

Anticipated acquisition by LB Group Co., Ltd of titanium dioxide (TiO₂) business related assets of Venator Materials UK Limited

Decision on relevant merger situation and substantial lessening of competition

ME 7138/25

The CMA's decision on reference under section 33 of the Enterprise Act 2002 given on 23 April 2024. Full text of the decision published on 4 June 2026.

Please note that [X] indicates confidential information which has been excluded from this published version of the decision.

THE PARTIES AND THE TRANSACTION

1. On 15 October 2025, Billions Europe Ltd, an indirectly wholly owned subsidiary of LB Group Co., Ltd (**LB**), agreed to acquire the assets related to the titanium dioxide (**TiO₂**) business formerly operated by Venator Materials UK Limited (**Venator UK**) (in administration) at its plant located in Greatham, United Kingdom (**UK**) (the **Target**) (the **Merger**).^{1,2}
2. LB is headquartered in Henan Province, China and listed on the Shenzhen Stock Exchange. The LB group primarily manufactures and supplies a wide range of TiO₂ pigments for multiple applications.³

¹ Final Merger Notice submitted to the CMA on 16 March 2026 (**FMN**), paragraphs 2.1 and 2.12. LB and the Target are together referred to as the Parties and, for statements relating to the future, the Merged Entity.

² The Competition and Markets Authority (**CMA**) commenced its phase 1 investigation on 16 March 2026 after the CMA's mergers intelligence function identified the Merger as warranting an investigation. The Parties informed the CMA that the Merger was also the subject of review by competition authorities in Poland, Germany, Spain, Morocco, Turkey, and Saudi Arabia. FMN, paragraph 2.18.

³ FMN, paragraphs 2.2 and 2.3.

3. Venator UK is an indirectly wholly owned subsidiary of Venator Materials PLC (in administration) (**Venator**), a global chemical company headquartered in the UK. Prior to entering administration, Venator was principally focused on the manufacture and sale of TiO₂ pigments. The Target comprises the assets related to the production and supply of TiO₂ pigments at Venator UK's Greatham plant in the UK.⁴
4. The Parties overlap in the supply of TiO₂ pigments for use in coatings and plastics (**mass applications**) globally, including in the EEA and UK.⁵ TiO₂ pigments are used to opacify, brighten and whiten a variety of industrial and consumer products.⁶

JURISDICTION

5. The CMA believes that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation. Each of LB and the Target is an enterprise;⁷ these enterprises will cease to be distinct as a result of the Merger. The share of supply test is met.⁸

THIRD-PARTY VIEWS

6. Just over half of customers thought the Merger may have a positive impact on competition.⁹ A small minority of customers thought the Merger may have a negative impact.¹⁰

⁴ FMN, paragraphs 2.6 and 2.7. At the time of pre-notification, Venator also owned three other TiO₂ pigment manufacturing sites: Huelva (Spain), Uerdingen (Germany) and Teluk Kalong (Malaysia) which were being sold through insolvency processes. Parties' response to the CMA's Request for Information (**RFI**) dated 27 January 2026 (**RFI 1**), paragraph 3.1.

⁵ The Parties both manufacture and supply chloride-based TiO₂ pigments. LB also produces sulphate-based TiO₂ pigments. FMN, paragraphs 11.1, 11.7 and Table 5.

⁶ FMN, paragraph 11.2.

⁷ The Parties submitted that the Target does not constitute an enterprise because the assets being transferred will not be acquired in a state that enables economic continuity (FMN, paragraph 5.2). Based on the evidence it has received, the CMA believes that the Target constitutes an enterprise under section 129 of the Enterprise Act 2002 (the **Act**). In particular: (i) the Target includes land, plant and machinery, employees to which the Transfer of Undertakings (Protection of Employment) Regulations apply, goodwill, intellectual property, inventory and customer lists (Parties' Internal Document, Annex 003 to the FMN, 'Project Alpha - APA - executed version [EN] - Confidential Contains Business Secrets' (**APA**), clauses 3.1 and 20.1); (ii) the plant is being maintained in a state to enable restarting production (APA, clauses 7.1(c)–(e) and 20.1); and (iii) customers and competitors regard the Target as amounting to a business (eg note of a call with a third party, January 2026, paragraph 28; note of a call with a third party, February 2026, paragraph 22; and note of a call with a third party, January 2026, paragraph 24).

