



**competition commission**  
*south africa*

**Weekly Media Statement**  
**For Immediate Release**  
**27 March 2020**

## **LATEST DECISIONS BY THE COMPETITION COMMISSION**

### **1.1 Upjohn Inc. (NewCo)/ Mylan N.V. (Mylan)**

The Commission has conditionally approved the proposed merger whereby NewCo intends to acquire Mylan.

NewCo is a special purpose vehicle with no current business activities. The Upjohn Business was created as a focus division of Pfizer which operates Pfizer's main off-patent branded and generic (non-sterile injectables) established medicines business and is headquartered in China. The Upjohn Business has a portfolio of 21 established brands organised across several key therapeutic areas. Upjohn is active globally, with a focus on key emerging markets.

Mylan is a global pharmaceutical company engaged in the global development, licensing, manufacture, marketing and distribution of generic, branded and OTC pharmaceutical products, as well as active pharmaceutical ingredients (APIs).

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. In order to address the potential negative effect on employment arising as a result of the proposed transaction, the Commission has imposed a moratorium on job losses for a period of at least three years.

### **1.2 K2018035722 (Pty) Ltd (Calulo LPG)/ Totalgaz Southern Africa (Pty) Ltd (Totalgaz)**

The Commission has unconditionally approved the proposed merger whereby Calulo LPG intends to acquire joint control over Totalgaz.

Calulo LPG is a newly formed entity that has no prior operations or business activities. However, for the sake of completeness, the Acquiring Group's portfolio, through its operating company, consists of diverse holdings in energy assets such as refiners, fuels, marine fuels and renewable energies. Calulo Investments is an African investment holding company.

Totalgaz is a wholesaler and reseller of LPG Products, supplying LPG to the wholesale, retail, commercial, industrial, hospitality and domestic sectors directly to end-users and smaller-scale businesses in South Africa. Totalgaz is also active in Lesotho and Botswana.

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 Hitachi Ltd (Hitachi)/ ABB Management Holdings AG (ABB Management)**

The Commission has unconditionally approved the proposed merger whereby Hitachi intends to acquire ABB Management.

Globally, Hitachi is active in a variety of business segments including IT systems, power systems, electronic systems, automotive systems, digital media and consumer products. The activities of Hitachi's subsidiaries within South Africa are limited and include the provision of IT solutions, heavy construction equipment, mining equipment and related services.

In South Africa, ABB Management's business activities involve the development, engineering, manufacturing and sale of high voltage products (HVP), transformers, power grid automation (PGA) and power grid integration (PGI) products. HVP includes amongst others switchgear, circuit breakers, disconnectors, instrument transformers, and filters, to name a few. PGA includes

the design, manufacture and sale of substation automation and network control products, systems and services as well as enterprise application software. PGI involves the design, manufacture and sale of high voltage substations, high voltage direct current stations and semiconductors as well as related services.

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 Unitrans Automotive (Pty) Ltd (Unitrans)/ Cedar Isle Auto (Pty) Ltd (Cedar Isle Auto)**

The Commission has recommended that the Tribunal approve the proposed transaction whereby Unitrans intends to acquire Cedar Isle Auto without conditions.

Unitrans operates one of the largest automotive dealer networks in South Africa. The main product and service offerings of Unitrans include the sale of new and used vehicles, parts and accessories and provision of after-market service. In addition, the Unitrans dealerships also assist customers with acquiring consumer credit, insurance products, fleet management services and car rental.

Unitrans operates approximately 100 franchised dealerships throughout South Africa. The dealerships include various vehicle brands such as Audi, BMW, Opel, Isuzu, Ford, Hino, Honda, Kia, Lexus, Mercedes Benz, Mini, Mitsubishi, Nissan, Renault, Subaru, Toyota and Volkswagen. In Gauteng, Unitrans operates 38 franchised dealerships.

Cedar Isle Auto operates a BMW dealership in Fourways, Gauteng. The products and services offered by Cedar Isle Auto include the sale of new and pre-owned vehicles, parts and accessories and provision of after-market service. Further, Cedar Isle Auto also offers customers access to financial services related to the purchase of new and pre-owned vehicles. Cedar Isle Auto only sells passenger vehicles.

