

<b>MEDIA RELEASE</b>	<b>Contact Person</b>	<b>Mr. V. Keenoo, Assistant to the Executive Director</b>
	<b>Investigation Ref</b>	<b>INV048</b>
	<b>Date</b>	<b>16/03/2022</b>

## **The Competition Commission welcomes New Goodwill Investment Company Ltd’s decision to withdraw its appeal and comply with the directives of the Commission**

On the 5<sup>th</sup> April 2021, the Commission issued a decision regarding the potential acquisition of a majority stakes in Medine Distillery Company Ltd (“Medine Distillery”) by New Goodwill Investment Company Ltd (“NGI”) (the “acquisition”). In its decision, the Commission directed NGI to divest all its shares and associated rights in Grays Distilling Ltd (“Grays Distilling”) as a condition to proceed with the acquisition of an additional 33.3% of the shares in Medine Distillery. Pursuant to the provisions of section 67 of the Competition Act 2007 NGI appealed to the Supreme Court against the direction issued by the Commission.

NGI has now decided to adhere to decision of the Commission. The Competition Commission welcomes this decision of NGI to comply with the direction, which is important to ensure that competition is maintained in the market for the supply of extra neutral alcohol and rum, and to safeguard the interest of consumers.

It is recalled that the decision followed an investigation which found that NGI controls a significant proportion of the market for the supply of rum and that through the acquisition it will also control a significant proportion of the supply of extra neutral alcohol which may impede effective competition. There are 3 main producers of extra neutral alcohol in Mauritius and the local market is supplied mainly by 2 of them namely Grays Distilling and Medine Distillery. As such NGI was required to divest from Grays Distilling which is one of the two main suppliers of extra neutral alcohol in the local market as a condition to acquire a majority stake in Medine Distillery which is the other major supplier in the local market.

In line with the direction, NGI has already divested its shares in Grays Distilling and has acquired a majority stake in Medine Distillery. Consequently, NGI has withdrawn the appeal through which it was challenging the decision of the Commission further to compliance with the said decision.

**End of Media Release**

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