



MERGER DECISIONS – SECOND QUARTER 2021/22

The Commission examines merger notifications in order to make a determination on the effects of such transactions on competition and then either gives conditional approval, approval with conditions or prohibits the transactions based on the outcome of the analysis. This function is supported by Section 35 of the Act and Competition Commission Regulations Notice, 2010 ("Competition") as well as internal and external merger guidelines. The Commission adjudicated on the following mergers in the quarter under review.

1.1 RESTRUCTURING OF SHARES IN BATA INVESTMENTS (PTY) LTD

1.1.1 The acquiring firm

The acquiring party is Fozia Bata, who is acquiring shares held by Ferosa Bata in Bata Investment.

1.1.2 The target business

The target firm, Bata Investments (Pty) Ltd ("Bata Investments") is a company duly registered and incorporated in accordance with the laws of Eswatini.. Bata Investments owns commercial property measuring 1982.6 Square Meters (One Thousand, Nine Hundred and Eighty-Two point Six Square Meters) in the Town of Manzini, Eswatini.

1.1.3 The decision

The Commission considered the products of the firms and concluded that the relevant market is commercial property in Manzini.

The merging firms are in the market for commercial property in Manzini. In establishing the relevant market, we considered the products of the merging firms and found that there are overlaps in the activities of the merging parties since the acquiring party is already a shareholder in Bata Investments. Bata Investments owns commercial property within the Manzini city commercial centre.

Post-merger, the market shares in the relevant market, market concentration, countervailing power and barriers to entry will not be affected and hence the



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transaction is unlikely to result in the substantial lessening or prevention of competition. Therefore, the proposed transaction was approved without conditions.

2.1 THE ACQUISITION OF NETWORKS UNLIMITED AFRICA (RF) PTY LTD AND NETWORKS UNLIMITED (PTY) LTD BY EXCLUSIVE NETWORKS TOPCO SOUTH AFRICA (PTY) LTD; AND THE ACQUISITION OF NETWORKS UNLIMITED AFRICA BY EXCLUSIVE NETWORKS SAS

2.1.1 The acquiring firm

The acquiring firm is Exclusive Networks SAS ("Exclusive Networks") which will make direct acquisition and also through Exclusive Networks Topco South Africa (Pty) Ltd ("NewCo"). NewCo is a special purpose vehicle controlled by Exclusive Networks. Exclusive Networks, a company registered in accordance with the laws of France has its principal place of business at 20, Quai du Point du Jour, 92100 Boulogne Billancourt.

Exclusive Networks specializes in the value-added distribution of hardware, software, cloud solutions and services dedicated to enterprise IT security and software defined data centres. It works with vendors of such technologies to enable them to distribute their products across a number of jurisdictions. Exclusive Networks does not have any activities in Eswatini.

2.1.2 The target firm

The Networks Unlimited Group¹ is a value-added distributor of IT products which focuses on security, networking and storage, enterprise system management and cloud technologies and is formed by the target firms. The target firms, Networks Unlimited Africa (RF) (Pty) Ltd ("NU SA Holdings") and Networks Unlimited (Pty) Ltd ("NU SA") are companies registered in accordance with the laws of South Africa and have their registered address at Unit 24 Oxford Office Park, 3 Bauhinia Street, Highveld Technopark Centurion, South Africa. Networks Unlimited Africa ("NU Africa") is a company registered in accordance with the laws of Mauritius which has its registered address at C/o Dale International Trust Co. Ltd., 3rd Floor, Tower A 1 Cybercity, Ebene 72201, Mauritius.

¹ Network Unlimited Group means Networks Unlimited Africa (RF) (Pty) Ltd, Networks Unlimited (Pty) Ltd and Networks Unlimited Africa (Pty) Ltd

2.1.3 The decision

The Commission considered the products of the merging firms and concluded that the relevant market is the supply of Information Technology ("IT") products and related services in Eswatini.

There are no overlaps in the activities of the merging firms in the relevant market since Exclusive Networks is not involved in any business activities which compete with the target firms in Eswatini and as such, the transaction is categorized as a phase 1.

Post-merger, the market shares in the relevant market, market concentration, countervailing power and barriers to entry will not be affected hence the transaction is unlikely to result in the substantial lessening or prevention of competition. Therefore, the proposed transaction was approved without conditions.

3.1 ACQUISITION BY VITOR MANUEL DA COSTA OLIVEIRA OF 50% SHARES OF TRACTOR AND GRADER SUPPLIES (SWAZILAND) (PTY) LTD

3.1.1 The acquiring party

The acquirer is Vitor Manuel Da Costa Oliveira a businessman with vast experience with machines having worked within the market for many years.

3.1.2 The target firm

The target firm Tractor and Grader Suppliers ("TGS"), is a company duly registered and incorporated in terms of the laws of Eswatini. TGS is a supplier of heavy plant equipment, machinery components and OEM and quality parts mainly imported from overseas.

3.1.3 The decision

The Commission considered the products of the firms and concluded that the relevant market is the market for the supply of heavy plant equipment and related spare parts in Eswatini.



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There are no overlaps in the activities of Vitor Oliveira and TGS in the relevant market in Eswatini and as such the transaction is categorized as a phase 1. Pursuant to the implementation of the proposed transaction, Vitor Oliveira will hold 50% of the shares held by Terrence Cunningham in TGS.

Post-merger, the market shares in the relevant market and market concentration will not be altered. Countervailing power and barriers to entry will not be affected hence the transaction is unlikely to result in the substantial lessening or prevention of competition. Therefore, the proposed transaction was approved without conditions.