⁸ See the Act section 23. LB has a UK turnover exceeding £10 million and, based on CMA estimates using sales (volume) data gathered from the Parties, competitors and import records, for the period 1 January 2025 to 30 September 2025 inclusive, the Merger would result in the Merged Entity supplying greater than 25% of chloride-based TiO₂ pigments for use in (i) mass applications and (ii) coatings (alone) in the UK.

⁹ For example, by increasing production in the UK and Europe and increasing competition among TiO₂ suppliers. Response to the CMA questionnaire from a number of third parties, March 2026, question 10.

¹⁰ With concerns related to there being less competition, choice for customers and the LB group gaining a stronger position in the market. Response to the CMA questionnaire from a number of third parties, March 2026, question 10.

7. Most competitors thought the Merger would have a negative impact on competition.¹¹ Several competitors raised concerns that the Merger would allow LB Group to distort prices, including by allowing LB Group to circumvent anti-dumping duties on Chinese imports of TiO₂ pigments into the EU,¹² thereby harming competitors (and, consequently, competition).¹³

COUNTERFACTUAL

8. The CMA assesses a merger's impact relative to the situation that would occur absent the merger (ie the counterfactual).¹⁴
9. The Parties submitted that the CMA should assess the competitive impact of the merger against an 'exiting firm' counterfactual in which, absent the Merger, the Target would exit the market as a result of financial failure.¹⁵
10. For the CMA to accept an exiting firm counterfactual at phase 1, it must believe, based on compelling evidence, that it is inevitable that absent the Merger:¹⁶
- (a) the firm would have exited (through failure or otherwise) (**Limb 1**); and, if so
 - (b) there would not have been an alternative, less anti-competitive purchaser for the firm or its assets to the acquirer in question (**Limb 2**).
11. Where the CMA concludes that a merging firm would exit absent the merger and there would not have been an alternative, less anti-competitive purchaser for the firm or its assets, it will not find an SLC.¹⁷
12. Only events that would have happened in the absence of the merger under review – and are not a consequence of it – can be incorporated into the counterfactual.¹⁸ Therefore, in its assessment, the CMA will consider whether (and if so how) the

¹¹ Response to the CMA questionnaire from a number of third parties, March 2026, questions 11 and 13.

¹² See eg response to the CMA questionnaire from a number of third parties, March 2026, questions 11 and 13. Competitors submitted that this could be achieved, for example, by using the Target to finish the production of TiO₂ pigments in the UK using base pigments produced in China. See eg: response to the CMA questionnaire from a number of third parties, March 2026, questions 11 and 13; submission to the CMA from a third party, February 2026, page 2; submission to the CMA from a third party, November 2025, paragraphs 4.8 and 5.1; submission to the CMA from a third party, November 2025, paragraphs 1.2, 1.3 and 1.5. Competitors also raised that the Merged Entity would have access to Chinese subsidies. See eg: response to the CMA questionnaire from a number of third parties, March 2026, questions 11 and 13; submission to the CMA from a third party, November 2025, page 5; submission to the CMA from a third party, November 2025, paragraph 4.4; submission to the CMA from a third party, November 2025, paragraph 1.2.

¹³ See eg: response to the CMA questionnaire from a number of third parties, March 2026, questions 11 and 13; submission to the CMA from a third party, November 2025, page 2; submission to the CMA from a third party, November 2025, paragraphs 4.6, 4.8 and 5.1; submission to the CMA from a third party, November 2025, paragraphs 1.5. One competitor said the Merger would increase the risk of it exiting the market. Response to the CMA questionnaire from a third party, March 2026, question 13.

¹⁴ [CMA's Merger Assessment Guidelines](#) (CMA129), March 2021, paragraph 3.1. In its assessment of mergers at phase 1, the CMA is required to assess whether the merger creates a realistic prospect of an SLC ([CMA129](#), paragraph 3.12).

¹⁵ FMN, paragraph 10.5.

¹⁶ [CMA129](#), paragraphs 3.21 and 3.23.

¹⁷ [CMA129](#), paragraph 3.23.

¹⁸ [CMA129](#), paragraph 3.4.

merger may have impacted the likelihood of exit of, and the availability of alternative purchasers for, the exiting firm.

