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**Common Market for Eastern  
and Southern Africa**

**Case File No. CCC/MER/03/11/2024**

**Decision<sup>1</sup> of the 109<sup>th</sup> Meeting of the Committee Responsible  
for Initial Determinations regarding the Proposed Acquisition  
of Control by General Atlantic Partners, L.P. of Actis  
Holdings S.à r.l.**

**ECONOMIC SECTOR: Private Market Investments**

**22 August 2024**



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<sup>1</sup> In the published version of this decision, some information has been omitted pursuant to Rule 73 of the COMESA Competition Rules concerning non-disclosure of business secrets and other confidential information. Where possible, the information omitted has been replaced by ranges of figures or a general description.

## The Committee Responsible for Initial Determinations,

Cognisant of Article 55 of the Treaty establishing the Common Market for Eastern and Southern Africa (the “**COMESA Treaty**”);

Having regard to the COMESA Competition Regulations of 2004 (the “**Regulations**”), and in particular Part 4 thereof;

Mindful of the COMESA Competition Rules of 2004, as amended by the COMESA Competition [Amendment] Rules, 2014 (the “**Rules**”);

Conscious of the Rules on the Determination of Merger Notification Thresholds and Method of Calculation of 2015;

Recalling the overriding need to establish a Common Market;

Recognising that anti-competitive mergers may constitute an obstacle to the achievement of economic growth, trade liberalization and economic efficiency in the COMESA Member States;

Considering that the continued growth in regionalization of business activities correspondingly increases the likelihood that anti-competitive mergers in one Member State may adversely affect competition in another Member State,

Desirability of the overriding COMESA Treaty objective of strengthening and achieving convergence of COMESA Member States’ economies through the attainment of full market integration,

Having regard to the COMESA Merger Assessment Guidelines of 2014,

Determines as follows:

### Introduction and Relevant Background

1. On 24 May 2024, the COMESA Competition Commission (the “**Commission**”) received a notification for approval of a merger involving General Atlantic Partners, L.P. (“**GA**” or the “**acquiring firm**”) and Actis Holdings S.à r.l. (“**Actis Holdings**” or the “**target firm**”), pursuant to Article 24(1) of the Regulations.
2. Pursuant to Article 26 of the Regulations, the Commission is required to assess whether the transaction between the parties would or is likely to have the effect of substantially preventing or lessening competition or would be contrary to public interest in the Common Market.
3. Pursuant to Article 13(4) of the Regulations, there is established a Committee Responsible for Initial Determinations, referred to as the CID. The decision of the CID is set out below.



## The Parties

### *GA (the acquiring firm)*

4. The parties submitted that GA is a limited partnership established in terms of the laws of the State of Delaware in the United States of America. GA is the primary acquiring firm in this transaction. GA is acquiring the target firm through its indirectly wholly owned subsidiary GAP Arthur Holdco, L.P., which has been established for the purposes of this transaction.
5. GA, its affiliates, and its controlled portfolio companies are referred to as the GA Group.
6. The parties submitted that the GA Group is a private equity investment firm with portfolio companies in the consumer, financial services, healthcare, technology, climate and life sciences sectors. The parties further submitted that the GA Group does not have any portfolio companies that are incorporated in the Common Market (and only one with a physical presence in the Common Market).
7. GA has the following portfolio companies that generate turnover in the Common Market: (i) Argus Media Ltd; (ii) Benda Bili SAS (trading under the name Sézane); (iii) Chess.com; (iv) Gymshark Ltd; (v) HotMart Technology Holding B.V.; (vi) House of Anita Dongre Limited; (viii) Kiwi.com s.r.o; (viii) Property Finder Egypt LLC; and (ix) Greenlight Planet Inc (trading under the name Sun King).
8. Table 1 below presents the activities of the portfolio companies of GA in the Common Market.

**Table 1 – Activities of the portfolio companies of GA in the Common Market**

<b>Portfolio Company</b>	<b>Description of activities</b>	<b>Member State</b>
Argus Media Ltd	A commodities price reporting agency globally which publishes market reports and data feeds containing price assessments, market commentary and news on a full range of global commodities	DRC, Egypt, Kenya, Mauritius and Zambia
Benda Bili SAS	An online clothing retailer based in France	Mauritius
Chess.com	An online destination for playing, learning and watching chess	DRC, Egypt, Kenya, Mauritius and Zambia
Gymshark Ltd	A British fitness and leisure clothing retailer	Egypt, Kenya, Mauritius and Zambia



HotMart Technology Holding B.V.	A software and technology platform developer and marketer that helps small and medium sized content producers create, manage and promote digital products	Egypt, Kenya, Mauritius and Zambia
House of Anita Dongre Limited	A retailer, designer and manufacturer of women's apparel and accessories based in India	Kenya, Mauritius, and Zambia
Kiwi.com s.r.o	An online travel agency offering a number of services including flight bookings, hotel bookings and car rental services	DRC, Egypt, Kenya, Mauritius, and Zambia
Property Finder Egypt LLC	An online real estate platform for the publication of classified advertisements in respect of residential and commercial properties for sale or rent in Egypt <sup>2</sup>	Egypt
Greenlight Planet Inc (Sun King)	A manufacturer and seller of solar lanterns and solar home systems to off-grid and under-electrified populations primarily in Africa and India	Kenya, Uganda, and Zambia