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 Dipula Income Fund Limited (Dipula)/ Unlocked Properties 18 (Pty) Ltd (Unlocked Properties)**

The Commission has recommended that the Tribunal approve the proposed transaction whereby Dipula intends to acquire Unlocked Properties without conditions.

Dipula is a Real Estate Investment Trust duly incorporated in South Africa. Dipula is a diversified property investor, with a mixture of residential, retail, office and industrial property throughout South Africa. Of relevance to the instant transaction is the residential property owned by Dipula which is located in Norwood, Johannesburg, comprising 12 units.

Unlocked Properties holds property that will be developed into residential units located in Cosmo City, Johannesburg. It is anticipated that the developed property will comprise 428 residential units.

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 STANLIB Infrastructure Yield (STANLIB IYF), represented by its General Partner, STANLIB Infrastructure GP 2 (Pty) Ltd (STANLIB GP 2)/ AFGRI Grain Silo Company (Pty) Ltd (AGS)**

The Commission has recommended that the Tribunal approve the proposed transaction whereby STANLIB IYF and STANLIB GP 2 intends to acquire AGS without conditions.

STANLIB IYF is a private equity investment fund established with the objective of acquiring a portfolio of long-term operational infrastructure assets that will provide a blend of cash yield and capital growth over the long-term. STANLIB IYF is managed by STANLIB Asset Management (Pty) Ltd (STANLIB Asset Management) which is a wholly owned subsidiary of STANLIB Limited. STANLIB Limited is a wholly owned subsidiary of Liberty Group Limited (Liberty) which is in turn controlled by Standard Bank Group Limited (Standard Bank"). Standard Bank is listed on the Johannesburg Stock Exchange and its shares are widely held such that no single shareholder controls it.

AGS is a South African grain management business which comprises of the grain silo and bunker storage facilities owned by AFGRI Operations Proprietary Limited (AFGRI Operations). AGS is not controlled by any single shareholder and does not control any firms.

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 Volvo Financial Services Southern Africa (VFS)/ Volvo Vehicle Finance Debtors Book owned by Wesbank, a division of FirstRand Bank Limited (Target Business)**

The Commission has recommended that the Tribunal approve the proposed transaction whereby VFS intends to acquire the Target Business without conditions.

VFS provides equipment financing to customers who buy Volvo products such as trucks, industrial equipment, buses and products for the marine industries (i.e. boats and yachts). The equipment financing is offered or structured in a number of ways, which include instalment loans, finance leases and maintenance leases.

The Target Business is a Debtors Book controlled and owned by Wesbank. The Debtors Book includes information on entities and individuals that are currently being financed by Wesbank in relation to Volvo equipment within mining, construction, logistics, marine and industrial sectors. This includes (i) Vehicle finance: which includes a range of vehicle finance offerings for purposes of business use (i.e. trucks and vans); (ii) Asset-based finance: includes transport and logistic, agricultural, mining, construction, manufacturing, medical, retail tourism and other industries and (iii) Leasing and fleet services: which involves the leasing of passenger and light commercial vehicles, medium and heavy commercial vehicles and business equipment. For the sake of clarity, Debtors Book excludes finance for passenger motor vehicles for personal use.

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 Amdec Investments (Pty) Ltd (Amdec)/ Westbrook Residential Development (Pty) Ltd (Westbrook)**

The Commission has recommended that the Tribunal approve the proposed transaction whereby Amdec intends to acquire Westbrook without conditions.

Amdec's South African footprint consists of developments and real estate which include mixed-used precincts, inclusionary housing, retirement villages and secure lifestyle and residential estates. These are located in the Gauteng, Western Cape, Eastern Cape and KwaZulu-Natal provinces.

Westbrook has an investment in 11 land parcels (i.e., a plot), situated in Parsons Vlei, Port Elizabeth, Eastern Cape (Westbrook Property). The Westbrook Property is currently constituted of an already developed residential space and primary school.