Limb 1

13. Both Venator and Venator UK are in administration.¹⁹ While this indicates that the financial position of Venator UK is serious, it is not sufficient to demonstrate that exit of Venator UK, and thereby the Target,²⁰ is inevitable.²¹ The CMA has assessed whether it is realistic that, absent the Merger, Venator UK would have been able to meet its financial obligations in the near future and whether it could have restructured successfully to avoid financial failure.²²

Whether, absent the Merger, Venator UK would have been able to meet its financial obligations in the near future

14. Venator's financial accounts show that Venator had been heavily loss making in recent years:
- (a) Venator's FY2022 and FY2023 statutory accounts cast significant doubt over Venator's ability to continue as a going concern, with its FY2023 accounts stating that Venator was forecast to fall below its targeted liquidity level in October 2025. Its FY2023 accounts also show an operating loss of \$337m and a net cash loss from operating activities of \$469m.²³ⁱ
 - (b) Venator's December 2024 management accounts show an operating loss of \$[REDACTED]m in FY2024, as well as a net cash loss from operating activities of \$[REDACTED]m.²⁴
 - (c) Venator's June 2025 management accounts show an operating loss of \$[REDACTED]m in the first six months of 2025, as well as a net cash loss from operating activities of \$[REDACTED]m.²⁵
15. Venator engaged Lazard to conduct a sales process for its TiO2 business in 2024, which continued until agreement of the Merger.²⁶ Venator continued to consider

¹⁹ Venator went into administration on 2 September 2025 and Venator UK went into administration on 22 October 2025. FMN, paragraph 2.8.

²⁰ The Merger is structured as an asset sale. As the Target is part of Venator UK, the exit of Venator UK would include the exit of the Target.

²¹ CMA129, paragraph 3.27.

²² In its assessment, the CMA considered: Venator UK's profitability over time, cash flows and balance sheet; action management had taken to address Venator UK's position; and Venator UK's ability to obtain financial support. CMA129, paragraph 3.28.

²³ See 'Group of companies' accounts made up to 31 December 2025', pages 23, 48, 85 and 91 available at [Venator Materials plc - Companies House](#), accessed by the CMA on 21 April 2026.

²⁴ See Venator Internal Document, Annex 450 to the FMN, [REDACTED], 31 December 2024, pages 3 and 6.

²⁵ See Venator Internal Document, Annex 449 to the FMN, 30 June 2025, pages 3 and 6.

²⁶ The Target was initially marketed as part of a package including Venator's Huelva, Uerdingen and Teluk Kalong sites although bidders had the option to bid on a smaller perimeter, which was subsequently pursued. FMN, paragraph 10.42;

other options during the sale process, such as the continued operation of the Target as a going concern with creditor support or liquidation.²⁷

16. Venator's internal documents evidence that Venator UK was due to run out of cash and would need to be put into administration in mid-September, absent further funding from creditors, which was not expected to be forthcoming without an agreed sale of the Target.²⁸
17. While Venator commenced a sales process in 2024, the Merger remained uncertain until a very late stage in the process, with Venator continuing to explore other sale options in the meantime.²⁹ Therefore, the CMA does not consider that the Merger negatively impacted Venator UK's ability to meet its financial obligations in the near future.
18. On the basis of the evidence it has received, the CMA does not consider it realistic that, absent the Merger, Venator UK would have been able to meet its financial obligations in the near future.

Whether, absent the Merger, Venator UK could have restructured successfully

19. Throughout 2024, Venator considered the option of improving the performance of its TiO2 business and implementing cost saving measures.³⁰ Many of its cost saving measures were expected to require funding in 2025 to realise anticipated benefits that would not occur before 2026/2027.³¹ The Parties submitted that, therefore, they were largely not implemented to preserve cash and attempt to keep the facilities solvent.³²
20. As part of its sales process, Venator explored extensively the option of a two-site model in which the Target and Huelva site would enter into restructuring plans and continue to operate, pending a later sale.³³ In July 2025, advisers to Venator's board identified this option as being likely to deliver greater value for secured

Third-party response to the CMA's RFI, 12 March 2026; Venator Internal Document, Annex 460 to the FMN, 3 April 2025, slide 4; and Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slide 3.

²⁷ See Venator Internal Document, Annex 460 to the FMN, 3 April 2025, slides 5-6.

²⁸ See: Venator Internal Document, Annex 438 to the FMN, 17 July 2025, slide 21; Venator Internal Document, Annex 487.0 (DOCID VEN-00004884) to the CMA's section 109 Notice (**s 109**), dated 9 February 2026, 26 September 2025. Consistent with this, Venator prepared a document for secured lenders dated 20 August 2025 to ask lenders to provide funding in the region of \$[REDACTED]m - \$[REDACTED]m to allow Venator UK to continue trading until the end of the year while they sought to sell the business, to which the Parties submitted that no lender responded. See Venator Internal Document, Annex 487.0 (DOCID VEN-00004611) to the CMA's s109, dated 9 February 2026, 20 August 2025, slide 30; Parties' response to the CMA's RFI dated 16 February 2026 (**RFI 2**), paragraph 13.3.

