

MERGER NOTICE NO 06: 2022

THE PROPOSED ACQUISITION BY LONSA EVERITE (PTY) LTD OF THE ENTIRE ISSUED SHARE CAPITAL IN SWARTLAND INVESTMENTS (PTY) LTD AND SWARTLAND INSULATION (PTY) LTD AND THE TARGET PROPERTIES OF SWARTLAND PROPERTY COMPANY

Pursuant to section 49 (1) of the Competition Act of 2018, the Competition and Consumer Authority (“the Authority”) has received a merger notification in relation to the proposed acquisition by Lonsa Everite (Pty) Ltd (“Lonsa Everite” or “The Acquiring Enterprise”) of the entire issued share capital in Swartland Investments (Pty) Ltd (“Swartland Investments”) and Swartland Insulation (Pty) Ltd (“Swartland Insulation”) and the Target Properties of Swartland Eiendomme (Pty) Ltd (“Swartland Property Company”), (collectively referred to as the “Target Enterprises”). Pursuant to the implementation of the proposed transaction, Lonsa Everite will enjoy sole control over the Target Enterprises.

The Acquiring Enterprise, Lonsa Everite is a company incorporated in accordance with the Laws of South Africa. Lonsa Everite is controlled by: Lonsa Group Limited (“Lonsa Group”) (52.99%), and Legacy Africa Capital Fund I (“Legacy Africa Fund”) (25.01%). The remaining shareholding in Lonsa Everite is held by: Everite Management (Pty) Ltd (12%); Everite BEE Partner (PTY) Ltd (5%); Everite Board Investors (Pty) Ltd (2.5%); and Mr. Craig Bradfield (2.5%). Lonsa Group is a company incorporated in Mauritius and it is, in turn, wholly controlled by a private individual. Legacy Africa Fund’s general partner and controller is Legacy Africa Capital Partners (“Legacy Africa”).

Lonsa Group is a principal impact investment entity which has investments in the industrials, energy, logistics and property sectors in Southern Africa. The activities of Lonsa Everite relate primarily to the manufacture, supply and sale of fibre cement and autoclave aerated concrete building products and other complementary traded goods in South Africa and across Africa as well as the mining and supply of single, washed silica and plaster sand in South Africa. In Botswana, Lonsa Everite sells fibre cement fascias, fibre cement ceiling boards; building columns, and polycarbonate sheeting. The Acquiring Enterprise and its associate businesses do not control any enterprise in Botswana.

The Directors of Lonsa Everite are: Robin Vela (Chairman), Lester Mark Jones, Humphrey Makoe, Tshepang Pebetshe Shilela Marishane, Kgosi Majoro Patjane Monametsi, Muvhango Netshitangani, Lehotlo Ramakgopa, Godwin Malose Sepeng, Jurgen Albert Elias Stragier and John Anthony Wallace.

The Target Enterprises include Swartland Investments and Swartland Insulation and the Target Properties of Swartland Property Company. Swartland Investments and Swartland Insulation are both registered in accordance with the Laws of South Africa. The duo are wholly controlled by Swartland Group (Pty) Ltd (“Swartland Group”). The Target Properties are wholly controlled by the Swartland Property Company, which is in-turn controlled by Swartland Group.

The Swartland Group is wholly controlled by Jurgens Hanekom Trust ("Hanekom Trust"). The Hanekom Trust is not controlled by any individual or firm. All the entities that directly or indirectly control the Target Enterprises including the Hanekom Trust are registered in accordance with the Laws of South Africa. The activities of Swartland Investments and Swartland Insulation relate primarily to the manufacture, sale or trade of doors, windows, automated garage doors and insulation products. In particular Swartland Investments is a distributor of a variety of door frames and windows made from wood, aluminium and steel whereas Swartland Insulation is a manufacturer of extruded polystyrene and distributor of insulation products. In Botswana, the activities of Swartland Investments and Swartland Insulation relate to the supply of doors. The Target Properties which are a subject of the proposed transaction are situated in South Africa and thus do not conduct any business activities in Botswana.

The Directors of Swartland Investment and Swartland Insulation are: Jurgens Hendrik Nicolaas Hanekom; James Faber Hanekom; Johannes Hendrik Hanekom; Johannes Stephanus Fourie; and Hendrik van Niekerk (all South Africans). For Completeness, the Board of Trustees of the Hanekom Trust are: JHN Hanekom (JNR) Trust; JF Hanekom Trust; and JH Hanekom Trust.

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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