



competition commission
south africa

Media Statement

For Immediate Release

21 October 22

STATEMENT ON THE LATEST DECISIONS BY THE COMPETITION COMMISSION

The Competition Commission of South Africa (CCSA) held its ordinary meeting on Tuesday, 18 October 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 Retail Logistics Fund (RF) Proprietary Limited (“Retail Logistics Fund”)/ Shoprite Checkers Proprietary Limited (“Shoprite Checkers”) in respect of Canelands and Wells Estate (“Target Properties”)

The Commission has recommended that the Competition Tribunal approve the proposed transaction whereby Retail Logistics Fund intends to acquire the Target Properties from Shoprite Checkers, without conditions.

The primary acquiring firm is Retail Logistics Fund. Retail Logistics Fund is controlled by Equites Property Fund Limited (“Equites”). The shares in Retail Logistics Fund are held by Equites and Shoprite Checkers. Retail Logistics Fund does not directly or indirectly control any firm. For the purposes of this transaction, Equites and the firms controlled by Equites will collectively be referred to as the “Equites Group”.

Retail Logistics Fund is a joint venture between Equites and Shoprite Checkers established for the purposes of holding certain distribution warehouses and undeveloped bulk land used by Shoprite Checkers. Equites has a focus on owning and developing modern, well-located logistics properties which are let to A-grade tenants and has established itself as an owner and developer of high-quality logistics assets in South Africa and the United Kingdom. For the purposes of the proposed transaction, the industrial property owned by the Equites Group is relevant.

The primary target firm is Shoprite Checkers in respect of the rental enterprises known as Canelands and Wells Estate.

Canelands currently comprises 64,188 m² of rentable light industrial warehouse space, situated in Canelands, Verulam, KwaZulu-Natal, together with the land upon which the rental enterprise is constructed. Wells Estate comprises 10,200 m² of rentable light industrial warehouse space, situated in Wells Estate, Gqeberha, Eastern Cape, together with the land upon which the rental enterprise is constructed.

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 SPE Mid-Market Fund I Partnership (“SPE Fund”) general partner, SPE Mid-Market Fund General Partner Pty Ltd (“SPE Fund General Partner”) / K2022654763 (South Africa) (Pty) Ltd (“New HoldCo”)

The Commission has recommended that the Competition Tribunal approve the proposed transaction whereby SPE Fund intends to acquire New HoldCo, without conditions.

The primary acquiring firm is the SPE Fund represented by the general partner, SPE Fund General Partner. The SPE Fund is ultimately controlled by Sanlam Limited (“Sanlam”). Sanlam and its subsidiaries are collectively referred to as the “Acquiring Group”.

The SPE Fund wholly controls Cavalier Group of Companies (Pty) Ltd (“Cavalier Group of Companies”), Absolute Pets (Pty) Ltd (“Absolute Pets”) and Q Link (Pty) Ltd (“Q Link”). Cavalier Group is a vertically integrated meat producer in South Africa, trading in the procurement, packaging, sale and distribution of red meat and related products. Absolute Pets is a specialist retailer in the South African pet care industry. Q Link is a financial services and financial technology business that provides payment collection solutions to improve collection rates for third-party service providers.

The primary target firm is New HoldCo. New HoldCo is jointly controlled by two trusts.

The Target Businesses provide integrated general and hazardous waste and environmental management solutions to commercial, industrial, and retail clients in Gauteng.

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 TymeBank Holdings Limited (“TymeBank Holdings”)/ Retail Capital Limited (“Retail Capital”)

The Commission has recommended that the Competition Tribunal approve the proposed transaction whereby TymeBank Holdings intends to acquire Retail Capital, without conditions.

The primary acquiring firm is TymeBank Holdings. TymeBank Holdings is controlled by African Rainbow Financial Services Holdings (Pty) Ltd (“ARFS”) and 11 other shareholders. TymeBank Holdings, TymeBank Global, ARFS and all the firms that they control shall be referred to as the “Acquiring Group”.

The Acquiring Group through TymeBank Holdings is active within the banking sector. TymeBank Holdings offers customers personal transactions, business transactions, savings accounts and value-added services that provide customers with easy, one-stop solutions integrated with their lifestyles. The value-added services comprise credit card services, prepaid services, health insurance services and funeral cover.

The primary target firm is Retail Capital. Retail Capital is jointly controlled by Old Mutual Life Assurance Company (South Africa) Limited, Crossfin Apis Financial Solutions (Pty) Ltd, and Como Capital (Pty) Ltd. Retail Capital controls several firms. Retail Capital and all the firms that it controls shall be referred to as the “Target Group”.

