

MERGER DECISION NO 35:2025

Notice in Terms of Section 53(4) (a)(ii) of the Competition Act 2018

DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION OF ALL ISSUED SHARE CAPITAL IN SEDGELEY SOLAR MANAGEMENT PROPRIETARY LIMITED AND SEDGELEY SOLAR ENERGY HOLDINGS PROPRIETARY LIMITED BY SEDGELEY SOLAR GROUP PROPRIETARY LIMITED

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 of all issued share capital in Sedgeley Solar Management Proprietary Limited and Sedgeley Solar Energy Holdings Proprietary Limited ("SSM" and "SSEH", collectively the "Target Enterprises") by Sedgeley Solar Group Proprietary Limited ("SSG" or the "Acquiring Enterprise") (the "Proposed Transaction").

Merging Parties

The Acquiring Enterprise is a newly incorporated special purpose vehicle incorporated in Namibia. On implementation of the Proposed Transaction, SSG will be jointly controlled by Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V ("FMO") and Evolution III LP ("Evolution III Fund"). FMO is controlled by the Dutch State (Netherlands). FMO is the Dutch Entrepreneurial Development Bank.

The Target Enterprises, SSM and SSEH, are both incorporated in Namibia. SSM is controlled by PRIF Namibia Holdings Proprietary Limited ("PRIF Namibia") who will be exiting as part of the Proposed Transaction. SSM controls Solar Saver Botswana Proprietary Limited (75%) ("SSB"), a company incorporated in Botswana. SSEH is not controlled by any enterprise. In Botswana, SSEH controls Sedgeley Solar Energy Botswana Proprietary Limited (60%) ("SSEB").

Relevant Markets

In terms of the activities of the Merging Parties, the assessment findings show that the Acquiring Enterprise, SSG is a newly incorporated special purpose vehicle incorporated in Namibia. It has been established for the purpose of the proposed transaction therefore, it currently does not supply any goods or services. In terms of the activities of the promoters of Acquiring Enterprise, FMO is focused on investing in Agribusiness, Food and Water, Energy, and Financial Institutions while Evolution III Fund is an investment fund that is focused on private finance of renewable energy projects and other companies across Africa. For completeness, FMO and Evolution III Fund do not conduct any business activities in Botswana.

On the other hand, although the Target Enterprises are domiciled in Namibia, they are active in Botswana through their subsidiary companies whereby SSM controls Solar Saver Botswana Proprietary Limited and SSEH controls Sedgeley Solar Energy Botswana Proprietary Limited. Therefore, the description of the relevant market is that SSM owns small scale installed rooftop and ground-mount solar photovoltaic ("PV") projects. SSEB is responsible to SSM to provide SSB with engineering, procurement and construction ("EPC") services related to the installation of its rooftop solar PV projects in Botswana. SSEH is responsible for cleaning and maintaining SSB's installed Solar PV projects, as well as the sale and marketing of SSB's solar PV projects. SSEH'S EPC, cleaning, maintenance, sale and marketing services to SSB are provided through SSEH's local subsidiary, SSEB.

Competitive Analysis and Public Interest

Based on the assessment findings, the relevant market's broad definition suggests that there is an existence of overlaps in the business activities of the Merging Parties through the promoters of the Acquiring Enterprise which is a newly incorporated SPV and does not currently supply any goods or services whereas the Target Enterprises are involved in solar PV projects. However, the established overlaps lack geographical presence as the Acquiring Enterprise and its promoters do not have any business activities in Botswana. Therefore, the assessment of the merger shows that the Proposed Transaction will not have the effect of substantially preventing or lessening competition in any market that may be found to exist in Botswana. In addition, the Proposed Transaction is not expected to result in any public interest issues such as merger specific retrenchments. Thus, the competition landscape in the relevant market would not significantly change in Botswana upon the implementation of the proposed merger.

The Determination

The Authority determined through the analysis of the facts of the merger that the structure of the relevant market is not expected to significantly change upon implementation of the

proposed acquisition 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 significant negative effects on public interest matters in Botswana as per the provisions of section 52(2) of the Competition Act 2018.

Pursuant to the provision of section 53 of the Act, the Authority has decided to unconditionally approve the proposed acquisition of all issued share capital in Sedgeley Solar Management Proprietary Limited and Sedgeley Solar Energy Holdings Proprietary Limited (“SSM” and “SSEH”, collectively the “Target Enterprises”) by Sedgeley Solar Group Proprietary Limited (“SSG” or the “Acquiring Enterprise”) (the “Proposed Transaction”),

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 17th day of September 2025.

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