



MERGER DECISION NO 20 OF 2025

DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION OF UP TO 100% OF THE ORDINARY SHARES OF MULTICHOICE GROUP LIMITED BY GROUPE CANAL+ SAS AND CONSEQUENTLY AN INDIRECT ACQUISITION OF SOLE CONTROL OVER MULTICHOICE 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 up to 100% of the ordinary shares of MultiChoice Group Limited ("MCG" or the "Target Enterprise") by Groupe Canal+ SAS ("Canal+" or the "Acquiring Enterprise") (the "Proposed Transaction").

Pursuant to the Proposed Transaction, it is contemplated that Canal+ will exercise sole control over MCG as envisioned in section 45(3) of the Act. The merger has been notified in Botswana by virtue of MCG having a controlling stake in MultiChoice Botswana Proprietary Limited ("MC Botswana"). The proposed transaction is undertaken by way of a mandatory offer made in terms of the South African Companies Act 71 of 2008 (as amended) (SA Companies Act) to holders of these remaining shares.

The Acquiring Enterprise, Canal+, is a French société par actions simplifiée registered with the Registre du Commerce et des Sociétés in Nanterre, France under number 420 624 777. Canal+ is a subsidiary of Canal+ SA, which is listed on the London Stock Exchange's Main Market. Canal+ may be regarded as indirectly controlled by Bolloré SE ("Bolloré"), a company registered in France.

The Target Enterprise, MCG, is a public company incorporated in accordance with the Laws of the Republic of South Africa. MCG is listed on the Johannesburg Stock Exchange Limited. MCG is not directly or indirectly controlled by any firm. MCG's shareholders with greater than 5% interest as at 27 December 2024 were Canal+ 45.20%, Public Investment Corporation 11.76%, M&G Investments 8.62%, and Allan Gray 7.83%.

Relevant Markets

Canal+ is a French multimedia company, active through its subsidiaries in Africa, Asia, and Europe. It is primarily engaged in audio-visual ("AV") entertainment activities, including the broadcasting, production, distribution and marketing of primarily French-language films, television programmes and channels. For completeness, the information about the merger is in respect of both Canal+ and

its controlled affiliates as well as Bolloré (and its controlled affiliates) (collectively, the "Acquiring Group"). The Acquiring Group does not directly or indirectly control any enterprises incorporated in Botswana. The Acquiring Group also did not have any activities in or derive any turnover from Botswana during its preceding financial year.

On the other hand, MCG is an AV entertainment services provider. It operates in 50 countries in Sub-Saharan Africa, providing a choice of entertainment and tech-based consumer services across multiple platforms. MCG offers linear AV services provided via direct-to-home ("DTH") satellite and digital terrestrial television ("DTT") transmission, as well as over-the-top ("OTT") transmission via websites and mobile applications.

MCG also offers video-on-demand services via OTT, and to a limited extent, via DTH satellite. In Botswana, MCG controls MultiChoice Botswana Proprietary Limited ("MC Botswana"), a license holder of a Broadcasting license of Subscription Management Services (SMS) for the abovementioned business activities in Botswana.

Competitive Analysis and Public Interest

In the assessment of Substantial Lessening of Competition, the investigation has revealed that the Acquiring Enterprise and the Target Enterprise are currently not active in the same geographical market in Botswana. The proposed merger is not expected to lead to a reduction in the number of players in the relevant market. As such, the Authority does not anticipate the acquisition to result in any substantial lessening of competition post-merger.

For the analysis of Acquisition of Dominance, it is important to note that a dominant position in the context of Section 2 of the Competition Act 2018, refers to a situation in which one or more enterprises possess such economic strength in a market as to allow the enterprise or enterprises to adjust prices or output without effective constraint from competitors or potential competitors.

The implementation of the proposed merger is only expected to result in the Acquiring Enterprise inheriting the market share of the Target Enterprise and thereby maintaining its existing market dominance. There will be no additional market accretion established by virtue of the proposed merger.

In terms of Public Interest considerations, the Authority does not foresee any detrimental public interest issues that will arise due to the merger under consideration. As submitted, the Target Enterprise is experiencing financial challenges, and the proposed transaction will rescue its business and ensure job security for the employees of MultiChoice Botswana. The Merging Parties have also undertaken some commitments against merger specific retrenchments. In addition, the shareholding of MultiChoice Botswana will remain unchanged and the stake owned by a citizen shareholder will not be compromised by the implementation of the proposed merger.

Therefore, the implementation of the proposed merger is not expected to 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

The Authority determined through the analysis of the facts of the merger that the structure of the structure of the relevant market is not expected to significantly change upon implementation of the proposed merger 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 negative effect on public interest matters in Botswana as per the provisions of section 52(2) of the Competition Act 2018.

Pursuant to the provision of section 53 of the Act, the Authority has decided to unconditionally approve the proposed acquisition of up to 100% of the ordinary shares of MultiChoice Group Limited by Groupe Canal+ SAS and consequently an indirect acquisition of sole control over Multichoice Botswana 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 30th day of June 2025.

Gomolemo Ratsie, Acting Chief Executive Officer, Competition and Consumer Authority, P/Bag 00101, Gaborone, Plot 28, Matsitama Road, Tel: 3934278 Fax: 3121013