### **Actis Holdings**

9. Actis Holdings is a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg, with its principal business address in the United Kingdom.
10. Affiliates of Actis Holdings manage a group of investment funds which have investments in various portfolio companies. Actis Holdings is a sustainable infrastructure investor, investing globally in energy infrastructure, long life infrastructure, digital infrastructure, real estate and private equity. Actis Holdings invests in structural themes that support long-term, equitable growth in defensive, critical infrastructure across energy transition, digitalisation transition, and supply chain transformation.
11. Table 2 below presents the activities of the portfolio companies of Actis Holdings which have operations in or derive revenue in, into or from the Common Market.

**Table 2 – Activities of the portfolio companies of Actis Holdings in the Common Market**

<b>Portfolio Company</b>	<b>Description of activities</b>	<b>Member State</b>
Honoris United Universities	A pan-African private higher education network	Eswatini, Mauritius and Tunisia
Impact Holdings (Mauritius S.A.) Limited	A joint venture holding company through which	Kenya, Mauritius and Zambia

<sup>2</sup> Confidential information claimed by merging parties



	Actis, together with its joint venture partner, control certain industrial and logistics property investment assets and operating companies	
Upstream Systems S.A.	A provider of mobile marketing solutions, provides e-commerce marketing solutions	Democratic Republic of Congo, Egypt, and Ethiopia
Groupe Les Laboratoires Medis SA	A pharmaceutical company based in Tunisia	DRC, Djibouti, Libya, Madagascar, Rwanda, Sudan and Tunisia
Elgon Roads Development Limited	Operates the Radisson Blu Hotel, Upper Hill, Nairobi, a 271-room hotel	Kenya
Fairview Hotel Limited	Operates a hotel with rooms available for short stay	Kenya
Garden City Residential	An integrated residential, retail and commercial development	Kenya
Garden City Business Park	Operates in the real estate sector	Kenya
Java House Group (Mauritius)	An all-day casual dining chain in East Africa	Kenya, Rwanda and Uganda
Northlands	Operates in the real estate sector	Kenya
Prism (MiVida)	Operates in the real estate sector	Kenya
York (Actis Logistics JV (Mauritius) Limited)	Operates in the real estate sector	Zambia

## Jurisdiction of the Commission

12. Article 24(1) of the Regulations requires ‘notifiable mergers’ to be notified to the Commission. Rule 4 of the Rules on the Determination of Merger Notification Thresholds and Method of Calculation (the “**Merger Notification Thresholds Rules**”) provides that:

*Any merger, where both the acquiring firm and the target firm, or either the acquiring firm or the target firm, operate in two or more Member States, shall be notifiable if:*



- a) *the combined annual turnover or combined value of assets, whichever is higher, in the Common Market of all parties to a merger equals or exceeds USD 50 million; and*
  - b) *the annual turnover or value of assets, whichever is higher, in the Common Market of each of at least two of the parties to a merger equals or exceeds USD 10 million, unless each of the parties to a merger achieves at least two-thirds of its aggregate turnover or assets in the Common Market within one and the same Member State.*
13. The undertakings concerned have operations in two or more Member States. The undertakings concerned held an asset value of more than the threshold of USD 50 million in the Common Market and they each held an asset value of more than USD 10 million in the Common Market. In addition, the parties do not hold more than two-thirds of their respective aggregate turnover or asset value in one and the same Member State. The Commission was thus satisfied that the transaction constitutes a notifiable transaction within the meaning of Article 23(5)(a) of the Regulations.

### **Details of the Merger**

14. The transaction concerns the proposed acquisition by GA through GAP Arthur Holdco, L.P. of 100% of Actis Holdings, which will confer sole control of Actis Holdings on GA.
15. The parties submitted that the transaction will not result in a substantial prevention or lessening of competition in the Common Market because:
- i. There are no horizontal overlaps between the activities of the parties' portfolio companies.
  - ii. There is a horizontal overlap between GA and Actis Holdings in that they are both active in the market for private market investments globally, although GA has no investments in firms that are incorporated in the Common Market.
  - iii. Only one entity in the GA Group has a physical presence in the Common Market. This minimal potential horizontal overlap will not result in either coordinated or unilateral effects.
  - iv. There are no vertical overlaps between GA and Actis Holdings or their respective portfolio companies in the Common Market.
16. The parties submitted that for GA, the transaction is an opportunity to:
- i. create a more diversified investing offering, bolstering GA and Actis Holdings as strategic long-term partners to both investments and management teams;
  - ii. create a broader set of investment solutions for investors;



- iii. bring together two global investors with collective commitment to sustainability and supporting the energy transition;
- iv. enhance GA and Actis Holdings' capability to provide a global offering with deeper localised expertise, given the complementary geographical presence of the respective businesses; and
- v. align a strong strategic and cultural fit across organisations.

