlet's products would be the market for soya protein products, which would include SPC and soya meal. An even narrower product market would be limited to SPC.

However, the Parties submit that the precise definition can be left open because even on the basis of the narrower market definition (i.e., limiting the market to SPC), Hamlet's market share is too small to give rise to competition concerns, cf. tables below on Hamlet's market share estimates.

(iii) Relevant Geographic Market

The Parties consider that the geographic market for Hamlet's products is at least EEA-wide. There are no physical, economic or regulatory barriers on Hamlet's products being sold throughout the EEA. [REDACTED] of Hamlet's products sold in the EEA are manufactured in Denmark and shipped to Hamlet's end-user customers and distributors¹². The market could even be wider than the EEA given the high level of imports into the EEA of protein products including oilseed meals such as soya meal and SPC. Soya is only produced marginally within the EEA (to a minor extent in [REDACTED] and the Netherlands) and its supply occurs through imports, primarily in the form of soya meal¹³ but also SPC. [REDACTED]

Hamlet's market share in the market for soya protein products is very minor and amounts to [REDACTED] on a world-wide and EEA-wide basis.¹⁴ Hamlet's market share is also very minor in the narrower product market which is limited to SPC. The Parties estimate that Hamlet's market share does not exceed approximately [REDACTED] either on a worldwide or EEA-wide level in the market for SPC.

¹⁰ COMP/M.2271 – *Cargill/Agribands*, paragraph 9 and COMP/M.6383 – *Cargill/Korofrance*, paragraph 35.

¹¹ IV/M.941 – *ADM/Actos & Hutcheson–Soya Mainz*, paragraph 17 and IB/M.1126–*Cargill/Vandemoortele*, paragraph 12.

¹² Approximately [REDACTED] of Hamlet's sales in the EEA are made [REDACTED]

¹³ In 2014/2015, imports of soya meal into the EU increased by approximately 250,000 MT to 19.6 million MT. For the same period, domestic consumption of soya meal in the EU was 29.74 million MT. (Source: United States Department of Agriculture – Foreign Agricultural Service – June 2015 (*Oilseeds – World Markets & Trade – Soybean Meal Leads Growth in Global Oilseed Meal Trade*), page 3 and Table 26 (*European Union Oilseeds and Products Supply and Distribution*) on page 31).

¹⁴ The Parties are aware that the Norwegian Competition Authority does not have authority to review the effects (if any) in this market, since it is being reviewed by the European Commission. However, for the sake of completeness, information on both the fish feed and the soya protein market(s) are included.

The market for soya protein products is very fragmented, with a number of strong international competitors being active in this market. The Parties believe that no company achieves more than [REDACTED] of the total market volume worldwide or in the EEA in the market for soya protein products. On this basis, the Transaction does not therefore give rise to any competitive concern.

3.4.2 Relevant Product Markets for EWOS's Products

(i) Fish feed – Product Market Definition

Fish feed comprises extruded feed formulated for particular species of farmed fish. The main ingredients are fishmeal, fish oil, vegetable protein, whole wheat, vitamins and pigments. Different formulations of feed may be required for each species of fish and for each stage of its development.

The EU Commission has previously defined separate markets for single feed, compound feed and feed mixes. The Commission has also considered that fish feed is distinct from other animal feed, because the production processes, ingredients, distribution channels and customers for fish feed are very different from those of other types of animal feed.¹⁵

Furthermore, the Commission has also considered a possible further subdivision of fish feed based on the type of fish.¹⁶ In *Nutreco/Stolt-Nielsen/Marine Harvest JV*, the market investigation showed that producers of fish feed can very easily switch from producing feed for one type of fish to another. However, the Commission considered that there could be a distinct market for fish feed for farmed salmon (or salmonids) since over 90 % of the fish feed supplied in Europe is intended for farmed salmon. Nevertheless, the Commission did not reach a definitive conclusion on whether there was a separate market for fish feed for farmed salmon from the overall market of fish feed.

