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Common Market for Eastern
and Southern Africa

18th March 2021

CCC Merger Inquiry Notice No. 8 of 2021

Notice of Inquiry into the Proposed Merger Involving IVY 2 Investments VCC and PIL Holdings Pte. Ltd.

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 IVY 2 Investments VCC (“**IVY**”) as the acquiring undertaking and PIL Pte. Ltd. as the target undertaking intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the proposed transaction, further details of which are set out in this and the following paragraph (the “**Proposed Transaction**”) contemplates, amongst other things, the overall restructuring of Pacific International Lines (Private) Limited (“**PIL**”) and its subsidiaries’ existing debt owing to, amongst others, various financial lenders, and trade and other creditors. The current total outstanding debt of the PIL Group is approximately US\$ 2.5 billion.

The parties have submitted that PIL Pte. Ltd. is a newly incorporated company (incorporated in Singapore) for the purposes of the Proposed Transaction. PIL Pte. Ltd. was at incorporation wholly owned by PIL Holdings Pte. Ltd (“**PIL Holdings**”), a private company incorporated in Singapore and PIL Holdings currently remains the only shareholder of PIL Pte. Ltd. Prior to the Proposed Transaction, it was intended for 100% of the shares in PIL, PIL Marine Pte. Ltd. (“**PIL Marine**”) and PIL Enterprises Pte. Ltd. (“**PIL Enterprises**”) respectively, to be transferred from PIL Holdings to PIL Pte. Ltd (the “**Proposed Reorganisation**”). Subsequent to the submission by the parties of the above information, the Proposed Reorganisation was recently completed. The Proposed Transaction, when it is completed, will confer upon IVY an interest of more than 75% of the voting shares in PIL Pte. Ltd. which, following incorporation and the Proposed Reorganisation, now holds 100% of the shares of PIL, PIL Marine and PIL Enterprises.

The parties have submitted that PIL is part of a Singaporean group that operates a range of businesses spanning from shipping to container manufacturing and other logistics related services, with the core of its business in container shipping. The target group is active in the following Member States: Burundi, the Democratic Republic of Congo, Djibouti, Egypt,

Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Somalia, Sudan, Uganda, Zambia and Zimbabwe.

The parties have submitted that the acquirer, IVY, is managed by Heliconia Capital Management Pte. Ltd ("**Heliconia**"), which is indirectly wholly owned by Temasek Holdings (Private) Limited ("**Temasek**"). Temasek's portfolio covers a broad spectrum of industries, including financial services, telecommunications, media and technology, transportation and logistics, industrials, consumer, real estate, energy & resources, life sciences, and agribusiness. In the Common Market, the acquiring group is active in all Member States except Comoros and Eritrea.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether or not the Proposed Transaction is likely to substantially prevent or lessen competition within the Common Market and whether the Proposed Transaction 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 parties to the Proposed Transaction 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 **8th April 2021**.

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.