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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 12 of 2015

Notice of Inquiry into the Transaction involving the Proposed Acquisition of Certain of the Issued Share Capital of ProCredit Bank Congo S.A. by Equity Group Holdings Limited.

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations hereinafter referred to as (“the Regulations”) that the COMESA Competition Commission hereinafter referred to as (“the Commission”) after receiving a notification in terms of Article 24 of the Regulations regarding the proposed acquisition of certain of the issued share capital of ProCredit Bank Congo S.A hereinafter referred to as (“ProCredit”) and Equity Group Holdings Limited hereinafter referred to as (“Equity”) intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that Equity entered into an agreement on 26th May, 2015 with ProCredit for the sale and purchase of shares comprising 79% of the issued share capital of ProCredit.

The Parties

ProCredit

The parties have submitted that ProCredit is a joint stock company established in accordance with the laws of the Democratic Republic of Congo which is wholly owned by Belgische Investeringsmaatschappij voor Ontwikkelingslanden N.V., Stichting Doen, Pro-Credit Holding AG & Co. KGaA, Kreditanstalt Fur Wiederaufbau (KfW) and International Finance Corporation). The parties have submitted that ProCredit is a leading SME-focused financial institution in DRC and part of the international ProCredit Group which is headquartered in Frankfurt, Germany. It commenced operations in 2005 and focussed on providing financial solutions to support small and medium-sized enterprises.

Equity

The parties have submitted that Equity is a financial services holding company in East Africa. Equity’s headquarters are in Nairobi, Kenya, with subsidiaries in Kenya, Uganda, South Sudan, Rwanda and Tanzania. Equity is listed on the Nairobi Securities Exchange and cross-listed on the Uganda Securities Exchange and Rwanda Stock Exchange. Equity currently has five banking subsidiaries in Kenya, Uganda, Tanzania, Rwanda and South Sudan providing

an extensive menu of financial services in the countries it has operations in as well as seven non-banking subsidiaries engaged in providing investment banking and stock-broking, custodial, insurance agency, consulting and infrastructural services.

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. 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: wmwemba@comesa.int. All written representations should be sent to the Commission not later than **Monday, 21st September, 2015**.

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. Willard Mwemba, Manager Mergers and Acquisitions** on Tel: +265 (0) 1 772466 or E-mail wmwemba@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.