²⁹ See paragraph 25.

³⁰ Including direct manufacturing cost savings via capital investment, indirect cost savings (such as insurance savings) and an SG&A (selling, general & administrative) cost reduction, primarily via a reduction in full-time employee numbers. Parties' response to RFI 2, paragraphs 12.1 and 12.3; Venator Internal Document, Annex 487.0 (DOCID VEN-00001665) to the CMA's s109 dated 9 February 2026, 23 October 2024, 15 & 19; and Venator Internal Document, Annex 487.0 (DOCID VEN-00002733) to the CMA's s109, dated 9 February 2026, 4 October 2024.

³¹ Parties' response to RFI 2, paragraphs 12.1 and 12.3; Venator Internal Document, Annex 487.0 (DOCID VEN-00002038) to the CMA's s 109, dated 9 February 2026, 17 December 2024, slide 83.

³² Parties' response to RFI 2, paragraphs 12.1 and 12.3.

³³ See Venator Internal Document, Annex 215 to the FMN, 31 July 2025, slides 20 – 30.

lenders than immediate liquidation³⁴ but it was not implemented. Internal Venator documents and evidence from Venator's secured lenders show that it required significant funding,³⁵ which the lenders were unlikely to provide in the absence of a credible buyer.³⁶

21. By late August 2025, Venator only considered in detail the options of liquidation or immediate sale of the Target and Huelva site without restructuring, to avoid the costs and uncertainty of restructuring plans.³⁷ By late September 2025, Venator's advisers recommended the sale of the Target to LB Group in an idle state (where the secured lenders would no longer need to fund the business) or liquidation as providing the best returns to lenders.^{38,39}
22. On the basis of the evidence it has received, the CMA does not consider it realistic that, absent the Merger, Venator could have restructured itself successfully to avoid financial failure.

Conclusion on limb 1

23. The CMA believes, based on the evidence it has received, that it is inevitable that, absent the Merger, the Target would have been unable to meet its financial obligations in the near future and there would not have been any restructuring options available to it to avoid exit. The CMA therefore believes that the test for Limb 1 of the exiting firm counterfactual is met.

Limb 2

24. The CMA has assessed whether it is realistic that, absent the Merger, there would have been an alternative, less anti-competitive purchaser for the Target.

Venator's sales process

25. The evidence received by the CMA shows that:

³⁴ See Venator Internal Document, Annex 215 to the FMN, 31 July 2025, slide 11.

³⁵ The 31 July 2025 board slides show a funding requirement from secured lenders of \$[REDACTED]m to \$[REDACTED]m. See Venator Internal Document, Annex 215 to the FMN, 31 July 2025, slide 45.

³⁶ See internal Venator emails discussing potential lender funding; Venator Internal Document, Annex 487.0 (DOCID VEN-00004562) to the CMA's s 109, dated 9 February 2026, 12 August 2025; Venator Internal Document, Annex 487.0 (DOCID VEN-00004611) to the CMA's s 109, dated 9 February 2026, 20 August 2025, slide 5; and responses from a number of Venator's secured lenders to the CMA's RFI dated 13 March 2026, paragraph 2.10.

³⁷ See Venator Internal Document, Annex 487.0 (DOCID VEN-00004611) to the CMA's s109 dated 9 February 2026, 20 August 2025, slides 5 and 7.

³⁸ See paragraph 25(e). Venator UK's secured lenders submitted that they are confident that every possible avenue for Venator to restructure itself to allow Venator UK to continue operating as a going concern has been explored and found unviable or untenable. Response from a number of Venator's secured lenders to the CMA's RFI dated 13 March 2026, paragraph 2.9.

³⁹ As set out in paragraph 17, the Merger remained uncertain until a very late stage in the process, with Venator continuing to explore other sale options in the meantime. Therefore, the CMA does not consider that the Merger negatively impacted the Target's ability to restructure itself successfully to avoid failure.

