

10 May 2023

CCC Merger Inquiry Notice No. 8 of 2023

Notice of Inquiry into the Proposed Acquisition of control by Drake Asset Management Jersey Limited over Palma Ibdar Aviation 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 of control by Drake Asset Management Jersey Limited (“**Drake**” or the “**acquiring undertaking**”) of the entire issued share capital of Palma Ibdar Aviation Limited “**Palma**” or the “**target undertaking**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that Drake is active in aircraft leasing and is part of Falko Regional Aircraft Limited’s (“**Falko**”) global aircraft leasing business. Drake and Falko are ultimately controlled by Chorus Aviation, Inc, the global aircraft leasing, and aviation services group listed on the Toronto Stock Exchange. Within the Common Market, Drake operates in Ethiopia and Kenya.

The parties further submitted that Palma is active in aircraft leasing, and pre-merger, is ultimately solely controlled by Aergo Capital Holdings Limited. Palma, through its controlled subsidiaries, holds controlling interests in four Bombardier Q400 aircraft. Within the Common Market, the target undertaking operates in Ethiopia, only.

The parties submitted that the proposed transaction would allow Falko to grow its leasing business and provides multiple opportunities to maximize returns on the target’s aircraft assets.

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: mdebessay@comesa.int. All written representations should be sent to the Commission not later than **30 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. Mengistu Molla, Merger Analyst, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or mdebessay@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.