



## MERGER DECISION NO 07: 2023

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

#### DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION OF 100% ISSUED SHARE CAPITAL OF MASTER QUARRY (PTY) LTD BY BING LIU

##### 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 100% of the total issued share capital of Master Quarry (Pty) Ltd ("Master Quarry") by Bing Liu ("Mr. Liu") - a prior-implemented merger. The transaction was notified to the Authority on 12th December 2022, and the merger assessment was completed on 20th April 2023.

The Acquirer, Mr. Liu, is a Motswana citizen with business interests in Botswana which are not related to the Proposed Transaction. Mr. Liu is an individual, and as such is not controlled by any Enterprise. Mr. Liu is also one of the two directors of the Target Enterprise.

The Target Enterprise, Master Quarry is a limited liability company incorporated in accordance with the Laws of Botswana. Master Quarry is a subsidiary of Twinco Enterprises (Pty) Ltd, a Botswana registered company, which in-turn is wholly controlled by Yufei Liu, a Motswana citizen.

##### Relevant Markets

In terms of the relevant markets, the assessment of the Proposed Transaction revealed that there is lacks product overlap in the activities of the Parties, in that the Acquirer has stake in businesses which are in different markets to that of the Target Firm. The Target Firm is active in the market for *mining and supply of granite aggregates in Botswana*.

##### Competitive Analysis and Public Interest

The Authority's assessment did not reveal any substantial lessening of competition concerns that would arise as a result of the Proposed Transaction due to the absence of product overlap in the activities of the Merging Parties in Botswana. Accordingly, the Authority does not anticipate any competition concerns and public interests concerns to arise in the relevant market in Botswana post-merger.

## **The Determination**

The Authority determined through the analysis of the facts of the merger, that the Proposed Transaction is not likely to result in a substantial lessening of competition, nor endanger the continuity of service, in the relevant market in Botswana. Furthermore, there is no acquisition of market dominance post-merger; nor any negative effect on public interest in Botswana identified, in relation to the provisions of the section 52 of the Competition Act 2018.

Pursuant to the provision of section 53 of the Act, the Authority has decided to unconditionally approve the proposed acquisition of 100% of the total issued share capital of Master Quarry (Pty) Ltd by Bing Liu. However, the Authority will continue to investigate the Merging Parties for the prior implementation of the merger in contravention of section 58 (3) of the Act. The decision will be communicated to the parties upon completion.

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 20<sup>th</sup> day of April 2023.

Tebelelo Pule, Chief Executive Officer, Competition and Consumer Authority,  
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