The Target Group is a financial technology company that provides alternative non-traditional funding (unsecured lending) to small and medium enterprises as well as asset financing. Retail Capital’s unsecured funding products include cash advances and unsecured business loans.

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 Vukile Property Fund Limited (“Vukile”)/ Pan Africa Shopping Centre (“Pan Africa or Target Property”)

The Commission has recommended that the Competition Tribunal approve the transaction whereby Vukile intends to acquire the rental enterprise known as the Target Property, without conditions.

The primary acquiring firm is Vukile. Vukile is listed on the Johannesburg Securities Exchange and the Namibian Stock Exchange. Vukile is not controlled by any single firm.

Vukile owns a portfolio of retail letting enterprises in South Africa.

The target firm is the letting enterprise known as the Pan Africa Shopping Centre (“Target Property”) located at Third St, Wynberg, Alexandra, Johannesburg, 2000. The Target Property is controlled by Pan African Development Company (Pty) Ltd.

The Target Property is a lettable retail shopping centre with a Gross Lettable Area (GLA) of 15,767m² situated in Alexandra.

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 Masingita Property Investment Holdings Proprietary Limited (“Masingita Property Investment”)/ Italite Investments Proprietary Limited (“Italite Investments”)/ Dawnfull Trading Proprietary Limited (“Dawnfull Trading”)

The Commission has recommended that the Competition Tribunal approve the transaction whereby Masingita Property Investment intends to acquire Italite Investments from Dawnfull Trading, without conditions.

The primary acquiring firm is Masingita Property Investment. Masingita Property Investment is jointly controlled by Khulemani Masingita and Nedbank. Masingita Property Investment, Khulemani Masingita, and Nedbank will collectively be referred to as the "Acquiring Group".

Masingita Property Investment is a property investment company. Relevant to the proposed transaction are its activities relating to the provision of rentable retail properties in Limpopo. Masingita Property Investment has investments in the following rentable retail properties in Limpopo: Mangalani Shopping Centre, Motortown Shopping Centre, Masingita Mall, Masingita Crossing, Zebediela Plaza, Mphephu Plaza, and Masingita Plaza.

The primary target firm is Italite Investments. Italite Investments is wholly controlled by Dawnfull Trading. Dawnfull Trading is in turn wholly controlled by Blue Bottle Investments Proprietary Limited.

Italite Investments is a property investment company. Its sole property is Makhado Crossing comprising 31,548 m2 of rentable retail space (minor regional centre) located at the corner of N1 Highway and Sibasa Road, Louis Trichardt, Limpopo.

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 Taylor Maritime Investments Limited (“TMI”)/Grindrod Shipping

The Commission has approved the proposed transaction whereby TMI acquired Grindrod Shipping, without conditions.

The primary acquiring firm, TMI is listed on the London Stock Exchange. TMI does not control any firms in South Africa.

TMI is an investment company which invests in a diversified portfolio of vessels, primarily geared Handysize and Supramax bulk vessels. The TMI Group holds its shipping assets (i.e., vessels) through special purpose vehicles, which are wholly owned and controlled by TMI through an intermediate holding

company (i.e., TMI Holdco Limited). The global activities of TMI are limited to the dry bulk tramp shipping sector.

The shares of the primary target firm, Grindrod Shipping, are primarily listed on the NASDAQ Global Select Market and secondarily on the Main Board of the Johannesburg Stock Exchange.

Grindrod Shipping is an international shipping company that owns, charters-in and operates a fleet of dry bulk carriers. Grindrod Shipping is structured under two business divisions: Island View Shipping (“IVS”) and Unicorn Shipping. IVS is a bulk carrier owner-operator, providing dry bulk tramp shipping services on dry bulk cargo such as minerals, coal, ores, and agricultural products. Unicorn Shipping is an operator of liquid-bulk vessels. Unicorn Shipping is now dormant.

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 Overlooked Colliery (Pty) Ltd (“Overlooked”)/Mooiplaats Coal Holdings (Pty) Ltd (“Mooiplaats”)

The Commission has approved the proposed transaction whereby Overlooked acquired Mooiplaats, without conditions.

The primary acquiring firm is Overlooked.

Overlooked is a coal mining company active in the mining and sale of coal in both the export and local markets. Overlooked operates several collieries in South Africa. In addition, Overlooked has a coal washing plant which treats run-of-mine coal to provide a consistent quality of coal and improve its suitability to the end user. Overlooked does not provide coal washing services to third parties.

