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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 17 of 2018

Notice of Inquiry into the Proposed Merger involving Catalyst Mattress Africa Ltd and Mammoth Foam Africa

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 Catalyst Mattress Africa Ltd (“**CMA**”) and Mammoth Foam Africa (“**Mammoth**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the notified transaction entails the amalgamation of three entities (Super Foam Limited, Euroflex Limited, and Vitafoam (A) Limited) under a holding company, Mammoth, who will subsequently issue shares to CMA (the “**Proposed Transaction**”).

The parties have submitted that CMA and Mammoth are newly created entities for the purpose of making the investment in the Proposed Transaction. CMA is owned indirectly by Catalyst Fund II LP. The parties have submitted that the Catalyst Fund group has operations in the following countries in the Common Market: Ethiopia, Kenya, Rwanda, Uganda, and Zambia.

The parties have submitted that Euroflex Limited is a limited liability company incorporated in Uganda; Vitafoam (A) Limited is a limited liability company incorporated in Malawi; and Super Foam Limited is a limited liability company incorporated in Kenya. The three target entities are predominantly involved in the manufacture of mattresses in the jurisdictions in which they operate.

The parties have submitted that the Proposed Transaction will enable Mammoth to benefit from the long standing brand heritage of the three target entities while driving growth through increased production and improvement in operational efficiency.

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. All written representations should be sent to the Commission not later than **21st June 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 **Ms. Sandya Booluck, Economist, Mergers and Acquisitions** on +265 (0) 1 772 466 or 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.