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 Unitrans Automotive (Pty) Ltd (Unitrans)/ Whitehouse Motors (Pty) Ltd (Whitehouse)**

The Commission has recommended that the Tribunal approve the proposed transaction whereby Unitrans intends to acquire Whitehouse without conditions.

Unitrans operates one of the largest automotive dealer networks in South Africa, with approximately 100 franchised dealerships across the country. These dealerships include vehicle brands such as Audi, BMW, Opel, Isuzu, Ford, Hino, Honda, Kia, Lexus, Mercedes Benz, Mini, Mitsubishi, Nissan, Renault, Subaru, Toyota and Volkswagen.

The main product and service offerings of Unitrans dealerships include the sale of new and pre-owned vehicles, parts and accessories and provision of after-market service. In addition, the Unitrans' dealerships also assist customers with acquiring consumer credit, insurance products, fleet management services and car rental.

Whitehouse is a wholly owned subsidiary of CMH Holdings (Pty) Ltd (CMH Holdings). CMH Toyota Melrose sells new Toyota motor vehicles (passenger and light commercial vehicles (LCVs)), pre-owned motor vehicles, Toyota branded parts and accessories, tyres, and conducts services and repairs on Toyota branded vehicles. CMH Toyota Melrose also acts as an intermediary in the provision of finance and insurance services.

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 Twin City Trading (Pty) Ltd (TCT)/ Village Mall (Pty) Ltd (Village Mall)**

The Commission has unconditionally approved the proposed merger whereby TCT intends to acquire Village Mall.

TCT is a property holding company with a diversified retail and commercial property portfolio in South Africa.

Village Mall is an immovable property that consists of Portions 2, 3 and 5 of ERF 1029 Schoemansville Extension 2 Township, Portion, situated at Magalies Boulevard and R511 Schoemansville.

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.

#### **1.11 Main Street 1754 (Pty) Ltd (Main Street)/ Jachris Hose and Couplings (Pty) Ltd (Jachris)**

The Commission has unconditionally approved the proposed merger whereby Main Street intends to acquire Jachris.

Main Street is a special purpose entity established for the purposes of the proposed transaction and does not conduct any business activities. However, Main Street is a wholly owned subsidiary of Ata Fund III Partnership (Ata Fund III). The Acquiring Group, through its subsidiaries, is a black

owned and black managed fund management company. The Acquiring Group has diversified funds under management in telecommunications, construction as well as oil and gas.

Jachris controls more than 5 entities, which include, amongst others, Jachris Mozambique, Jachris Ghana, Jachris Botswana and Fluid Power Pro (Pty) Ltd. Jachris and its subsidiaries shall be referred to as the Target Group. The Target Group, through its subsidiaries, is involved in the supply of specialised hoses, fittings and couplings to the mining and industrial sectors. The services include fire suspension management as well as on-site or mobile hose management. The specific products include (i) Hydraulic hose and fittings (ii) Industrial hose and couplings, (iii) Special piping items (which includes amongst others, steel piping products, valves and steam traps) and (iv) Refuelling and lubrication equipment.

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.

#### **1.12 Emira Property Fund Limited (Emira)/ G5 Properties (Pty) Ltd in respect of its 100% interest in Northpoint Industrial Park (Target property)**

The Commission has unconditionally approved the proposed merger whereby Emira intends to acquire the Target property.

Emira is a real estate investment trust that invest in a diversified portfolio of commercial, industrial and retail assets in major South African metropolitan areas.

The Target Property is a light industrial property, with a GLA of 16 415m<sup>2</sup> situated at Kruisfontein Rods, Everite Industria, Brackenfell, Cape Town. The Target Property is ultimately controlled by Group Five Limited. The Target Property does not control any firm.

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.



### **1.13 Jaxson 789 (Pty) Ltd (Jaxson)/ The business conducted by Edcon Limited (Edcon) through the CNA branded stores (Target Business)**

The Commission has unconditionally approved the proposed merger whereby Jaxson intends to acquire the Target Business from Edcon.

