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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 22 of 2018

Notice of Inquiry into the Proposed Merger Involving Fairfax Africa Holdings Corporation and Consolidated Infrastructure Group 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 merger involving Fairfax Africa Holdings Corporation (“**FAH**”) and Consolidated Infrastructure Group Limited (“**CIG**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The Parties have submitted that the proposed transaction involves the acquisition by FAH of control over CIG through its subsidiary company, Fairfax Africa Investments Proprietary Limited.

The parties have submitted that the acquirer, FAH, is an investment holding company publicly traded on the Toronto Stock Exchange. FAH’s investment objective is to achieve long-term capital appreciation while preserving capital by investing in public and private equity securities and debt instruments of African businesses or other businesses with customers, suppliers or businesses primarily conducted in, or dependent on Africa. The parties have submitted that FAH is controlled by Fairfax Financial Holdings Limited and they both have interests in entities with operations in the Common Market. The acquiring group’s activities in the Common Market include provision of power solutions and financial services. The parties have submitted that the FAH is has operations in Egypt, Mauritius, Rwanda, Uganda, Zambia and Zimbabwe.

The parties have submitted that target, CIG (formerly known as Buildworks Group Limited) is a leading Pan-African diversified infrastructure group which is listed on the Johannesburg Stock Exchange. The parties have submitted that CIG has exposure to the power and extraction industries across Africa through its divisions namely: power; consolidated building materials; oil and gas; and rail divisions. The parties have submitted that CIG has operations in the following COMESA Member States: Eswatini, the Democratic Republic of Congo, Ethiopia, Kenya, Malawi, Mauritius, Seychelles, Uganda, and Zambia.

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: akamanga@comesa.int. All written representations should be sent to the Commission not later than **1st August, 2018**.

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, Economist - Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or E-mail at 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.