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## **COMP/M.5251 - SYSTEM CAPITAL MANAGEMENT-ENERGEES / METINVEST**

### **SECTION 1.2**

#### **Description of the concentration**

SCM is the Ukraine-based holding company of a conglomerate business. Its activities include the production of metals and coal. SCM is the holding company of Metinvest, which is the main target of this transaction. Metinvest is a vertically integrated Ukrainian steel producer. The company is involved in many aspects of the steel production chain; examples of its activities include iron ore mining, and coke as well as steel production.

SMART includes companies such as MMZ and Promet which are the other targets of this transaction, MMZ and Promet are based in Ukraine and Bulgaria, respectively, and are both active in the production and sale of long steel products.

The proposed transaction consists of the acquisition by SMART of joint control over Metinvest while in parallel Metinvest will acquire control of MMZ and Promet. Therefore, post-completion, SCM and SMART would enjoy joint control over Metinvest, MMZ and Promet.

The parties to the transaction are active in the steel industry. The products concerned by this transaction are long steel products.