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Common Market for Eastern  
and Southern Africa

18 October 2024

CCC Merger Inquiry Notice No. 41 of 2024

## **Notice of Inquiry into the Proposed Acquisition by Delta-Sigma Holding Limited of Stratton Africa Holdings Limited and its controlled affiliates**

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 by Delta-Sigma Holding Limited (“**Delta**” or the “**Acquiring Firm**”) of 100% of the issued share capital of Stratton Africa Holdings Limited (“**Stratton**”, together with its controlled affiliates, the “**Target Firm**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that the Acquiring Firm is a Mauritian newly formed company established solely for purposes of the Proposed Transaction. It is indirectly controlled by Invictus Investment Co. PLC (“**Invictus**”), a listed entity in the Abu Dhabi Stock Exchange. Invictus is an agro-food commodities trading company with a focus on running efficient trading businesses through the development of a network of reliable suppliers and customers across the Middle East, Africa, Asia and the Americas. It currently owns 100% shareholding in Invictus Trading FZE (“**Invictus Trading**”). The parties submitted that Invictus Trading is the main trading undertaking of Invictus, with a focus on trading grains and other commodities, which include, amongst other things, wheat, sugar, maize, soybean meal, packaging materials, cotton, groundnuts and sesame, sourcing them from major agricultural producing geographies and selling to its customers across Africa, the Middle East and Asia. In the Common Market, the acquiring group operates in Burundi, Comoros, Djibouti, Egypt, Ethiopia, Kenya, Malawi, Rwanda, Sudan, and Uganda.

The parties submitted that Target Firm is an investment holding company incorporated in Mauritius with interests in the production and supply of (i) wheat flour; (ii) maize flour; (iii) pasta; (iv) bran; and (v) wheat in the Common Market. In the Common Market, the Target Firm operates in Eswatini, Malawi, Mauritius, Zambia, and Zimbabwe.

Invictus' stated strategy to the market includes diversification of product offering, diversification of business into new markets, and investment in agro-food value chains to develop into a full-scale agro-food trading and processing entity. The parties submitted that, given its stated objectives, the Proposed Transaction fits with Invictus'

strategic goals, including investment in downstream assets, and diversifying and growing its revenue base in a new 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: [mdebessay@comesacompetition.org](mailto:mdebessay@comesacompetition.org). All written representations should be sent to the Commission not later than **7 November 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 **Mr. Mengistu Debessay, Senior Analyst, Competition Division** on Tel: +265 (0) 111 772 466 or [mdebessay@comesacompetition.org](mailto: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.