



MERGER DECISION NO 35: 2021

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

DECISION ON THE PROPOSED PURCHASE AND SALE OF CERTAIN IMMOVABLE PROPERTY BEING, FARM BULL'S EYE NO. 174-NK IN GHANZI, FROM LEAMINGTON INVESTMENTS (PTY) LTD BY LAMBERTUS JOHANNES VORSTER

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 purchase and sale of certain immovable property being, Farm Bull's eye No. 174-NK in Ghanzi, from Leamington Investments (Pty) Ltd ["Leamington Investments"] by Lambertus Johannes Vorster ["Mr. Vorster"]. The transaction was notified to the Authority on 15th September 2021 and the merger assessment was completed on 12th October 2021.
- ii. The Acquirer, Mr. Vorster, is a Motswana individual with business interests in farming and cattle business which comprises of cattle farming and cattle auction, as well as property investments companies.
- iii. The Target Enterprise, Leamington Investments, is a company incorporated under the Laws of the Republic of Botswana. Leamington Investments is a property holding company for the Farm Bull's Eye No. 174-NK, Ghanzi, Botswana (the subject matter of the Proposed Transaction). Cattle farming takes place on the said farm. Leamington Investments does not control any enterprise.

Relevant Markets

- iv. In terms of the relevant market, the assessment of the Proposed Transaction revealed that both Parties have presence in the geographic market of Ghanzi and are active in commercial farming in which they carry out cattle farming, including cattle rearing and cattle auctioning. Therefore, there is product overlap in the activities of the Merging Parties in terms of *Commercial farming* in the relevant geographic market of Ghanzi. However, the Merging Parties have negligible estimated market shares.

Competitive Analysis and Public Interest

- v. The Authority's assessment did not reveal any substantial lessening of competition concerns that would arise as result of the Proposed Transaction due to minimal

estimated market shares of the Merging Parties in the relevant geographic market of Ghanzi. Accordingly, it can be deduced that the Proposed Transaction is expected to insignificantly change the competition landscape in the market under consideration post implementation; and as such, the Authority does not anticipate any competition concerns and public interests concerns to arise in the relevant market in Botswana post-merger.

The Determination

- vi. 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.
- vii. 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 of 2018.
- viii. Pursuant to the provision of section 53 of the Competition Act, the Authority has decided to unconditionally approve the proposed purchase and sale of certain immovable property being, Farm Bull's eye No. 174-NK in Ghanzi, from Leamington Investments (Pty) Ltd by Lambertus Johannes Vorster.

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 12th day of October 2021.

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