

16 January 2024

CCC Merger Inquiry Notice No. 1 of 2024

Notice of Inquiry into the Proposed Merger involving Absa Bank (Mauritius) Limited and the Mauritius branch of the Hongkong and Shanghai Banking Corporation 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 merger involving Absa Bank (Mauritius) Limited (**ABML** or the **Acquiring Firm**) and the retail banking business and the local business banking business of the Mauritius branch (the **Target Business**) of Hongkong and Shanghai Banking Corporation Limited (**HSBC**), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The proposed transaction amounts to a sale of part of a business in which ABML intends to acquire the retail banking business and the local business banking business of the Mauritius branch of the HSBC.

The parties submitted that ABML provides banking and financial services in Mauritius. ABML services corporate clients, high net worth individuals, small and medium enterprises and provides retail and business banking products and services. ABML is part of Absa Group Limited (**Absa Group**), a pan African financial services group that is listed on the Johannesburg Stock Exchange in South Africa. The Absa Group is a diversified financial services group with a presence in 12 countries across the continent. Absa Group operates in the following COMESA Member States: Kenya, Mauritius, Seychelles, Uganda, and Zambia.

The parties submitted that the Target Business, which is part of the Mauritius branch of the Hongkong and Shanghai Banking Corporation Limited, carries out retail banking and local business banking activities in Mauritius.

According to the parties, the proposed transaction will provide ABML the opportunity to expand its presence in the Mauritian economy and to create a more diversified business across geography, segment and product and speaks to Absa Group’s growth aspirations in Africa.

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: sbooluck@comesacompetition.org. All written representations should be sent to the Commission not later than **6 February 2024**.

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 **Ms. Sandya Booluck, Principal Analyst, Competition Division** on Tel: +265 (0) 1 772 466 or sbooluck@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.