



MERGER NOTICE NO 07: 2018

THE PROPOSED ACQUISITION OF 100% OF THE EQUITY AND SHAREHOLDER LOANS OF SOFTBEV (PTY) LTD BY THE BEVERAGE COMPANY BIDCO (PTY) LTD.

Pursuant to section 56(1) of the Competition Act (Cap 46:09), the Competition Authority has received a merger notification for the proposed acquisition of 100% of the equity and shareholder loans of SoftBev (Pty) Ltd ("SoftBev") by The Beverage Company BidCo (Pty) Ltd ("BevCo").

The acquiring enterprise, BevCo, is a wholly owned subsidiary of The Beverage Company (Pty) Ltd, which is in turn controlled by Ethos Fund VI. Ethos Fund VI, is a private equity investment fund that comprises various limited partners. Ethos Fund VI's discretionary investment manager is Ethos Private Equity (Pty) Ltd. Ethos Private Equity (Pty) Ltd is a private equity firm which, through various private equity funds, makes investments on behalf of its investors. All of the relevant companies are registered in South Africa.

BevCo, through its wholly owned subsidiary, Little Green Beverages (incorporated in South Africa), is involved in the production, packaging and distribution of branded and private label non-alcoholic beverages under its own brand-Refreshhh!; as well as third party brands Soda T and Dokta. Furthermore, BevCo produces and supplies some beverage house brands for retailers such as Spar, Food Lovers Market, Massmart, Pick'n'Pay and Choppies among others. The Directors of BevCo are Michael Leith Adendorff; Richard Fienberg; Robin Michael Goetzsche; Jose Bruno Fernandes; Michael Errol Benjamin; Lance Neville Sheppard; Lyle Batchelor; Jonathan Edward Roland Matthews; Elje George Issa; and Glynn James Potgieter (all South Africans).

The current investments by Ethos Fund VI with either a direct or indirect presence in Botswana are through the following South African registered entities: Eazi group of companies; Autozone Holdings (Pty) Ltd; Neopak (Pty) Ltd; and Twinsaver Holdings (Pty) Ltd.

The target enterprise, SoftBev, is a company incorporated in accordance with the Laws of the Republic of South Africa. SoftBev is owned by MIF Holdings (Pty) Ltd; Bowler Metcalf Ltd; Sarang Trust; Hope of Constantia Trust; Sharief Parker; Michael brain; and Maspark Sales & Marketing (Pty) Ltd. All these are private individuals and companies are South African. SoftBev manufactures, sells and distributes non-alcoholic carbonated soft drinks, under its own brands Jive and Coo-ee; third party brands owners- PepsiCo Inc. (Pepsi Cola, Mirinda and Mountain Dew); Seven-Up International (7-up); and Capri-Sun. SoftBev also produces non-alcoholic carbonated soft drinks of the following private label brands- Planet and ZIP for Shoprite Checkers; Choice for Pick'n'Pay; and Boxer Fizz for Boxer. Furthermore, SoftBev produces its own energy drinks under the brands Reboost and Punch. In Botswana, SoftBev makes sales to an independent sales and distribution agent. The Directors of SoftBev are Michael Brain; Mahmood Ismail; Mohamed Sharief Parker; Paul Friedrich Sass; Reyaaz Abbas Asmal; Grant Andrew Böhler; and Ebrahim Mahmood Ismail (all South Africans).

According to section 57(3), of the Competition Act, “any person, including a third party not a party to the proposed merger, may voluntarily submit to the inspector or the Authority any document, affidavit, statement or other relevant information in respect of a proposed merger”.

The Competition Authority therefore seeks any stakeholder views for or against the proposed merger, which may be sent within 10 days from date of this publication to the following address:

Director, Mergers and Monopolies
Competition Authority
Private Bag 00101
Plot 28, Matsitama Road, Main Mall
Gaborone
Tel: +267 3934278 Fax: +267 3121013
Email: CA@competitionauthority.co.bw