

MERGER DECISION NO 25 OF 2025

DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION OF LOT 1681 GABORONE, FROM METALS & COMMODITIES COMPANY (PTY) LTD BY KHUMO PROPERTY ASSET MANAGEMENT (PTY) LTD ON BEHALF OF BOTSWANA PUBLIC OFFICERS PENSION FUND

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 acquisition of lot 1681, Gaborone ("the Target Property") from Metals & Commodities Company (Pty) Ltd ("Metals & Commodities" or "Target Enterprise") by Khumo Property Asset Management (Pty) Ltd ("Khumo Property" or "the Acquiring Enterprise") on behalf of the Botswana Public Officers Pension Fund ("BPOPF").

The Acquiring Enterprise, Khumo Property, is a company incorporated in accordance with the Laws of Botswana. The Acquiring Enterprise is a company owned by Eris Investment Holdings (Pty) Limited, a company incorporated in South Africa and BIFM Holdings Company Limited incorporated in Botswana. The Acquiring Enterprise does not directly or indirectly control any enterprise in Botswana.

The Target Enterprise, Metals & Commodities, is a company incorporated in accordance with the Laws of Botswana. It is controlled by Julian Kuracheril Mathew, Megha Mary Mathew and Midhun Julian Mathew. The Target Enterprise does not directly or indirectly control any enterprise in Botswana.

Relevant Markets

In terms of the activities of the Merging Parties, the Acquiring Enterprise is an asset management company. The Acquiring Enterprise is duly appointed as the property asset manager of BPOPF and makes the acquisition for and on behalf of BPOPF. BPOPF is a pension fund duly licensed and established in accordance with the provisions of the Retirement Funds Act No. 38 of 2022 for public service employees. BPOPF holds commercial immovable rental property through other property asset managers. The Acquiring Entity currently manages four (4) properties of BPOPF. These properties are rented out to various tenants for income purposes, and the Acquirer is responsible for the management of the properties on behalf of BPOPF. On the other hand, the Target Enterprise is a property investment company and currently owns commercial and residential properties in Kanye and Gaborone, including Lot 1681 Gaborone (*the Property being sold*), the proposed transaction.

In light of the above, the Proposed Transaction gives rise to a horizontal overlap, as both enterprises operate in the real estate market in Botswana. However, the overlap is limited to the Gaborone market where both the Acquirer and the Target have geographic presence. Therefore, there will be a minimal change in the relevant market in Gaborone, which is highly contestable, with a myriad of players both at individual and company levels who will pose competitive constraints to the merged entity post-merger. The Authority does not expect competition concerns to arise as result of the merger post implementation.

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 relevant in Botswana. 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, the Authority has decided to unconditionally approve the proposed acquisition of lot 1681, Gaborone from Metals & Commodities Company (Pty) Ltd by Khumo Property Asset Management (Pty) Ltd on behalf of the Botswana Public Officers Pension Fund.

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 16th day of July 2025.

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