



competition commission
south africa

Media Statement

For Immediate Release

19 August 2022

STATEMENT ON THE LATEST DECISIONS BY THE COMPETITION COMMISSION

The Competition Commission of South Africa (CCSA) held its ordinary meeting on Tuesday 16 August 2022, to review and take decisions on matters brought before the Commission by members of the public and corporate applicants, in terms of the Competition Act (89 of 1998) as amended. These matters include but are not limited to complaints, mergers, and acquisitions.

1. MERGERS AND ACQUISITIONS

1.1 SALIC International Investment Company (“SIIC”) / Olam Agri Holdings Pte. Ltd. (“Olam Agri”)

The Commission has recommended that the Competition Tribunal approve the proposed transaction whereby SIIC intends to acquire additional shareholding in Olam Agri, without conditions.

The primary acquiring firm is SIIC, a company incorporated under the laws of the Kingdom of Saudi Arabia. SIIC is controlled by the Saudi Agricultural and Livestock Investment Company (SALIC). SALIC is a wholly owned subsidiary of the Public Investment Fund of Saudi Arabia (“PIF”), the sovereign wealth fund of Saudi Arabia. All firms directly and indirectly controlled by PIF are collectively referred to as Acquiring Group.

SALIC is an investment company with holdings in various international companies specialized in the fields of agriculture and the trading of food commodities. SALIC’s agri-business is focused on farming and origination as well as importing commodities into Saudi Arabia.

The primary target firm is Olam, a company incorporated under the laws of Singapore. Olam Agri is entirely controlled by the Olam Group Limited (“Olam Group”). Olam Agri controls a single firm in South Africa, Olam South Africa Proprietary Limited.

Olam Agri is a merchant and processor of agricultural goods, with activities spanning the entire value chain: production, origination, processing, storing, transporting, and merchandising. Olam Agri operates various platforms, including oilseeds, grains, cotton, rice and edible oils.

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 substantial public interest concerns.

1.2 Advini South Africa (Pty) Ltd (“Advini”) / Kleine Zalze Wines (Pty) Ltd (“KZW”)

The Commission has approved the proposed transaction whereby Advini acquired KZW, and the immovable property and rental enterprise known as the ‘Kleine Zalze Cellar’ (KZ Cellar), with conditions.

The primary acquiring firm is Advini. Advini is controlled by Advini France Limited (AFL), a public listed company incorporated in accordance with the laws of France. AFL is not controlled by any individual shareholder. AFL, Advini, and all the firms controlled by AFL and Advini shall be referred to as the Acquiring Group.

The primary target firms are KZW and KZ Cellar. KZW and KZ Cellar are wholly controlled by Kleine Zalze (Pty) Ltd (KZ), which in turn is wholly owned by De Zalze Property Investments (Pty) Ltd (De Zalze). KZW holds a stake in Liciaccept (Pty) Ltd (Liciaccept). The remaining interest in Liciaccept is held by Kleine Zalze Empowerment Trust (Empowerment Trust). The beneficiaries of the Empowerment Trust include the farm workers of KZW. KZW and KZ Cellar are hereinafter referred to as the Target Group.

Liciaccept holds a long-term lease over hectares of top-quality vineyards. These vineyards are still growing and developing but have already produced premium quality grapes during the 2022 harvest season. Liciaccept is also the owner of the wine brand called Visio Vintners.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. With respect to public interest consideration, the merging parties have agreed to a condition that they write off part of the Liciaccept shareholder loan account of the Trust.

1.3 Evergreen Property Investments (Pty) Ltd (“EPI”)/ Val De Vie Newco2 (Pty) Ltd (“Newco”)

The Commission has approved the proposed transaction whereby EPI acquired 50% shareholding in Newco and joint control of Erf 1634, a portion of Erf 955 Val De Vie in the Drakenstein Municipality, Paarl, without conditions.

The primary acquiring firm is EPI. EPI is a wholly owned subsidiary of Evergreen Retirement Holdings (Pty) Ltd (ERH). ERH is jointly controlled by Amdec Investments (Pty) Ltd (Amdec) and PSG Alpha Investments (Pty) Ltd (PSG Alpha). Amdec is jointly controlled by the Baker Family Trust and the Rowe Family Trust (Rowe Trust). EPI, ERH, Amdec, the Baker Trust, and the Rowe Trust, and all firms controlled by them are collectively referred to as the Amdec Group.

