

Statement on the decisions of the Competition Commission

To: All Media

Date: 6 February 2015

1. Key decisions on mergers and acquisitions

1.1 Large Mergers

Proposed merger between Housing Impact Fund South Africa Trust (HIFSA) and Rand Lease Securitisation (RF) Proprietary Limited (RLS)

The Commission has recommended to the Competition Tribunal that the large merger whereby HIFSA intends to acquire a stake in RLS be approved without conditions. Post-merger, HIFSA will have sole control over RLS.

HIFSA is a development impact fund that provides commercial investments to the low-income housing sector. RLS is active in the property development industry, focusing on the development of residential property for low-to-middle income earners.

Proposed merger between Arrowhead Residential Limited (Arrowhead Residential) and Jika Properties (Pty) Ltd (Jika)

The Commission has recommended to the Tribunal that the large merger whereby Arrowhead Residential intends to acquire Jika, be approved without conditions. Post-merger, Arrowhead Residential will have sole control over Jika and its residential properties.

Arrowhead holds a diverse portfolio of properties comprising rentable retail, residential, industrial and office properties across South Africa. Jika is engaged in property investment holding and letting in the Gauteng Province. Jika focuses on acquiring affordable housing (township units and apartments) as rental stock in Gauteng. It also invests in student accommodation in proximity of tertiary institutions.

1.2 Intermediate Mergers

Proposed merger between Platform Specialty Products Corp (Platform) and Arysta LifeScience Limited (Arysta)

The Commission has approved, without conditions, the intermediate merger whereby Platform intends to acquire Arysta. Post-merger, Platform will exercise sole control over Arysta.

Platform is a global producer of a broad range of speciality chemicals and a provider of technical services. These specialty chemicals and processes are sold into multiple industries including agricultural, electronics, graphic arts, metal and plastic plating, and offshore oil production and drilling. In South

Africa, Arysta supplies traditional crop protection products and also sells bio-solutions and non-crop weed control products.

Proposed merger between Ascendis Health Limited (Ascendis) and the Daro Group

The Commission has approved, without conditions, the intermediate merger whereby Ascendis intends to acquire the Daro Group. These are family-owned businesses, namely, Daro Enterprises Proprietary Limited (Daro), Campton CC (Campton), Jancra Enterprises CC (Jancra), and Grakim Trading CC (Grakim). Post-merger, Ascendis will have sole control over the Daro Group.

Ascendis, through its subsidiaries, operates within two distinct areas of healthcare, namely, plant and animal healthcare, and human healthcare. The Daro Group is a pet products and accessories wholesaler and distributor.

Proposed merger between Micawber 799 Proprietary Limited (Micawber) and Shanduka Properties Proprietary Limited (Shanduka Properties) and Shanduka Property and Infrastructure GP Proprietary Limited (SP&I)

The Commission has approved, without conditions, the intermediate merger whereby Micawber intends to acquire Shanduka Properties and SP&I. Post-merger, Micawber will have sole control over the target firms.

Micawber is a newly incorporated company solely for the purpose of this transaction and does not provide any products or services. Shanduka Properties owns office and retail properties. SP&I is an investment firm that holds a controlling interest in Havenway Invest (Pty) Ltd.

Proposed merger between Super Group Trading Proprietary Limited (SGT) and Geoloan Properties CC, trading as Icehouse Liquor Merchants (ILM)

The Commission has approved, without conditions, the intermediate merger whereby SGT intends to acquire ILM as a going concern. Post-merger, SGT will have sole control over ILM.

SGT is ultimately controlled by Super Group Limited (Super Group), a company listed on the Johannesburg Stock Exchange Limited. Super Group is a chain mobility company with operations revolving around the optimisation of supply chain process and vehicle fleets. ILM is a Gauteng-based distributor of liquor products to lower-end retailers comprising night clubs, bars, night life events, corporate offices and bottle stores.

Proposed merger between Sanlam Life Insurance Limited (Sanlam Life) and Vukile Property Fund Limited (Vukile), which provides property asset management services in respect of certain properties owned by Sanlam (the Sanlam AMS Business)

The Commission has approved, without conditions, the intermediate merger whereby Sanlam Life intends to re-acquire the Sanlam AMS Business from Vukile as a going concern. Post-merger, Sanlam Life will have sole control over the Sanlam AMS Business.

In 2009, Sanlam Properties (Pty) Ltd (Sanlam Properties) sold its property asset management business as a going concern to Vukile. The business provided property management services exclusively to the Sanlam Property Portfolio

The Sanlam Group is a leading financial services group in South Africa. Through its subsidiaries, Sanlam provides life insurance, retirement annuities, unit trusts, health insurance and employee benefits.

The Sanlam AMS Business (which forms part of Vukile's broader property asset management business) is active in the provision of Vukile's broader property asset management services exclusively in respect of Sanlam's directly held properties within the Sanlam Property Portfolio.

Proposed merger between Lixil Group Corporation (Lixil) and Grohe Group S.à.r.l. (Grohe)

The Commission has approved, without conditions, the intermediate merger whereby Lixil intends to acquire Grohe. Grohe is currently already jointly controlled by Lixil, through the wholly owned subsidiary Lixil Corporation, together with the Development Bank of Japan. Post-merger, Lixil will have sole control over Grohe.

The proposed transaction has also been notified with the European Commission and the Competition Commission of Namibia.

Lixil is involved in the manufacture and sale of building materials and housing equipment. The Grohe is a supplier of water technology products for bathrooms and kitchens, in particular, sanitary fittings (faucets, shower and shower systems) and behind-the-wall flushing and installation systems.

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