



MERGER NOTICE NO 05: 2021

THE PROPOSED ACQUISITION OF MISTER SWEET DIVISIONAL CONFECTIONARY BUSINESS OF LODESTONE BRANDS (PTY) LTD BY PREMIER FMCG (PTY) LTD

Pursuant to section 49(1) of the Competition Act 2018, the Competition and Consumer Authority ("the Authority") has received a merger notification in which Premier FMCG (Pty) Ltd ("Premier FMCG" or the "Acquiring Enterprise") will acquire from Lodestone Brands (Pty) Ltd ("Lodestone"), the sugar-based confectionary ("SBC") business, which is currently trading under the Mister Sweet brand ("Mister Sweet" or the "Target Enterprise"), as a going concern.

The Acquiring Enterprise, Premier FMCG, is a privately owned company incorporated in accordance with the Laws of South Africa. Premier FMCG is a wholly owned subsidiary of Premier Group which is also incorporated in accordance with the Laws of South Africa. Premier Group is controlled by Brait Mauritius Ltd which is a company incorporated in accordance with the Laws of Mauritius. Premier FMCG's ultimate parent company is Brait SE, a public company with its primary listing on the Luxembourg Stock Exchange, and a secondary listing on the Johannesburg Securities Exchange.

The Acquiring Enterprise is involved in the distribution and marketing of branded and private label of fast moving consumer goods ("FMCG") in Southern Africa. Its primary commercial activities relates to milling and baking (both wheat and maize). Premier FMCG also operates in the personal care market and in the beverages and SBC markets. Premier FMCG's SBC business, manufactures a range of products under the 'Manhattan' and 'Super C' brands which include gums and jellies, chews, compressed tablets, marshmallows and hard boiled candy. The Acquiring Enterprise does not have any subsidiaries which are registered or have presence in Botswana. Its products are imported for sale into Botswana by an independent distributor.

The Target Enterprise, Mister Sweet, is a division of Lodestone's SBC business and the subject of the proposed merger. Lodestone is incorporated in accordance with the Laws of South Africa. Lodestone is controlled by Second Chapter Investments (Pty) Ltd ("SCI"), and SCI is in-turn controlled by Mayfair Holdings.

Lodestone, through Mister Sweet, produces a wide range of product types and pack sizes under its primary brands 'Mister Sweets', 'Candy Tops', and 'Eclairs', supported by Frutus; Rascals; and Champion brands. The Target Enterprise does not have any subsidiaries which are registered or have a presence in Botswana. Its products are imported for sale into Botswana by an independent distributor.

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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