

MERGER DECISION NO 03: 2025**Notice in Terms of Section 53(4) (a) (ii) of the Competition Act 2018****DECISION ON THE ASSESSMENT THE PROPOSED SALE AND PURCHASE OF CERTAIN IMMOVABLE PROPERTY, BEING PORTION 62, A PORTION OF PORTION 35 (A PORTION OF PORTION 3) OF THE FARM FOREST HILL NO.9-KO, SITUATED IN GABORONE INTERNATIONAL COMMERCE PARK, GABORONE, FROM MONT TRADE (PTY) LTD****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 respect of the proposed sale and purchase of certain immovable property, being portion 62, a portion of portion 35 (a portion of portion 3) of the Farm Forest Hill No.9-Ko, situated in Gaborone International Commerce Park, Gaborone, from Mont Trade (Pty) Ltd ["Mont Trade" or "the Selling Enterprise"] By Brangus Botswana (Pty) Ltd ["Brangus Botswana" or "the Acquiring Enterprise"].

The Acquiring Enterprise, Brangus Botswana, is a company incorporated in accordance with the Laws of Botswana. It is controlled equally by Autash Arora and Abhi Arora. The Acquiring Enterprise does not directly or indirectly control any enterprise in Botswana.

The Selling Enterprise, Mont Trade, is a company incorporated in accordance with the Laws of Botswana. It is controlled equally by Vlado Rubezic and Jelica Simic. The Target Enterprise does not directly or indirectly control any enterprise in Botswana.

Relevant Market

The Acquiring Entity is a property holding company, whose core business is to purchase and lease property. The Acquiring Enterprise has five (5) industrial properties under its portfolio, all situated in Gaborone. On the other hand, the Selling Enterprise is involved in an agricultural business, including manufacturing and retail of animal feeds, poultry equipment, tractor and tractor spares and farming implements. The Selling Enterprise operates from its stores in Gaborone, Francistown and Palapye, servicing the whole nation of Botswana.

The Selling Enterprise also owns Portion 62, a portion of portion 35 (a portion of portion 3) of the Farm Forest Hill No.9-Ko, situated in Gaborone International Commerce Park, Gaborone (*the Property being sold*). The Property being sold is light industrial property.

Considering the above, there is product overlap in description of the activities of the merging parties. As both, the Acquirer and the Target owns industrial properties in Gaborone. However, the identified overlap is minimal because there is a plethora of industrial properties owned by both companies and individuals. This is an indication of highly contestable market with players that would continue to impose competitive constraint in the market post-merger. Therefore, no competition concern is expected to arise as result of the merger post implementation.

Competitive Analysis and Public Interest

The Authority has established that the structure of the relevant market is not expected to significantly change upon implementation of the proposed merger as the proposed transaction is not likely to result in a substantial lessening of competition, nor endanger the continuity of service in the market under consideration. 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 Act.

The Determination

Pursuant to the provision of section 53 of the Act, the Authority has decided to unconditionally approve the proposed sale and purchase of certain immovable property, being portion 62, a portion of portion 35 (a portion of portion 3) of the Farm Forest Hill No.9-Ko, situated in Gaborone International Commerce Park, Gaborone, from Mont Trade (Pty) Ltd by Brangus Botswana (Pty) Ltd.

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 20th day of February 2025.

Tebelelo Pule, Chief Executive Officer, Competition and Consumer Authority, P/Bag 00101, Gaborone, Plot 28, Matsitama Road, Tel: 3934278 Fax: 3121013