

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

DECISION ON THE PROPOSED ACQUISITION OF 100% ISSUED SHARE CAPITAL IN COMZTEK HOLDINGS (PTY) LTD BY DATATEC LIMITED

PURSUANT to Section 60(4)(a)(ii) of the Competition Act, notice is hereby given on the decision made by the Competition Authority in respect of the proposed acquisition of 100% issued share capital in Comztek Holdings (Pty) Ltd by Datatec Limited.

The Authority determined to authorise the proposed transaction on the grounds that the analysis of the facts of the merger assessment showed that there were no substantive competition concerns that arise in the Information and Communications Technology distribution market in Botswana, on account of the acquisition of 100% issued share capital in Comztek Holdings (Pty) Ltd by Datatec Limited.

The Authority also took cognisance of the fact that:

1. The proposed transaction is not likely to result in a substantial lessening of competition, nor endanger the continuity of the service, due to the continued existence of competitive constraints such as countervailing power that will remain in the relevant market to ensure that rivalry continues to discipline the commercial behaviour of the merged firms;
2. The merged entity does not possess any market dominance and consequently no threat of abuse of dominant market power is anticipated, post transaction implementation, as defined under Section 2 of the Competition Act (Cap 46:09); and
3. No significant negative effect on public interest in Botswana has been identified, in relation to the provisions of Section 59 (2).

Pursuant to the provisions of Section 55 of the Competition Act, the Authority has approved the acquisition of 100% issued share capital in Comztek Holdings (Pty) Ltd by Datatec Limited.

However, pursuant to the provisions of Section 66 of the Competition 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 16th day of April, 2013.

Duncan T. Morotsi, Acting CEO, Competition Authority, P/Bag 00101, Gaborone, Plot 50664, Fairgrounds, Tel: 3934278 Fax: 3121013