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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 27 of 2017

Notice of Inquiry into the Proposed Merger involving Remgro International Holdings Proprietary Limited and Capevin Holdings Limited

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the “Regulations”) that the COMESA Competition Commission (the “Commission”), after receiving a notification in terms of Article 24 of the Regulations regarding the proposed merger involving Remgro International Holdings Proprietary Limited (“**RIH**”) as the primary acquiring firm and Capevin Holdings Limited (“**Capevin**”) as the primary target firm, intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the acquiring undertaking, RIH is an investment holding company incorporated in South Africa with its principal place of business at Millennia Park, 16 Stellantia Avenue, Stellenbosch 7599. RIH is controlled by Remgro Limited (“Remgro”). Remgro is an investment holding company incorporated in South Africa that does not sell any products or provide any services. Remgro holds a number of strategic interests in a range of companies that operate across a broad spectrum of industries, which include banking, healthcare, insurance, industrial, infrastructure, media, sport, food, liquor and home care. The companies which Remgro controls operate in the following COMESA Member States: Kenya, Rwanda, Uganda, Zambia, Democratic Republic of Congo, Swaziland, Malawi and Zimbabwe.

The parties have further submitted that Capevin is an investment holding company that holds, as its sole asset, an indirect investment in Distell Group Limited (“**Distell**”). Distell is a producer and marketer of wines, spirits (i.e. brandy, white spirits, whisky and rum), ciders and other ready-to-drink beverages. Distell has a presence in or operates in the following COMESA Member States: Comoros, Madagascar, Mauritius, Seychelles, Burundi, Ethiopia, Kenya, Rwanda, Uganda, Zambia, Democratic Republic of Congo, Swaziland, Malawi and Zimbabwe.

It was further submitted that RIH jointly controls Remgro-Capevin Investments Proprietary Limited (“**RCI**”). The remaining shares in RCI are controlled by Capevin. RCI, in turn, controls Distell with 52.8% shareholding.

The Commission will, in accordance with the provisions of the Regulations, determine among other things whether or not the merger is likely to substantially prevent or lessen competition within the Common Market and whether the merger is or would be contrary to the public

interest as provided for under Article 26 of the Regulations. In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the merging parties to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: sbooluck@comesa.int. All written representations should be sent to the Commission not later than **21st November 2017**.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Ms. Sandya Booluck, Economist, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or sbooluck@comesa.int.

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.

31st October 2017