## Competition Assessment

### Consideration of the Relevant Markets

#### *Relevant Product Market*

17. Paragraph 7 of the Commission's Guidelines on Market Definition states that a ***"relevant product market comprises all those products and/or services which are regarded as interchangeable or substitutable by the consumer/customer, by reason of the products' characteristics, their prices and their intended use"***.
18. The CID noted that the acquiring group is a private equity firm with investments across six global sectors: climate, consumer, financial services, healthcare, life sciences and technology. The target, Actis Holdings, manages a group of investment funds that have investments in the following sectors: energy infrastructure, long life infrastructure, digital infrastructure, real estate and private equity.
19. The CID further noted that the main activities of the merging parties relate to private investment and observed a potential vertical link between the activities of the merging parties for the online advertising of real estate by a portfolio company under the acquiring group and the real estate business by the portfolio companies of the target.

#### *Private Equity Market*

20. Private market investors gather funding from high-net-worth individuals or institutional investors, such as pension funds, and invest the money into private entities, called portfolio companies. The investment can be made into the equity or asset of the portfolio companies<sup>3</sup>. Investments are made in exchange for a return on the investment, which return is typically higher than investments into public companies<sup>4</sup> and allows the company to increase its value through the private investment<sup>5</sup>. Private investment is thus an opportunity for the portfolio

<sup>3</sup> Pamela Espinosa, 'Private vs public equity' [www.moonfare.com/pe-masterclass/private-vs-public-equity](http://www.moonfare.com/pe-masterclass/private-vs-public-equity) accessed 14 June 2024

<sup>4</sup> <https://russellinvestments.com/us/private-markets> accessed 14 June 2024

<sup>5</sup> [www.yieldstreet.com/resources/article/private-market-investing-explained/](http://www.yieldstreet.com/resources/article/private-market-investing-explained/) accessed 14 June 2024



company to raise its capital and its liquidity and for this reason, private investments are thus for a relatively longer time period<sup>6</sup>.

21. Private investment firms typically choose to invest into a number of companies operating in different sectors to have a diversified portfolio of investments. The CID observed that this is indeed the case for the merging parties, whereby the portfolio companies operate in climate, financial services, consumer and technology, energy infrastructure, long life infrastructure, digital infrastructure, real estate and private equity sectors. Private investments are also less regulated than public investments and do not have any statutory obligation to publish reports on their investment positions or returns.

*Classification of private market investments*

22. Private market investment can be classified into the following asset classes:
- (i) **private credit** which relates to the provision of lending (in the form of loans) to the portfolio company.
  - (ii) **private equity** which relates to investment into the shareholding of the portfolio company. In private equity investment, the investor buys equity in an already trading and established company in order to overhaul the portfolio company and thereafter sell it at higher price<sup>7</sup>. Private equity is the most common form of private investment. A sub-set of private equity is venture capital, whereby the investor invests in starts up or firms which have recently been established but have high growth potential<sup>8</sup>. A General Partner manages the private equity fund and is responsible for all of the fund's management decisions.
  - (iii) **private infrastructure** which relates to investments into joint venture investments with the portfolio company.
  - (iv) **private real estate and natural resources** which relates to private investments into real estate and natural resources, including agricultural, minerals and metals <sup>9</sup>.

23. The parties submitted that they are active in the following asset classes per Table 3 below.

**Table 3: Private investments of GA and Actis Holdings**

Private Investment	GA	Actis
Private Equity	Yes	Yes
Private Debt	Yes	No

<sup>6</sup> [www.yieldstreet.com/resources/article/private-market-investing-explained/](http://www.yieldstreet.com/resources/article/private-market-investing-explained/) accessed 14 June 2024

<sup>7</sup> [www.investopedia.com/terms/p/privateequity.asp](http://www.investopedia.com/terms/p/privateequity.asp) accessed 1 July 2024

<sup>8</sup> <https://hamiltonlane.maglr.com/a-guide-to-private-markets/what-are-the-private-markets> accessed 3 July 2024

<sup>9</sup> <https://russellinvestments.com/us/private-markets> accessed 14 June 2024





