

**MERGER NOTICE NO 51: 2019**

**THE PROPOSED ACQUISITION OF 100% OF THE ISSUED SHARE CAPITAL OF MAIN STREET 1723 (PTY) LTD BY CASH CONNECT SOLUTIONS (PTY) LTD**

Pursuant to Section 56(1) of the Competition Act (Cap 46:09), the Competition Authority has received a merger notification for the proposed acquisition by Cash Connect Management Solutions (Pty) Ltd ("Cash Connect") of 100% of the issued share capital of Main Street 1723 (Pty) Ltd ("Main Street 1723") from Main Street 1722 (Pty) Ltd ("Main Street 1722").

The acquiring enterprise Cash Connect is a private company incorporated under the Laws of South Africa. It is a cash management and payment solutions provider, which provides end-to-end cash management solutions including automated cash vaults and cash-in-transit-solutions in South Africa. Cash Connect is controlled by Ovobix (Pty) Ltd ("Ovobix") and Ovobix is in-turn controlled by Lirast (Mauritius) Company Limited ("Lirast"). Ovobix and Lirast do not have any business activities in Botswana. Cash Connect in-turn controls: Cash Connect Rental (Pty) Ltd; Cash Connect Collateral Holding Trust; Cash Connect Rentals Collateral Holding Trust; and Cash Connect Capital (Pty) Ltd and are all based in South Africa.

The Directors of Cash Connect are: Richard Gerald Phillips; Steven John Heilbron; Conway Williams; Mark Templemore-Walters; and Ivan Michael Epstein (all South Africans).

The primary target enterprise, Main Street 1723, is a private company incorporated under the Laws of South Africa. It is a new special purpose vehicle company incorporated for the purposes of this transaction. Prior to the acquisition, and as part of the proposed transaction, Paycorp Group (Pty) Ltd ("Paycorp Group") will transfer its EFTPOS division to Main Street 1723 and Paycorp VAS (Pty) Ltd ("Paycorp VAS") will transfer the Kazang Business (which comprises the Kazang division of Paycorp VAS, Sandulela Technology (Pty) Ltd and shares in Kazang Prepaid (Pty) Ltd ("Kazang Botswana")) to Main Street 1723. Only the Kazang division operates in Botswana through Kazang Botswana, a company incorporated under the Laws of Botswana. It provides mobile Point of Sale terminals to merchants that enable them to sell prepaid vouchers for airtime, data and electricity.

The Directors of Main Street 1723 are: Stephen Hochstadter and Gert Voster (all South African); whereas the Directors of Kazang Botswana are: J.M van

Reenen; M Wright; G.J.A Vorster (all South Africans); and R.M Vinen (Motswana).

According to Section 57(3), of the Competition Act, “any person, including a third party not a party to the proposed merger, may voluntarily submit to the inspector or the Authority any document, affidavit, statement or other relevant information in respect of a proposed merger.”

The Competition Authority therefore seeks any stakeholder views for or against the proposed merger, which may be sent within 10 days from date of this publication to the following address:

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