- (a) In 2024 Venator engaged Lazard to conduct a sales process for its TiO₂ business including the Target, with the aim of maximising competitive pressure.⁴⁰ Over the course of this process Lazard engaged with at least 17 potential bidders, including at least 10 who it approached and several inbound inquiries.⁴¹
- (b) By the end of phase 1 of the sales process, five bidders had made non-binding offers for all or part of Venator's TiO₂ business,⁴² of which four were taken forward to phase 2.⁴³
- (c) Of the four bidders taken forward:
 - (i) [Bidder D]'s phase 2 indicative offer was for a narrow perimeter that did not include the Target.⁴⁴
 - (ii) While LB's initial bid (which included the Target, [X]) was initially preferred,⁴⁵ the prospect of concluding a deal with LB remained uncertain, [X].⁴⁶ Negotiations continued throughout September, in parallel to others (below).⁴⁷
 - (iii) Venator engaged with INEOS over the course of July⁴⁸ to the end of September. INEOS submitted a written non-binding offer on 8 August 2025, which was updated on 30 September 2025 following engagement with Venator's creditors.⁴⁹
 - (iv) Venator re-engaged [Bidder B] in August. While [Bidder B] expressed an interest in a potential transaction, the proposed terms and, in particular, timeline did not allow sufficient time to conduct the necessary

⁴⁰ See paragraph 15 and footnote 35. See also Venator Internal Document, Annex 315 to the FMN, 7 March 2024, slide 15.

⁴¹ Venator Internal Document, Annex 487.0 (DOCID VEN-00002745) to the CMA's s 109, dated 9 February 2026, 15 March 2025, slide 7; Venator Internal Document, Annex 216 to the FMN, 24 April 2025, slide 61; Response from a number of alternative purchasers to the CMA's RFI dated 25 February 2026.

⁴² LB, [Bidder B], INEOS, [Bidder D] and [Bidder E]. Venator Internal Document, Annex 216 to the FMN, 24 April 2025, slide 61.

⁴³ [Bidder E]'s interest was not taken forward, given its highly speculative valuation, which was below liquidation value. FMN paragraph 10.45; Venator Internal Document, Annex 487.0 (DOCID VEN-00003001) to the CMA's s 109 dated 9 February 2026, 25 March 2025, slides 4 and 6; Venator Internal Document, Annex 216 to the FMN, 24 April 2025, slide 61.

⁴⁴ Venator Internal Document, Annex 216 to the FMN, 24 April 2025, slide 66. [Bidder D] did not submit a bid beyond its narrowed Phase 2 indication. FMN, paragraph 10.48.1.

⁴⁵ With an INEOS bid being considered to be highly uncertain; [Bidder B] having only offered at phase 2 a qualitative interest in [X]; and [Bidder D] having limited its bid to the [X] site and [X]. Venator Internal Document, Annex 396 to the FMN, 27 May 2025, slide 4; Venator Internal Document, Annex 388 to the FMN, 5 June 2025, slides 3 and 5. See also third-party response to the CMA's RFI, dated 24 February 2026, response dated 12 March 2025.

⁴⁶ See, eg: Venator Internal Document, Annex 389 to the FMN, 10 July 2025, page 3; Venator Internal Document, Annex 390 to the FMN, 15 July 2025, page 2; and Venator Internal Document, Annex 391 to the FMN, 21 August 2025, page 1. See also Venator Internal Document, Annex 487.0 (DOCID VEN-00004578) to the CMA's s 109 dated 9 February 2026, 13 August 2025.

⁴⁷ See, eg: Venator Internal Document, Annex 414 to the FMN, 22 September 2025, paragraph 4.

⁴⁸ See eg Venator Internal Document, Annex 389 to the FMN, 10 July 2025, page 3.

⁴⁹ Third-party response (including Attachments 1 and 2) to the CMA's RFI dated 27 February 2026. See Venator Internal Document, Annex 471 to the FMN, 30 September 2025.

due diligence, secure funding and obtain internal approvals, leading it to ultimately exit the process in early September.⁵⁰

- (d) As of 26 September 2025, following multiple days of in-person discussions between LB and Venator, LB's offer had not been deemed viable and an agreement was looking unlikely, with Venator UK due to run out of cash and to need to start entering liquidation within a week if a sale was not agreed.⁵¹
- (e) By 30 September, negotiations with LB in relation to the possibility of purchasing the Target in an idle state had progressed. A report prepared by Venator's administrators for Venator's secured lenders considered five options: sale of the Target to LB in an (i) operating state or (ii) idled state; sale of the Target to INEOS in an operating state; or liquidation via a (i) decommissioning or (ii) disclaim route. The recommendation of the Board and administrators was to pursue the sale to LB in an idled state or otherwise liquidate to provide the best returns to lenders.⁵²