PSG Alpha is controlled by PSG Financial Services Limited (“PSG Financial Services”). PSG Financial Services is a wholly owned subsidiary of PSG Group Limited (PSG). PSG Alpha, PSG Financial Services,

PSG, and all the firms controlled by them in South Africa collectively constitute the PSG Group. Collectively, the Amdec Group and the PSG Group constitute the Acquiring Group.

In addition to EPI, ERH wholly owns the following subsidiaries in South Africa: Evergreen Property Developments (Pty) Ltd (“Evergreen Property Developments”); Evergreen Lifestyle Villages (Pty) Ltd (“Evergreen Lifestyle”); and Evergreen Health (Pty) Ltd (“Evergreen Health”). EPI, ERH, Evergreen Developments, Evergreen Lifestyle and Evergreen Health are collectively referred to as the Evergreen Group.

The Evergreen Group develops, owns and operates retirement lifestyle villages on a life-right model. The Evergreen Group's retirement village portfolio comprises both established operational villages and new developments. Amdec is a privately-owned large and diversified global real estate development and investment company. In South Africa, the Amdec Group holdings include (inter alia) mixed-use precincts, inclusionary housing, retirement villages and secure lifestyle and residential estates.

The primary target firm is Newco. Newco is the sole owner of the immovable property namely the Target Property. The target Property is located at Erf 1634, a portion of Erf 955 Val De Vie in the Drakenstein Municipality, Paarl.

The Target Property is intended to be developed as a retirement accommodation village to form part of the existing Val De Vie Evergreen retirement village.

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 substantial public interest concerns.

1.4 City Deliveries (Pty) Ltd (“City Deliveries”)/ Clearwater Developments (RF) (Pty) Ltd (“Clearwater”)/ RCMM Investments (Pty) Ltd (“RCMM”)

The Commission has approved the transaction whereby City Deliveries and Clearwater acquired RCMM, without conditions.

The primary acquiring firms are City Deliveries and Clearwater. City Deliveries is 100% controlled by City Logistics (Pty) Ltd (City Logistics). Clearwater is 100% controlled by Clearwater Capital (Pty) Ltd (Clearwater Capital). Clearwater, City Deliveries, all firms controlling them, and all the firms they control, shall be referred to as the Acquiring Group.

The Acquiring Group provides the following business activities: supply chain supply chain and logistics solutions to corporate and commercial clients across South Africa. These logistics solutions typically consist of a dedicated fleet of vehicles that provide line haul bulk freight services over land. City Logistics also owns a Fastway Regional Franchise based in Cape Town and Durban. These regional franchises hold the rights to deliver and pick up parcels (i.e., courier). Through Clearwater, the Acquiring Group is an investment holding company with a diversified portfolio in respect of assets under management through

Clearwater Capital. The investment portfolio of Clearwater includes passive investments in property, packaging, waste management, and the automotive sectors.

The primary target firms are RCMM, Fastpost, Artocolox t/a Fastway Johannesburg.

RCMM, directly and indirectly, controls Isicabucabu Franchising (Pty) Ltd ("Isicabucabu"), FW Operations (Pty) Ltd, and K2017033887 (South Africa) (Pty) Ltd ("K2017").

The shareholding in Fastpost is held by the Redwood Trust; City Deliveries (which forms part of the Acquiring Group); Mark van Niekerk and Murray Duncan.

The shareholding in Fastway Johannesburg is held by two trusts, Mark van Niekerk and Joseph Kirk.

The Target Group is active within the courier services sector and the activities are:

- RCMM is an investment holding firm that holds shares in Isicabucabu and K2017. Isicabucabu holds the national master license for the franchise rights in South Africa in respect of the Fastway Courier franchise. Isicabucabu enters into franchise agreements with the Regional Franchisees. Its customers are the regional franchisees on whom it levies a franchise royalty.
- K2017 is responsible for the transportation of parcels between Fastway regional ports.
- Fastpost is an information technology services entity that provides IT-related services to the whole of the Fastway Franchise Group.
- Artocolo t/a Fastway Johannesburg is a regional franchise in Johannesburg and operates a depot and provides ancillary support services such as training, IT, franchise compliance, and sales-related services to their courier franchisees.

