

MERGER DECISION NO 18: 2026

Notice in Terms of Section 53(4) (a)(ii) of the Competition Act 2018

DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION OF A 75% CONTROLLING INTEREST IN MEDSWANA PROPRIETARY LIMITED BY CFAO HEALTHCARE SOCIÉTÉ ANONYME

Introduction of the Merging Parties

Pursuant to section 53(4)(a)(ii) of the Competition Act 2018 (“the Act”), notice is hereby given on the decision made by the Competition and Consumer Authority (“the Authority”) in relation to the proposed acquisition of a 75% controlling interest in Medswana Proprietary Limited (“Medswana” or “Target Enterprise”) by CFAO Healthcare Société Anonyme (“CFAO Healthcare” or “Acquiring Enterprise”).

The Acquiring Enterprise, CFAO Healthcare, is controlled by CFAO SAS (“CFAO”); these companies are incorporated in France. CFAO, is in turn ultimately controlled by Toyota Tsusho Corporation (“TTC”), a public company incorporated and listed on the Tokyo Stock Exchange and the Nagoya Stock Exchange. The Acquiring Enterprise controls E.P.DIS France (“E.P.DIS”) and Missionpharma A/S (“MissionPharma”), based in France and Denmark respectively. CFAO Healthcare, CFAO, TTC and all enterprises directly or indirectly controlled by these firms are collectively referred to as the “CFAO Group”. The CFAO Group is also active in Botswana through CFAO Mobility Rental (Botswana) Proprietary Limited trading as Hertz Rent A Car (“Hertz Botswana”), a Botswana registered company.

The Target Enterprise, Medswana, is a company incorporated in accordance with the laws of Botswana. Its shareholders are Rene Lombard, Mark Allan Fallows and Pieter Jacobus Le Grange. The Target Enterprise controls Medswana Shareblock Proprietary Limited, a Botswana based company.

Merging Parties

In terms of the markets, the Acquirer and the Target operate in different segments of the pharmaceutical market. Specifically, the Acquirer is involved in the upstream level of pre-wholesale export of pharmaceutical products to wholesalers and distributors in Botswana through its subsidiary, E.P.DIS. On the other hand, the Target entity operates as a wholesaler and distributor of in the downstream level of the pharmaceutical products within Botswana. It is important to note that the Target is engaged in the wholesale and distribution of pharmaceutical products to customers who, in turn, retail these products to end consumers. The Acquirer does not currently supply the Target. Accordingly, there is no existing vertical relationship between the merging parties.

Furthermore, there are available alternative suppliers and existing diversified sourcing arrangements in the relevant market, which will impose competitive constraints on the behaviour of the merging parties post-merger. In this regard, the merger is not expected to alter the market structure, and the status quo is expected to be maintained post-implementation.

Competitive Analysis and Public Interest

The Authority has established that the Proposed Transaction is not likely to result in a substantial lessening of competition, nor endanger the continuity of service in the market relevant in Botswana. Furthermore, the proposed merger will not have any negative effect on public interest matters in Botswana as per the provisions of section 52(2) of the Competition Act 2018. Moreover, the merger has the potential to yield benefits in the relevant market in Botswana.

The Determination

Pursuant to the provision of Section 53 of the Competition Act, 2018, the Authority has decided to unconditionally approve the proposed acquisition of a 75% controlling interest in Medswana Proprietary Limited by CFAO Healthcare Société Anonyme.

However, as stated under section 61 of the Act, this approval does not override or negate any other mandatory statutory approvals or processes that any of the parties to this merger must comply with under the Laws of Botswana.

Dated at Gaborone on this 13th day of May 2026.

Gideon G. Nkala, Chief Executive Officer, Competition and Consumer Authority, P/Bag 00101, Gaborone, Plot 28, Matsitama Road, Tel: 3934278 Fax: 3121013

