



MERGER DECISION NO 45: 2023

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

DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION OF THE BUSINESS ASSETS AND ASSOCIATED LIABILITIES OF SUKUMA SAFARI (PTY) LTD BY JADDY HOLDINGS (PTY) LTD AND EXCONSULT BOTSWANA (PTY) LTD

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 respect of the proposed acquisition of the business assets and associated liabilities of Sukuma Safari (Pty) Ltd (“Sukuma” or the “Target Enterprise”) by Jaddy Holdings (Pty) Ltd [“Jaddy Holdings”] and Execonsult Botswana (Pty) Ltd [“Execonsult”] (collectively, the “Acquiring Enterprises”). The Transaction was notified to the Authority on 16th October 2023, and the merger assessment was completed on 22nd November 2023.

The Acquiring Enterprises, Jaddy Holdings and Execonsult, are both private companies incorporated in accordance with the Laws of the Republic of Botswana. The Acquiring Enterprises are special purpose vehicles created for purposes of the proposed transaction and are not yet operational. Furthermore, they are both owned and controlled by Beef Trader Proprietary Limited Botswana based company) and Bushy Park Ltd (company registered in Seychelles).

The Target Enterprise, Sukuma, is a private company incorporated in accordance with the Laws of the Republic of Botswana. It is controlled by Maria Brunette (Motswana), Daemian Nel, Schalk Pretorius, and Rizanie-Fay Pretorius (both South Africans).

Relevant Markets

The Acquiring Entities are special purpose vehicles, created for the purposes of the proposed transaction, and are not yet operational. On the flipside, the Target Entity is a meat processing and cold storage plant which primarily sells meat products (such as beef, lamb, pork and goat), seafood, poultry and dry products in Maun, Kasane and surrounding areas.

It can be concluded that the Proposed Transaction does not give rise to horizontal overlap. In view of the nature of the service offered by the target enterprise in the merger under assessment, the relevant market is defined as

the retail of meat products (such as beef, lamb, pork and goat), seafood, poultry and dry products in Maun, Kasane and surrounding areas.

Competitive Analysis and Public Interest

The Authority has established that the Proposed Transaction is not expected to alter market structure post implementation. As the status quo will be maintained post-merger. 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

Pursuant to the provision of Section 53 of the Competition Act 2018, the Authority has decided that the proposed acquisition of the business assets and associated liabilities of Sukuma Safari (Pty) Ltd by Jaddy Holdings (Pty) Ltd and Execonsult Botswana (Pty) Ltd, be approved with an undertaking that:

- a) There will be no merger specific retrenchments for a period of twelve (12) months from the date of implementation. For clarity, merger specific retrenchments or redundancies do not include:
 - i. voluntary retrenchment and/or voluntary separation arrangements;
 - ii. voluntary early retirement packages;
 - iii. unreasonable refusals to be redeployed;
 - iv. resignations or retirements in the ordinary course of business;
 - v. retrenchments lawfully effected for operational requirements unrelated to the Merger; and
 - vi. Terminations in the ordinary course of business, including but not limited to, dismissals as a result of misconduct or poor performance.
- b) The employees of Sakuma should continue to work on terms and conditions substantially no less favourable than their current terms and conditions of employment;
- c) Jaddy Holdings (Pty) Ltd must circulate a copy of these conditions to all their employees within 7 days from the date of approval; and
- d) Jaddy Holdings (Pty) Ltd must revert to the Authority within 6 (six) months from the date of approval with a status report regarding the above mentioned conditions.

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 22nd day of November 2023.

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