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 DCC Technologies Proprietary Limited ("DCC")/ The business of Drive Control Corporation Proprietary Limited (Drive Control Corporation)

The Commission has approved the proposed transaction whereby DCC acquired Drive Control Corporation, without conditions.

The primary acquiring firm is DCC, a newly formed company, established for the purposes of the proposed transaction.

The primary target firm is the business of Drive Control Corporation. The target business is the Drive Control Business (Drive Control Business) which distributes information communication technology hardware and software products in South Africa. The Drive Control Business also has associate operations in Botswana, Namibia, and Mozambique. The brands distributed by the Drive Control Business include APC, Canon, Dell, Fire Eye Security, Hewlett Packard, Lenovo, Lexmark, Oki Printers, Philips Monitors,

and Symantec. The Drive Control Business does not distribute directly to the public, but rather to retailers and value-added resellers that on-sell the products to end users.

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 Growthpoint Properties Limited (“Growthpoint Properties”) / Le Sueur Family Trust (“Le Sueur Trust”)

The Commission has approved the proposed transaction whereby Growthpoint Properties acquired Le Sueur Trust in respect of the letting enterprise known as Malda Pack, without conditions.

The primary acquiring firm is Growthpoint Properties Limited. The acquiring firm is a property investment holding company, which invests in retail property situated in major urban centres and retains the character of a diversified fund through investments in quality office nodes and in industrial parks.

The Le Sueur Trust is a family trust which holds business interests and properties. The Le Sueur holds interests in ten (10) other entities. For purposes of the current transaction, only Malda Pack is relevant. Malda Pack is a rentable light industrial space, situated at Platform 7 Keystone Park, Mr 385 Road, N3 Interchange, Hammarsdale, Durban, KwaZulu-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.

1.7 Auzilia Consulting Proprietary Limited (“Auzilia Consulting”) / Com Props Proprietary Limited (“Imperial Com Prop”) in respect of a rental enterprise known as the Woodmead Commercial Park (“the Woodmead Rental Enterprise”)

The Commission has approved the transaction whereby Auzilia Consulting acquired Imperial Com Prop in respect of a rental enterprise known as the Woodmead Rental Enterprise, without conditions.

The primary acquiring firm is Auzilia Consulting. Auzilia Consulting is a wholly owned subsidiary of Benav Properties Proprietary Limited (“Benav Properties”).

Auzilia Consulting forms part of a property investment group with a portfolio of properties situated throughout South Africa. All of the acquiring group's properties are convenience retail centres and local community centres.

The primary target firm is Imperial Com Props in respect of a rental enterprise known as the Woodmead Rental Enterprise. Imperial Com Props is a wholly owned subsidiary of Texton Property Fund Limited.

The Woodmead Rental Enterprise is home to several stores comprising specialised stores such as home stores, sanitary ware, alternative power solutions, locksmiths, home and office furniture stores, car wash, servicing and repairs, and a bed and mattress store. It is a value centre/destination centre designed for people who shop on an ad hoc basis (for items mostly for the home) as it offers premises suitable for larger scale retail distribution and showroom 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.

2.COMPLAINTS (NON-REFERRALS)

2.1 Aadi Shaik v Takelot

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

2.2 Norman Myeza v Webafrika

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

2.3 Mr. Wessel Cornelius v Caltex Fuel Station, C/O 1 St Street and Barbara Road, Marlands, Germiston

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

Members of the public can now lodge their complaints by SMS/WhatsApp @084 743 0000

[ENDS]

Issued by:

Siyabulela Makunga, Spokesperson

On behalf of: The Competition Commission of South Africa

Tel: 012 394 3493 / 067 421 9883

Email: SiyabulelaM@compcom.co.za

Find us on the following social media platforms:

Twitter: @CompComSA

Instagram: Competition Commission SA

Facebook, LinkedIn, and YouTube: The Competition Commission South Africa