

Statement on the decisions of the Competition Commission

To: All Media

Date: 22 July 2015

1. Key decisions on Mergers and Acquisitions

1.1 Large Mergers

Proposed merger between Imbali Props 21 (Pty) Ltd (Imbali Props) and Dimopoint (Pty) Ltd (Dimopoint)

The Commission has recommended to the Competition Tribunal (Tribunal) that the large merger whereby Imbali Props intends to acquire Dimopoint, be approved without conditions. Post-merger, Imbali Props will have control over Dimopoint.

Imbali Props is active in the business of investing in and developing immovable property in South Africa for the purposes of earning rental income. Dimopoint consists of thirty-five properties which comprise of light and heavy industrial properties located throughout South Africa.

Proposed merger between Investec Property Fund Limited (the Fund), Griffin Holdings Proprietary Limited (Griffin) and Raidel International Investments Limited (Raidel)

The Commission has recommended to the Tribunal that the large merger whereby the Fund intends to acquire Griffin and Raidel (Target Properties), be approved without conditions. Post-merger, the Fund will control the Target Properties.

The Fund is part of an international specialist banking group that provides a diverse range of financial products and services to a niche client base in two principal markets, namely, the United Kingdom and South Africa.

The Target Properties comprise of industrial, retail showrooms and office properties, located in the Gauteng and Western Cape Provinces.

1.2 Intermediate Mergers

Proposed merger between SBV Services (Pty) Ltd (SBV) and Absa Bank Limited (Assets)

The Commission has approved, with conditions, the intermediate merger whereby SBV intends to acquire certain movable and immovable assets owned by Absa Bank Limited (Assets). Post-merger, SBV will control the Assets.

The Commission found that the merger raises a merger specific substantial public interest concern with respect to the impact on employment.

The Commission therefore imposed conditions requiring SBV to offer employment to the Affected Employees for a period of 1 year following the implementation of the transaction.

SBV offers a range of services primarily for banks, including cash and valuable logistics, cash processing, and guarding.

The Assets are used to provide Absa with an internal cash processing function for both the wholesale and retail markets and ATM replenishment capability.

Proposed merger between Capital Propfund (Pty) Ltd (Capital) and Old Mutual Life Assurance Company (OMLACSA)

The Commission has approved, without conditions, the intermediate merger whereby Capital, intends to acquire vacant land owned by OMLACSA. Post-merger, Capital will control the vacant land of OMLACSA.

Capital is involved in the investment and letting of immovable property. The vacant land will be developed into office and retail space, post the transaction.

Proposed merger between CareCross Health (Pty) Ltd (CareCross) and Occupational Care South Africa (Pty) Ltd (OCSA)

The Commission has approved without conditions, the intermediate merger whereby CareCross intends to acquire OCSA. Post-merger, CareCross will have sole control over OCSA.

CareCross provides health administration and management services, including medical scheme administration, managed healthcare and healthcare-related IT services to large employers throughout South Africa.

OCSA provides workplace health and wellness services through its networks of professionals and clinics.

Proposed merger between Plumari Family Trust (the Trust) and Adampol (Pty) Ltd (Adampol)

The Commission has approved without conditions, the intermediate merger whereby the Trust intends to acquire Adampol. Post-merger, The Trust will control Adampol.

The Trust is an investment vehicle primarily engaged in investments in property. Adampol is an investment vehicle holding a number of properties.

Proposed merger between Pan African Resources Plc (PAR) and Blue Falcon 232 Trading Pty Ltd (Blue Falcon)

The Commission has approved without conditions, the intermediate merger whereby PAR intends to acquire Blue Falcon. Post-merger, PAR will control Blue Falcon.

PAR is active in the mining of gold and platinum group metals. Blue Falcon through Brandywine Valley Investment Proprietary Limited (BVI), is involved in the mining and supply of coal in South Africa and the export of coal.

Proposed merger between Libstar Holdings (Pty) Ltd (Libstar) and Denny Mushrooms (Pty) Ltd (Denny)

The Commission has approved without conditions, the intermediate merger whereby Libstar intends to acquire Denny. Post-merger, Libstar will have sole control over Denny.

The businesses of Libstar (Libstar Group) are involved in the manufacture and distribution of consumer products in the food and beverages industries, household and personal care industries, as well as providing various food and beverages solutions.

Denny can be categorized into two divisions, Denny Fresh and Denny Foods. Denny Fresh operates three mushroom growing facilities located in Gauteng, KwaZulu- Natal and the Western Cape. Denny Foods is a producer of processed mushrooms and other value added products such as soups, sauces and condiments.

Proposed merger between Zest WEG Manufacturing (Pty) Ltd (Zest WEG), TSS Engineering (Pty) Ltd, TSS Transformers (Pty) Ltd and Intertest (Pty) Ltd

The Commission has approved without conditions, the intermediate merger whereby Zest WEG intends to acquire TSS Engineering, TSS Transformers and Intertest (Target Firms). Post-merger, Zest WEG will have sole control over the Target Firms.

Zest WEG group of companies specialize in the supply of low, medium and high voltage electric motors, variable speed drives, soft starters, switchgear, and transformers, motor control centers (MCCs), containerized substations and diesel generator sets.

TSS Transformers manufactures, repairs and supplies service transformers, mini substations and switchgears for mines, local municipalities and companies across a variety of economic sectors.

TSS Engineering provides repair and refurbishment services in respect of transformers, mini substations and switchgears. Intertest designs and manufactures resin cast switchgears.

1.3 Small mergers

Proposed merger between Golden Peanut and Tree Nut SA (Pty) Ltd (Golden Peanut), (SAGM) and Razorbill Properties (Pty) Ltd (Razorbill Properties)

The commission has approved without conditions, the small merger whereby Golden Peanut intends to acquire SAGM and Razorbill Properties. Post-merger, Golden Peanut will have sole control over SAGM and Razorbill.

Golden Peanut is a handler, processor and reseller of peanut products in South Africa. SAGM carried on the business of procuring, handling, processing, producing and selling peanut and peanut related products.

Razorbill Properties was not engaged in any business activities and only held the property on which SAGM conducted the business.

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