26. Aside from LB, the only potential purchasers for the Target involved at a late stage in the process were [Bidder B] and INEOS. The evidence received by the CMA shows that all others chose to exit the process or were not considered viable at an earlier stage, for reasons unrelated to the Merger.⁵³ The CMA does not consider it realistic that third parties not involved in the process would have acquired the Target to run it as a competitor, given the robust sales process (including engaging with unsolicited inbound inquiries) undertaken. Therefore, the remainder of the CMA's assessment focuses on whether, absent the Merger, it is realistic that INEOS or [Bidder B] would have purchased the Target.

Ineos

27. As set out above, INEOS submitted a written non-binding offer on 8 August 2025. This involved:⁵⁴

- (a) a valuation of [REDACTED] for the Target, [REDACTED] site and full SG&A functions at Venator's headquarters, structured as a [REDACTED] (in which [REDACTED] of the [REDACTED] to INEOS following an acquisition) [REDACTED];

⁵⁰ Third-party response to the CMA's RFI, dated 24 February 2026; Venator Internal Document, Annex 487.0 (DOCID VEN-00004684) to the CMA's s 109 dated 9 February 2026; and Venator Internal Document, Annex 390 to the FMN, 9 September 2025.

⁵¹ Venator Internal Document, Annex 487.0 (DOCID VEN-00004884) to the CMA's s 109 dated 9 February 2026, 26 September 2025.

⁵² See Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slide 4.

⁵³ See: Venator Internal Document, Annex 487.0 (DOCID VEN-00002745) to the CMA's s 109 dated 9 February 2026, 15 March 2025, slide 7; Venator Internal Document, Annex 216 to the FMN, 24 April 2025, slide 61; Venator Internal Document, Annex 487.0 (DOCID VEN-00003001) to the CMA's s 109 dated 9 February 2026, 25 March 2025, slides 4 and 6; Venator Internal Document, Annex 379 to the FMN, 24 April 2025; Response from a number of alternative purchasers to the CMA's RFI dated 25 February 2026; and FMN, paragraph 10.48.

⁵⁴ Third-party response (including Attachment 1) to the CMA's RFI dated 27 February 2026; Venator Internal Document, Annex 487.0 (DOCID VEN-00004518) to the CMA's s 109 dated 9 February 2026, 8 August 2025.

- (b) an expected requirement for [X] while INEOS enacted a turnaround plan for the Target; and
- (c) a bidding party that would be a standalone subsidiary within INEOS [X] (meaning that INEOS would not be liable to [X] in the event that its turnaround plan was unsuccessful).⁵⁵

28. This was later updated to [X] for both sites or [X], with a potential additional return of [X], for just the Target.^{56,57}

29. As set out above, a report dated 30 September 2025 prepared by Venator's administrators for Venator's secured lenders compares the option of a sale of the Target to INEOS in an operating state⁵⁸ with the options of: a sale to LB in (i) an operating state or (ii) idled state; or liquidation.⁵⁹ The document shows that the administrators considered that a sale of the Target – to either LB or INEOS – in an operating state would require additional lender funding to completion, pending regulatory clearances.⁶⁰ Specifically, it was estimated that:

- (a) a sale to LB in an operating state would require a total lender funding of \$[X] million to \$[X] million,⁶¹ resulting in a low case estimated return of \$[X] million and a high case estimated return of \$[X] million;
- (b) a sale to INEOS in an operating state would require a total lender funding of \$[X] million to \$[X] million,⁶² resulting in a low case estimated return of \$[X] million and a high case estimated return of \$[X] million; and

⁵⁵ Third-party response (including Attachment 1) to the CMA's RFI dated 27 February 2026; Venator Internal Document, Annex 487.0 (DOCID VEN-00004774) to the CMA's s 109 dated 9 February 2026, 10 September 2025.

⁵⁶ See: Parties' response to the CMA's RFI 3, dated 5 March 2026, paragraph 5.2; Venator Internal Document, Annex 414 to the FMN, 22 September 2025, para 4(d); Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slides 9 and 12 and; Response from a number of Venator's secured lenders to the CMA's RFI dated 13 March 2026, paragraph 1.4.

