

MERGER DECISION NO 36:2025

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

DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION BY LENGAU PROPRIETARY LIMITED OF CERTAIN ASSETS OF THE BUSINESS OF ENGINEERING SURVEYS BOTSWANA 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 certain assets of the business of Engineering Surveys Botswana Proprietary Limited (“Engineering Surveys” or the “Target Enterprise”), namely Lot 21310, Gaborone Botswana (“Target Property”) by Lengau Proprietary Limited (“Lengau” or the “Acquiring Enterprise”) - (the “Proposed Transaction”). Upon implementation of the Proposed Transaction, the Acquiring Enterprise will obtain ownership and control of Lot 21310, Gaborone, Botswana.

Lengau is a private limited company registered in accordance with the laws of Botswana. The Acquiring Enterprise does not control any enterprise in Botswana. Engineering Surveys is a limited liability company registered in accordance with the laws of Botswana. The Target Enterprise does not control any enterprise in Botswana.

Merging Parties

In terms of the activities of the Merging Parties, the Acquiring Enterprise is an alcohol distribution company engaged in the wholesale supply of various alcoholic beverages in Botswana. Its product portfolio includes whiskey, wine, vodka, rum, and gin, which it distributes to wholesale retailers across the country.

On the other hand, the Target Enterprise is a property rental company which has not been operational.

Competitive Analysis and Public Interest

In the assessment of Substantial Lessening of Competition, the investigations have revealed that the Acquiring Enterprise is involved in the wholesale supply of alcoholic beverages whereas the Target Enterprise is non-operational as explained above. Therefore, the transaction under assessment is not expected to substantially lessen competition or restrict trade or the provision of services or to endanger the continuity of supplies in the relevant market or in any market in Botswana.

The implementation of the Proposed Merger is not expected to result in the acquisition of a dominant position in the relevant market in Botswana as the Target Property is currently not active in the rental market. Additionally, the Acquiring Enterprise intends to redevelop the Target Property into a warehouse facility which will remove it from the property letting market altogether. Therefore, the Proposed Transaction will not result in any change or market share accretion in any relevant market.

In terms of Public Interest considerations, the Authority does not foresee any significant detriment to public interest that will arise because of the transaction under consideration. The Target Enterprise is not operational.

The Determination

The Authority determined through the analysis of the facts of the merger that the structure of the relevant market is not going to significantly change upon implementation of the proposed transaction 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 significant negative effects on public interest matters in Botswana as per the provisions of section 52(2) of the Act.

Pursuant to the provision of section 53 of the Act, the Authority has decided to unconditionally approve the proposed acquisition of certain assets of the business of Engineering Surveys Botswana Proprietary Limited, namely Lot 21310, Gaborone Botswana by Lengau Proprietary Limited.

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 September 2025.

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