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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 3 of 2020

Notice of Inquiry into the Merger Involving Zaad International BV and EASEED Group 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 on the merger involving Zaad International BV (“**Zaad BV**”) and EASEED Group Limited (“**EASEED**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the acquiring undertaking, Zaad BV, is a company incorporated in the accordance with the laws of Netherlands. Zaad BV is wholly owned and directly controlled by Zaad Holdings Limited (“Zaad”), a public company incorporated in accordance with the Laws of South Africa. Zaad is in turn directly controlled by Zeder Investments Limited which is incorporated in South Africa and listed on the securities exchange operated by JSE Limited. In addition to Zaad, Zeder also controls other firms incorporated in South Africa such as Zeder Financial Services Limited, Capespan Group Limited and The Logistics Group Proprietary Limited (together referred to as the “**acquiring group**”). The acquiring group operates in the Common Market for Eastern and Southern Africa (COMESA) as an agri-business and produces and distributes agricultural seeds and agro-chemicals. The acquiring group has operations in the following COMESA Member States: Burundi, Democratic Republic of Congo, Egypt, Eritrea, Eswatini, Ethiopia, Kenya, Malawi, Rwanda, Mauritius, Sudan, Tunisia, Uganda, Zambia and Zimbabwe.

The parties have submitted that the target undertaking, EASEED, is a company incorporated in accordance with the Laws of Mauritius. EASEED is newly incorporated, wholly owned and directly controlled by a Kenyan national, Mr. Jitendra Shah. The target group comprises companies which are in the business of breeding and distributing agricultural seeds and agricultural chemicals and equipment. The target group has operations in the following COMESA Member States: Burundi, Democratic Republic of Congo, Kenya, Rwanda, Sudan, Uganda and Zambia.

The parties have submitted that in terms of the transaction, the acquiring group, through Zaad Holdings Limited, and Jitendra have entered into an Investment Agreement in relation to the acquiring group's proposed investment in the target group. Pursuant to the Investment Agreement, the target group will undergo an internal restructuring pursuant to which the businesses of the Target Group in Kenya, Tanzania, Ugandan, Rwanda and Zambia will be amalgamated under EASEED Group Limited (“EASEED”). Following completion of the

internal restructuring and subject to satisfaction of the conditions precedent and the completion of the Investment Agreement, Zaad BV will acquire up to 75% of the issued shares in EASEED, with a further option to purchase the remaining 25%. Pursuant to implementation of the merger, Zaad BV will exercise direct control over EASEED in Mauritius and indirect control over EASEED subsidiary firms in Kenya, Rwanda, Uganda and Zambia.

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: akamanga@comesa.int. All written representations should be sent to the Commission not later than **11th February, 2019**.

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. Ali Kamanga, Senior Analyst - Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or E-mail akamanga@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.