The primary target firm is Mooiplaats.

Mooiplaats was historically active in mining coal (for the export market). Mooiplaats’ activities are currently limited to coal washing for third parties.

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 Global Capital Merchants Limited (“GCM”)/ Access World Group Holdings B.V. (“Access World”)/ Finges Investments B.V. (“Finges”)

The Commission has approved the proposed transaction whereby GCM acquired Access World from Finges, without conditions.

The primary acquiring firm is GCM, a newly established company incorporated in accordance with the laws of the British Virgin Island.

GCM is a newly established company. GCM does not conduct any business activities and does not control any other firms.

The primary target firm is Access World, a private company with limited liability, incorporated under the laws of the Netherlands.

Access World operates a global network of port and warehouse facilities and offers logistics services both to third parties and to the Glencore group for different commodities. Access World's activities globally include warehousing, warranting, ocean freight services, chartering services, project logistics services, collateral management services, customs clearing and forwarding services, cutting and packing services, ships agency services, stevedoring services, and road and rail transport services.

In South Africa, Access World operates amongst others warehousing/storage operations in Durban, Johannesburg, and Richards Bay (including certain customs-bonded warehousing services) and a bulk manganese receiving and storage facility in Lohalta, Northern Cape.

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 Entroscan (Pty) Ltd (“Entroscan”)/ All Life

The Commission has approved the proposed transaction whereby Entroscan acquired shares in All Life, without conditions.

The primary acquiring firm, Entroscan, is wholly owned by Lindicom Fund III (Pty) Ltd (“Lindicom Fund III”). Entroscan does not control any firm. Entroscan is a special-purpose vehicle established to facilitate funding of All Life and does not provide any goods and services. The ultimate controllers of Entroscan invest in private equity opportunities and the management of those opportunities.

The primary target firm, All Life, is controlled by Ivy Capital and Explilox. All Life is a binder holder and provider of representative functions in respect of long-term insurance policies, in particular life insurance.

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 Atlantis Food Holdings Proprietary Limited (“Atlantis”)/ Snoek Wholesalers Proprietary Limited (“Snoek Wholesalers”)

The Commission has approved the proposed transaction whereby Atlantis acquired Snoek Wholesalers from the Bernzive Trust, and the acquisition of the property located at 1 Becker Street, ERF 41115, Hanover Park, Philippi, Cape Town (“Target Property”), with conditions.

The primary acquiring firm, Atlantis, is controlled by Cenon Holdings (Pty) Limited (“Cenon”) and Cenon is controlled by Lonrho Africa Holdings Limited (“Lonrho Africa”). Lonrho Africa is, in turn, controlled by Lonrho Holdings Limited (“LHL”). Atlantis, LHL and all the firms directly and indirectly controlled by LHL shall be referred to as “Atlantis Group”. Atlantis Group does not have any shareholding by historically disadvantaged persons (“HDPs”).

In South Africa, the Atlantis Group is active in the importation, packaging and trading of seafood. Its business is based in Atlantis, Cape Town. The primary target firms are Snoek Wholesalers and the Target Property.

Snoek Wholesalers is engaged in the importation, processing, trading and distribution of seafood products throughout South Africa. Snoek Wholesalers supplies a wide variety of frozen fish, shellfish, and molluscs. In addition, Snoek Wholesalers is the supplier of, inter alia, its own brands, namely Ocean Catch seafood and Atlantic Brand products. Snoek Wholesalers also operates a cold storage facility for its own business in terms of which it has storage, blast freezing, pallet and case picking, palletising, wrapping and strapping, labelling and sorting services.

The Target Property is a processing facility comprising a factory and factory shop and is currently being leased to Snoek Wholesalers.

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 found that the merging parties have not undertaken any detailed analysis relating to the effect of the proposed merger on employment. In addition, the proposed merger does not promote greater spread of ownership by historically disadvantaged persons or workers in firms in the markets as contemplated in section 12 of the Act. In this regard, the Commission approved the proposed merger subject to public interest conditions. This includes (i) a three-year moratorium on merger specific retrenchments; and (ii) Atlantis Group continuing to make contributions towards Skills development; supplier development; enterprise development; and socio-economic development.

1.11 Saxony West Property Holdings Proprietary Limited (“Saxony West”)/ Westwood Shopping Centre Proprietary Limited (“Westwood Shopping Centre”)

The Commission has approved the transaction whereby Saxony West acquired Westwood Shopping Centre, without conditions.

Saxony West is a newly established entity which has not traded previously and has no turnover. Saxony West is a property investment company with its primary activity to hold various properties.

