



MERGER DECISION NO 29: 2022

MERGER DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION BY MOSTERT INVESTMENTS NUMBER NINETY-SEVEN (PROPRIETARY) LIMITED OF 60% ISSUED SHARE CAPITAL IN CROC. K PROPRIETARY LIMITED.

Introduction of the Merging Parties

- i. 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 respect of the proposed acquisition by Mostert Investments Number Ninety-Seven (Proprietary) Limited t/a Cable Feeder Systems Global Holding (hereinafter referred to as "Cable Feeder Systems Global or the Acquiring Enterprise") of 60% issued share capital in Croc. K Proprietary Limited (hereinafter referred to as "CableiT or the Target Enterprise"). The transaction was notified to the Authority on 5th September 2022 and the merger assessment was completed on 06th October 2022.
- ii. Cable Feeder Systems Global, the Acquiring Enterprise, is incorporated in accordance with the Laws of Namibia. It is controlled by the HB Trust and Schalk Willem Daniël Bothma. The Acquiring Enterprise is a special purpose vehicle that was established for the purpose of expansion into Southern Africa and acquiring the Target Enterprise. In turn, the Acquiring Enterprise controls Cable Feeder Systems Namibia (Proprietary) Limited. Cable Feeder Systems Namibia (Proprietary) Limited provides fibre optic solutions, copper solutions, active equipment, and enclosures and equipment. Cable Feeder Systems Global does not have any presence in Botswana.
- iii. CableiT, the Target Enterprise, is a company incorporated in accordance with the Laws of the Republic of Botswana. The Target Enterprise provides network and cable systems distribution in Botswana. It distributes branded telecommunication products, networking products, branded copper cabling, and fibre cabling products.

Relevant Markets

- iv. Based on the activities of Cable Feeder Systems Global and CableIT ("the Merging Parties"), the Authority defined the relevant market as the provision of networking and telecommunications products and services in Botswana.

Competitive Analysis and Public Interest

- v. The Authority has not established any substantial lessening of competition concerns arising from the merger since Cable Feeder Systems Global does not have presence in Botswana. Furthermore, there is no acquisition of market dominance post-merger; nor any negative effect on public interest that was identified as per the provisions of section 52(2) of the Competition Act 2018.

The Determination

- vi. Pursuant to the provision of Section 53 of the Competition Act, the Authority has decided to unconditionally approve the proposed acquisition by Mostert Investments Number Ninety-Seven (Proprietary) Limited of 60% issued share capital in Croc. K Proprietary Limited.
- vii. 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 06th day of October 2022.

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