



MERGER NOTICE NO 46: 2022

THE PROPOSED ACQUISITION OF KANSAI PAINT CO., LTD'S SUBSIDIARIES NAMELY KANSAI PLASCON AFRICA LIMITED AND KANSAI PLASCON EAST AFRICA (PTY) LIMITED BY AKZO NOBEL N.V.

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 Kansai Paint Co., LTD. ("Kansai Paint") subsidiaries, namely Kansai Plascon Africa Limited ("KPAL") and Kansai Plascon East Africa Proprietary Limited ("KPEA") (collectively, the Target Enterprises or Kansai) by Akzo Nobel N.V ("AkzoNobel"). KPEA is not active in Botswana, as such, it will not be the focus of the notified merger.

AkzoNobel, the Acquiring Enterprise, is a public limited liability company established under the Laws of the Netherlands. It is listed on the Euronext Amsterdam stock exchange. AkzoNobel conducts its business in Botswana through Dulux Botswana Proprietary Limited ("Dulux Botswana"), a private company established under the Laws of Botswana. Dulux Botswana has a manufacturing facility, warehouses, and sales operations. Dulux Botswana manufactures decorative coating products but does not manufacture or supply any industrial coating products in Botswana. Furthermore, Dulux Botswana's manufacturing facility does not produce the full range of AkzoNobel decorative coating products, and certain products that have low sales volumes in Botswana are imported as finished products from AkzoNobel's operations in South Africa.

The Directors of Dulux Botswana are Billy Topo Sekgororoane and Moses Mangaliso Muyaluka ("Batswana") and Gideon Pieter Nieuwoudt and Peter Crause ("South African citizens").

KPAL, the Target Enterprise, is incorporated in accordance with the Laws of the Republic of South Africa. KPAL is controlled by Kansai Paint. Kansai Paint is a public company incorporated under the Laws of Japan and listed on the Tokyo Stock Exchange. KPAL conducts its business in Botswana through Kansai Plascon Botswana Proprietary Limited ("Plascon Botswana"). Plascon Botswana is a private company incorporated under the Laws of Botswana. Plascon Botswana does not conduct any manufacturing operations but does undertake sales and warehousing operations.

All of the KPAL decorative coating products sold in Botswana are manufactured in South Africa and then exported as finished products to KPAL's depots in Botswana. Similarly, all of KPAL's industrial coating products (namely automotive

refinishes, general industrial coatings, and protective coatings) that are sold in Botswana are manufactured outside of Botswana and then exported to KPAL's local depots.

The Directors of Plascon Botswana are Cassiem Narker, Prejay Rajhendhur Lalla, Symanthia Meshal Batohi ("South African citizens"), and Rockie Gagoangwe Mmutle ("Motswana").

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:

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