



MERGER DECISION NO 04: 2025

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

DECISION ON THE ASSESSMENT THE PROPOSED ACQUISITION OF ADDITIONAL SHARES IN MUSTEK LIMITED BY NOVUS HOLDINGS LIMITED

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 the proposed acquisition of additional shares in Mustek Limited ("Mustek" or "the Target Enterprise") by Novus Holdings Limited ("Novus Holding" or "the Acquiring Enterprise").

The Acquiring Enterprise, Novus Holdings, is a public company listed on the Johannesburg Stock Exchange. The Acquiring Enterprise does not directly or indirectly control any enterprise in Botswana.

The Target Enterprise, Mustek, is a public company listed on the JSE. The Target Enterprise does not directly or indirectly control any enterprise in Botswana.

Relevant Market

The The Acquiring Entity' s group businesses comprise of a commercial printing, manufacturing, packaging business and tissue production in South Africa. The Acquiring Enterprise derives revenue in Botswana through Novus Print Proprietary Limited, which offers printing services to customers in Botswana. In the same vein, the Target Group provides the following products and services: (i) the distribution and service and support segments of the Mustek Group, inter alia, ICT equipment, security, point of sale and alternative power solutions; (ii) the training segment offering SETA-accredited skills development solutions; (iii) cybersecurity services; and (iv) property rental in South Africa. In Botswana, Musket offers ICT solutions to certain customers.

Considering the above, the description of the activities of the Merging Parties reveals a lack of product overlap. This conclusion is based on the Acquiring Entity being a commercial printing, manufacturing and packaging business, while the Target operates in the ICT sector. In addition, both the Acquirer and the Target Firm do not have a physical presence in Botswana, however, they do export their products and services into Botswana to customers listed above. Consequently, the proposed transaction would not lead to horizontal overlap post-merger.

Consequently, the status quo was expected to be maintained following the implementation of the transaction.

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. 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.

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 additional shares in Mustek Limited by Novus Holdings Limited.

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,
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