



Kang'ombe House, 5th Floor-West Wing
P.O. Box 30742
Lilongwe 3, Malawi
Tel: +265 (0) 1772466
Email- compcom@comesa.int



Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 13 of 2020

Notice of Inquiry into the Proposed Merger involving Rhône Capital LLC and MaxamCorp Holding S.L

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 Rhône Capital L.L.C (“**Rhône Capital**”) as the acquiring firm and MaxamCorp Holding S.L (“**Maxam**”) as the target firm, intends to embark on an inquiry in terms of Article 26 of the Regulations.

In terms of the notified transaction, the entities controlled by Rhône Capital will acquire sole control of Maxam by way of an additional purchase of shares. Rhône Capital has exercised joint control over Maxam since July 2019.

The parties have submitted that Rhône Capital, together with its affiliates, is an alternative investment management firm headquartered in the US. Rhône Capital, through its indirectly controlled portfolio companies, derives turnover in the following COMESA Member States: Burundi, DRC, Djibouti, Egypt, Eritrea, Ethiopia, Eswatini, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Tunisia, Zambia, and Zimbabwe. The portfolio companies are engaged in a number of activities in the Common Market including, provision of consumables for the foundry industry, security products and services, bakery, IT education and training, and swimming pool equipment brands.

The parties have submitted that Maxam is the head of a diversified group of companies which are active primarily in the manufacture and supply of civil explosives and initiating systems and related products, services and solutions, ammunition and defence products, services and systems; and recreational hunting and sporting products, such as cartridges and gunpowder, among others. Maxam derives turnover in the following COMESA Member States: Burundi, DRC, Egypt, Eritrea, Ethiopia, Eswatini, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Tunisia, Zambia, and Zimbabwe.

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 **17th April 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 **Ms. Sandya Booluck, Senior Analyst, 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.