



competition commission
south africa

Weekly Media Statement
For Immediate Release
29 January 2020

LATEST DECISIONS BY THE COMPETITION COMMISSION

1.1 Wipro Unza Holdings Ltd (WUHL)/ Canway (Pty) Ltd (Canway)

The Commission has conditionally approved the proposed merger whereby WUHL intends to acquire Canway.

WUHL is active in the market for the provision of personal care products predominantly in Asia. WUHL's only interest in South Africa is in respect of the export of soap bars to South Africa.

The Canway Group is involved in the manufacturing, marketing and distribution of personal care products (i.e. body lotions, foam baths, soap bars and hair shampoos). The Canway Group sells its products under different brands such as *Oh So Heavenly*, *Dr Sole* and *Iwori*.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant market. The Commission, however, found that the proposed transaction is likely to have a negative impact on employment and the packaging sector in South Africa. The Commission engaged the merging parties regarding its concerns on employment and local suppliers.

Upon further engagements, the Commission and the merging parties agreed to a condition that the merged does not undertake merger-related retrenchments for a period of two years, post-merger. Further, the merging parties agreed to continue procuring packaging products from local suppliers for a period of two years, post-merger.

1.2 Mercantile Bank Ltd (Mercantile Bank)/ Mercantile Payment Solutions (Pty) Ltd (MPS)

The Commission has unconditionally approved the proposed merger whereby Mercantile Bank intends to acquire MPS.

Mercantile Bank operates in the banking sector, providing commercial and business banking services, treasury services, electronic services, card services, rental finance, retail banking and foreign exchange services.

MPS offers electronic payment and collection services to businesses such as gyms, health clubs, vehicle tracking companies, and security companies. It processes and administers electronic financial transactions on behalf of clients for a fee.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

1.3 Altron TMT SA Group (Pty) Ltd (Altron TMT)/ Gydan Investments (RF) (Pty) Ltd (Gydan)

The Commission has unconditionally approved the proposed merger whereby Altron TMT intends to acquire Gydan.

The Altron Group is active in the telecommunications, multimedia and information technology industries. Relevant to the proposed transaction is the Altron Group's IT security services offering. Through its CyberTech division, the Altron Group provides managed cyber security services which include managed security services, advisory services, cryptographic services, network monitoring services, secure gateway management, database activity monitoring, secure hosting services, and certificate management & automation.

Gydan is an identity security provider which provides its clients with identity security solutions for their workforce, suppliers and customers. Gydan enables dynamic authentication and authorization, identity management and governance and privileged account security for local and international banking, financial services, insurance and telecommunications and retail customers.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

1.4 Matarozest (Pty) Ltd (Matarozest)/ The immovable property and rental enterprise known as “Surprise park” (Target Property)

The Commission has unconditionally approved the proposed merger whereby Matarozest intends to acquire Target Property.

Matarozest specialises in private investments, targeting property transactions in unlisted companies, primarily in emerging markets across Africa, that have both local and global growth potential.

The Target Property is used as industrial space measuring 23 797 m² with ancillary office space.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

1.5 HoldCo 1 (Holdco 1)/ CEZ Investments (Pty) Ltd (CEZ Investments)

The Commission has unconditionally approved the proposed merger whereby Holdco 1 intends to acquire CEZ Investments.

Holdco 1, a company to be formed for the purpose of this transaction and which is yet to be incorporated.

CEZ Investments consists of various industrial, retail and commercial properties held by private individuals.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

1.6 Atterbury (Pty) Ltd (Atterbury Property Fund)/ Attacq Ltd (Attacq) in respect of 50% of the shares and claims in Nieuwtown Property Development Company (Pty) Ltd (Nieuwtown) and Majestic Offices (Pty) Ltd (Majestic)

The Commission has unconditionally approved the proposed merger whereby Atterbury Property Fund intends to acquire Attacq in respect of 50% of the shares and claims Nieuwtown and Majestic (Target Firms).

Atterbury Property Fund is a private property investment, development and asset management group which holds and manages a diversified property portfolio which comprises of residential, office, retail, industrial and mixed-use properties.

The Target Firms comprise of a rentable retail space (minor regional shopping center), a 3-star hotel space, and two Grade A office property. The Target Firms are all situated in Newtown, Johannesburg.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

1.7 Capitalgro (Pty) Ltd (Capitalgro)/ The immovable properties and rental enterprises known as “65 Voortrekker Road” and “69 Voortrekker Road”

The Commission has unconditionally approved the proposed merger whereby Capitalgro intends to acquire 65 Voortrekker Road and 69 Voortrekker Road (Target Properties).

