

MERGER DECISION NO 43 OF 2023**DECISION ON THE ASSESSMENT OF THE PROPOSED SALE AND PURCHASE OF A PORTION OF THE BUSINESS ASSETS OF THE BATA SHOE COMPANY (BOTSWANA) (PTY) LTD BY ELITE FOOTWEAR & UNIFORMS (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 a portion of the business assets of The Bata Shoe Company (Botswana) (Pty) Ltd ("Bata" or the "Target Enterprise") by Elite Footwear & Uniform (Pty) Ltd ("Elite Footwear" or the "Acquiring Enterprise"). The transaction was notified to the Authority on 25th September 2023, and the merger assessment was completed on 10th November 2023.

The Acquiring Enterprise, Elite Footwear, is a company incorporated in accordance with the Laws of Botswana. It is owned by Mohammed Ali Adam and Mustapha Ali Adam (both Botswana).

The Target Enterprise, Bata, is a private company incorporated in accordance with the Laws of Botswana. It is a wholly-owned subsidiary of Bafin (Nederland) B. V, a company duly incorporated in terms of the Laws of the Netherlands. The Target Enterprise does not control any entities in Botswana).

Relevant Markets

The Acquiring Enterprise is a special purpose vehicle, which has been established for the purpose of facilitating this transaction. Therefore, it does not supply products or services in Botswana. On the other hand, the Target Entity is a retailer of footwear and accessories and currently has 11 footwear outlets in the following areas: Gaborone (6 stores), Francistown (2 stores), Jwaneng, Selebi Phikwe and Maun (each 1 store). Bata sells its products directly to consumers. It can be concluded that there is lack of horizontal overlap in the activities of the Merging Parties.

Competitive Analysis and Public Interest

The Authority does not anticipate any substantial lessening of competition concerns arising due to the absence of product overlap in the activities of the merging parties and the merger is an internal restructuring. Furthermore, the proposed merger will not have any negative effect on public interest in Botswana as per the provisions of section 52(2) of the Competition Act, 2018. Moreover, the

proposed merger carries the element of citizen empowerment as post-merger a non-citizen owned business will be controlled by local citizens.

The Determination

Pursuant to the provision of Section 53 of the Competition Act, 2018, the Authority has decided to unconditionally approve the proposed sale and purchase of a portion of the business assets of The Bata Shoe Company (Botswana) (Pty) Ltd by Elite Footwear & Uniform (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 10th day of November 2023.

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