⁵⁷ INEOS submitted that it communicated an updated offer directly to Venator's creditors on 30 September which did not include Venator's SG&A functions. Third-party response to the CMA's RFI dated 27 February 2026, paragraph 1.2.

⁵⁸ Structured as a pre-pack sale of the Target alone for a debt roll of \$[X] million with a potential upside of \$[X]m. See Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slides 9 and 12.

⁵⁹ The document states that INEOS did not want an idle plant. See Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slide 6.

⁶⁰ See Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slides 9, 10 and 12.

⁶¹ Based on an assumption of the secured lenders funding trading for four months post-signing. See Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slide 10.

⁶² Based on an assumption of the secured lenders funding trading for six months post-signing. See Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slide 12.

(c) by contrast, liquidation required no further lender funding, resulting a low case estimated return of \$[X] million and a high case estimated return of \$[X] million via the disclaim route.^{63,64}

30. On this basis, the Board and administrators recommended the sale to LB in an idled state or liquidation to provide the best returns to lenders.⁶⁵ The CMA therefore does not consider it realistic that, absent the Merger, Venator and its administrators would have recommended, or the secured lenders would have supported, a sale to INEOS on the terms under consideration at that point.
31. INEOS told the CMA it was not given any formal opportunity by Venator or Venator's creditors to increase the attractiveness of its offer and did not therefore consider alternative terms.^{66,67} The CMA has therefore considered whether it was realistic that, in the absence of the Merger, INEOS would have improved its offer such that it was preferable, in the assessment of Venator and its secured lenders, to liquidation.
32. Evidence received from Venator and INEOS indicates that INEOS was not prepared to take on material funding risk. As explained above, INEOS' non-binding bid was structured as [X]. Venator's internal documents indicate that a cash offer from INEOS was very unlikely⁶⁸ and INEOS told the CMA that it did not have [X].⁶⁹
33. The CMA has considered whether INEOS could have reduced a pre-completion funding requirement by purchasing the Target in an idle state. INEOS told Venator that it had not been interested in buying the Target in an idle state.^{70,71} The CMA

⁶³ Liquidation via the decommissioning route resulted in a low case estimated return of \$[X] million and a high case estimated return of \$[X] million. See Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slide 9. Venator's secured lenders submitted that there was [X]. Response from a number of Venator's secured lenders to the CMA's RFI dated 13 March 2026, paragraph 4.1.

⁶⁴ A sale to LB in an idled state was estimated to require a total lender funding of \$[X]m, resulting in a low case estimated return of \$[X] million and a high case estimated return of \$[X] million. See Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slides 9 and 11.

⁶⁵ An internal Venator email exchange dated 29 September 2025 evidences that Venator's administrators expected that the secured lenders would be unwilling to risk the funding to completion for a potential return of \$[X]m. Venator Internal Document, Annex 410 to the FMN, 29 September 2025. In addition, the CMA notes that the [X] would only realise the potential return, and secure the return of the [X], in the event that the INEOS acquiring entity [X]. This is therefore highly likely to have been contingent on INEOS successfully turning the Target around.

⁶⁶ Third-party response to the CMA's RFI dated 27 February 2026, paragraph 1.9.

⁶⁷ Venator's secured lenders told the CMA that it was stipulated by INEOS as part of its proposal that the Target would need to be fully operational at closing, with [X] and that a discussion on 30 September 2025 focused on whether there were any ways to address this but no revised proposal was provided. See response from a number of Venator's secured lenders to the CMA's RFI dated 13 March 2026, paragraphs 1.4 and 1.5b.

⁶⁸ Venator Internal Document, Annex 487.0 (DOCID VEN-00004607) to the CMA's s 109 dated 9 February 2026, 20 August 2025; Venator Internal Document, Annex 388 to the FMN, 05 June 2025, slide 5.

⁶⁹ Note of a call with a third party, February 2026, paragraph 25. INEOS later submitted that its business remains [X]. Third-party response to the CMA's RFI dated 27 February 2026, paragraph 2.54.

⁷⁰ Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slide 6. INEOS told the CMA that it has not been interested in buying the Target in an idle state: Note of a call with a third party, February 2026, paragraph 31.

⁷¹ INEOS also told the CMA that the timing of the sales process meant it never reached a point where it considered acquiring the Target in an idle state, and it would now be interested in acquiring the Target in an idle state, subject to new diligence to understand what would be required to restart the plant. See note of a call with a third party, February 2026, paragraphs 31 and 32.

in any event considers that had INEOS offered to buy the Target in an idle state, the costs associated with restarting the plant would likely need to be funded by [REDACTED].