The Parties consider that the precise scope of the relevant market with regard to fish feed can be ultimately left open in the current case as no competition issues arise under any possible market definition. However, as almost all of the feed produced by EWOS in the EEA is complete feed for salmonids, the Parties provide data in this notification on the narrowest possible basis (*i.e.*, complete feed for salmonids) to illustrate that no competition issues arise even on such a narrow basis. In line with the Commission's request to Altor during its review of Altor and Bain's acquisition of EWOS, data is also provided on an even narrower basis segmented between complete feed for salmon and trout respectively in Norway.¹⁷

(ii) Relevant Geographic Market

The Commission has not definitively concluded on the relevant geographic market for fish feed. In *Nutreco/Stolt-Nielsen/Marine Harvest JV*, the Commission considered it to be national, mainly because of the high transport costs. However, based on the responses to its market investigation, the Commission did not find the market for fish feed for salmon regionalized with a distinct market for the North Sea Basin.¹⁸

The Parties consider that there are arguments for and against adopting a national geographic market definition. It is true that fish feed is mainly sold on a national basis due to relatively

¹⁵ Case No. COMP/M.2956 – CVC/PAI Europe/Provimi, paragraph 17.

¹⁶ Case No. COMP/M.3722 – *Nutreco/Stolt-Nielsen/Marine Harvest JV*.

¹⁷ EWOS is unable to provide market share estimates for complete feed for salmon and trout separately for the North Sea Basin.

¹⁸ Case No COMP/M.3722 – *Nutreco/Stolt-Nielsen/Marine Harvest JV*, paragraph 27.

high transport costs, and that producers of fish feed operate in close proximity to the farming regions. Additionally, there are local factors that influence the content of feed in particular countries, for example, the presence of parasites or diseases that need to be treated through feed products. There also tend to be different consumer preferences in the salmon produced in each region, which in turn influences the content of feed sold in that country.¹⁹ However, other evidence suggests that there is trade between Member States, providing support for a geographic market definition that is wider than national. For example, EWOS's turnover [REDACTED] shows that it makes sales [REDACTED]. Additionally, some of the products produced by EWOS [REDACTED].

The Parties consider that the precise scope of the relevant geographic market for fish feed (including the narrower market of complete feed for salmonids) can be left open because no competition concerns arise under any possible geographic market definition. However, to illustrate that no competition issues arise irrespective of whether the relevant geographic market is national or regional the Parties provide data in this notification at both a national (Norway) and regional (North Sea Basin) level.

[The tables below are confidential in their entirety]

**Market Share Estimates (Norway)²⁰,
for Sale of Complete Feed for Salmonids, 2012 to 2014**

COMPLETE FEED FOR SALMONIDS, NORWAY						
	2014		2013		2012	
	Volume (Tonnes)	%	Volume (Tonnes)	%	Volume (Tonnes)	%
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Source: EWOS - Internal Estimates

¹⁹ For example, consumers of [REDACTED] prefer fish with a [REDACTED]. Accordingly, the feed produced and sold to [REDACTED] salmon farmers tends to have [REDACTED] in comparison to feed produced in and sold to [REDACTED] salmon farmers.

²⁰ EWOS does not have any reliable information available to estimate market shares based on value.

**Market Share Estimates (North Sea Basin)²¹
for Sale of Complete Feed for Salmonids, 2012 to 2014**

COMPLETE FEED FOR SALMONIDS, NORTH SEA BASIN ²²						
	2014		2013		2012	
	Volume (Tonnes)	%	Volume (Tonnes)	%	Volume (Tonnes)	%
Total						

Source: EWOS - Internal Estimates

**Market Share Estimates (Norway)²⁴,
for Sale of Complete Feed for Salmon and for Trout, 2012 to 2014²⁵**

COMPLETE FEED FOR SALMON AND TROUT, MARKET SHARES, NORWAY						
	2014		2013		2012	
	Volume (Tonnes)	%	Volume (Tonnes)	%	Volume (Tonnes)	%

Source: EWOS - Internal Estimates

3.4.3 Competitive Analysis

As mentioned above there is no horizontal overlap between Hamlet and any undertaking controlled by Goldman Sachs or Altor.