Jaxson is a special purpose vehicle established for the purposes of the proposed transaction. RAC is a long-term investment company which invests in listed and unlisted business onshore and offshore. RAC has interests in sport betting, limited pay-out machine route operations, casinos, and offer training in international accounting offering topics such as IFRS, US GAAP, IPSAS, management accounting and banking regulation.

The Target Business is a stationery store that offers a variety of products including books, newspapers and magazines etc. It has approximately 167 stores 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.

### **1.14 KAP Automotive (Pty) Ltd (KAP)/ The immovable property and retail enterprise known as “Surprise Park” (Target Property)**

The Commission has unconditionally approved the proposed merger whereby KAP intends to acquire the Target Property known as Surprise Park from Matarozest (Pty) Ltd.

KAP is a diversified industrial group with activities in industrial, chemical and logistics businesses.

The Target Property is the industrial property letting enterprise situated at 11 Surprise Road, Pinetown, Kwa-Zulu Natal.

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.

### **1.15 Master Drilling Exploration (Pty) Ltd (Master Drilling Exploration)/ Geoserve Drilling (Pty) Ltd (Geoserve)**

The Commission has unconditionally approved the proposed merger whereby Master Drilling Exploration intends to acquire Geoserve.

Master Drilling Group provides mining-related services such as raiseboring services, boxhole boring services and “slim drilling services” such as exploration drilling, grade control drilling and geotechnical investigations. These drilling services are generally used to provide core samples of mineral deposits at various stages of the mining process. For example, exploration drilling is used at the beginning stages of a mine to establish whether there are minerals to be mined. Grade control drilling is similar, however it is used during the mines operational stage to determine the quality and size of the ore to be mined.

Geoserve provides various drilling services. Most of the work undertaken by Geoserve is deep hole exploration. The minerals sought include platinum, iron, coal and chrome.

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.

**1.16 Noble Spectatus Fund 7 (Pty) Ltd (Noble 7)/ Everglen Shopping Centre (Pty) Ltd and Fairbron Property Investment (Pty) Ltd in respect of their 100% interest in the retail letting enterprise known as Glengarry Shopping Centre (Target Property)**

The Commission has unconditionally approved the proposed merger whereby Noble 7 intends to acquire the Target Property from by Everglen Shopping Centre (Pty) Ltd and Fairbron Property Investment (Pty) Ltd.

The Noble Group is an investment company that invests in commercial property with a property portfolio in the Western Cape, Gauteng and Limpopo provinces.

The Target Property measures 10 548 m<sup>2</sup> and is located in Belville, Cape Town.

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.

**1.17 JT Ross Properties (Pty) Ltd (JT Ross Properties) and Bidvest Properties (Pty) Ltd (Bidvest)/ Portion 23 (of 5) of Erf 3481 Durban North, Registration Division FU Province of KwaZulu Natal (Target Property)**

The Commission has unconditionally approved the proposed merger whereby JT Ross Properties and Bidvest intends to acquire the Target Property from by JT Ross (Pty) Ltd (JT Ross).

JT Ross Properties and Bidvest are both property investment companies specialising in office, industrial and retail properties.

The Target Property is described as Portion 23 (of 5) of Erf 3481 Durban North, Registration Division FU Province of KwaZulu Natal. The Target Property will be developed into light industrial 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.

**1.18 Red Rocket Holding (Mauritius Holdco)/ Building Energy South Africa (Pty) Ltd (BESA), Building Energy South Africa Holding (Pty) Ltd (BESAH), and Zevoblox (Pty) Ltd (Zevoblox)**

The Commission has unconditionally approved the proposed merger whereby Mauritius Holdco intends to acquire BESA, BESAH and Zevoblox (The Target Group).

Mauritius Holdco focuses on long-term equity investment opportunities, with the aim of deriving income and achieving long-term capital appreciation for the benefit of investors. The group aims to invest in a diversified portfolio of projects and companies in the following targeted areas: (i) renewable energy generation; (ii) sustainable energy generation; (iii) energy efficiency; (iv) water efficiency; (v) agri-business efficiency; and (vi) water and environmental services.

The Target Group is a vertically integrated renewable energy business involved in the development, design, construction, operation and maintenance of renewable energy projects and the provision of related services in South Africa. The Target Group currently has two active projects in connection with electrical wind energy and hydro-electricity.

