

Weekly Media Statement
For immediate release
7 March 2018

LATEST DECISIONS BY THE COMPETITION COMMISSION

1. Key decisions on mergers and acquisitions

1.1 Thebe Renewable Energy Holdings (RF) (Pty) Ltd v Phembani Solar Energy 1 (Pty) Ltd, Shanduka Black Umbrellas Energy (Pty) Ltd, Phembani Renewables (Pty) Ltd and Pulida Energy (RF) (Pty) Ltd

The Commission has recommended to the Tribunal that the proposed merger be approved, without conditions, whereby Thebe Renewable Energy Holdings (RF) Ltd (Thebe Renewable) intends to acquire Phembani Solar Energy 1 (Pty) Ltd (Phembani Solar), Phembani Renewables (Pty) Ltd (Phembani Renewables) and Shanduka Black Umbrellas Energy (Pty) Ltd (Shanduka Black Umbrellas Energy), as well as Pulida Energy (RF) (Pty) Ltd (Pulida Energy).

Thebe Renewable is a wholly owned subsidiary of Thebe Investment Corporation (Pty) Ltd (TIC). TIC is an investment holding company that manages investment portfolios in various industries. Of relevance to the proposed transaction are TIC's investments in the energy industry. In the energy industry, TIC operates through Thebe Renewable, which holds and manages the entire group's renewable energy (solar energy and wind energy) investments through special purpose ring-fenced investment companies.

The primary target firms are Phembani Solar, Phembani Renewables, Shanduka Black Umbrellas Energy and Pulida Energy, collectively referred to as the Target Firms. The Target Firms are special purpose companies created by the sellers to hold shareholding interest in 2 (two) renewable energy projects.

The Commission found that the proposed transaction is unlikely to substantially prevent or lessen competition in any market. In addition, the proposed transaction does not raise any public interest concerns.

1.2 Overberg Agri Ltd v Acorn Agri (Pty) Ltd

The Commission has recommended to the Tribunal that the proposed merger be approved, without conditions, whereby Overberg Agri Limited (Overberg Agri) intends to acquire Acorn Agri (Pty) Ltd (Acorn Agri).

Overberg is an investment holding firm and does not provide any products or services directly. Overberg Agri conducts its operations through its subsidiaries, namely Overberg Agri Bedrywe (Pty) Ltd which supplies agricultural products and services in the agricultural industry through their grain services, mechanisation, retail services, financial and insurance services divisions. The grain services division has dedicated grain handling and storage facilities over and above the sale of seeds. In addition, the retail division sells and distributes farming requests such as packaging material, animal feed and fertilisers through their retail stores. Agricultural equipment (machinery and parts) is sold via their mechanisation division. Overberg Agri also provides financial and insurance services to farmers, which includes credit to farmers as well as insurance.

Acorn Agri is an investment holding company that focuses on investments in unlisted companies operating in the food and agricultural sectors in Southern Africa. Acorn Agri, through its subsidiaries, is actively involved in farming operations in the provision of citrus and table grapes largely for the export market. In addition to the farming operations, Acorn Agri through its subsidiaries sources and wholesales dried fruit, nuts and dried fruit products to the retail sector in South Africa.

The Commission found that the proposed transaction is unlikely to substantially prevent or lessen competition in any market. In addition, the proposed transaction does not raise any public interest concerns.

2. Non Referrals: The Commission has taken a decision to non-refer (not to prosecute) the following cases:

2.1 Ainslie Graeme Foulis v Standard Bank

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.2 Wellington Association v Incinerator V Drakenstein Municipality

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.3 **Diale Mogashoa Inc. v MEC of the Department of Education of the Gauteng Provincial Government, MEC of the Department of Education of KwaZulu-Natal Provincial Government, MEC of the Department of Education of the Free State Provincial Government, MEC of the Department of Education of the Eastern Cape Provincial**

Government, MEC of the Department of Education of the North West Provincial Government and the MEC of the Department of Education of the Limpopo Provincial Government and Edusolutions (Pty) Ltd, Palm Stationery Manufacturers (Pty) Ltd, African Spirit Trading 268 (Pty) Ltd, Ndabese Printing Solutions (Pty) Ltd, New Age Stationery (Pty) Ltd. and Raptoscore (Pty) Ltd, African Paper Products (Pty) Ltd, Afropulse t/a Power Stationery (Pty) Ltd, Walton's Stationery (Pty) Ltd, BSC Stationery Sales (Pty) Ltd, Freedom Stationery (Pty) Ltd and Silveray Stationery Company (Pty) Ltd and Others

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.4 Phuma Langa Sikothe Cooperative Limited v Govan Mbeki Municipal Mayoral Executive, The Public Protector (Mpumalanga) And Others

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.5 Anonymous v Bluespec Holdings, Dream Tech, Frist Group & Renew It

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.6 Toler Wolfe-Coote v South African Revenue Services – customs

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

2.7 Ale Heavy Lift South Africa v Eskom Duvha

The Commission is of the view that the conduct complained of does not contravene the Competition Act.

[ENDS]

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