Capitalgro specialises in property investments and development across Africa. Related to the proposed transaction are the five properties owned by the Acquiring Group in South Africa.

The Target Properties are utilised as rental office space, classified as B-Grade Office, measuring approximately 2 244 m² for 65 Voortrekker Road and 2 783 m² for 69 Voortrekker Road.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

1.8 Marubeni Corporation (Marubeni)/ Aircastle Ltd (Aircastle)

The Commission has unconditionally approved the proposed merger whereby Marubeni intends to acquire Aircastle.

The Marubeni Group is involved in diverse range of business activities across a wide range of fields including information technology, real estate, agriculture, energy, metals & mineral resources and aircraft leasing. In South Africa, Marubeni, through Gavilon, supplies and sells fertilizer products in South Africa and to a number of African countries.

Aircastle engages in aircraft leasing activities globally. Currently the target firm has four Airbus A330-200 aircraft that are being leased to one of the airlines operating in South Africa.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

1.9 Boxwood Property Investment Fund En Commandite Partnership (Boxwood EC Partnership) (represented by Boxwood Property Investment Fund GP (Pty) Ltd (Boxwood Asset Management) in its capacity as general partner) (RDC)/ Parkdev BW (Pty) Ltd (Parkdev BW) in respect of the rental enterprise known as Builders Warehouse Cape Gate (Target Property)

The Commission has unconditionally approved the proposed merger whereby Boxwood EC Partnership intends to acquire the Target property from Parkdev BW.

Boxwood EC Partnership is structured as an En Commandite Partnership (ECP). The properties are purchased and held by Boxwood EC Partnership with Boxwood Property Investment in its capacity as general partner having full control of the partnership. The Acquiring Group's property portfolio comprises of various properties of office, retail and parking bays, all located in Cape Town CBD.

Parkdev BW is a property holding company operating as a landlord, holding a single property. The Target Property is located at Erf 25761 Brackenfell, Corner Malborough Street and Okavango Road, Cape Gate and comprises 7, 450.5 m² of rentable warehouse space which is rented out to Builders Warehouse on a long-term lease.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that the proposed transaction does not raise any public interest concerns.

1.10 Senatla Capital Investment Management (SCIM)/ Joe Public United Holdings (Pty) Ltd (JPU Holdings)

The Commission has unconditionally approved the proposed merger whereby SCIM intends to acquire JPU Holdings.

SCIM together with Senatla Capital, as general partners to SCEF II and SECF III, are private equity funds that invest in a multitude of unlisted firms in accordance with its investment mandate. SCEF II is invested in property letting enterprises located in the North West province and a generator and plant hire business (i.e. G&P Hire). SCEF III is also invested in the same generator and plant hire business (i.e. G&P Hire) and provides mezzanine finance to a property letting enterprises.

The JPU Holdings Entities operate as an advertising agency group in South Africa. The products and services offered by the group include 'Above-The-Line' advertising (i.e. TV, radio, print), 'Below-The Line' advertising (i.e. promotions, events, activations), digital advertising (i.e., media, social media, user interface etc.), public relations (i.e. corporate public relations, crisis communications, reputation management, stakeholder management), and brand design (i.e. brand strategy, brand identity, packaging design, environment design).

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. The Commission further found that 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 Phili-Orient International Holdings Inc. v Blue Label Telecoms Ltd

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

2.2 Ronald Clive Parsons v Medshield Medical Scheme

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

2.3 Paper and Portfolio v Effective Visual Experience CC

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

2.4 DR. Kgabane Moloto v Health Professions Council of and HPCSA

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

2.5 Khulekani Sydney Gumbi v Telkom SA

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

2.6 Nc Petzer and HF Chemicals (Pty) Ltd v Pelchem (SOC) Ltd/ NECSA (SOC) Ltd

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

2.7 Henry Marshall v Patryslvlei Pecans (Pty) Ltd

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

2.8 Henry Marshall v Dirkie Liebenberg

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

2.9 Neville Naidoo CNS Beverage and Food Supply (Pty) Ltd v Kelsey Brands (Pty) Ltd

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

2.10 Mr. Arafat Ismail v Discovery Health (Pty) Ltd

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

2.11 Mooka Clinical Laboratories (t/a Sechaba Labs) v Botshilu Private Hospital

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

2.12 Anonymous v Envirofuel (Pty) Ltd and Waterfall Country Estate Homeowners Association

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

2.13 Black Insurance Advisers Council v Financial Service Conduct Authority and Moonstone Business School of Excellence

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

[ENDS]

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