3.4.3.1 No vertical Relationship between Hamlet and EWOS

The potential vertical relationship between Hamlet and EWOS is purely theoretical given the significantly higher cost of Hamlet's products as compared to soya meal and other sources of protein used by EWOS and its competitors. Hamlet has never developed any special products

²¹ EWOS does not have any reliable information available to estimate market shares based on value.

²² The "North Sea Basin" comprises the following countries: Norway, UK, Faroe Islands, Ireland, Finland, France, Denmark and Sweden.

²³ [REDACTED] include for example [REDACTED] with a total volume of [REDACTED] in Norway for 2014.

²⁴ Please, note that EWOS does not have estimates of market shares based on value.

²⁵ EWOS does not have competitor market shares estimates on the basis of these narrower segments.

for the fish segment specially adapted to the nutrition needs of fish. The fact that Hamlet has, in the recent past, had [REDACTED]

EWOS uses several different sources of protein in its products, largely to lower their cost. The most commonly used sources of protein by EWOS are [REDACTED]

[REDACTED] Fishmeal contains essential nutrition for fish (especially vitamins and omega 3), making it a very suitable and important protein source for fish. The main reason why EWOS does not only use fishmeal to provide protein in its products is [REDACTED] SPC is just one of the sources of protein that EWOS uses to formulate its products so as to give them the required characteristics at an acceptable cost.

EWOS's customers are not likely to prefer fish feed including Hamlet's products. They are more interested in a high content of fishmeal in the products since this increases the concentration of vitamins and omega 3 in the fish. In fact, EWOS [REDACTED]

EWOS purchases almost all of its SPCs from [REDACTED] Moreover, EWOS is able to purchase SPS from [REDACTED] on competitive terms because the production cost in [REDACTED] is very low. Hamlet, on the other hand, has higher production costs compared to the [REDACTED] producers because it is more costly to ship the soya beans and soya meal to Europe compared to shipping the (higher value) SPS from [REDACTED] to Europe and because it refines soya meal through its production process.

The Parties therefore submit that in reality, there is no vertical relationship between Hamlet and EWOS.

If a vertical relationship is considered to exist between Hamlet and EWOS based on the relevant market definitions presented above, the Transaction would give rise to the following vertically affected markets (solely because [REDACTED]):

- (a) Soya protein products (worldwide and EEA-wide), or alternatively, SPC (worldwide and EEA-wide)²⁷; and
- (b) Complete feed for salmonids in Norway and, alternatively, in the North Sea Basin.

However, even if there was considered to be a vertical relationship between Hamlet and EWOS, there is no credible basis for concern that the Transaction would give rise to anti-competitive vertical effects.

3.4.3.2 No input foreclosure

There is no risk of input foreclosure because Goldman Sachs and Altor have neither the ability nor the incentive to pursue a foreclosure strategy.

²⁶ Further information on these companies can be found at their respective websites: [REDACTED]

²⁷ The Parties are aware that the Norwegian Competition Authority does not have authority to review the effects (if any) in this market, since it is being reviewed by the European Commission. However, for the sake of completeness, information on both product markets are included in this notification.

No ability to foreclose: Hamlet lacks market power in the sale of its products to EWOS's competitors. EWOS's competitors can and do obtain soya-based protein from numerous large international suppliers (such as [REDACTED]). As indicated above, Hamlet is currently [REDACTED]

Hamlet's sales

Hamlet's sales

Hamlet is

therefore,

Moreover, on all plausible definitions of the relevant market for Hamlet's products, its market share [REDACTED]

[REDACTED] Therefore, Hamlet does not have a sufficiently significant market position to be able to foreclose EWOS's competitors.

No incentive to foreclose: Even if fish feed manufacturers did consider Hamlet's products to be a viable substitute for their existing sources for soya protein despite the higher cost, Altor would not be able to cause Hamlet to pursue a strategy that detrimentally affected Hamlet's profitability in order to reinforce EWOS's competitive position. By ceasing to support other customers in favour of EWOS, Hamlet would forgo substantial turnover and profit. Consistent with the Commission's findings in other cases involving jointly controlled undertakings, Goldman Sachs, which will have joint control of Hamlet, would not have any incentive to allow Hamlet to pursue such a strategy as it would significantly undermine Goldman Sachs's investment in Hamlet.²⁸

Moreover, selling Hamlet's products only or mainly to EWOS and discriminating against other customers would jeopardise Hamlet's business model and Goldman Sachs and Altor's investment goals in relation to the Transaction.