Real Estate	No	Yes
Infrastructure and natural resources	No	Yes

24. It can be noted from the above that there is an overlap in the private equity investment of the acquiring firm and the target firm.
25. The parties submitted that it is not necessary to conclude on whether the private market investments market should be segmented by asset class as competition concerns do not arise irrespective of the precise market definition.
26. The parties further submitted that it is not necessary to segment an asset class by sector for the following reasons:
- (i) From an investor perspective, different sectors are often substitutable, i.e. most investors include a mix of different sectors in their investment portfolio; and
  - (ii) Investment firms typically invest in multiple sectors.
27. The parties submitted that within an asset class, funds can invest in specific sectors, e.g. healthcare, or invest across a broad range of industries without a specific sector focus.
28. The CID noted that the broad market for private market investments can be divided into different asset classes. As it can be observed, each type of investment listed above has a distinct nature and intended purpose and this is reflected in the class of asset that is being invested in. A private investor therefore has the choice to invest in each class of the private investment asset depending on its risk appetite and the duration of each investment and the return on such investment. Additionally, the management of each class of asset may be different, for instance, a private equity fund requires the specialised skills and knowledge of a General Partner for its management and on the demand side, therefore, each class of asset is likely to constitute a distinct category.
29. The CID further noted that the choice of the sector to invest in may also be distinct within an asset class. The investor will choose the sector which is likely to bring the highest return on the investment, that is, the sector which is likely to be more profitable to the investor. The profitability and the return to be obtained makes each sector distinct on the demand side.
30. The CID therefore considered that the broad market for private investment can be segmented according to the asset class and based on the foregoing, **private equity investment can be construed a distinct market.**



### *Real Estate*

31. The target's portfolio companies operate in the real estate sector in Kenya. The real estate properties are diverse, relating to industrial, residential, retail, commercial development and hospitality. Of relevance are the below portfolio companies and their activities:
- i. Elgon Roads Development Co. Limited, operating the Radisson Blu Hotel, Upper Hill in Nairobi, Kenya,
  - ii. Fairview Hotel Limited, operating operates the Fairview Hotel (a 127-room hotel), the Town Lodge Hotel (an 84-room hotel), and the City Lodge at Two Rivers (a 171-room hotel), all located in Nairobi, Kenya.
  - iii. Garden City Residential, an integrated residential, retail and commercial development in Nairobi Kenya.
  - iv. Garden City Business Park located in Nairobi, Kenya, operating Garden City Retail, a shopping mall. Garden City Retail also includes a 2.5 acre open to sky playpark, and the largest rooftop solar car park in East Africa.
  - v. Northlands operating Nairobi Gate Industrial Park, a 100-acre industrial master planned development along Nairobi's Eastern Bypass, with Special Economic Zone, status. Nairobi Gate Industrial Park currently houses c.35,000m<sup>2</sup> of lettable Grade A industrial warehousing space.
32. The CID noted that Elgon Roads Development Co Ltd and Fairview Hotel Ltd are involved in the provision of short-term hotel accommodation services. The CID has previously identified distinct market for short term accommodation, with further segmentation by star rating.<sup>10</sup> The CID noted that the acquirer's online advertising portal does not apply to short term hotel accommodation. In this regard, the CID has not further considered this market.

### *Residential vs Commercial Real Estate*

33. The broad real estate market can be segmented according to the intended use of the asset. The segmentation relates to residential or commercial use. The core distinction lies in the fact that real estate assets are mostly sought by individuals for the residential usage whereas commercial property area mostly sought by companies. The intended use determines the characteristics of the property, such that residential properties are often smaller than commercial properties. On the demand side therefore, residential properties and commercial properties are likely

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<sup>10</sup> Decision of the Eightieth Committee Responsible for Initial Determination Regarding the Proposed Merger involving Ukarimu Limited and Fairview Hotel Limited



to be distinct and not substitutable<sup>11</sup>. The CID observed that the target group is active in both residential and commercial property development in Kenya.

34. Commercial properties can be further segmented into retail properties or industrial properties<sup>12</sup>. Retail properties are shopping malls and often come inclusive of amenities such as car parks. Industrial properties are often warehouses. Property developers will buy the real estate asset and the location of that property will determine its intended development. Properties on high end streets are likely to be converted into retail properties whereas properties within or near industrial zones or near facilities such as airports, ports and dry ports are likely to be converted into industrial properties. The CID considered that for the purposes of this transaction, the commercial property market should not be further segmented according to retail or commercial property markets as this will not affect the competitive assessment of this transaction.
35. In view of the above, the CID considered the relevant product markets as supply of
- i. **residential property and**
  - ii. **commercial property.**

*Advertising for Real Estate*

36. As noted above, there is an overlap between the activities of the GA and Actis Holdings portfolio companies in relation to real estate. Specifically, the acquirer's portfolio company operates online real estate platform for classified advertisement<sup>13</sup> for properties in Egypt. This platform lists residential and commercial properties for sale and rent in different regions in Egypt. The listed properties are land and developed properties. The platform allows users to check availability and specifications of the property (apartment, duplex, townhouse, penthouses and villas). The platform provides advertising for real estate to licensed real estate brokers (also known as agents), licensed real estate brokerage firms (also known as agencies), developers, hotel apartment providers, and property owners (together "property listers") which can advertise properties on Property Finder's website<sup>14</sup>.
37. Such online portals for advertising for real estate are used by seekers of property to rent or buy on the one side and by property listers on the other side to advertise

<sup>11</sup> Decision of the Eighty-Third Committee Responsible for Initial Determinations Regarding the Proposed Merger involving Grit Real Estate Income Group Limited and Stellar Warehousing and Logistics Limited

<sup>12</sup> Decision of the Eighty-Third Committee Responsible for Initial Determinations Regarding the Proposed Merger involving Grit Real Estate Income Group Limited and Stellar Warehousing and Logistics Limited

<sup>13</sup> Confidential information claimed by merging parties.

