



COMESA Competition Commission

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**Common Market for Eastern
and Southern Africa**

14th March 2022

CCC Merger Inquiry Notice No. 12 of 2022

Notice of Inquiry into the Proposed Merger involving LSF XI Magpie Bidco SRL and Manuchar NV

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 a proposed merger involving LSF XI Magpie Bidco SRL (“**LSF XI**” or the “**acquirer undertaking**”) and Manuchar NV (“**Manuchar**” or the “**target undertaking**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the proposed transaction entails the acquisition by LSF XI, a wholly owned subsidiary of affiliates of Lone Star Funds (“**Lone Star**”), of 100% of the issued share capital in Manuchar together with its subsidiaries (“**Manuchar Group**”).

The parties submitted that LSF XI is a private limited company incorporated and organised under the laws of Belgium, having its registered office at Avenue Pasteur 2, 1300 Wavre Belgium, registered with the Crossroads Bank for Enterprises under number 0777.879.622 (LER Brabant Wallon). Lone Star is a private equity firm that invests globally in real estate, equity, credit and other financial assets. Since the establishment of its first fund in 1995, Lone Star has organised 21 private equity funds, and has offices in Beijing, Dallas, Hamilton, Hong Kong, London, Madrid, Miami, Montreal, New York, Paris, Singapore and Tokyo. Within the Common Market, Lone Star, through its portfolio investments, is mainly active in the manufacturing and distribution of roof tiles, carpet and rugs, supply of coffee machines and payment solutions, supply of construction materials, construction chemicals, production and distribution of colours and ink. Lone Star operates in Egypt, Kenya, Libya, Madagascar, Mauritius, Sudan, and Uganda.

The parties have submitted that Manuchar is a limited liability company incorporated and organised under the Laws of Belgium, having its registered office at Rietschoorvelden 20, 2170 Merksem - Belgium, and registered with the Crossroads Bank for Enterprises under company number 0407.045.751 (LER Antwerp – division Antwerp). Manuchar invests globally in the wholesale trade of chemical products, the procurement and maritime transport of a variety of commodities, including: steel; polymers; cement; paper and pulp; wood; pharmaceuticals; as well as metals and parts

(including mining supplies, tyres, spare parts and safety equipment). Within the Common Market, Manuchar is predominantly active in the wholesale trade of chemical products, Soda ash and sodium sulphate. Its portfolio also includes potassium sulphate; magnesium sulphate; potassium chloride; sodium bicarbonate; citric acid; glycerine; fatty alcohol; waxes and oils. Manuchar operates in Burundi, the Democratic Republic of Congo, Djibouti, Egypt, Eswatini, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Uganda, Zambia, and Zimbabwe.

The Commission will, in accordance with Article 26 of 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 it would be contrary to the public interest.

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 **4th April 2022**.

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.