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Common Market for Eastern
and Southern Africa

9th September 2021

CCC Merger Inquiry Notice No. 24 of 2021

Notice of Inquiry into the Proposed Acquisition by Imperial Logistics Limited of all issued shares of Deep Catch Holdings Namibia Proprietary Limited

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 by Imperial Logistics Limited (“**Imperial**”) of Deep Catch Holdings Namibia Proprietary Limited (“**Deep Catch**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The proposed transaction entails Imperial, through its wholly owned subsidiary Imperial Capital Limited (“**Imperial Capital**”), acquiring all of the issued share capital of Deep Catch. Following the implementation of the proposed transaction, Deep Catch will ultimately be solely controlled by Imperial Capital.

The parties have submitted that Imperial Capital is a company incorporated in the Republic of South Africa. It is the holding company of Imperial's African region businesses, with businesses ranging from transportation, distribution, and logistics services. It has been submitted that Imperial is listed on the Main Board of the JSE Limited and it is not controlled by any single firm or person. Imperial and the various companies which form part of the Imperial Group of companies are established transport and logistics providers in various African countries. Further, the group also provides contract logistics and freight services in Europe and the United Kingdom.

The industries served by Imperial are primarily involved in the healthcare, consumer, automotive, chemical, and industrial sectors. It was submitted that Imperial Group's activities relevant for the purposes of the proposed transaction can be separated into two distinct sectors namely: i) market access activities, primarily within the Ambient Fast Moving Consumer Goods Market to retail and wholesale customers located in eSwatini, Malawi and Zambia; and ii) the provision of freight management services in Kenya and Zimbabwe. The parties also submitted that in Zambia, Imperial operates to an insignificant extent in the temperate controlled Fast Moving Consumer Goods (FMCG) Market. It was submitted that Imperial

Group of companies operate in the following Member States: Eswatini, Kenya, Malawi, Mauritius, Zambia, and Zimbabwe.

The parties submitted that Deep Catch is a company headquartered in Namibia which specialises in import (into Namibia) and export (from Namibia), wholesale, distribution, and supply of perishable products (i.e., perishable foods such as poultry and fish products) in the SADC region. The products in with Deep Catch specialises are of the type that have a limited shelf life if not stored in the required conditions (e.g., refrigerated or frozen foods refrigeration). It was also submitted that Deep Catch operates primarily in the Temperature-controlled FMCG Market in the Democratic Republic of Congo (“**DRC**”), Malawi, and Zambia. Further, Deep Catch operates to an insignificant extent in the Ambient FMCG Market in the DRC, Zambia and Zimbabwe. The Deep Catch divisions, which are active in the DRC, Malawi, Zambia and Zimbabwe are: (i) wholesale trading; (ii) distribution; and (iii) logistics support services divisions.

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: akamanga@comesa.int. All written representations should be sent to the Commission not later than 29th September 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 **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.