



Kang'ombe House, 5th Floor
P.O. Box 30742
Lilongwe 3, Malawi
Tel: +265 (0) 111 772 466/529/530
Email- compcom@comesacompetition.org



Common Market for Eastern
and Southern Africa

23 January 2025

CCC Merger Inquiry Notice No. 5 of 2025

Notice of Inquiry into the Proposed Acquisition of Joint Control Over Java House (Mauritius) by Alterra Africa Accelerator Fund LP, Alterra Africa Accelerator Fund (ZAR) Partnership, Phatisa Food Fund 2 LLC, PFF 2 Parallel LLC and PFF 2 Co-Invest

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 joint control over Java House (Mauritius) (“**Java Mauritius**” or the “**Target**”) by Alterra Africa Accelerator Fund (ZAR) Partnership and Alterra Africa Accelerator Fund L.P. (together, “**Alterra**” or “**Acquirer 1**”), acquiring a majority shareholding, and Phatisa Food Fund 2 LLC, PFF 2 Parallel LLC, and PFF 2 Co-Invest (together, “**Phatisa**” or “**Acquirer 2**”), acquiring a minority shareholding with control rights, intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that Alterra Capital Partners is an Africa-focused private equity firm that collaborates with entrepreneurs and management teams to foster business growth. The firm targets investments across diverse sectors, including food and beverages, hospitality, retail, telecommunications, technology, financial services, consumer products and services, infrastructure services, and logistics. To support these investments, Alterra established its maiden fund in 2022, the Alterra Africa Accelerators Fund (“**AAA**” Fund). As of today, the AAA Fund does not control any investee companies within the COMESA region. The parties further submitted that Alterra does not operate in the Common Market.

The parties submitted that Phatisa is a private equity fund managed by Phatisa Fund Managers 2 Limited (“**PFM 2**”). PFM 2, a private equity fund manager, and the firms controlled by it in COMESA are hereinafter referred to as the “**Phatisa Group**”. Within the Common Market, PFM 2, through the investee companies that it directly or indirectly controls, operates in the Democratic Republic of Congo, Kenya, Malawi, Mauritius, Seychelles, and Zambia.

The parties submitted that the Target is a Mauritian investment holding company, which through its subsidiaries, is involved in the fast food and restaurants business, operating the following brands in the Common Market: (i) Java House in Kenya, Uganda and Rwanda; (ii) Planet Yogurt in Kenya; (iii) Three Sixty Degrees Pizza in Kenya and Rwanda; (iv) Kukito Africa in Kenya; and (v) Foodscape Africa

(Foodscape), a centralized procurement and commercial production kitchen which produces baked goods, coffee and cooked food. Within the Common Market, the Target operates in Kenya, Rwanda, Uganda.

The parties submitted that the Proposed Transaction would enable the Seller to exit and realise its investment and will enable Alterra and Phatisa to acquire controlling stakes in the Target and promote growth of its business.

The parties submitted that the Phatisa Group is not in the same line of business as the Target or Alterra and therefore does not compete with the Target or Alterra. As such, there are no horizontal or vertical overlaps between the parties and the Proposed Transaction will therefore not result in a prevention or lessening of competition in COMESA nor will it give rise to any public interest concerns. The Proposed Transaction will also not raise any input or customer foreclosure concerns.

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. All written representations should be sent to the Commission not later than **13 February 2025**.

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, Principal Analyst, Competition Division** on Tel: +265 (0) 111 772 466 or 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.