



## **MERGER DECISION**

### **THE PROPOSED ACQUISITION OF 100% SHARES IN KNYBER BOTSWANA PROPRIETARY LIMITED BY RESEN HOLDINGS PROPRIETARY LIMITED**

PURSUANT to section 60(4)(a)(ii) of the Competition Act (Cap 46:09), notice is hereby given on the decision made by the Competition Authority in respect of the proposed acquisition of 100% shares in Knyber Botswana (Pty) Ltd by Resen Holdings (Pty) Ltd.

The Authority determined to unconditionally authorise the proposed transaction on the grounds that the analysis of the facts of the case showed that there were no substantive competition concerns that will arise in the provision of education services from preschool, primary school and secondary school sectors in Botswana on account of the proposed merger, given the fact that:

- i) The proposed transaction is not likely to result in substantial lessening of competition, nor endanger the continuity of service, due to the absence of geographic overlap between the activities of the merging parties;
- ii) Similarly, the implementation of the proposed merger is not expected to result in the merged entity attaining a dominant position, as the transaction is not expected to affect the current market structure; and
- iii) No significant negative effect on public interest in Botswana has been identified, in relation to the provisions of section 59(2).

The Authority takes into consideration the commitment that:

- i) There is an opportunity for exchange programmes between the staff and/or students of the target company and the staff and/or students of the acquiring company to be established. This will see exchange of ideas and skills on a far broader basis which is expected to benefit all involved;
- ii) Training and up skilling will naturally be extended to employees of the target company to ensure that the target company's high standards are likewise maintained; and
- iii) The acquisition will extend the reach of excellent education with all the benefits that will come from being part of the largest private schools group in Africa to the wider community in Botswana. Resen Holdings will seek to enhance the school offering without changing the ethos and general approach to education by Gaborone International School.

Subject to these commitments, and pursuant to the provisions of section 55 of the Competition Act of Botswana, the Authority has unconditionally approved the proposed merger. However, as stated under section 66 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 this 17<sup>th</sup> day of December, 2014

Thula Kaira, Chief Executive Officer, Competition Authority, P/Bag 00101, Gaborone, Plot 28, Matsitama Road, Tel: 3934278 Fax: 3121013