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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 5 of 2020

Notice of Inquiry into the Merger Involving the Proposed Acquisition of 30% shares of Naivas International by Amethis Retail

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 Amethis Retail (**“Amethis”**) and Naivas International (**“Naivas”**), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that Amethis Retail intends to acquire a minority stake in Naivas International and will indirectly gain control of the Target’s Kenyan subsidiary, Naivas Limited.

The parties have submitted that the acquiring undertaking, Amethis, is a special purpose vehicle incorporated in accordance with the Laws of Mauritius with its principal business address at Rogers Capital Corporate Services Limited, No.5 President John Kennedy Street, 3rd Floor, Rogers House, Port Louis, Mauritius. It is a subsidiary of Amethis Fund II S.C.A. SICAR (Amethis Fund II), a pan-African private equity fund. Amethis II belongs to a platform of several investment funds dedicated to the African continent. The platform includes Amethis Fund II, Amethis Finance Luxemburg S.C.A. SICAR (Amethis Fund I) and Amethis Maghreb Fund I and each one of these has invested in and hold indirect control over some companies present in the COMESA region. It has been submitted that Amethis Fund I has invested in and indirectly controls Chase Bank, Ramco Plexus and Kenafic Limited in Kenya. Kenafic is a leading FMCG manufacturer and distributor in East Africa, with a strong focus on confectionery. Ramco Plexus is active in the printing and packaging sector, including off-set and digital print, flexible packaging and corrugation.

It has also been submitted that Amethis Fund I has invested in and indirectly controls CFL and Velogic in Mauritius. CFL is a Mauritius based financial services platform, which owns Bank One in Mauritius and Banque Nationale Industrielle de Madagascar in Madagascar. CFL also owns an assets management company (IPRO), a management services company (MITCO) and two private equity funds (KIDO 1 & 2). Velogic is a leading transport and logistics company. The parties have submitted that Amethis Maghreb Fund I has also invested in and indirectly controls Disway, a Tunisian integrated IT equipment distributor. The acquiring group has operations in the following COMESA Member States: Kenya, Madagascar, Mauritius, and Tunisia.

The parties have submitted that the target undertaking, Naivas, is an international investment holding company whose address is c/o Tri-Pro Administrators Ltd, Level 5, Maeva Tower, Bank Street, Cybercity, Ebene, Mauritius. Naivas is a leading supermarket chain in Kenya with 58 stores spread across the country. It is a family owned business that was founded in 1990 and is well known for delivering value to its customers in Kenya. The target undertaking has operations in only one COMESA Member State namely Kenya.

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 **25th February, 2020**.

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.