



COMESA Competition Commission

Kang'ombe House - 5th Floor

P.O. Box 30742

Lilongwe 3, Malawi

Tel: +265 (0)1 772 466/529

+265 (0) 999 970 269

Email: compcom@comesa.int



Common Market for Eastern
and Southern Africa

25th March 2022

CCC Merger Inquiry Notice No. 15 of 2022

Notice of Inquiry into the Proposed Merger involving Diani Beach Hospitality Limited and Ascent DBH Ltd

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 Ascent DBH Ltd (“**Ascent DBH**” or the “**Acquiring Undertaking**”) and Diani Beach Hospitality Limited (“**DBH**” 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 that Ascent DBH will acquire up to 80% of the entire issued share capital in DBH.

Ascent DBH is a special purpose vehicle incorporated under the laws of Mauritius that will be jointly controlled by Ascent Capital Holdings Africa II Limited (**Ascent Capital**) and Facilité d'Investissement et de Soutien aux Entreprises en Afrique (“**FISEA**”). It was submitted that Ascent DBH has no activities in the Common Market. Ascent Capital is a company incorporated under the laws of Mauritius and through its deemed controlled portfolio companies, has activities in three Member States namely, Kenya, Mauritius, and Uganda. It was submitted that FISEA is a company incorporated under the laws of France. FISEA, through its parent company, Agence Française de Développement (AFD), holds real estate assets in six (6) Member States namely; Comoros, Democratic Republic of Congo (**DRC**), Djibouti, Kenya, Madagascar and Tunisia; and through FISEA Group’s controlled portfolio companies, it has activities in four (4) Member States namely DRC, Egypt, Mauritius and Uganda.

DBH is a company incorporated under the laws of Kenya. DBH is only active in one Member State, Kenya, where it operates a hospital in Diani Beach, Ukunda at the southern coast of Kenya with three satellite clinics in Kwale Town, Likoni Town and Ukunda Town, which are located at the southern part of the Kenyan coast.

The Commission will, in accordance with Article 26 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.

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 **14th 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.