

27 July 2023

CCC Merger Inquiry Notice No. 16 of 2023

Notice of Inquiry into the Proposed Acquisition of Control by B Commodities ME (FZE) over James Finlay (Kenya) 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 B Commodities ME (FZE) (“**B Commodities**”) over James Finlay (Kenya) Limited (“**James Finlay (Kenya)**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that B Commodities will acquire 85% of the issued share capital of James Finlay (Kenya).

The parties submitted that B Commodities, a company incorporated under the laws of the United Arab Emirates, is indirectly owned by Browns Investments PLC, whose ultimate shareholder is LOLC Holdings PLC group. B Commodities and all entities under its common control are together referred to as the **acquiring group**. The parties further submitted that the acquiring group’s activities in the Common Market are limited to the micro financial services sector, the hotel/hospitality sector, and gold mining and production. Within the Common Market, the acquiring group is active in Egypt, Kenya, Malawi, Mauritius, Zambia, and Zimbabwe.

The parties submitted that James Finlay (Kenya), a company incorporated under the laws of the United Kingdom, is currently wholly owned by James Finlay Limited. The parties further submitted that the target is primarily active in the production and processing of tea and is also involved in the production of botanicals. Within the Common Market, the target is active in Kenya only.

The parties submitted from the acquirer’s perspective that the proposed transaction is viewed as an opportunity to expand its production capacities in international markets. The parties further submitted from the target’s perspective that the proposed transaction is an opportunity to gain the necessary expertise, resources, and incentives to ensure its future growth.

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@comesacompetition.org. All written representations should be sent to the Commission not later than **17 August 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, Senior Analyst, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or mdebessay@comesacompetition.org.

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.