

MERGER DECISION NO 26 OF 2024

DECISION ON THE ASSESSMENT OF THE PROPOSED SALE AND PURCHASE OF CERTAIN IMMOVABLE ASSET BEING, LEASE AREA NUMBER 109-QO, PANDAMATENGA, BY QUAKING EARTH INVESTMENTS (PTY) LTD FROM UNIQUE TRAVEL OPTIONS (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 respect of the proposed sale and purchase of certain immovable assets being, Lease Area Number 109-QO, Pandamatenga, by Quaking Earth Investments (Pty) Ltd ["Quaking Earth or Acquiring Enterprise"] from Unique Travel Options (Pty) Ltd ["Unique Travel or Selling Enterprise"]. The transaction was notified to the Authority on 10th May 2024, and the merger assessment was completed on 24th July 2024.

The Acquiring Enterprise, Quaking Earth, is a company incorporated under the Laws of Botswana. It is wholly controlled by Devin Lyle Wheeler.

The Selling Enterprise, Unique Travel, is a company incorporated in accordance with the Laws of Botswana. Unique Travel's sole shareholder is Michael Robertson-Bullock.

Relevant Market

The Acquiring Enterprise is an arable farming and horticulture company. It mainly produces the following vegetables: sorghum; sunflower; cowpeas; lablab; tomatoes; sweet pepper; cabbage; butternut; and watermelons. These vegetables are sold to customers in Botswana. On the other hand, the Selling Enterprise is a property holding company of the immovable asset being lease area number 109-QO, Pandamatenga (*the Property being sold*). Unique Travel carries out dry land farming in the Property. It mainly produces the following crops: sorghum; sunflower; cowpeas; chickpeas; and mung beans. These crops are sold to customers in Botswana and South Africa.

The Proposed Transaction gives rise to a horizontal overlap post-merger, in that both enterprises are active in the commercial arable farming of sorghum; sunflower; cowpeas in Pandamatenga. In addition, the Acquiring Enterprise and the Selling Enterprise each own one farm in the area. It can therefore be concluded that the Acquiring Enterprise is a small player in the commercial arable

farming market in Pandamatenga. As such, the identified overlap will make an insignificant change in the arable farming market in Pandamatenga due to the size of the Acquiring Enterprise. Therefore, no competition concerns are expected to arise as result of the merger post implementation. In addition, the relevant market is characterised by myriad players, both at individuals and company levels who will pose competitive constraints to the Merged Entity post-merger.

Competitive Analysis and Public Interest

The Authority has established that the Proposed Transaction is not likely to result in a substantial lessening of competition, nor endanger the continuity of service in *the market of commercial arable farming of sorghum; sunflower; cowpeas in Pandamatenga*. 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

Pursuant to the provision of Section 53 of the Competition Act, 2018, the Authority has decided to unconditionally approve the proposed sale and purchase of certain immovable asset being, Lease Area Number 109-QO, Pandamatenga, by Quaking Earth Investments (Pty) Ltd from Unique Travel Options (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 24th day of July 2024.

Tebelele Pule, Chief Executive Officer, Competition and Consumer Authority,
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