



MERGER NOTICE NO 34: 2020

THE PROPOSED ACQUISITION OF BUSINESS AND ASSETS OF PAYLESS SUPERMARKETS (PTY) LTD IN LIQUIDATION BY ELLIS RETAIL GROUP (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 acquisition of business and certain assets of Payless Supermarkets (Pty) Ltd ("Payless" or "the target enterprise") in liquidation, by Ellis Retail Group (Pty) Ltd ("ERG" or "the acquiring enterprise").

The Acquiring Enterprise, ERG, is a limited liability company incorporated in accordance with the Laws of Botswana. ERG is a Special Purpose Vehicle ("SPV") being utilised to effect the proposed merger transaction. The Acquiring Enterprise is described as a private investor with focus on insurance, petroleum and Fast Moving Consumer Goods ("FMCG").

According to the merging parties' submissions, ERG has not had any form of trading activity in, into or from Botswana since its incorporation. ERG is wholly owned by Acute Global Limited ("Acute Global"), an investment holding company which is in turn wholly owned by Accurate Component (Pty) Ltd ("Accurate Component"). Both Acute Global and Accurate Component are companies incorporated in accordance with the Laws of Botswana. The sole shareholder and Director of Accurate Component is Patricia Moshoke (Motswana) while the sole director of ERG is: Colm Patterson (Irish).

The Target Enterprise, Payless, is a private company incorporated in accordance with the Laws of Botswana. The target enterprise is specifically described as the business and certain assets wholly owned by Payless. Payless is active in the FMCG market and operates a chain of retail stores in Botswana with six (6) stores in Gaborone, and one (1) store at Mochudi; Tlokweng; and Molepolole, respectively.

The target enterprise's shareholders are: Mohamed Saleem Abdul Malique (Sri Lankan) and Willem Henning (Motswana). However, it has been submitted that the target enterprise is in liquidation by order of Court dated 3 June 2020 and as such remains under the sole control of the Liquidator: Kopanang Nyaladzo Thekiso (Motswana).

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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