

8 May 2023

CCC Merger Inquiry Notice No. 05 of 2023

Notice of Inquiry into the Proposed Merger involving Elgon Healthcare Limited and Westlands Heights 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 merger involving Elgon Healthcare Limited (“**Elgon**” or the “**acquiring undertaking**”) and Westlands Heights Limited (“**Westlands**” or the “**target**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that Elgon is a special purpose vehicle incorporated under the laws of Mauritius which is jointly controlled by IBL Ltd (“**IBL**”) and Société de Promotion et de Participation pour la Coopération Economique (“**Proparco**”). IBL is a public company incorporated in Mauritius which operates in a number of different sectors including agro and energy, building and engineering, commercial and distribution, financial services, hospitality and leisure, life and technologies, logistics, seafood and property. Proparco is a development finance institution incorporated under the laws of France. The acquiring firm has no operations in the Common Market. In the Common Market, the acquiring Group, is active in Comoros, Democratic Republic of Congo, Djibouti, Egypt, Kenya, Madagascar, Mauritius, Seychelles, Tunisia and Uganda.

The parties have submitted that Westlands is a holding company incorporated under the laws of Mauritius which wholly owns Harley’s Limited in Kenya and Harley’s Uganda Limited in Uganda both of which are in the business of importing and distributing pharmaceutical products and medical equipment in Kenya and Uganda. In the Common Market, the target is active in Kenya and Uganda.

The proposed transaction entails the acquisition of 65% of the issued share capital in Westlands by Elgon. The parties have submitted that the proposed transaction will enable the target to grow and expand its geographical territory in the pharmaceutical sector as well as grant the target access to a wider customer base for its products.

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@comesa.int. All written representations should be sent to the Commission not later than **29 May 2023**.

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, Merger Analyst, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or sbundhun@comesa.int.

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.