

MERGER DECISION NO 17: 2026

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

DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION OF LOT 66458 BLOCK A AND B, FAIRGROUNDS, GABORONE BY BOTSWANA INSURANCE FUND MANAGEMENT (PROPRIETARY) LIMITED, ACTING FOR AND ON BEHALF OF THE BIFM LOCAL PROPERTY FUND FROM BOTSWANA LIFE INSURANCE 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 relation to the proposed acquisition of Lot 66458 Block A and B, Fairgrounds, Gaborone (the “Target Property”) by Botswana Insurance Fund Management (Proprietary) Limited (“BIFM” or the “Acquiring Enterprise”), acting for and on behalf of the BIFM Local Property Fund (“BIFM LPF”) from Botswana Life Insurance Limited (“BLIL” or the “Target Enterprise”) [the “Proposed Transaction”]. The Proposed Transaction will result in BIFM LPF having a direct property holding in the commercial sector.

BIFM is a private company incorporated in accordance with the Laws of Botswana. BIFM is acting for and on behalf of BIFM LPF, being the ultimate acquirer. BIFM LPF is a pooled fund that provides investors with direct exposure to investment-grade properties, predominantly located in Botswana.

The Target Enterprise is a public company incorporated in accordance with the Laws of Botswana. BLIL is controlled by Botswana Insurance Holdings Limited (“BIHL”), a public company duly incorporated under the laws of Botswana. BIHL also ultimately controls the Acquiring Enterprise. BLIL solely controls Botswana Life Fiduciary Services (Pty) Ltd, Peeletso Fund Administrators (Pty) Ltd, Bifm Capital Investment Fund One (Pty) Ltd and Letshego Africa Holdings Limited.

Relevant Markets

BIFM is an asset management service provider with various asset classes under it, such as BIFM LPF. BIFM LPF invests in Botswana through direct property holding and or shares of unlisted local property companies in the retail, commercial, residential and industrial sectors in Botswana where the property is then leased out. BIFM has properties located throughout Botswana in retail, residential, industrial, hospitality and office space. These properties are housed in various asset classes under BIFM on behalf of clients.

On the other hand, BLIL is in the business of life insurance and only owns the immovable property which falls on Lot 50676 of which Lot 66458 Gaborone (“Target Property”) is a portion thereof measuring 1.3697 hectares. The Target Property is held under Deed of Transfer No. 2649/2015 dated 28 September 2015. The Target Enterprise has leased out the immovable property to various tenants. The Target Property consists of a developed building in the form of a commercial space comprising a combination of offices and parking facilities.

For completeness, BIHL is a broad-based financial services entity offering an array of products and services in wealth and insurance management under its subsidiaries.

Competitive Analysis and Public Interest

In the assessment of Substantial Lessening of Competition, the investigations have revealed a horizontal overlap in the business activities of the Merging Parties, as they both hold property for leasing, however, BLIL only holds the Target Property in its portfolio. Therefore, there will be an insignificant or minimal change in the market structure as this is BLIL’s only immovable property. Moreover, there are various big players in the relevant market. Thus, the transaction under assessment is not expected to substantially lessen competition or restrict trade or the provision of services or to endanger the continuity of supplies in the relevant market or in any market in Botswana.

The implementation of the proposed merger is not expected to result in the acquisition of a dominant position in the relevant market in Botswana as the property being acquired will bring a minimal change in the portfolio of BIFM. Moreover, the commercial property market is highly competitive with enough players to continue providing competitive pressure on the Merged Enterprise.

In terms of Public Interest considerations, the Authority does not foresee any detriment to public interest that will arise because of the transaction under consideration. The Proposed Transaction represents a good investment proposition for the Acquiring Enterprise, whose ultimate beneficial owners are citizens of Botswana. The proposed acquisition also furthers the Acquiring Enterprise’s development mandate, in that, rather than utilising its funds offshore, it has elected to invest within the country, thus stimulating the local economy and paving a way for further development of the Target Property, should the need arise.

The Determination

The Authority determined through the analysis of the facts of the merger that the structure of the relevant market is not going to significantly change upon implementation of the proposed transaction 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 effects on public interest matters in Botswana as per the provisions of section 52(2) of the Act.

Pursuant to the provision of section 53 of the Act, the Authority has decided to unconditionally approve the proposed acquisition of Lot 66458 Block A and B, Fairgrounds, Gaborone by Botswana Insurance Fund Management (Proprietary) Limited, acting for and on behalf of the BIFM Local Property Unit Trust Fund from Botswana Life Insurance 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 7th day of May 2026.

Gideon G. Nkala, Chief Executive Officer, Competition and Consumer Authority, P/Bag 00101, Gaborone, Plot 28, Matsitama Road, Tel: 3934278 Fax: 3121013