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Common Market for Eastern
and Southern Africa

2nd December 2020

CCC Merger Inquiry Notice No. 32 of 2020

Notice of Inquiry into the Proposed Merger Involving Zanzibar Pharma Limited and Adwia Company S.A.E.

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 between Zanzibar Pharma Limited and Adwia Company S.A.E., intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the notification concerns the acquisition of 98.7277931% of the issued share capital of Adwia Company S.A.E. by Zanzibar Pharma Limited, through its special purpose vehicle, ZNZ Pharma 1 Limited.

The parties have submitted that Zanzibar Pharma Limited, the acquiring undertaking, is a joint venture that will be jointly owned and controlled by three co-investors: Development Partners International (“DPI”); CDC Group PLC (“CDC”); and European Bank for Reconstruction and Development (“EBRD”). Zanzibar Pharma Limited is a newly incorporated entity and does not, as yet, conduct any activities in the COMESA Common Market. Zanzibar Pharma Limited will be active in the provision of operational and management services, including for Adwia Company S.A.E.

DPI is a limited liability partnership incorporated under the laws of England and Wales. DPI is a London-based private equity fund advisory business which invests in established companies that operate in high-growth industries throughout Africa. DPI is active in the following Member States: the Democratic Republic of Congo, Egypt, Mauritius, Seychelles, Tunisia, Uganda, Zambia, and Zimbabwe.

CDC is the United Kingdom government’s development finance institution incorporated in England and Wales. CDC invests in companies directly and indirectly by providing equity, debt and mezzanine finance to businesses. CDC is a long-term investor that seeks to maximise focus on development impact in sectors where growth leads to jobs. Some of the sectors it invests in are manufacturing, agribusiness, infrastructure, financial institutions, construction,

health and education. CDC is active in the following Member States: the Democratic Republic of Congo, Kenya, Malawi, Mauritius, Rwanda, Uganda, Zambia, and Zimbabwe.

EBRD is an international financial institution owned by 69 countries (including Egypt and Tunisia), as well as the European Union and the European Investment Bank, and has its headquarters at One Exchange Square, London, EC2A 2JN, United Kingdom. EBRD seeks to finance projects that strengthen the private sector in economies undergoing transition to a well-functioning market system in regions ranging from Eastern Europe to the Southern and Eastern Mediterranean and Central Asia. To achieve this goal, it finances private and public sector projects through, among other things, direct lending, equity investments and trade finance. It also offers advisory services. EBRD is active in the following Member States: Egypt, and Tunisia.

The parties have submitted that Adwia Company S.A.E., the target undertaking, is a pharmaceuticals company active in the manufacturing of generics for both human and animal use. The target is active in the following Member States: Burundi, the Democratic Republic of Congo, Egypt, Eritrea, Kenya, Libya, Sudan, and Uganda.

It has been submitted that Zanzibar Pharma Limited's acquisition of Adwia Company S.A.E. will enable it to invest in the pharmaceuticals manufacturing sector in Africa, a category in which it does not have any interest at present.

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: sbooluck@comesa.int. All written representations should be sent to the Commission not later than **13th January 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 **Ms. Sandya Booluck, Senior Analyst, Mergers and Acquisitions** on Tel: +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.