

24 May 2022

**CCC Merger Inquiry Notice No. 23 of 2022**

**Notice of Inquiry into the Proposed Merger involving Sanlam Emerging Markets Proprietary Limited and aYo Holdings 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 regarding the proposed acquisition by Sanlam Emerging Markets Proprietary Limited (“**SEM**”) of 50% of the issued shares in aYo Holdings Limited (“**aYo**”) from MTN (Dubai) Limited or its nominee (“**MTN Dubai**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

SEM is an indirect wholly owned subsidiary of Sanlam Limited (“**Sanlam**”). The Sanlam Group (comprising Sanlam and its subsidiaries, including SEM) provides, *inter alia*, life insurance, non-life insurance, reinsurance, investment management and other financial services in various emerging markets in Africa, India, the United Kingdom, the United States, Australia and South-East Asia. The Sanlam Group has operations in the following Member States: Burundi, Eswatini, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Uganda, Zambia and Zimbabwe.

aYo was incorporated in 2016 and is domiciled in Mauritius. In essence, aYo is a micro insurance provider which operates through a number of national subsidiaries. aYo does not underwrite the microinsurance products but provides products underwritten by third party insurers to MTN customers. In the Common Market, aYo is active via its operating subsidiaries in Uganda and Zambia. aYo’s offering includes:

- (i) “aYo Recharge with Care”, which provides prepaid MTN customers with free life or hospital cover every time they load MTN airtime (plus a paid top-up option); and
- (ii) “aYo Send with Care”, which allows MTN mobile money customers to purchase insurance cover valid for 120 days, every time they send money to a beneficiary (either an individual person or to a school for school fees).

Pursuant to the implementation of the Proposed Transaction, SEM and MTN Dubai will each hold 50% of the shares in aYo. The parties have submitted that it is hoped that the Proposed Transaction will enable the Sanlam and MTN groups (through aYo) to be at the front-end and adapt to digital disruption and accelerate financial inclusion in countries where both groups operate. In this regard, both Sanlam and MTN are active across multiple jurisdictions in Africa, and their combined infrastructure and footprints present an avenue to extend consumer access to insurance products across the continent.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether 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](mailto:sbooluck@comesa.int). All written representations should be sent to the Commission not later than **10 June 2022**.

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](mailto: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.