

17 April 2025

CCC Merger Inquiry Notice No. 18 of 2025

Notice of Inquiry into the Proposed Acquisition of Control of Baobab S.A.S by Beltone Capital

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 Control of Baobab S.A.S (**Baobab**, together with its controlled affiliates, the “**Target Group**”) by Beltone Capital (**Beltone**, together with its controlled affiliates and controller, Beltone Holding S.A.E, the “**Acquiring Group**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that the Acquiring Group is a financial services group mainly offering a suite of financial solutions through its two main platforms: Investment Banking and Non-Bank Financial Institutions (“**NBFI**”). The Investment Banking platform provides several services, namely investment banking, securities brokerage, asset management and research. The growing NBFI platform houses diverse offerings, which include private equity and direct investment, venture capital, leasing and factoring, mortgage finance, consumer finance, microfinance and small and medium enterprise financing. In the Common Market, the Acquiring Group operates in Egypt only.

The parties have submitted that the Target Group is a French financial services firm specialising in lending and savings solutions, particularly focused on small businesses. The Target Group’s range of product offerings includes micro, small and medium enterprises loans, savings solutions and mobile payments. In the Common Market, the Target group operates in the Democratic Republic of Congo and Madagascar.

The parties submitted that this transaction concerns the growth strategy of Beltone to expand its footprint cross border. The parties further submitted that this transaction would allow both entities to exchange know-hows, with the ultimate goal to better serve end-clients. The parties submitted that Beltone has the financial means to support the development of Baobab, in order to better tackle financial inclusion and offer financing solutions and support.

The parties submitted that as a result of this transaction, Baobab will benefit from increased financial resources, as well as from Beltone's know-how and the exchange of best practices with the Acquiring Group, with the ultimate aim of better serving its

end customers (i.e. micro, medium and small enterprises) by responding more optimally, both quantitatively and qualitatively, to their needs in terms of access to financing and support solutions.

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 in 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 **8 May 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 **Ms. Sunjida Bundhun, Principal Analyst, Competition Division** on Tel: +265 (0) 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.