DETERMINATION OF MERGER NOTIFICATION M/25/058 – EXPONENT/TREATT

Section 21 of the Competition Act 2002

Proposed acquisition by Exponent Private Equity (Holdings) LLP, through its portfolio company Natara Global Limited, of sole control of Treatt PLC

Dated 3 October 2025

Introduction

1. On 15 September 2025, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the "Act"), the Competition and Consumer Protection Commission (the "Commission") received a notification of a proposed acquisition whereby Exponent Private Equity (Holdings) LLP ("Exponent") through its portfolio company Natara Global Limited ("Natara") would acquire sole control of Treatt PLC ("Treatt") (the "Proposed Transaction").

The Proposed Transaction

2. The details and principal terms of the Proposed Transaction were announced on 8 September 2025 pursuant to Rule 2.7 of the City Code of Takeovers and Mergers (the "Announcement"). On the same date Natara and Treatt entered into a cooperation agreement (the "Cooperation Agreement"). The Announcement and the Cooperation Agreement state that the Proposed Transaction is expected to be effected by way of a court-sanctioned scheme of arrangement under Part 26 of the United Kingdom Companies Act 2006.[1] Both the Announcement and the Cooperation Agreement reserve the right of Natara to effect the Proposed Transaction by way of a takeover offer.[2]

[1] The scheme of arrangement is subject to passing of the required shareholder approvals and to sanction by the Court.

[2] Subject to the consent of the UK Takeover Panel (where necessary) and the terms of the Cooperation Agreement.

3. The business activities of the undertakings involved are:

The Acquirer – Exponent

- Exponent is an international private equity group based in the United Kingdom that invests in companies across various sectors such as food, transportation, advertising and financial services.

- In the State, Exponent generates revenue through 15 of its portfolio companies, including Natara.

- Natara is a global producer of aroma chemicals, which are base products used as inputs in the flavour and fragrance ("F&F") industry. Natara has four manufacturing sites across the UK, US and China, which supply products globally to F&F houses as well as food and beverage companies. Natara does not have a corporate presence in the State and is active exclusively through the supply of aroma chemicals.

The Target – Treatt

- Treatt is a public limited company currently listed on the London Stock Exchange, which produces and supplies F&F compounds to customers at different levels of the supply chain, including F&F houses as well as food and beverage companies.

- Treatt also supplies aroma chemicals, which are principally sourced from third-party manufacturers [redacted].

- The Target has manufacturing facilities in the UK and US, as well as a commercial and innovation centre in China. The Target does not have a corporate presence in the State and is active through the supply of aroma chemicals and F&F compounds.

4. After examination of the notification, the Commission has concluded that the Proposed Transaction falls within the scope of paragraph 2.1 of the Simplified Merger

Notification Procedure Guidelines for assessing certain notifiable mergers or acquisitions under section 18 of the Act since:

- two or more of the undertakings involved in the merger/acquisition are active in the same product and geographic market, but their combined market share is less than 15%;

- where one or more undertakings involved in the merger/acquisition are active in any market(s) which is upstream or downstream to a market(s) in which another undertaking involved is active, but the market share of each in each market is less than 25%; and

- none of the exclusions stipulated in paragraphs 2.8 to 2.15 of the SMNG apply to the undertakings or the markets in which the undertakings operate.

5. This conclusion was reached on the basis that, while both Parties are active in the potential market for the supply of aroma chemicals in the State, their combined market share is less than 15%.

Ancillary Restraints

6. No ancillary restraints were notified.

Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of proposed acquisition whereby Exponent Private Equity (Holdings) LLP, through Natara Global Limited, would acquire sole control of Treatt PLC will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

Alan Scarlett

Director of Mergers

Competition and Consumer Protection Commission