

MERGER NOTICE NO 50: 2021

THE PROPOSED ACQUISITION OF 50.1% ISSUED SHARE CAPITAL OF EIE GROUP (PTY) LTD BY CFAO HOLDINGS SOUTH AFRICA (PTY) LTD AND THE REPURCHASE BY EIE GROUP (PTY) LTD OF 49.9% OF ITS ISSUED SHARES HELD BY enX GROUP LIMITED

Pursuant to section 49 (1) of the Competition Act of 2018, the Competition and Consumer Authority ("the Authority") has received a merger notification in relation to the proposed Acquisition of 50.1% issued share capital of EIE Group (Pty) Ltd ("EIE Group") by CFAO Holdings South Africa (Pty) Ltd ("CFAO HSA"), and the Repurchase by EIE Group (Pty) Ltd of 49.9% of its issued shares held by enX Group Limited ("enX Group").

The Acquiring Enterprise, CFAO HSA is a private company incorporated in accordance with the Laws of South Africa. It is a wholly-owned subsidiary of CFAO SAS ("CFAO"), a company incorporated in accordance with the Laws of France. CFAO is in turn, wholly owned by Toyota Tsusho Corporation ("TTC"), a public company incorporated in Japan and listed on the Tokyo Stock Exchange and the Nagoya Stock Exchange. TTC is not controlled by any single shareholder. For ease of reference, TTC, CFAO HAS, CFAO, and any firm directly and or indirectly controlled by these enterprises are collectively referred to as the "CFAO Group".

CFAO Group is a key player in mobility, healthcare, consumer goods, infrastructure and energy and its distribution network comprises 158 subsidiaries. In Southern Africa, the CFAO Group's primary presence is in South Africa, where it operates through a number of subsidiaries, including: Toyota Tsusho Africa (Pty) Ltd; Toyota Tsusho South Africa Processing (Pty) Ltd; Africa Mobility Solutions (Pty) Ltd; CFAO Motors South Africa (Pty) Ltd ("CMSA"); and Subaru SA. The CFAO Group operates in Botswana through the following companies:

- (i) CFAO Motors Rental (Botswana) (Pty) Ltd, trading as Hertz Rent a Car ("Hertz Botswana"), a subsidiary of CMSA (formerly Unitrans Motor Holdings (Pty) Ltd ["Unitrans Motor"]). Hertz Botswana provides car rental services through five (5) branches across Botswana, namely Francistown International Airport, Sir Seretse Khama International Airport, Gaborone Downtown, Kasane International Airport and Maun International Airport; and
- (ii) Subaru Southern Africa (Pty) Ltd ("Subaru SA"). Subaru SA has not established its own Subaru sales and service dealership in Botswana. It has however, appointed Subaru Botswana as an independent Subaru dealership in Botswana. Subaru SA's activities involve the sourcing and supply of vehicles, parts and accessories from South Africa to Subaru Botswana and the managing of the franchise relationship.

The Target Enterprise, EIE Group, is a private company incorporated in accordance with the Laws of South Africa. It is a wholly owned subsidiary of enX Leasing Investments (Pty) Ltd ("enX Leasing"), which is in turn wholly owned by enX Group, a public company listed on the exchange operated by Johannesburg Stock Exchange Limited ("JSE"). The Target Enterprise specialises in providing distribution, rental, and

value-added services for industrial and material handling equipment. To facilitate the implementation of the proposed transaction, enX Group will undertake an internal restructure such that, immediately before implementing the proposed transaction, EIE Group will control: Saficon Industrial Equipment (Pty) Ltd ("SIE"); 600SA Holdings (Pty) Ltd ("600SA"); as well as Uni-Cape Equipment (Pty) Ltd ("Uni-Cape") - which is a wholly owned subsidiary of 600SA. EIE Group, SIE, 600SA and Uni-Cape are collectively referred to as the "Target Group". In Botswana, one of the target companies SIE, has a distribution agreement with Turbo (Pty) Ltd- trading as Forklif Sales Botswana ("FSB") in terms of which FSB is appointed as the exclusive dealer for SIE in Botswana.

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:

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