



Freudenberg - Nilfisk

MN-70005

Phase 1 Determination

Acquisition may be put into effect

12 March 2026

1. Determination and statement of reasons

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| <p>Notified acquisition</p> | <p>Freudenberg Home and Cleaning Solutions GmbH's (Freudenberg) proposes to acquire 100% of share capital in Nilfisk Holding A/S (Nilfisk) (the Acquisition).</p> |
| <p>Determination</p> | <p>The Australian Competition and Consumer Commission has determined under section 51ABZE(1) of the <i>Competition and Consumer Act 2010</i> (Cth) that the Acquisition may be put into effect.</p> |
| <p>Parties to the Acquisition</p> | <p>The acquirer, Freudenberg, supplies manual cleaning tools and other cleaning products in Australia. Freudenberg's brands include Vileda and Oates. Its products include mops and floorcare, brooms, brushware, cloths and wipes, dusters, cleaning carts and trolleys, waste management, window cleaning equipment, spray bottles, durable gloves, and various cleaning chemicals. It supplies these products primarily for retailer customer use.</p> <p>Freudenberg is a wholly-owned subsidiary of Freudenberg & Co. KG, which is headquartered in Germany. Freudenberg manufactures its manual cleaning products overseas and imports them into Australia through third party distributors and large retailers which on-sell to end customers.</p> <p>The target, Nilfisk, supplies professional cleaning machines for commercial use in Australia including floorcare machines, vacuum cleaners, pressure washers and related accessories and consumables. It also provides machine repair and maintenance services.</p> <p>Nilfisk is the holding company of the Nilfisk group of companies (the Nilfisk Group). The Nilfisk Group is a global original equipment manufacturer for these cleaning machines. Nilfisk manufactures its professional cleaning machines overseas and imports them into Australia through third party distributors which then on-sell to end customers.</p> |
| <p>Overlap between the parties</p> | <p>While the Parties both supply cleaning products, there is minimal overlap between the Parties. Freudenberg supplies manual cleaning products, primarily for retailer customer use, and some professional use. Nilfisk supplies cleaning machines, primarily for professional use.</p> |
| <p>Reasons for determination</p> | <p>When making a determination in Phase 1, the Australian Competition and Consumer Commission (ACCC) undertakes a competition assessment and considers whether it is appropriate for an acquisition to be approved or subject to further assessment in Phase 2 in accordance with section 51ABZJ of the <i>Competition and Consumer Act 2010</i> (Cth) (the Act). In doing so, the ACCC must have regard to the object of the Act and all relevant matters, including the interests of consumers.</p> <p>For more information about the ACCC's approach to considering notified acquisitions, see the ACCC's merger assessment guidelines and interim merger process guidelines.</p> <p>In conducting its competition assessment, the ACCC has considered the information and documents that were submitted with the notification form, information from third parties, and publicly</p> |

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| | <p>available information.</p> <p>The ACCC has determined that the Acquisition may be put into effect as it considers that the Acquisition is unlikely to have the effect of substantially lessening competition in any market. In reaching its decision, and based on the material before it, the ACCC makes the following findings.</p> <ul style="list-style-type: none"> • The Parties are not close competitors, and its products are not readily substitutable for each other. Freudenberg supplies manual cleaning products (such as mops, brooms, cloths and wipes) for both consumer and professional use, whilst Nilfisk supplies professional cleaning machines (such as pressure washers, and commercial and industrial vacuum cleaners, for professional cleaning customers) largely for commercial use. • Post acquisition, the Parties would continue to face competition from alternative suppliers of manual cleaning products and professional cleaning machines in Australia, including several competitors which are of a similar size, or larger than the Parties. • While some market participants suggested that the acquisition could enable the Parties to tie or bundle manual cleaning products and professional cleaning machines, or foreclose access to inputs used in the manufacture of cleaning machines, the ACCC considers that the merged entity would be unlikely to have the ability and incentive to do so due to the presence of competitors in both the manual cleaning product and professional cleaning machine markets in Australia. |
| <p>Applications for review</p> | <p>A notifying party, or other person who has been allowed to do so by the Australian Competition Tribunal, may apply for review if they are dissatisfied with the determination. Pursuant to section 100C of the Act, applications for review of the determination are to be made to the Australian Competition Tribunal before the end of 14 calendar days after this statement of reasons was included on the ACCC's Acquisitions Register. To confirm whether there has been any application for review, please contact the Australian Competition Tribunal.</p> |

Determination made by a division of the Commission constituted by a direction issued pursuant to section 19 of the Act