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10 May 2023

**CCC Merger Inquiry Notice No. 9 of 2023**

**Notice of Inquiry into the Proposed acquisition of 100% shareholding in MyBucks Banking Corporation Limited by Centenary Rural Development Group Limited and Catholic Archdiocese of Lilongwe**

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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 acquisition of 100% shareholding in MyBucks Banking Corporation Limited (“**MyBucks**”) by Centenary Rural Development Group Limited (“**Centenary**”) and Catholic Archdiocese of Lilongwe (the “**Catholic Archdiocese**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that Centenary is a limited liability company and a holding company of Centenary Bank of Uganda, the largest commercial microfinance bank in Uganda. Centenary is also a holding company for two other subsidiaries, namely Centenary Foundation and Centenary Technologies Services Limited. Centenary was initially incorporated as Centenary Rural Development Bank Group Limited on 6 April 1983 and it changed its name to Centenary Rural Development Group Limited on 1 July 2020. The Group’s flagship subsidiary, Centenary Bank of Uganda is a leading commercial microfinance bank serving a quarter of Uganda’s banking population, with 2.4 million customers, 80 branches, 5,200 agents, 192 ATMs, online digital platforms and 3,000 employees. Centenary also supports 46,000 Village Savings and Lending Associations and 12,000 SACCOs. Within the Common Market, Centenary has operations in Uganda only.

The parties submitted that the Catholic Archdiocese is a religious institution that was initially established as the Apostolic Prefecture of Nyasa from the Apostolic Vicariate of Tanganyika in Tanzania on 31 July 1899 before being formally elevated as a diocese of Lilongwe on 25 April 1959 and further elevated to archdiocese status on 9 February 2011. In January 1961 the diocese was formally incorporated as a Trust under the Trustees Ordinance (Cap. 47 of the Laws of Nyasaland). The Catholic Archdiocese has seven Deaneries and 45 parishes. It has five governance structures, namely Board of Trustees comprising of four (4) trustees, College of Consultors (comprising eight people), Finance and Investment Council (comprising of nine people), Tribunal (comprising of five people) and the Executive Management (comprising of five people). The Catholic Archdiocese owns several institutions in

Malawi, including education institutions, hospitals and companies, in addition to owning several commercial properties within Lilongwe and surrounding districts. It also runs several community and social justice projects. Within the Common Market, the Catholic Archdiocese operates in Malawi only.

The target undertaking, MyBucks, is a limited company incorporated under the Companies Act of 2013 and registered in Malawi under the Banking Act of 2010. The parties submitted that MyBucks was licensed as a commercial bank on 15 May 2013 as New Finance Bank Limited with company registration number 12942. Further, it was licensed as a commercial bank under the Financial Services Act on 13 May 2014 and on 24 July 2014, it changed its name to New Finance Bank Malawi and commenced its operations on 27 January 2015. On 10 April 2019, the Bank changed and rebranded to MyBucks Corporation Limited following a merger between New Finance Bank Malawi Limited and GetBucks Limited. It is the most recent market entrant of Malawi's eight commercial banks market. With the Common Market, MyBucks provides retail and corporate banking services in Malawi only.

The parties submitted that in December 2021, MyBucks S.A., the 100% shareholder of MyBucks, was placed into bankruptcy in Luxembourg. On 14 October 2022, the Receiver Manager of MyBucks S.A., Mr Christian Steinmetz, accepted a final binding offer from Centenary (51%) and Catholic Archdiocese (49%) for the acquisition of 100% shareholding in MyBucks. The Receivers acceptance of the final offer is, in terms of the laws of the Grand-duchy of Luxembourg, subject to final approval of the Luxembourg Insolvency Court. The Receiver has already started the process of securing the said court approval. An application for regulatory approval has also been submitted to the Reserve Bank of Malawi. The parties submitted that the transaction would facilitate Centenary Group's regional expansion and the Catholic Archdiocese's entry into the financial services sector, with the joint purpose of transforming lives through provision of innovative business and financial inclusion solutions.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether 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: [akamanga@comesa.int](mailto:akamanga@comesa.int). All written representations should be sent to the Commission not later than **31 May 2023**.

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](mailto: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.