

25 June 2025

CCC Merger Inquiry Notice No. 25 of 2025

Notice of Inquiry into the Proposed Acquisition of sole control by Grit Real Estate Income Group Limited of DH3 Holdings Ltd and Diplomatic Housing 1 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 acquisition of sole control by Grit Real Estate Income Group Limited (“**Grit**”), through Diplomatic Holdings Africa Ltd (“**DHA**”), together with its subsidiaries and controlled joint venture (collectively, the “**acquiring group**”), over DH3 Holdings Ltd (“**DH3**”) and Diplomatic Housing 1 Ltd (“**DH1**”), collectively (the “**target group**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that DHA is a holding company established for purpose of investing in diplomatic housing real estate developments across Africa. It is indirectly solely controlled by Grit, a pan-African property income group. Grit is listed on both the London Stock Exchange and the Stock Exchange of Mauritius and focuses on real estate assets in Africa. Within the Common Market, the acquiring group operates in Kenya, Mauritius, Uganda and Zambia.

The parties submitted that DH3 is a Mauritian entity indirectly jointly controlled by Grit and affiliates of Verdant Ventures LLC (“**VVL**”). DH3’s only activity is the ownership and management of Rosslyn Grove, a property located in Nairobi, Kenya, which provides diplomatic housing for the United States of America’s Embassy in Kenya¹. Within the Common Market, the target group operates in Kenya only.

The parties submitted that DH1 is indirectly jointly controlled by Grit and affiliates of VVL. DH1’s only activity is the ownership and management of Elevation Diplomatic Residences, a property in Addis Ababa, Ethiopia, which provides diplomatic housing for the United States of America’s Embassy and other tenants in Ethiopia. Within the Common Market, DH1 operates in Ethiopia only.

The parties submitted that Grit is significantly simplifying its operational structures into core portfolios that will be largely grouped into sector-focused subsidiaries, with extensive future growth opportunities.

¹ Further information about Rosslyn Grove is available at: <https://greafrica.group/rosslyn-grove/>.

The parties submitted that the proposed transaction concerns DHA increasing its equity interest in DH1 and DH3 to 99.99%. As settlement for DHA's additional interest in the two properties, DHA will issue shares to Verdant Property Holdings Limited ("VPH"), whereby VPH will take a significant minority stake in DHA. DHA will provide a much larger, scaled specialist platform, to better service diplomatic clients including the US Government as well as other sovereign clients.

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 in 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: mdebessay@comesacompetition.org. All written representations should be sent to the Commission not later than **15 July 2025**.

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. Mengistu Debessay, Principal Analyst, Competition Division** on Tel: +265 (0) 111 772 466 or mdebessay@comesacompetition.org.

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.