3.4.3.3 No customer foreclosure

There is also no risk of customer foreclosure.

No ability to foreclose: Even if EWOS switched its entire demand for soya protein to Hamlet (which for the reasons set out above is inconceivable), there would remain significant demand for soya protein from other users thereof. EWOS's demand for soya protein products (approximately [REDACTED]) amounts to less than [REDACTED] of the total sales in the EEA of soya protein products and, using a narrower market definition for Hamlet's products, between [REDACTED] of the total sales in the EEA of SPC.

No incentive to foreclose: In the same way Goldman Sachs would prevent Altor from causing Hamlet to pursue an input foreclosure strategy, Bain Capital (which has joint control of EWOS), would not allow EWOS to purchase Hamlet's products unless they were being sold to EWOS on competitive terms. This is consistent with the Commission's findings in other cases involving jointly controlled undertakings.²⁹

²⁸ For example, COMP/M.4696 – KKR/Harman, paragraph 40 and COMP/M.7537 – Ardian France/ F2i SGR/F2i Aeroporti, paragraphs 44 and 45.

²⁹ For example, COMP/M.4696- KKR/Harman, paragraph 40 and COMP/M.7537 – Adrian France/F2i SGR/F2i Aeroporti, paragraphs 44 and 45.

3.5 2014 TURNOVER AND OPERATING PROFIT IN NORWAY³⁰

Company	Total turnover (MNOK)	Turnover from products falling outside of the EEA Agreement (MNOK)	Operating profit (MNOK)
Goldman Sachs	[REDACTED]	[REDACTED]	[REDACTED]
Altor	[REDACTED]	[REDACTED]	[REDACTED]
Hamlet	[REDACTED]	[REDACTED]	[REDACTED]

4 MOST IMPORTANT COMPETITORS, CUSTOMERS AND SUPPLIERS**4.1 Soya Protein Products (Relevant Product Markets for Hamlet)****4.1.1 Most important competitors**

[REDACTED]

4.1.2 Most important customers

For Hamlet: [REDACTED]

In Norway, [REDACTED]

4.1.3 Most important suppliers

For Hamlet: [REDACTED]

³⁰ Conversions are done using the European Central Bank's bilateral yearly exchange rate for 2014.

³¹ Goldman Sachs's reported worldwide net revenues was USD 34.53 billion. The most recent year for which turnover for Norway is available is 2013, covering all business activities, investments and portfolio company revenues. In 2013, Goldman Sachs's turnover in Norway was [REDACTED]

³² More information about [REDACTED]
³³ [REDACTED] total revenue ([REDACTED]) was generated by the sale of [REDACTED]
 [REDACTED] (Source: [REDACTED])
 Based on the Parties' market share estimate for the worldwide market of

soya protein products, [REDACTED]
³⁴ More information about [REDACTED]
³⁵ More information about [REDACTED]
³⁶ More information about [REDACTED]
³⁷ More information about [REDACTED]
³⁸ More information about [REDACTED]
³⁹ More information about [REDACTED]
⁴⁰ More information about [REDACTED]
⁴¹ More information about [REDACTED]
⁴² [REDACTED]

4.2 Fish feed (Relevant Product Market for EWOS's Products)

4.2.1 Most important competitors

For EWOS:

4.2.2 Most important customers

For EWOS:

4.2.3 Most important suppliers

For EWOS:

5 ANNUAL REPORTS AND ANNUAL ACCOUNTS

Annex 3: Goldman Sachs Annual Report/ Annual Accounts 2014.

Altor Confidential Annex 4: Altor Fund Manager AB Annual Report 2014.

Annex 5: Hamlet Protein A/S Annual Report 2014.

