



MERGER NOTICE NO 24: 2019

THE PROPOSED ACQUISITION OF 44.14% OF ORDINARY SHARES IN FURNMART LTD, FROM MARULA TRUST BY FURNMART HOLDINGS LTD.

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 44.14% shares in Furnmart Ltd ("FML"), from Marula Trust by Furnmart Holdings Ltd ("FHL").

The ultimate beneficial owners of 92% of FML is the Mynhardt family, all Botswana citizens, who hold the shares through a number of different entities and are seeking to consolidate these various shareholdings into one holding company FHL with no change to the ultimate beneficial holders but where the 44.14% represents a change in control from a Trust to FHL.

The acquiring enterprise, FHL, is a newly established investment holding company incorporated in accordance with the Law of Guernsey; for the purposes of the proposed transaction, yet without assets and is not operational. FHL is a wholly owned subsidiary of CBH Group Holdings Limited ("CBH Group Ltd") and it is in turn controlled by family trusts with no any other furniture retail business interests in Botswana other than their ultimate beneficial interests in FML; and with the Mynhardt family (all Batswana) as beneficiaries.

The target enterprise, FML, is a company incorporated in accordance with the Laws of Botswana and is in the furniture retail business of selling and delivering on request furniture, appliances and consumer electronics for cash and on credit. Credit includes financial services such as Hire Purchase contracts, insurance and club membership; trading under the two brands: Furnmart and Home Corp. FML, operates in Botswana, South Africa and Namibia.

In Botswana, FML, is present countrywide through its two wholly owned subsidiaries being Furniture Mart (Pty) Ltd ["Furniture Mart"] and Home Corp. Furniture Mart operates 53 furniture retail stores in most cities, towns and villages whereas Home Corp operates 1 furniture store in Gaborone.

The directors of FML are John Tobias Mynhardt; Tobias Louis John Mynhardt; Fact Badzile Lebala (all Batswana); Daniel Servaas le Roux; Eric Odendaal; Jerome Patrick McLoughlin; Leonard Godfrey Waldeck (all South African); and Subbarao Venkataramani (Indian).

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:

Director, Mergers and Monopolies
Competition Authority
Private Bag 00101
Plot 28, Matsitama Road, Main Mall
Gaborone
Tel: +267 3934278 Fax: +267 3121013
Email: CA@competitionauthority.co.bw