

31 August 2023

CCC Merger Inquiry Notice No. 22 of 2023

Notice of Inquiry into the Proposed acquisition of up to 100% of the total issued share capital of Compagnie Générale De Banque (Cogebanque) PLC by Equity Group Holdings Plc

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 up to 100% of the total issued share capital of Compagnie Générale De Banque (Cogebanque) PLC (the “**Target**”) by Equity Group Holdings Plc (the “**Acquirer**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that the Acquirer will initially acquire 91.93% from the Government of Rwanda, the Rwanda Social Security Board, Sanlam Vie Plc and Judith Mugirasoni. Concurrently with the Proposed Transaction, the Acquirer intends to offer to buy the remaining shares in the Target with a view to achieving 100% ownership.

The parties submitted that the Acquirer is a public limited liability company established under the laws of Kenya. It is listed on the Nairobi Securities Exchange and cross-listed on the Uganda Securities Exchange and the Rwanda Stock Exchange. The Acquirer operates as a non-operating holding company and is regulated by the Central Bank of Kenya. The Acquirer (through its banking subsidiaries) has operations in Kenya, Uganda, South Sudan, Rwanda, Tanzania, and the Democratic Republic of Congo and has a Commercial Representative office in Ethiopia. The Acquirer also has non-banking subsidiaries engaged in investment banking and stock-broking, custodial services, life assurance and insurance agency, and social initiatives and interventions. The vision of the Acquirer is to champion the social and economic prosperity of the people of Africa while its purpose is transforming lives, giving dignity, and expanding opportunities for wealth creation.

The parties submitted that The Target is a financial institution incorporated in Rwanda whose principal activity is the provision of retail, SME, and corporate banking services. The Target, also engages in the property rental business which is incidental to its core banking business. The Target was incorporated in 1998 and commenced operations in 1999. The Target does not have any subsidiaries and does not operate in any other COMESA Member State. The Target maintains and operates through a network of 28 branches and 600 active agents spread throughout Rwanda. Additional information may be found at: <http://www.cogebanque.co.rw/>.

The parties submitted that the proposed transaction will enable the Acquirer to expand its footprint in Rwanda to provide access to competitive, tailored financial services to improve the lives and livelihoods of the people of Rwanda, expand opportunities for wealth creation whilst also delivering significant value to its stakeholders. The proposed transaction is in line with the Acquirer's objective of having more people in Africa financially included. Further, the proposed transaction is an opportunity for the Acquirer to deliver the vision of being Sub-Saharan Africa's premier financial institution through delivering innovative products and services to customers, including, in particular, the effective use of technology such as a mobile virtual network operator, POS machines and Telco Mobile Subscriber Integrated Services Digital Network Number to provide innovative banking products in Rwanda.

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@comesacompetition.org. All written representations should be sent to the Commission no later than **21 September 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, Principal Analyst, Competition Division** on Tel: +265 (0) 1 772 466 or akamanga@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.