



## **MERGER NOTICE NO 17 OF 2018**

THE PROPOSED ACQUISITION BY IMPERIAL GROUP LIMITED OF THE FIVE DEALERSHIPS AND A USED VEHICLE BUSINESS WHICH ARE CONDUCTED AS A GOING CONCERN BY MAEMO MOTORS PROPRIETARY LIMITED IN SOUTH AFRICA, THE PROPERTY SITUATED AT CORNER N4 AND R24, WATERVAL EAST, RUSTENBURG, SOUTH AFRICA OWNED BY LUSSPROP INVESTMENTS PROPRIETARY LIMITED AND THE PROPERTY SITUATED AT THE CORNER OF R104 AND 2<sup>ND</sup> AVENUE, OLD PRETORIA ROAD, RUSTENBURG, SOUTH AFRICA OWNED BY LUSSIN PICCOLO AFRICA PROPRIETARY LIMITED AND WALKERS CORNER PROPRIETARY LIMITED

Pursuant to section 56(1) of the Competition Act (Cap 46:09), the Competition Authority has received a merger notification for the proposed acquisition by Imperial Group Limited ("Imperial Group") of the five dealerships and a used vehicle business which are conducted as a going concern by Maemo Motors Proprietary Limited ("Maemo Motors") in South Africa, the property situated at the corner of N4 and R24, Waterval East, Rustenburg, South Africa owned by Lussprop Investments Proprietary Limited ("Lussprop") and the property situated at the corner of R104 and 2<sup>nd</sup> Avenue, Old Pretoria Road, Rustenburg, South Africa owned by Lussin Piccolo Africa Proprietary Limited ("Lussin") and Walkers Corner Proprietary Limited ("Walkers").

The acquiring enterprise, Imperial Group, is a company incorporated in accordance with the Laws of the Republic of South Africa. Imperial Group is a wholly owned subsidiary of Imperial Holdings Limited ("Imperial Holdings"). Imperial Holdings is a public company listed on the Johannesburg Stock Exchange (JSE) and its top three shareholders are: Lazard Asset Management (Pretoria); Public Investment Corporation (New York); and M&G Investment Management (London). Imperial Holdings is a diversified, international group of companies involved in the wider transportation and mobility markets in Southern Africa, Europe, Australia and the United Kingdom. Imperial Group does not have a physical presence in Botswana but sells new Mercedes-Benz passenger vehicles from its Polokwane dealership in South Africa, to a single purchaser in Botswana. In addition to the vehicles sold by Imperial Group, Africa Automotive Aftermarket Solutions which is a division of Imperial Group, also sells aftermarket parts into Botswana.

Imperial Holdings through its wholly owned subsidiary, Beekman Canopies Super Canopies Proprietary Limited ("Beekman") sells canopies from its South African branches, into the Botswana market. Moreover, Imperial Holdings through its wholly owned subsidiary, Imperial Car Rental (Botswana) Proprietary Limited (trading as Europcar) ("Europcar"), operates in the Botswanan market for the rental of vehicles.

Furthermore, Imperial Holdings has interests in Botswana through Imperial Logistics, a division of Imperial Holdings. In particular, Imperial Logistics has interests in the pharmaceutical industry through its shareholding in Fine Pharmaceuticals (Pty) Ltd and is also involved in the fast moving consumer goods market, through its shareholding in PST (Pty) Ltd.

The directors of Imperial Group are: Mohammed Akoojee; Osman Suluman Arbee; Russel Mumford; Jacobus Ockert Janse Van Rensburg; and Philip Bernard Michaux (who are all South Africans).

The target enterprises are:

1. The business of the Maemo Motors Mercedes-Benz Passenger Vehicles dealership ("MB Dealership"), the Maemo Motors Chrysler/Jeep dealership ("Chrysler/Jeep Dealership"), the Maemo Motors Mitsubishi dealership ("Mitsubishi Dealership"), the Maemo Motors Mercedes-Benz Commercial Vehicles dealership ("Commercial Dealership") and the Maemo Motors Mercedes-Benz Vans dealership ("Van Dealership") and the used vehicle business (Used Vehicle Business) (collectively, the "Maemo Dealerships"). Only the MB Dealership and the Chrysler/Jeep Dealership have sales into Botswana. The MB Dealership sells new and used Mercedes-Benz passenger vehicles and aftermarket parts into Botswana. The Chrysler/Jeep Dealership sells new and used Chrysler passenger vehicles and Jeep passenger vehicles into Botswana;
2. *The property situated at the Corner of R104 and 2<sup>nd</sup> Avenue, Old Pretoria, Waterval East Ext 11, Rustenburg owned by Lussin and Walkers Corner; and*
3. *The property situated at Corner N4 and R24, Waterval East, Ext 33, Rustenburg owned by Lussprop.*

The Maemo Dealerships are owned by Maemo Motors. Maemo Motors through its MB Dealership and Chrysler/Jeep Dealership supply the following products from their respective premises in Rustenburg into Botswana: new and used passenger vehicles and sale of OEM branded parts and accessories.

According to section 57(3), of the Competition Act, "any person, including a third party not a party to the proposed merger, may voluntarily submit to the inspector or the Authority any document, affidavit, statement or other relevant information in respect of a proposed merger". The Competition Authority therefore seeks any stakeholder views for or against the proposed merger, which may be sent within 10 days from date of this publication to the following address:

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