



MERGER NOTICE NO 5: 2016

THE PROPOSED ACQUISITION OF 100% OF THE ISSUED SHARE CAPITAL IN PENRICH INSURANCE BROKERS (PTY) LTD BY AFRICAN ESSENCE ENTERPRISES (PTY) 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 100% of the issued share capital in Penrich Insurance Brokers (Pty) Ltd ("Penrich") by African Essence Enterprises (Pty) Ltd ("African Essence").

African Essence, the acquiring enterprise, is a company registered in accordance with the Laws of the Republic of Botswana. The acquirer is a dormant company and therefore does not offer any goods or services in Botswana. The company's Directors are Ronald M. Nkwadi (South African) and Tebogo C. Nkwadi (Botswana).

The target enterprise, Penrich, is a subsidiary of Capricorn Investment Holdings (Botswana) Ltd ("Capricorn"), and both companies are incorporated in accordance with the Laws of Republic of Botswana. Penrich sells short-term insurance products such as credit life, funeral cover, legal cover, workmens compensation cover and asset insurance (cars, trucks, equipment, homes just to name a few). These short-term insurance products are sold countrywide, with the main target markets being Gaborone and Francistown. Penrich's Directors are Sybrand A. Coetzee (Namibian); Andre Barnard (Namibian); Mompoti D. Nwako (Botswana); and Marthinus J. Prinsloo (South African). These directors will resign from Penrich on conclusion of the sale, and Ronald M. Nkwadi and Tebogo C. Nkwadi will be appointed as directors of Penrich.

The other subsidiaries for Capricorn in Botswana are Bank Gaborone Ltd and Capricorn Asset Management (Botswana) (Pty) Ltd. Bank Gaborone is operational in the banking sector, while Capricorn Asset Management Botswana is a fund manager.

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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