



MERGER DECISION NO 22 OF 2025

DECISION ON THE ASSESSMENT THE PROPOSED ACQUISITION BY MIRACLE SYSTEMS (PTY) LTD OF 60% OF THE ISSUED SHARE CAPITAL IN HURLISTERNS (PTY) LTD FROM NTS HOLDINGS (PTY) LTD

Introduction of the Merging Parties

Pursuant to section 53(4)(a)(ii) of the Competition Act, 2018 ("the Act"), notice is hereby given on the decision made by the Competition and Consumer Authority ("the Authority") in relation to the proposed acquisition by Miracle Systems (Pty) Ltd ("Miracle Systems" or the "Acquiring Enterprise") of 60% of the issued share capital in Hurlisterns (Pty) Ltd ("Hurlisterns" or the "Target Enterprise") from NTS Holdings (Pty) Ltd ("NTS Holdings"). At the completion of the proposed merger, the Acquiring Enterprise would then franchise directly with Pick n Pay Retailers (Pty) Ltd.

The proposed merger follows through from the Pick n Pay Retailers (Pty) Ltd & NTS Holdings (Pty) Ltd transaction which was recently approved by the Authority. The Authority greatly facilitated Miracle System's (a wholly owned citizen company) with a 40% minority shareholding in Hurlistens in their quest to acquire ownership of their Jwaneng Pick n Pay store.

The Acquiring Enterprise is a company duly incorporated in accordance with the Laws of Botswana and its shareholders are Sethata Seremane and Tebogo Nametsegang Seremane. In addition, the Target Enterprise, is a company also duly incorporated in accordance with the Laws of Botswana, trading as Pick n Pay Jwaneng (Pty) Ltd. The shareholders of the Target Enterprise are NTS at 60% and Tebogo Nametsegang Seremane at 40%.

Relevant Markets

The merger assessment findings indicate that the Acquiring Enterprise holds business licences in Pick n Pay Jwaneng and therefore is active as a provider of goods and services in the fast-moving consumer goods (FMCG) market in Jwaneng (including Groceries, Fruits and vegetables, Butchery, General Merchandise, Bakery, and Fast Food). The Acquiring Enterprise does not control nor is it controlled by any other. Consistently, the Target Enterprise's market activities are similar to those of the Acquiring Enterprise as they form part of the same entity. The Target Enterprise does not control any other entities.

Although the Merging Parties are active in a similar market, this is mainly because they are part of the same business and as such cannot be regarded as direct competitors. As such, the proposed merger constitutes an internal share

restructure whereby a minority shareholder is acquiring sole control of the Target Enterprise. Furthermore, the FMCG sector is generally characterised by high levels of competition and a relatively saturated market. Consumers typically have access to a variety of retailers, both large and small, offering similar products and services.

Competitive Analysis and Public Interest

Based on the assessment findings, the structure of the relevant market is not expected to significantly change upon implementation of the proposed merger as the proposed transaction is not likely to result in a substantial lessening of competition, nor endanger the continuity of service in the market under consideration. Furthermore, the proposed merger will not have any negative effect on public interest matters in Botswana as per the provisions of section 52(2) of the Competition Act 2018.

The Determination

The Authority determined through the analysis of the facts of the merger that the competition landscape and structure of the relevant market will not significantly change in Botswana upon the implementation of the proposed merger.

Pursuant to the provision of section 53 of the Act, the Authority has unconditionally approved the proposed acquisition by Miracle Systems (Pty) Ltd of 60% of the issued share capital in Hurlisterns (Pty) Ltd from NTS Holdings (Pty) Ltd.

However, as stated under Section 61 of the Act, this approval does not override or negate any other mandatory statutory approvals or processes that any of the parties to this merger must comply with under the Laws of Botswana.

Dated at Gaborone on this 7th day of July 2025.

Gideon Gobusamang Nkala, Chief Executive Officer, Competition and Consumer Authority, P/Bag 00101, Gaborone, Plot 28, Matsitama Road, Tel: 3934278 Fax: 3121013