EWOS⁴⁸ Annual Report 2014 can be found here: <http://www.reporting.ewos.com/>

6 CONDITIONS FOR THE SUBMISSION OF A SIMPLIFIED NOTIFICATION

The acquisition by Goldman Sachs and Altor of Hamlet constitutes a change of control pursuant to section 17 of the Norwegian Competition Act. As Hamlet's operation in Norway is of an insignificant dimension, the Transaction qualifies for a simplified notification in accordance with the Regulation on Notification of Concentrations, Section 3 (1).

7 JURISDICTION

As outlined in section 2 above, the proposed Transaction is subject to a merger filing obligation to the European Commission. The European Commission has in previous decisions formed a view that its jurisdiction is determined by the application of the EEA Agreement.⁴⁹

Article 8 (3) of the EEA Agreement provides that "unless otherwise specified", the provisions of the EEA Agreement shall apply only to:

- (a) Products falling within Chapter 25 to 97 of the Harmonized Commodity Description and Coding System, excluding the products listed in Protocol 2; (the "Harmonised Commodity Description and Coding System" is referred to as the "HS Nomenclature" and each code is an "HS Code".)
- (b) Products specified in Protocol 3, subject to the specific arrangements set out in that Protocol.

⁴³ Soya protein.

⁴⁴ Fishmeal and fishoil.

⁴⁵ Soya protein.

⁴⁶ Wheat gluten.

⁴⁷ Fish protein concentrate.

⁴⁸ Both for EWOS Holding and EWOS Group.

⁴⁹ See for example COMP/M.7015. *Bain Capital/Altor/EWOS* and the Standardized Notification of a concentration: Bain Capital Investors, LLC and Altor Fund III Acquisition of joint control in EWOS Group filed to the Norwegian Competition Authority 4 September 2013.

The Parties understand that the Commission, based on its conversations with the EFTA Surveillance Authority in the context of a recent prior transaction involving Altor and EWOS (COMP/M.7015- *Bain Capital/Altor/EWOS*⁵⁰), considers that for it to have jurisdiction to review all aspects of the Transaction, the products that give rise to affected markets, including fish feed and soya protein, must fall within Article 8 (3).

Fish feed falls within HS Code 2309.90. Also soya protein falls within Chapter 23 of the HS Code (when Hamlet exports its products, HS Code 23099096 applies) and when Hamlet imports its own products from the US, HS Code 23040000 applies⁵¹. Hence, neither fish feed (i.e. fish feed) nor soya protein is covered by Article 8 (3) and therefore they, in the Parties' understanding, fall outside the scope of the EEA Agreement.

Consequently, since fish feed and soya protein fall outside the scope of the EEA Agreement, the Parties understand that article 8 (3) of the EEA Agreement to imply that this aspect of the Transaction – insofar as it relates to the EEA countries – falls to be reviewed by the relevant national authorities provided the applicable national merger control tests are satisfied.

8 IN CASE OF JOINT VENTURES: IF PARENT COMPANIES ARE PRESENT ON SAME OR NEIGHBOURING MARKETS

As mentioned above, Altor - through its subsidiary EWOS - will technically be present on one of the downstream markets for Hamlet.

9 BUSINESS SECRETS

Information identified with double underlining is business secrets and not to be disclosed. The reasons for this information being business secrets are set out at Annex 6.

10 CONCLUDING REMARKS

The Parties do not consider that the acquisition of Hamlet by Goldman Sachs and Altor will create or strengthen a significant restriction of competition contrary to the purposes of Norwegian competition law.

Against this background of the above, Goldman Sachs and Altor respectfully request that the contemplated Transaction is approved. If the Competition Authority has any questions to this notification, please feel free to contact the undersigned.

Best regards

Advokatfirmaet Thommessen AS



Svein Terje Tveit
Advokat

⁵⁰ The acquisition of joint control of EWOS by Bain Capital Investors, LLC and Altor Fund III was notified to the Commission on 2 September 2013 and the Norwegian Competition Authority on 4 September 2013.

⁵¹ COMP/M.7015 – *Bain Capital/Altor/EWOS*, paragraph 14.