<sup>14</sup> Confidential information claimed by merging parties.



properties within their portfolio. Property Finder is therefore a two-sided platform acting as the intermediary to the two sides of users.

38. The CID noted that advertising for real estate can be made through printed media or online. Printed media, such as newspapers or magazines, usually have dedicated pages for classified advertising. An agent and a customer have the option of using either printed media or online platforms to respectively advertise and search for property. However, advertising on printed media is likely to have space constraints and is likely to be more expensive such that the advertising in printed media is likely to be restricted to a certain number of words and limited use of pictures<sup>15</sup>. On online platforms however, advertising is usually accompanied by pictures of the property along with its description. More information is available to the customer through an online platform as compared to printed media. Payment for printed media is likely to be per word of the advertisement whereas advertising on an online platform is likely to be against a fee which does not vary according to the number of words nor prescribes a word limit<sup>16</sup>. Given that online real estate advertising allows the property seeker to see how the property looks like, this allows the user to make a more informed decision and save on time in the process.
39. The CID noted that online advertising is not segmented by type of real estate as an online platform can provide advertising for either type of real estate.
40. Based on the above characteristics and pricing, real estate advertising in printed media and online platforms are therefore not likely to be substitutable on the demand side. In view of the above, the CID identified a relevant product market for the **provision of online real estate advertising**.
41. In view of the above, the CID identified the relevant product markets as the:
  - i. **market for private equity**.
  - ii. **market for residential property**.
  - iii. **market for commercial property**.
  - iv. **market for the provision of online real estate advertising**.

#### ***Relevant Geographic Market***

42. The Commission's Guidelines on Market Definition define the relevant geographic market as comprising "***...the area in which the undertakings concerned are involved in the supply and demand of products or services, in which the conditions of competition are sufficiently homogeneous, and which can be***

<sup>15</sup> <https://www.linkedin.com/pulse/print-vs-online-advertising-which-one-should-you-choose> accessed 2 August 2024

<sup>16</sup> <https://www.webfx.com/digital-advertising/pricing/how-much-does-it-cost-to-advertise-online/> accessed 2 August 2024



***distinguished from neighbouring areas because the conditions of competition are appreciably different in those areas***<sup>17</sup>.

43. The parties submitted that the geographic market for the private market investment is worldwide because:
- i. Investment firms raise capital from investors worldwide. As capital is raised from institutional investors there are lower regulatory barriers to raising capital in a new country or region.
  - ii. From an investor perspective, investments in different countries and regions can be substitutable as investors seek to have a diverse portfolio across different regions.
  - iii. Investment firms typically invest in assets on a worldwide basis, even if individual funds may have a narrower focus. For example, GA portfolio companies generate turnover in more than 100 countries worldwide, including in all continents.
  - iv. There are no significant barriers to an investment firm investing in a new country or region as advances in technology and improved access to information have facilitated globalisation of financial markets. Investment firms can easily access data on investment opportunities worldwide and do not need an on the ground presence to invest in a particular country.
  - v. The jurisdiction in which a fund is based for regulatory, or tax reasons does not generally limit where the fund invests.
44. The parties further submitted that even if the market is defined as national, there would be no horizontal overlaps between the merging parties, as the GA Group does not have any investments in portfolio companies that are incorporated in the various jurisdictions in the Common Market, and it is only Sun King which has a physical presence in the Common Market.
45. The CID noted that the market for the supply of private equity investment is likely to be global because from an investor's perspective, there are no geographical boundaries to raise capital and invest. Private equity investors are motivated by the returns that they will make on their investments and for this reason, the portfolio company which has the potential to bring the highest return will be chosen, irrespective of the latter's geographic location.
46. The CID noted that the main private equity investors which have invested into the Common Market are companies which have their place of business in United States of America, Canada and Europe, including Apollo Global Management,

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<sup>17</sup> Paragraph 8



Blackstone Inc., CVC Capital Partners, The Carlyle Group, DST Global, Insight Partners, Warburg Pincus, Advent International, Bain Capital, and Nordic Capital.

47. Accordingly, and noting that the outcome of the assessment will not be affected under any alternative market definition, the market for the private equity has been construed as global.
48. In relation to the markets for provision of residential and commercial properties, the CID previously considered that the immobility of physical properties suggest that the geographic markets would be constrained to particular regions within national borders at best<sup>18</sup>. On the demand-side, a customer chooses the location of his property based on the required place to stay or operate. Considering that the properties operated by the target in this case are only in Nairobi, the relevant geographic market can be construed as Nairobi.
49. The CID noted that PropertyFinder operates in a number of countries, including the United Arab Emirates, Qatar, Bahrain, Lebanon, Egypt, Saudi Arabia, Morocco, and Turkey<sup>19</sup>. However, it was noted that for each country, Property Finder operates a distinct portal, offering properties for rent or sale only within the country. This may be as a result of differing restrictions by way of legislations on the purchase or long-term rental of properties by foreigners in different countries, which may constraint supply side substitutability. Further from a demand side, it was evident that a prospective tenant or buyer residing or intending to reside in Egypt would not consider properties available in other regions as effective substitutes. For this reason, the CID considered that the relevant geographic market can be limited to national borders.

