



MERGER NOTICE NO 14: 2016

THE PROPOSED ACQUISITION OF AN ADDITIONAL 16% SHAREHOLDING IN MINOR HOTEL GROUP GABORONE (PTY) LTD BY MHG INTERNATIONAL HOLDINGS (MAURITIUS) FROM FAR EASTERN AFRICAN HOLDINGS LIMITED.

Pursuant to section 56(1) of the Competition Act (Cap 46:09), the Competition Authority has received a merger notification for the proposed acquisition of an additional 16% shareholding in Minor Hotel Group Gaborone (Pty) Ltd ("MHG Gaborone") by MHG International Holdings (Mauritius) ("MHG") from Far Eastern African Holdings Limited ("FEAH").

MHG, the acquiring enterprise, is a holding company incorporated in accordance with the Laws of Mauritius. MHG is a wholly owned subsidiary of Minor Holding (Thai) Ltd ("Minor"). Minor is a global hotel owner, operator and investor with various hotels, resorts and serviced suites. Minor is listed on the stock exchange of Thailand. Both Minor and MHG do not have any other business interests in Botswana apart from the current shareholding interest MHG has in MHG Gaborone.

MHG Gaborone, the target entity, is incorporated in accordance with the Laws of Botswana. The target has three operations in Botswana being the Avani Gaborone Hotel and Casino ("Avani") in Gaborone; Marang Casino ("Marang") in Francistown; and Menateng Casino ("Menateng") in Selibe Phikwe. Avani is a four star hotel which offers short term accommodation, conferencing and meeting facilities. Avani also operates a casino in the same premises as Avani Hotel.

Marang and Menateng provide casino gaming services. MHG Gaborone is currently controlled by MHG with 64%, Far Eastern Holdings Limited ("FEAH") with 16% and Kgolo Ya Sechaba Investments Limited ("KYS") with 20%. In the transaction under consideration MHG wishes acquire FEAH's 16% shareholding in MHG Gaborone. MHG Gaborone's directors are; R.C. Hawkins (South African), D.R Mokhobo (South African), R. Mpabanga (Motswana), N.Kgabi (Motswana) and B.Dabutha (Motswana).

According to section 57(3), of the Competition Act, “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 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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