



MERGER NOTICE NO 03: 2020

THE PROPOSED SALE AND PURCHASE OF PLOT 43166 PHAKALANE, GABORONE, TOGETHER WITH THE IMPROVEMENTS THEREON FROM, GABORONE HOSES AND FITTINGS (PTY) LTD BY BIFM LOCAL PROPERTY FUND.

Pursuant to section 49 (1) of the Competition Act of 2018, the Competition and Consumer Authority ("the Authority") has received a merger notification for the proposed sale and purchase of Plot 43166 Phakalane, Gaborone, together with the improvements thereon from, Gaborone Hoses and Fittings (Pty) Ltd ["GHF"] by BIFM Local Property Fund ["BIFM LPF"].

The acquiring enterprise, BIFM LPF, is a unit trust established in terms of the Trust Deed and a supplemental deed between BIFM Unit Trusts (Pty) Ltd ["BIFM Unit Trusts"], as the Manager; Stanbic Bank Botswana Ltd ("Stanbic Bank"), as the Trustee; and Botswana Insurance Fund Managers ("BIFM") as the Investment Manager. The acquirer is a local fund which invests in immovable property in Botswana. All the above entities are domiciled in Botswana.

The Directors of BIFM LPF are Chandra Chauhan (Zambian); Mahube Chilisana Mpugwa (Motswana) and Andre Roux (Namibian).

BIFM Unit Trusts, is a company incorporated with limited liability in accordance with the Laws of Botswana, which is responsible for the management, administrative and maintenance of records of the Funds invested within BIFM.

BIFM, is a wholly owned subsidiary of Botswana Insurance Holdings Limited ("BIHL"); one of the listed companies on the Botswana Stock Exchange. BIFM is a pioneer in asset management and manages assets across a number of classes namely; equity, fixed income, property and alternative investments. BIFM has also invested in non-traditional assets like in the healthcare industry, tourism sector through KYS Investments, and property development activities. In addition, BIFM owns 50% of Khumo Property Asset Management Limited, which is responsible for the management of a property portfolio, including that of major local pension funds.

Properties under management include Airport Junction Shopping Centre and Railpark Mall to mention a few. Furthermore, though based in Botswana, BIFM owns 49% of an operation in Zambia that trades under the name 'Aflife Zambia' which specialises in asset management and employee

benefits. Still in Zambia, BIFM owns a majority stake in a property investment company called Quantum Assets Zambia Ltd.

Stanbic Bank, is a member of Standard Bank Group; and is in the banking sector in Botswana, with 10 branches: five (5) in Gaborone, one (1) in Francistown, Maun, Mogoditshane, Palapye and Selebi Phikwe; as well as, servicing customers through a network of 29 ATMs nationwide, and more than 1000 point-of-sale machines.

The target enterprise, GHF, is a company registered in accordance with the Laws of Botswana. It is controlled equally by Luis De Oliveira Santana and Estelle Santana (both South Africans); who are also its Directors. GHF, is in the business of supply of mining, agricultural and industrial equipment and accessories, including the following: Genie lifting equipment, Tennant scrubber and sweepers, Kaivac, Delphin, Ghibli and Maer Industrial cleaning equipment; new Holland tractors; liner kits (mining application); and design and install of wash bays. GHF, is only operating in Gaborone.

According to section 50 (3), of the Competition Act of 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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