#### ***Conclusion of Relevant Market Definition***

50. For the purposes of assessing the proposed transaction, and without prejudice to its approach in future similar cases, the CID identified the relevant markets as:
  - i. ***the global market for private equity investment.***
  - ii. ***the market for residential property in Nairobi.***
  - iii. ***the market for commercial property in Nairobi.***
  - iv. ***the market for online advertising services for real estate in Egypt.***

#### **Market Shares and Concentration**

51. The parties submitted that they did not have detailed information on their or their competitors' market shares in the global market for private market investments. They estimated their combined market shares in the global market for private

<sup>18</sup> Decision of the Eighty-Third Committee Responsible for Initial Determinations Regarding the Proposed Merger involving Grit Real Estate Income Group Limited and Stellar Warehousing and Logistics Limited

<sup>19</sup> <https://www.generalatlantic.com/media-article/property-finder-closes-120-million-in-latest-investment-round-led-by-general-atlantic/>



market investments did not exceed 5% and the measure was based on its combined entity's assets under management (“AUM”) which the parties consider to be a commonly used metric in the market.

52. The parties submitted the market share estimates of the parties in the global market for private equity investments and the top five competitors, at a global level (calculated based on each individual firms’ AUM against worldwide AUM) per Table 4 below. The parties submitted that each individual competitor's AUM presented below was obtained from each of their websites as at the date of preparing the filing. The parties obtained information on the total worldwide AUM of private equity investments (approximately USD\$7.6 trillion) for 2022, from S&P Global<sup>20</sup>.

**Table 4: Estimated Market Shares of Private funds based on AUM**

Private Equity Fund	Private Equity AUM	Estimated Shares (%)	Market
General Atlantic Partners	USD 83 billion	[0% - 5%]	
TPG	USD 212 billion	[0% - 5%]	
CVC	Approx. USD 200 billion	[0% - 5%]	
Bain Capital LP	USD 180 billion	[0% - 5%]	
KKR	USD 174 billion	[0% - 5%]	
Carlyle Group	USD 161 billion	[0% - 5%]	
Actis Holdings	Approx. USD 12.5 billion	[0% - 5%]	

53. The parties further provided the list of their largest competitors in the market for private market investments which have invested in the Common Market as follows:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

<sup>20</sup> [www.spglobal.com/en/research-insights/special-reports/look-forward/private-markets-still-waters-run-deep](http://www.spglobal.com/en/research-insights/special-reports/look-forward/private-markets-still-waters-run-deep) accessed 2 August 2024



- x Cinvel
- [REDACTED]
- [REDACTED]
- iii Francisco Partners
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- xviii Red Bull Group
- [REDACTED]
- xix Permira Advisors
- [REDACTED]
- xx Summit Partners
- [REDACTED]
- xxi TA Associates Management
- [REDACTED]
- [REDACTED]
- xvii Tiger Global Management
- [REDACTED]
- xxii TPG Inc
- [REDACTED]
- [REDACTED]
- [REDACTED]

54. Notwithstanding the parties' submissions, the CID noted that GA positions itself as leading global growth equity investor<sup>21</sup>. Table 5 below records the 15 largest private equity funds ranked by Private Equity International<sup>22</sup>:

**Table 5: Top 15 global private equity fund in 2024**

Private Equity Fund	Amount raised (USD M)
Blackstone	123,993
KKR	103,241
EQT	99,121
CVC Capital Partners	77,570
TPG	61,934
The Carlyle Group	60,178
Thoma Bravo	59,060
Advent International	52,939
Warburg Pincus	51,730
Hg	51,365
Clayton Dubilier & Rice	50,039

<sup>21</sup> [www.linkedin.com/company/general-atlantic](https://www.linkedin.com/company/general-atlantic) accessed 1 July 2024  
<sup>22</sup> [www.privateequityinternational.com/pei-300/](https://www.privateequityinternational.com/pei-300/) accessed 1 July 2024. The PEI 300 ranking is based on the amount of private equity direct investment capital raised from third party investors by firms for funds closed between 1 January 2021 and 31 December 2023, as well as capital raised for funds in market at the end of the counting period. In 2024, the firms needed to have raised a minimum of USD 2.8 billion in that time to secure a spot in the ranking.





