



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. 2 of 2019

### **Notice of Inquiry into the Proposed Merger involving Fairfax Financial Holdings Limited and AGT Food and Ingredients Inc.**

---

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 involving Fairfax Financial Holdings Limited (“**FFH**”) and AGT Food and Ingredients Inc. (“**AGT**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

In terms of the notified transaction, the parties have submitted that on 4<sup>th</sup> December 2018, AGT announced that it had entered into an agreement pursuant to which a group of investors led by the President and Chief Executive Officer of AGT, Murad Al-Katib, and including FFH and PointNorth Capital Inc. (collectively, the “**Purchaser Group**”) will indirectly acquire all of the issued and outstanding common shares of AGT not already held by the Purchaser Group (the “**Proposed Transaction**”).

The parties have submitted that the target undertaking, AGT, is a supplier of value-added pulses, staple foods and food ingredients. AGT buys lentils, peas and chickpeas from farmers situated around more than 40 facilities in Canada, the United States, Turkey, Australia, China and South Africa and ships its products to over 120 countries around the globe. AGT (formerly Alliance GrainTraders) was founded in 2007 with the acquisition of Saskcan Pulse Trading by the Agtech Income Fund, the predecessor to Alliance Grain Traders. In the Common Market, AGT is active in Djibouti, Egypt, Kenya, Libya, Madagascar, Mauritius, Sudan, and Zambia.

The parties have submitted that the Purchaser Group is comprised of, *inter alia*, FFH. FFH is a holding company which, through its subsidiaries, is principally engaged in property and casualty insurance and reinsurance and investment management. Pursuant to the implementation of the Proposed Transaction, FFH will hold a majority of the issued and outstanding shares of AGT, and will therefore control AGT. In the Common Market, the Purchasing Group is active in the Democratic Republic of Congo, Ethiopia, Kenya, Malawi, Mauritius, Rwanda, eSwatini, Uganda, 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](mailto:sbooluck@comesa.int). All written representations should be sent to the Commission not later than **28<sup>th</sup> February 2019**.

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.