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Common Market for Eastern
and Southern Africa

12th July 2021

CCC Merger Inquiry Notice No. 17 of 2021

Notice of Inquiry into the Proposed acquisition by Helios Towers Ltd of shares of Madagascar Towers S.A. and Malawi Towers 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 Helios Towers Ltd (“**Helios Towers**”) of shares of Madagascar Towers S.A. (“**MTSA**”) and Malawi Towers Limited (“**MTL**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The proposed transaction concerns: i) Helios Towers Malawi Limited, Bharti Airtel Malawi Holdings B.V. (“**Bharti Airtel**”) and Helios Towers who signed a share sale agreement dated 23rd March 2021 under which Bharti Airtel agreed to sell and Helios Towers Malawi Limited agreed to acquire 100% of the Bharti Airtel’s 10,000,000 shares representing 100% of the issued share capital in MTL; and ii) Helios Towers Madagascar Limited, Airtel Madagascar (“**AM**”) and Helios Towers who signed a share sale agreement dated 23rd March 2021 under which AM agreed to sell and Helios Towers Madagascar Limited agreed to acquire 100% of AM’s 772 shares, representing 100% of the issued share capital in MTSA.

The parties have submitted that Helios Towers is a limited liability company incorporated under the laws of Mauritius with trade and companies registry of Mauritius number 092064 and having its registered office at level 3, Alexander House, 35 Cyber city, Ebene, Mauritius. Helios Towers is a leading independent telecommunications infrastructure company in Africa, having established one of the continent's most extensive tower portfolios with over 7,300 towers across five countries. It builds, owns and operates telecommunication passive infrastructures (Towers), providing services to mobile network operators. It was submitted that the acquisition of MTSA and MTL will enable Helios Towers to get closer to achieving its goal of owning and operating 12,000 towers. The transaction enables Helios Towers to enter a new market, diversify its mix of customers and sources of revenue and increase the share of its revenues and EBITDA in hard currency. It was submitted that Helios Towers Malawi Limited and Helios Towers Madagascar Limited are subsidiaries of Helios Towers, established for purposes of the merger transactions. In the Common Market Helios Towers has operations in the Democratic Republic of Congo.

The parties submitted that the target undertakings, MTSA and MTL, are subsidiaries of Airtel Africa Group companies (“Airtel Africa”) and are passive infrastructure operating companies in Madagascar and Malawi, respectively. It was submitted that MTSA owns certain passive telecommunications infrastructure assets, which are used mainly by AM to provide mobile telecommunications services to the latter’s end-customers. It was submitted that MTL owns certain passive telecommunications infrastructure assets which are used mainly by Airtel Malawi plc, an affiliate of Bharti Airtel, to provide mobile telecommunications services to the latter’s end-customers.

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: akamanga@comesa.int. All written representations should be sent to the Commission not later than **2nd August 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 **Mr. Ali Kamanga, Senior Analyst, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or 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.