

COMESA COMMON Market for Eastern and Southern Africa

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## **CCC Merger Inquiry Notice No. 25 of 2016**

Notice of Inquiry into the Transaction Involving the Proposed Acquisition of La Compagnie d'Exploitation des Services Auxiliares Aierien S.A (Servair) by HNA Aviation Group Co. Ltd.

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (hereinafter referred to as the "Regulations") that the COMESA Competition Commission (hereinafter referred to as the "Commission"), after receiving a notification in terms of Article 24 of the Regulations regarding the proposed acquisition of 49.9% of Air France's share capital and voting rights in **La Compagnie d'Exploitation des Services Auxiliares Aierien S.A** (hereinafter referred to as "**Servair**"), by **HNA Aviation Group Co. Ltd** (hereinafter referred to as "**HNA Aviation**"), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The Parties have submitted that the target firm, Servair, is a company duly incorporated in accordance with the company laws of France and is solely controlled by Societe Air France S.A ("Air France"). The Parties have also submitted that Servair is active in 3 main areas around Europe and Africa as follows: i) Airline catering, ii) Airport assistance including Cabin Cleaning and iii) Consulting Services. The parties have also submitted that in COMESA Servair carries on business in Seychelles, DRC and Kenya under the names SKYCHEF, Fondeg Catering, and SIA Kenya Holdings Limited respectively.

The Parties have submitted that the acquirer, HNA Aviation, is a limited liability company dully incorporated in accordance with the company laws of the Peoples Republic of China and it is a wholly owned subsidiary of the HNA Group Co. Ltd primarily focused on China and the Asian and Pacific region. The Parties have also submitted that HNA Aviation has interests in a number of passenger and cargo airlines, and aviation-related businesses such as flight training, air cargo, aircraft maintenance and ground handling. In COMESA HNA Group carries on business in Kenya, Ethiopia and Mauritius under the names Swissport, Avolon and Seaco respectively.

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 **Mr. Willard Mwemba**, **Manager for Mergers and Acquisitions**, on +265 (0) 1 772 466 or via email at <u>wmwemba@comesa.int</u>.

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.