Silver Lake	49,121
Hellman & Friedman	46,715
Vista Equity Partners	45,262
General Atlantic	43,482

55. Table 6 below presents the top 15 global private equity fund in 2023<sup>23</sup>.

**Table 6: Top 15 global private equity fund<sup>24</sup>**

Private Equity Fund	Amount raised (USD M)
Blackstone	125,612
KKR	103,713
EQT	101,660
Thoma Bravo	74,093
The Carlyle Group	69,681
TPG	54,965
Advent International	52,939
Hg	51,046
General Atlantic	48,696
Warburg Pincus	48,534
Silver Lake	48,280
Goldman Sachs	45,358
Bain Capital	44,347
Clearlake Capital Group	43,967
CVC Capital Partners	41,750

56. According to PEI 300, General Atlantic ranked at number 15 in 2024, with funds raised of USD 43,482 million<sup>25</sup>, compared to USD 123,993 million for Blackstone and USD 103,241 million for KKR. In 2023, General Atlantic ranked at number 9, having raised an amount of USD 48,696 million. The report noted that it has become increasingly difficult to shake up the top 10 seats in the PEI 300 ranking, with the major change being CVC Capital Partners jumping 11 places from 2023 to fourth position in 2024.

57. The CID noted that Actis Holdings does not appear in the PEI 300 ranking. Actis Holdings' AUM is recorded as USD 12.5 billion<sup>26</sup> which is in line with the parties' submissions, whilst GA's AUM is recorded at USD 84 billion<sup>27</sup>. Based on the total

<sup>23</sup> <https://www.privateequityinternational.com/pei-300/#pei-300-full-ranking> accessed 4 July 2024

<sup>24</sup> [www.privateequityinternational.com/pei-300/#pei-300-full-ranking](https://www.privateequityinternational.com/pei-300/#pei-300-full-ranking) accessed 3 July 2024

<sup>25</sup> [www.privateequityinternational.com/pei-300/#pei-300-full-ranking](https://www.privateequityinternational.com/pei-300/#pei-300-full-ranking) accessed 3 July 2024

<sup>26</sup> [Actis | GP | Fund focus \(privateequityinternational.com\)](https://www.privateequityinternational.com/database/institution-profile/id/institution:98cow/actis/gp-fund-focus), accessed at: <https://www.privateequityinternational.com/database/institution-profile/id/institution:98cow/actis/gp-fund-focus>

<sup>27</sup> [General Atlantic | LP | Fund Commitments \(privateequityinternational.com\)](https://www.privateequityinternational.com/database/institution-profile/id/institution:98cld/General%20Atlantic/lp-fund-commitments?back-to-search), accessed at: <https://www.privateequityinternational.com/database/institution-profile/id/institution:98cld/General%20Atlantic/lp-fund-commitments?back-to-search>



AUM provided by the parties, Actis Holdings would have an estimated market share of less than 0.5%. Actis Holdings is nonetheless described as a leading global investor in sustainable infrastructure<sup>28</sup>, and has been named Frontier Market Firm of the year four times out of the last five years<sup>29</sup>.

58. As noted above, GA is a significant player in the private equity investment market at global level in terms of ranking by amounts of funds raised, whilst on the basis of AUM the company has a relatively small market share. Likewise, the target is equally a relatively small player in terms of AUM but has been flagged as a strong emerging player.
59. The CID noted that the transaction will not result in an immediate significant market share accretion that would create or strengthen any position of dominance by the parties. The CID was however mindful that mergers involving private equity funds may enhance the product portfolio of the private equity fund which may result in portfolio effects in the long run.
60. In view of the above, the CID assessed whether any foreclosure concerns could arise in the markets of overlap between the portfolio companies of the merging parties.

*Market for residential and commercial real estate in Nairobi*

61. The parties submitted the below estimated market shares for Impact's competitors for both residential and commercial real estate in Nairobi in 2023 per Table 7 below.

**Table 7: Estimated Market shares for competitors of Impact for residential and commercial property in Nairobi in 2023<sup>30</sup>**

Supplier	Estimated Market Share (%)
Purple Dot	[20% – 25%]
<b>Nairobi Gate Industrial Park (Impact)</b>	<b>[10% - 15%]</b>
ALP	[5% - 10%]
Mitchell Cotts	[0% - 5%]
Grit	[0% - 5%]
Tatu City	[0% - 5%]
Other	[50% - 60%]

<sup>28</sup> [Actis | Institution Profile | Private Equity International](https://www.privateequityinternational.com/institution-profiles/actis.html), accessed at: <https://www.privateequityinternational.com/institution-profiles/actis.html>

<sup>29</sup> [PEI Awards 2023: Global winners \(privateequityinternational.com\)](https://www.privateequityinternational.com/pei-awards-2023-global-winners/), accessed at: <https://www.privateequityinternational.com/pei-awards-2023-global-winners/>

<sup>30</sup> Confidential information claimed by merging parties. The parties have submitted that the competitors have been identified based on various metrics, including traffic (e.g., monthly web sessions, share of voice), app performance (e.g., app downloads), commercial (e.g., supply active clients), and qualitative knowledge of the Egyptian market



62. In relation to Garden City Business Park, the parties submitted there was more than 10 million square feet (SQ ft) of office space in Nairobi. Garden City Business Park would therefore have a market share of less than [0% - 5%]. Regarding Garden City Retail, similar to that of Garden City Business Park, the total supply of retail space in Nairobi was more than 10 million SQ ft. Garden City Retail would therefore have a market share of less than [0% - 5%].
63. In relation to Mi Vida, the parties submitted that it operated in a highly fragmented residential market. Competition primarily occurs among individual projects and locations rather than platform companies. As a result, no single entity would command more than [0% - 5%] of the market<sup>31</sup>.
64. In relation to any other competitors' market shares, the parties submitted that the office, residential, and retail property markets in Nairobi remained highly fragmented. Therefore, the parties were of the view that it is highly unlikely that the competitor could hold a market share exceeding [10% to 15%]<sup>32</sup>.

