



## **MERGER NOTICE NO 51: 2024**

### **THE PROPOSED ACQUISITION OF THE CREMORA BUSINESS OF NESTLÉ SOUTH AFRICA PROPRIETARY LIMITED, FROM VISTA 24 PROPRIETARY LIMITED BY LACTALIS SOUTH AFRICA PROPRIETARY LIMITED**

Pursuant to section 49(1) of the Competition Act 2018, the Competition and Consumer Authority ("the Authority") has received a merger notification for the proposed acquisition of the Cremora business of Nestlé (South Africa) Proprietary Limited ("Nestlé ZA") (to be owned by a newly formed special purpose vehicle) ("the Primary Target Enterprise") by Lactalis South Africa Proprietary Limited ("Lactalis SA" or "the Acquiring Enterprise"). Prior to implementation of the proposed transaction, the Primary Target Enterprise will be transferred to Vista 24 Proprietary Limited ("Vista 24").

The Acquiring Enterprise, Lactalis SA, is a company incorporated in accordance with the Laws of the Republic of South Africa. Lactalis SA is an indirect subsidiary of B.S.A. SAS ("BSA"), a company duly incorporated and registered in accordance with the laws of the Republic of France. BSA is privately owned by the Besnier family. BSA is the holding company of the Lactalis Group. The Lactalis Group has presence in Botswana through Lactalis Botswana Proprietary Limited ("Lactalis Botswana") and Sanulac Nutritionals South Africa Proprietary Limited ("Sanulac Nutritionals SA"); companies incorporated in Botswana and South Africa, respectively. Lactalis SA does not control any enterprise in Botswana.

The Lactalis Group is a global leading dairy company with operations in 94 countries across the world.

Lactalis SA is involved in the production and sale of dairy products, juice and other food products as well as the distribution and commercialisation of Lactalis brand products in South Africa. Lactalis SA is operational through its five factories and five primary distribution centres located within South Africa. Lactalis SA supplies certain products to Lactalis Botswana.

Lactalis Botswana operates as a manufacturer and distributor of fresh and long-life dairy products, fruit juices and cheese. Lactalis Botswana manufactures PureJoy juices and processes UHT milk at its only factory, in Gaborone. Lactalis Botswana also imports and distributes finished products under the Lactalis brands such as cheeses, flavoured milks, fruit juices, milk, yoghurts, and other products manufactured by Lactalis SA. Lactalis Botswana also distributes products under the following brands: (i) Bonnita; (ii) Cabana; (iii) EasyGest; (iv) Galbani; (v) Melrose; (vi) Parmalat; (vii) Parmalat Professional Services; (viii) Président; (xv) Pride; and (xvi) Steri Stumpie. These products are sold to retail stores nationwide.

Sanulac Nutritionals SA distributes infant milk formula and products across a number of jurisdictions (including Botswana).

The products distributed by Sanulac Nutritionals SA are manufactured in South Africa. Sanulac Nutritionals SA has no local presence in Botswana and the sales are made from South Africa.

The Directors of Lactalis Botswana are Mohlekhu Constance Fagan (South African); Yannick Paul Philippe Houvet (French); Paolo Lombardi (Italian); and Primie Maungo Moipolai (Botswana).

The Primary Target Enterprise, Vista 24, is a company incorporated in accordance with the Laws of the Republic of South Africa. It is a newly formed special purpose vehicle for the purposes of this proposed transaction. The Primary Target Enterprise is a 100% subsidiary of Nestlé ZA, a South African based company. Nestlé ZA is wholly controlled by Societe Des Produits Nestlé S.A. ("Societe Des Produits"), a company registered in Switzerland. Societe Des Produits, is in turn a 100% subsidiary of Nestlé S.A. Nestlé S.A is listed on the SIX Swiss Exchange and is not controlled, either directly or indirectly, by any one enterprise.

The Primary Target Enterprise is a business unit of Nestlé ZA and is involved in the production and distribution of non-dairy based creamer products under the Cremora brand. The Cremora creamer products relevant to Botswana are manufactured in South Africa. The Cremora products are distributed through distributors, independent wholesalers and large retailers in Botswana, eSwatini, Mozambique, Namibia and Zimbabwe.

The Directors of Vista 24 are Nicole Roos and Feroza Grosso Ciponte (both South Africans).

According to section 50 (3) of the Competition Act 2018, "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 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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