34. The CMA therefore considers that additional lender funding would have been required as part of any improved offer from INEOS which, in the estimation of Venator's administrators, would have been significant.^{72,73} Venator's internal documents indicate that the secured lenders were not prepared to increase their exposure by continuing to put money into the business at risk.⁷⁴ The CMA notes that Venator's board and administrators recommended liquidation over LB's bid for the Target as a going concern.⁷⁵
35. The CMA therefore does not consider it realistic that INEOS would have acquired the Target absent the Merger.

[Bidder B]

36. As set out above, [Bidder B] did not pursue a bid as the proposed transaction terms and timeline did not allow for sufficient time to complete due diligence, secure funding and obtain internal approval.⁷⁶ The evidence received by the CMA shows that the timeline constraints were driven by Venator's liquidity issues and the resulting pressure from secured lenders, which were unrelated to the Merger.⁷⁷ The CMA therefore does not consider it realistic that [Bidder B] would have acquired the Target absent the Merger.

⁷² INEOS submitted that it anticipated that the period between signing and closing would be short and so did not look in any detail at additional funding that might have been required during that time. See note of a call with a third party, February 2026, paragraph 61.

⁷³ In addition, as noted above, the [REDACTED] would only realise the potential return, and [REDACTED] in the event that the INEOS acquiring entity had [REDACTED] in the future. This is therefore highly likely to have been contingent on INEOS successfully turning the Target around.

⁷⁴ See Venator Internal Document, Annex 487.0 (DOCID VEN-00004884) to the CMA's s 109 dated 9 February 2026, 26 September 2025. Consistent with this, Venator's secured lenders told the CMA that they were no longer willing to provide additional funding to Venator UK [REDACTED], as multiple rounds of financial support had been provided to the company over multiple years [REDACTED], such that the secured lenders no longer had any confidence that funding would help to achieve a turnaround for the company [REDACTED]. See response from a number of Venator's secured lenders to the CMA's RFI dated 13 March 2026, paragraph 2.10. The CMA notes that Venator had received a term loan from secured lenders of \$[REDACTED] million in January 2024 to give the business sufficient liquidity to continue operations. See Parties' response to the CMA's RFI 1, paragraph 17.1.

⁷⁵ Which was estimated to result in a significantly higher low case and high case estimated return than liquidation, and involved cash on completion, but required lender funding to completion. See Venator Internal Document, Annex 471 to the FMN, 30 September 2025, slides 9 and 10.

⁷⁶ Third party response to the CMA's RFI, dated 24 February 2026.

⁷⁷ See assessment under Limb 1 and paragraph 25(d). [Bidder B] told the CMA that it had expressed an interest in the Target on a standalone basis on 18 April 2025, and that Lazard responded on 20 May 2025 to say that Venator had opted to explore a wider transaction perimeter involving the whole Venator TiO2 business at the time. See Third party response to the CMA's RFI, dated 24 February 2026. As set out in paragraph 24, the evidence received by the CMA shows that, while an early offer from LB for a wider perimeter was initially preferred, the possibility of a deal with LB remained uncertain, with Venator continuing to pursue alternative options in parallel and an LB offer only becoming viable at a very late stage in the process. As such, the CMA does not consider that [Bidder B]'s exit from the sales process was a result of the Merger.

Conclusion on limb 2

37. The CMA believes, based on the evidence it has received, that it is inevitable that, in the absence of the Merger, that there would not have been an alternative, less anti-competitive purchaser for the Target. The CMA therefore believes that the test for Limb 2 of the exiting firm counterfactual is met.

Conclusion on the counterfactual

38. The CMA therefore believes, based on the evidence it has received, that the relevant counterfactual is one in which, absent the Merger, it is inevitable that the Target would have exited the market(s) in which it was active and there would not have been an alternative, less anti-competitive purchaser for the Target.

DECISION

39. For the reasons set out above, the CMA does not believe that it is or may be the case that the Merger may be expected to result in an SLC within a market or markets in the United Kingdom.
40. The merger will **not be referred** under section 33 of the Act.

Imogen Ditchfield

Director, Mergers

Competition and Markets Authority

23 April 2026

ⁱ Footnote 23 should read as follows: See 'Group of companies' accounts made up to 31 December 2023', pages 23, 48, 85 and 91 available at [Venator Materials plc - Companies House](#), accessed by the CMA on 21 April 2026.