

Statement on the decisions of the Competition Commission

To: All Media

Date: 15 December 2015

1. Key decisions on Mergers and Acquisitions

1.1 Large Mergers

Proposed merger between Randgold Resources (Ghana) Ltd (Randgold Ghana) and Obuasi (Obuasi JVco)

The Competition Commission (Commission) has recommended to the Competition Tribunal (Tribunal) that the large merger whereby Randgold Ghana, intends to acquire Obuasi, which will be established by Randgold Ghana and AngloGold Ashanti (Ghana) Ltd (AGA Ghana), be approved without conditions. Post-merger, Randgold Ghana and AGA Ghana will jointly control Obuasi.

Randgold is a mining company with 5 (five) mining operations in three countries, namely: Mali (Luolo, Goukoto and Morila gold mines), Côte d'Ivoire (Tongon Gold Mine) and the Democratic Republic of Congo (Kibali Gold Mine).

The Obuasi gold mine is a large scale, high grade deposit underground mine.

Proposed merger between NMI Durban South Motors (Pty) Ltd (NMI Durban), Union Motors Lowveld and Union Motors South Coast dealerships (the Target Firms)

The Commission has recommended to the Tribunal that the large merger whereby NMI Durban intends to acquire the Target Firms, be approved without conditions. Post-merger, NMI Durban will have control over the Target Firms.

NMI Durban sells a range of branded vehicles.

The Target Firms conduct business as franchised dealers of new and used passenger and commercial vehicles.

1.2 Intermediate Mergers

Proposed merger between Bounty Brands (Pty) Ltd (Bounty Brands) and Footwear Trading (Pty) Ltd (Footwear Trading)

The Commission has approved without conditions, the intermediate merger whereby Bounty Brands intends to acquire Footwear Trading. Post-merger, Bounty Brands will control Footwear Trading.

Bounty Brands is an investment holding company and does not provide any services and/or products. The controlling entities of Bounty Brands are also

investment holding companies that provide financing to the entities within the Acquiring Group.

Footwear Trading is an importer, distributor and retailer of international footwear and apparel brands. It holds licenses to distribute Diesel, Jeep footwear, Levis and Fila branded products in South Africa.

Proposed merger between Medu III SA Partnership (Medu SA Fund III), Medu III SA Development Fund (Medu SA Trust III), Medu III International Partnership (Medu Cayman Fund III) and Medu III CI Development Fund (Medu Cayman Trust III), (collectively Fund III) and Universal Coatings (Pty) Ltd (Universal Coatings)

The Commission has approved without conditions, the intermediate merger whereby Fund III intends to acquire Universal Coatings. Post-merger, Fund III will control Universal Coatings.

Fund III has interests in Van Schaik, Thoroughbred Capital Elite and Elite Truck Hire. Van Schaik is a retailer of academic books. Thoroughbred Capital manufactures and supplies simulators. Medu Holdings has investments in firms that are active, *inter alia*, in the manufacture of pumps and valves, manufacturing of welding equipment and plasma cutting equipment, and provides engineering and construction services.

Universal Coatings is a manufacturer of decorative paints and related products used largely by the residential DIY market.

Proposed merger between Quantum Foods Proprietary Limited (Quantum) and Olifantskop Feeds Proprietary Limited (Olifantskop)

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

Quantum is a fully integrated poultry business focussing on animal feed, eggs and layer livestock, broilers and an animal feeding division.

Olifantskop produces animal feeds which it distributes to livestock farmers.

Proposed merger between Trafigura Group Pte (Trafigura SA) and Nyrstar NV (Nyrstar)

The Commission has approved without conditions, the intermediate merger whereby Trafigura SA intends to acquire de jure sole control of Nyrstar. Post-merger, Trafigura SA will have sole control of Nyrstar.

Trafigura is an international commodity trader. In South Africa, Trafigura SA's activities relate only to the sale of coal and the trading of zinc metal. Trafigura only has two domestic customers for zinc metal.

Nyrstar has established positions in zinc and lead and growing positions in other base and precious metals.

Proposed merger between SGS South Africa (Pty) Ltd (SGS) and Matrolab Group (Pty) Ltd (Matrolab)

The Commission has approved without conditions, the intermediate merger whereby SGS intends to acquire Matrolab. Post-merger, SGS will have sole control of Matrolab.

SGS Group own laboratories which provide inspection, verification, testing, certification services and engineering procurement and construction services to customers in the agricultural, automotive, chemical, construction, retail, energy, financial, manufacturing, logistics, life sciences, minerals, oil and gas as well as the public sectors.

Matrolab is a civil engineering laboratory with services including, testing various soils, geotechnical investigation and foundation testing, concrete, pavement investigation, borrow-pit testing as well as the testing of asphalt and bituminous products.

Proposed merger between Coal of Africa Ltd (CoAL) and Universal Coal Plc. (Universal Coal)

The Commission has approved without conditions, the intermediate merger whereby CoAL intends to acquire Universal Coal. Post-merger, CoAL will control Universal Coal.

CoAL is involved in coal exploration, development and mining within South Africa.

Universal Coal consists of three thermal coal projects in the Mpumalanga province and two anthracite coal projects in the Limpopo province.

2. Exemption application- South African Airways (Pty) Ltd (SAA)

On 21 May 2015, SAA applied to the Commission for an extension of its Star Alliance membership exemption which expires on 31 December 2015. The Star Alliance is an alliance between a number of regional and international airlines which offer joint products to consumers.

The Commission found that SAA's participation in the Star Alliance contravenes certain sections of the Competition Act. However, its participation in the alliance

contributes to the maintenance and promotion of exports as required in terms of the Competition Act. It is for this reason that the Commission has extended SAA's exemption for a period of five years, commencing 01 January 2016.

Ends

For more information:

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