



Kang'ombe House, 5th Floor
P.O. Box 30742
Lilongwe 3, Malawi
Tel: +265 111 772 466
Email- compcom@comesacompetition.org



Common Market for Eastern
and Southern Africa

21 February 2024

CCC Merger Inquiry Notice No. 7 of 2024

Notice of Inquiry into the Proposed Acquisition of up to 35% of the shareholding in Hennos Holdings Limited by Hollard International (Proprietary) Limited for an indirect minority stake of up to 25.9% in Apollo Investments 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 up to 35% of the shareholding in Hennos Holdings Limited (“**Hennos**” or “**the direct target**”) by Hollard International (Proprietary) Limited (“**Hollard**” or “**the acquirer**”) for an indirect minority stake of up to 25.9% in Apollo Investment Limited (the “**indirect target**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the acquirer, Hollard, is a limited liability company registered under the laws of South Africa. Through the entities under its common control, the acquirer provides short-term and life insurance as well as investment products to a diverse customer base, including individual consumers, commercial entities and corporate clients. In the Common Market, Hollard is active in the Democratic Republic of Congo (“**DRC**”), Kenya, Mauritius, Seychelles, Uganda, Zambia and Zimbabwe.

The parties have submitted that Hennos is a private limited liability company registered under the laws of Kenya. The direct target has been incorporated as a holding company and does not undertake any direct business activity. Hennos owns a majority of the shares in the indirect target. The indirect target is an insurance holding company that has the following subsidiaries operating in Kenya and Uganda: APA Insurance Limited, APA Life Assurance Limited, Apollo Asset Management Company Limited, Gordon Court Limited, Apollo Holdings Limited, Apollo Apartments Limited, APA Microinsurance Limited and APA Insurance (Uganda) Limited (collectively, the “**target group**”). In the Common Market, the target group is active in Kenya and Uganda.

The transaction concerns the proposed acquisition of up to 35% of the shareholding by the acquirer in the direct target for an indirect stake of up to 25.9% in the indirect target.

The parties have submitted that for the acquirer, this transaction serves as a strong investment in the vibrant insurance services business in East Africa. The parties have

further submitted that the transaction will further grow and enhance the business of the target group and assist in driving profitability, which is aimed at steering the target group on a sustainable growth trajectory into the future. The acquirer's investment in the target group will give it a strategic ability to develop in the market.

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: sbundhun@comesacompetition.org. All written representations should be sent to the Commission not later than **13 March 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. Sunjida Bundhun, Senior Analyst, Competition Division** on Tel: +265 111 772 466 or sbundhun@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.