



MERGER DECISION NO 19: 2025

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

DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION OF LOT 73263 GABORONE (A PORTION OF LOT 64285, GABORONE) FROM ZISMO ENGINEERING PROPRIETARY LIMITED BY POWER ENERGY AFRICA PROPRIETARY 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 20630, Gaborone from Zismo Engineering Proprietary Limited ("Zismo Engineering" or the "Target Enterprise") by Power Energy Africa Proprietary Limited ("Power Energy Africa" or the "Acquiring Enterprise"). At the completion of the proposed merger, the Acquiring Enterprise shall be the sole owner of the property under consideration.

The Acquiring Enterprise, Power Energy Africa, is a newly registered company duly incorporated in accordance with the Laws of Botswana. On the other hand, the Target Enterprise, Zismo is an Electrical Engineering company duly incorporated in accordance with the Laws of Botswana.

Relevant Markets

The merger assessment findings indicate that the Target Enterprise is an Electrical engineering company, and it does not control nor is it controlled by any other entities. On the other hand, the Acquiring Enterprise is a newly registered company which has never traded, and it does not control nor is it controlled by any other entities. As such the Acquiring Enterprise is a new entrant into the real estate market. For completeness, the real estate market in Botswana is highly diverse and customers have sufficient options for choice which is a demonstration of a competitive market. Therefore, the Authority maintains that it is not necessary to reach a definitive view on the exact scope of the product market as the market structure is not expected to substantially change post implementation of the proposed transaction.

Competitive Analysis and Public Interest

Based on the assessment findings, the structure of the relevant market is not expected to significantly change upon implementation of the proposed merger 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 effect on public interest matters in Botswana as per the provisions of section 52(2) of the Competition Act 2018.

The Determination

The Authority determined through the analysis of the facts of the merger that the structure of the relevant market will not significantly change in Botswana upon the implementation of the proposed merger.

Pursuant to the provision of section 53 of the Act, the Authority has unconditionally approved the proposed acquisition of Lot 20630, Gaborone from Zismo Engineering Proprietary Limited by Power Energy Africa Proprietary 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 6th day of June 2025.

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