



MERGER NOTICE NO 31: 2019

THE PROPOSED ACQUISITION OF CONTROL OF BRANDS CONSUMER GROUP PROTECTED CELL COMPANY BY LONRHO AFRICA (HOLDINGS) LIMITED AND FOLLOWING WHICH LONRHO AFRICA (HOLDINGS) LIMITED, THROUGH BRANDS CONSUMER GROUP PROTECTED CELL COMPANY, WILL ACQUIRE SOLE OWNERSHIP IN SAFARI DISTRIBUTORS PROPRIETARY LIMITED, AS WELL AS INDIRECT CONTROL OVER CERTAIN ASSETS OF CHABENZA PROPRIETARY 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 control of Brands Consumer Group Protected Cell Company ("BCG Holdings") by Lonrho Africa (Holdings) Limited ("Lonrho") and following which Lonrho Africa (Holdings) Limited, through BCG Holdings, will acquire sole ownership in Safari Distributors Proprietary Limited ("Safari"), as well as indirect control over certain assets of Chabenza Proprietary Limited ("Chabenza").

Lonrho, the acquiring enterprise, is incorporated in accordance with the Laws of England and Wales. Lonrho is wholly owned by Lonrho Holdings Limited ("LHL"). LHL is in turn controlled by certain individuals who have no direct or indirect interest in Botswana. Lonrho Group of companies owns and operates businesses based on the African continent, investing and growing businesses in various sectors. These sectors/divisions are: *Food and Beverages Processing and Distribution Division* - engaged in the business of manufacture and distribution of food and beverage products, as well as transport of such products into, across and out of Africa; *Market Expansion Services Division* – provides established brands with a route to growth in new and existing African markets at a lower cost and reduced risk through provision of local infrastructure, networks and expertise; and *Infrastructure Division* – focusses on the development and provision of facilities which primarily support oil and gas operations ensuring the industry is able to discover, extract and transport energy supplies. From a Botswana perspective, the Lonrho Group of Companies has no activities in the country, whether directly or indirectly.

The Directors of Lonrho are: Ashleigh Jane Woolf and Nicholas Peter Taylor (both British).

The target enterprise, BCG Holdings, is incorporated in accordance with the Laws of Mauritius. BCG Holdings is wholly owned by Ovia Limited, a company duly incorporated in the Republic of the Seychelles.

In turn, BCG Holdings controls, *inter alia*, Brands Consumer Group (Mauritius) Limited (incorporated in Mauritius); Brands Africa Ltd (Zambia), Brands Africa Ltd (Malawi) and BCG Supply Chain (Pty) Ltd ("BCG SA") (South Africa). BCG SA controls BCG Supply Chain Proprietary Limited (Botswana) ("BCG Botswana"), which entities are relevant to the proposed transaction. BCG Botswana is a company incorporated in accordance with the Laws of the Republic of Botswana and has not commenced trading. BCG SA sells branded Fast-Moving Consumer Goods to retailers in Botswana.

The Directors of BCG Holdings are Preetam Rampersad Pryag and Kiransingh Gulab (both Mauritian).

Safari is incorporated in accordance with the Laws of the Republic of Botswana. It is owned and controlled by the following individuals: Sarel Jakobus Pieterse; Maria Susanna Pieterse; and Antonio Basilio Ferreira Fernandes (all South African). Safari distributes non-perishable fast moving consumer goods (FMCGs) to retailers, as well as wholesalers within Botswana. It is noted that Safari undertakes its operations in conjunction with a South African based transport logistics company, Chabenza. That is, Chabenza, a company incorporated in accordance with the Laws of the Republic of South Africa, operates as Safari's exclusive logistics arm in delivering products direct from principals located in South Africa into Botswana. It is imperative to note that, only Chabenza's certain assets will be the subject of the proposed transaction.

The Directors of Safari are: Sarel Jakobus Pieterse; Maria Susanna Pieterse (both South African); and Kuso Shoko Sylvester (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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