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.

### **1.19 Mortimer Motors Group (Pty) Ltd (Mortimer Motors) and Mortimer Thesele Group (Pty) Ltd (MTG)/ Weirs Toyota, Hyundai Queenstown, Queenstown Nissan and UD Trucks**

The Commission has unconditionally approved the proposed merger whereby Mortimer Motors and MTG intends to acquire Weirs Toyota, Hyundai Queenstown and Queenstown Toyota.

Mortimer Motors operates multi franchise motor vehicle dealerships in KwaZulu Natal and Free State selling Toyota, Ford, Mahindra and Mazda brands. These dealerships are involved in the sale of new and used passenger and light commercial vehicles; regular servicing and general vehicle maintenance; and vehicle finance assistance. Mortimer Motors also owns three fuel retail sites. MTG is a joint venture that owns a Toyota Dealership in Dundee.

The Queenstown Dealerships are involved in the sale and service of new and used passenger motor vehicles and new and used light commercial vehicles in Queenstown (Eastern Cape Province) under franchises from Toyota, Nissan and Hyundai. The UD Trucks franchise is a commercial vehicle franchise owned by the Volvo group.

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.

### **1.20 EC Citrus Investments (Pty) Ltd (EC Citrus)/ Thudana Holdings Proprietary Limited (Thudana Holdings)**

The Commission has unconditionally approved the proposed merger whereby EC Citrus intends to acquire Thudana Holdings.

EC Citrus is a wholly owned subsidiary of African Pioneer Beverages (Pty) Ltd (APB). APB is an investment holding company whose operational subsidiaries are active in fishing, gaming, energy and beverage.

Thudana Holdings and its subsidiaries are active in the supply of fresh fruit citrus to the local and the export market. Thudana Holdings provides citrus packaging services, rents citrus farming equipment and operates a citrus fruit farming business.

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.

### **1.21 Schneider Electric SE (Schneider Electric)/ RIB Software SE (RIB)**

The Commission has unconditionally approved the proposed merger whereby Schneider Electric intends to acquire RIB.

Schneider Electric Group is involved in the supply of low-voltage and medium-voltage electrical equipment. In addition, Schneider Electric Group offers software solutions for automation and energy management purposes. Software for energy management refers to software that enables customers to design, build, operate and maintain their electrical installations. Software for industrial automation pertains to software products that enable customers to calculate, design, operate and maintain their automation systems.

RIB Group is active in the software market of the building and construction industry with subsidiaries in Europe, the United State of America, Australia, Asia and 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.

**1.22 K2020037109 (South Africa) (Pty) Ltd (K2020 SA)/ Kentz South Africa (Pty) Ltd (Kentz)**

The Commission has unconditionally approved the proposed merger whereby K2020 SA intends to acquire Kentz.

K2020 SA is a newly incorporated entity that has been incorporated for the purposes of the proposed transaction.

The Kentz Group provides construction services (structural, mechanical, electrical, instrumentation, piping and plate work); turnaround and maintenance services (structural, mechanical, electrical, instrumentation, controls and piping); and fabrication facilities and services. Kentz Group provides its services to oil and gas; mining and metallurgy; and power and infrastructure sectors.

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.

**1.23 K2016316243 (South Africa) (Pty) Ltd (BEE SPV)/ Wescoal Holdings Limited (Wescoal)**

The Commission has unconditionally approved the proposed merger whereby BEE SPV intends to acquire Wescoal.

BEE SPV is a special purpose vehicle which was established and ring-fenced to hold shares in Wescoal.

The Wescoal Group is an investment and management group with operating subsidiaries engaged in the exploration, mining, processing and supply, sales and distribution of thermal coal and coal-related products through its various subsidiaries 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.

**[ENDS]**

**Issued by:**

Sipho Ngwema, Head of Communication

On behalf of: The Competition Commission of South Africa

Tel: 012 394 3493 / 081 253 8889

Email: [SiphoN@compcom.co.za](mailto:SiphoN@compcom.co.za)

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