



MERGER DECISION NO 41: 2019

Notice in Terms of Section 60(4)(a)(ii) of the Competition Act

THE PROPOSED ACQUISITION OF 100% ISSUED SHARE CAPITAL OF EQSTRA INVESTMENT HOLDINGS (PTY) LTD BY BIDVEST BANK LTD.

Pursuant to section 60(4)(a)(ii) of the Competition Act (Cap 46:09), notice is hereby given on the decision made by the Competition Authority ("the Authority") in respect of the proposed acquisition of 100% issued share capital of Eqstra Investment Holdings (Pty) Ltd by Bidvest Bank Ltd.

The Authority determined through the analysis of the facts of the merger, that firstly, the proposed transaction is not likely to result in the prevention or substantial lessening of competition, or endanger the continuity of the services offered in the relevant markets in Botswana especially the fleet management services, given the fact that:

- (i) The proposed transaction was not likely to result in a substantial lessening of competition, nor endanger the continuity of service, due to sufficient post-merger competitive constraints posed by other competitors; and
- (ii) The implementation of the proposed merger was not expected to result in the merged entity attaining a dominant position.

Secondly, the Authority took cognisance of the fact that the proposed transaction gave rise to public interest concerns under section 59(2) of the Competition Act. The target enterprise has an existing contract(s) with certain clients.

Taking these public interest concerns and pursuant to the provisions of section 60 of the Competition Act of Botswana, the Authority approves the proposed acquisition subject to the condition that:

- (i) The merged entity shall ensure that all existing contractual obligations with existing customers are fulfilled.

However, as stated under section 66 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 this 13th day of November, 2019.

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