



MERGER NOTICE NO 11: 2023

THE PROPOSED DIRECT ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF DANNY'S AUTO BODY PARTS (PTY) LTD; AND THE INDIRECT ACQUISITION OF DANNY'S AUTO PROPERTY HOLDINGS (PTY) LTD BY K2023647843 (SOUTH AFRICA) (PTY) LTD.

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 direct acquisition of the entire issued share capital in Danny's Auto Body Parts (Pty) Ltd ("Danny's Auto") and the indirect acquisition of Danny's Auto Property Holdings (Pty) Ltd ("Danny's Auto Property", together the "Target Enterprises") by K2023647843 (South Africa) (Pty) Ltd ("SPE BidCo").

The Acquiring Enterprise, SPE BidCo is a private company registered under the laws of South Africa. SPE BidCo is a special acquisition vehicle formed specifically for the purposes of this transaction, and it does not control any Enterprise in Botswana. SPE BidCo is controlled by SPE Mid-Market Fund I Partnership ("SPE Fund") (represented by the general partner, SPE Mid-Market Fund I General Partner (Pty) Ltd), which in turn is ultimately controlled by Sanlam Limited ("Sanlam"), a public company listed on the Johannesburg Stock Exchange in South Africa, with a secondary listing on the Namibian Stock Exchange in Namibia.

In Botswana, Sanlam holds shareholding in Botswana Insurance Holdings Limited ("BIHL"), a Botswana registered company. In particular, BIHL has shareholding in Botswana Life Insurance Limited, Botswana Insurance Fund Management Limited and Botswana Insurance Company Limited. The Sanlam Group provides financial solutions to individual and institutional clients across a multitude of market segments. The Sanlam Group's areas of expertise include long-term insurance, financial planning, retirement planning, trusts, wills, short-term insurance, asset management, risk management and capital market activities, investment services, lending services and wealth creation. No Enterprise within the Sanlam group competes with the Target Enterprises.

The Target Enterprises, Danny's Auto and Danny's Auto Property, are private companies registered in accordance with the Laws of South Africa. Danny's Auto and Danny's Auto Property do not control any Enterprise.

Danny's Auto is a wholesaler of high-quality aftermarket automotive parts and accessories for various vehicle types in Southern Africa. In particular, Danny's Auto is an authorised reseller for premium brands including Dunlop, Lucas, and FIAMM (in addition to its own in-house developed brand, Imoto Chemicals). Danny's Auto also distributes a portfolio of unbranded products to both wholesalers and retailers that want to "rebrand and package" their own products.

In particular, Danny's Auto supplies the following Dunlop products in Botswana: brake products, cables, fan belts, filters, gaskets, suspensions, steering and timing kits. Danny's Auto is an official licenced stockist and distributor of Lucas products. In particular, Danny's Auto supplies the following Lucas products in Botswana: alternators, starter motors and wheel bearings. Danny's Auto is also a distributor of FIAMM products in particular car hooters. Danny's Auto supplies the following Imoto Chemicals products in Botswana: cleaning products for brakes, radiators, dashboard, engines and tyres. Danny's Auto is based in South Africa and has no physical presence or assets in Botswana. Danny's Auto exports products from South Africa to customers in Botswana.

Danny's Auto Property does not supply or distribute any products in Botswana.

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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