



MERGER NOTICE NO 01: 2021

THE PROPOSED ACQUISITION BY LONSA EVERITE PROPRIETARY LIMITED (“LONSA”) OF THE EVERITE BUSINESS, THE EBP BUSINESS, THE EP BUSINESS, SHEET RITE PROPRIETARY LIMITED, SKY SANDS PROPRIETARY LIMITED AND THE SKY SANDS BUSINESS (“THE TARGET ENTERPRISES”)

Pursuant to section 49(1) of the Competition Act 2018, the Competition and Consumer Authority (“the Authority”) has received a merger notification for the proposed acquisition by Lonsa Everite Proprietary Limited (“Lonsa”) of the Everite Business, the EBP Business, the EP Business, Sheet Rite Proprietary Limited (“Sheet Rite”), Sky Sands Proprietary Limited (“Sky Sands”) and the Sky Sands Business (“*the Target Enterprises*”).

The acquirer, Lonsa, is a company incorporated in accordance with the Laws of the Republic of South Africa. Lonsa is controlled by Lonsa Group Limited (“Lonsa Group”). Lonsa Group is a company incorporated in Mauritius and in turn, Lonsa Group is controlled by Mr. Robin Tendai Vela (“Robin Vela”), a British Citizen who is also a director of Lonsa Group. Both Lonsa Group and Robin Vela do not control any enterprises in Botswana. It however suffices to note that the Lonsa Group is a principal investment entity which has investments in the energy, industrial and property sectors in Southern Africa. The acquirer was therefore established for the purposes of the proposed transaction and, as such, does not undertake any business activities.

The primary target enterprises are businesses and companies incorporated in accordance with the Laws of the Republic of South Africa. The controlling stake in each of the target enterprises is as follows: The Everite Business is wholly controlled by Everite Proprietary Limited (“Everite”); The EBP Business is controlled by Everite Building Products Proprietary Limited (“EBP”); The EP Business is controlled by Everite Pipes Proprietary Limited (“EP”); EBP, EP and Sheet Rite are, in turn controlled by Everite; and Sky Sands and the Sky Sands Business are controlled by Group Five Construction Proprietary Limited (“Group Five Construction”). Everite and Group Five Construction are controlled by Group Five Limited (“Group Five”), a public company which delisted from the Johannesburg Stock Exchange mid last year.

The Primary Target Enterprises' activities can be divided into two main categories, being: the manufacture and supply of building materials conducted by the Everite Group; and the supply of sand, conducted by Sky Sands and the Sky Sands Business. Therefore, in Botswana, the activities of the Everite Group primarily relate to the supply of a range of building products and

materials, including, *inter alia*, fibre cement fascia, fibre cement ceiling boards, building columns, cornices and universal cap bases. On the other hand, Sky Sands does not conduct any business activities in Botswana. The current directors of the Primary Target Enterprises are as follows: The Everite Business: Jurgen Stagier; Mark Jones; and Anthony Clacher (all South Africans); The EBP Business: Jurgen Stagier; Mark Jones; Humphrey Makoe; and Craig Cronje (all South Africans); The EP Business: Jurgen Stagier and Mark Jones (both South Africans); Sheet Rite: Craig Cronje; Mark Jones; and Craig Bradfield (all South Africans); and Sky Sands: Jurgen Stagier; Mark Jones; and Humphrey Makoe (all South Africans).

According to section 50(3), of the Competition Act 2018, “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 and Consumer 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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