*Online advertising services for real estate in Egypt*

65. The parties submitted that the market for property classified platforms was highly competitive and identified their top 5 competitors along with their respective estimated market shares in 2023 per Table 8 below:

**Table 8: Estimated Market shares for Providers of online advertising platforms in Egypt in 2023<sup>33</sup>**

Platform	Estimated Market Share (%)
<b>Property Finder</b>	<b>[35% - 40%]</b>
Aqarmap	[20% – 25%]
Dubizzle	[20% – 25%]
Bayut	[5% – 10%]
Nawy	[5% – 10%]
Realestate.eg	[0% – 5%]

66. From the table above, the CID noted that PropertyFinder was the market leader, followed by Aqarmap and Dubizzle. The CID also noted the emergence of aleqaria which is listed as the most visited real estate platform in Egypt in June 2024 with 3.51 million visits (representing a 120% increase year-over-year) compared to 2.99 million visits for PropertyFinder Egypt (representing an increase of 35%

<sup>31</sup> Confidential information claimed by merging parties.

<sup>32</sup> Confidential information claimed by merging parties

<sup>33</sup> Confidential information claimed by merging parties. The parties have submitted that the competitors have been identified based on various metrics, including traffic (e.g., monthly web sessions, share of voice), app performance (e.g., app downloads), commercial (e.g., supply, active clients), and qualitative knowledge of the Egyptian market. The parties submitted that they assumed that the six portals make up 100% of the market, as there is no data available for all active real estate portals in Egypt. The parties further submitted for the latter reason, the market shares of the parties in the Table 11 above are likely overstated.



YoY)<sup>34</sup>. It was noted that the transaction would not result in any direct market share accretion in the relevant markets for online advertising for real estate and provision of residential and commercial real estate. The CID nonetheless assessed whether the transaction could give rise to any potential foreclosure effects which could heighten the overall market position of the merging parties in the private equity investments market.

67. Given the activities of the portfolio companies of the merging parties in the market for online advertising for real estate and the market for commercial property, the CID observed that the transaction creates potential vertical links. The CID observed that the two services were currently provided in different geographic markets by the parties. The CID assessed whether there may be any foreclosure concerns if the acquiring group were to extend the services of Property Finder to Kenya post-merger by denying or hampering access of other real estate providers to an emerging online platform or by denying or hampering access to an important customer base to existing platform provider. The parties submitted that the target uses the following entities/platforms to advertise its properties in Kenya<sup>35</sup>:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

68. The CID observed that in the event that PropertyFinder decides to operate an online advertising platform in Kenya post-merger, and if it were to enjoy similar market shares as it does in Egypt, in view of the relatively small market position of the target, it would not have the incentive to provide such services exclusively or primarily for the target's properties, as it would forego significant revenues for the remaining property owners/providers who have the option of turning to alternative advertising platforms.

69. Similarly, rival real estate advertising platforms would not be denied of an essential customer base if the targets were to switch exclusively to PropertyFinder in the future. In addition, the CID noted the parties' submission that Property Finder has not considered, nor is it considering to, expand its operations to Kenya in the next

<sup>34</sup> [www.semrush.com/trending-websites/eg/real-estate](http://www.semrush.com/trending-websites/eg/real-estate) accessed 3 July 2024

<sup>35</sup> Confidential information claimed by merging parties.

<sup>36</sup> The Commission noted that other [REDACTED]



5 years. The CID was therefore satisfied that vertical effects are unlikely to result in this transaction.

### **Consideration of Third-Party Views**

70. In arriving at its determination, the CID also considered submissions from the National Competition Agencies of Egypt, Kenya, Libya, Mauritius, Eswatini, Madagascar, and Zambia which confirmed the absence of competition and public interest concerns.

### **Determination**

71. The CID determined that the merger is not likely to substantially prevent or lessen competition in the Common Market or a substantial part of it, nor will it be contrary to public interest. The CID further determined that the transaction is unlikely to negatively affect trade between Member States.
72. The CID, therefore, approved the transaction.
73. This decision is adopted in accordance with Article 26 of the Regulations.

Dated this 22<sup>nd</sup> day of August 2024

**Commissioner Dr Mahmoud Momtaz (Chairperson)**

**Commissioner Lloyds Vincent Nkhoma**