The primary target firm is Westwood Shopping Centre. Westwood Shopping Centre is a property investment company and owns a single company known as Westwood Mall, comprising 41,373 m² rentable retail (minor regional centre) space located at 16 Lincoln Terrace, Westville, 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.

1.12 Inspired Schools (Pty) Ltd (“Inspired Schools”)/ CPD Ballito School (Pty) Ltd (“CPD Ballito”)

The Commission has approved the transaction whereby Inspired Schools acquired CPD Ballito, without conditions.

The primary acquiring firm is Inspired Schools.

Inspired Schools is the operations company of the Acquiring Group and it provides private educational services through 11 premium, co-educational, non-denominational schools across South Africa. Inspired Schools provides such private educational services in Ballito, Kwa-Zulu Natal, through its Reddam House Ballito School (“Reddam Ballito”).

The primary target firm is CPD Ballito.

CPD Ballito is a property holding company which leases properties on which the school buildings, sports fields, recreational areas, and other improvements were developed to house Reddam Ballito. CPD Ballito leases these properties to Inspired Schools in terms of a lease agreement. Inspired Schools offers its private educational services on the properties through Reddam Ballito.

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 P Pather Capital Proprietary Limited (“PPC”)/ CRH Africa Automotive Proprietary Limited (“CRH”)

The Commission has approved the transaction whereby PPC acquired CRH, without conditions.

The acquiring firm is PPC.

PPC is a holding company and does not have any business operations.

The primary target firm is CRH.

CRH is a local manufacturing supplier of metal seat structures to South African automobile original equipment manufacturers. CRH is comprised of three operating divisions, being the: Metal Seat and Mechanisms Division, CNC & Fine Blanking Division and Metal Pressing Division. CRH also comprises of a seat assembly 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.

1.14 Gauteng Central Integrated Mega City (Pty) Ltd (“Gauteng Central” or the “Purchaser”)/ Old Mutual Life Assurance Company (South Africa) Limited (“OMLACSA” or the “Seller”)/ Grand Central Airport (Pty) Ltd (“GCA”)/ Grand Central Airport Investments Share Block (Pty) Ltd (“GCAIS”)

The Commission has approved the transaction whereby Gauteng Central acquired vacant land from OMLACSA and GCA and GCAIS, with conditions.

The primary acquiring firm is Gauteng Central. Gauteng Central is wholly controlled by Elman Electricity Management (Pty) Ltd (“Elman Electricity”). Elman Electricity is wholly controlled by Bayete Capital (Pty) Ltd (“Bayete Capital”), which forms part of the larger Bayete Capital group of companies (the “Bayete Capital Group”). The Bayete Capital Group is owned by Lonwabo Sambudla (“Sambudla”) and George Smith (“Smith”). Sambudla in turn wholly controls the Impuma Group (Pty) Ltd (the “Impuma Group”). Gauteng Central, the Bayete Capital Group, the Impuma Group, Sambudla and Smith are collectively referred to as the Acquiring Group.

The Acquiring Group is involved in various activities including real estate, property development, engineering, technology and financial services.

The primary target firms in the proposed transaction are vacant land located at Farm Randjesfontein 405, Gauteng, GCA and GCAIS.

The GCAIS subsidiaries own immovable property upon which the airport is operated. GCA operates Grand Central Airport which is a boutique airport that offers visitors a range of services from food, aviation retail, and car rental to chartered flights, flight schools, aviation maintenance operations and corporate rental facilities. Furthermore, GCA sub-lets its properties to various tenants comprising mainly office space and hangars holding various aircraft.

The Commission found that the proposed transaction is unlikely to result in a substantial prevention or lessening of competition in any relevant markets. However, the Acquiring Group intends to develop a Mega City in future from the properties which are being acquired in the instant transaction. Due the intended phased shutdown of Grand Central Airport in future, the employees of the airport will be negatively affected. In order to mitigate the negative impact of the merger on the airport employees, the Acquiring

Group has agreed to a condition that places a moratorium on merger-specific retrenchments as well as a condition to re-employ unskilled employees in the Mega City development when the airport shuts down.

1.15 Redefine Properties Limited (“Redefine Properties”)/ VDMV Brackengate 2 (Pty) Ltd (“VDMV Brackengate”)

The Commission has recommended that the Competition Tribunal approve the proposed transaction whereby Redefine Properties intends to acquire the property letting enterprise Massmart Brackengate (“Target Property”) from VDMC Brackengate, without conditions.

The primary acquiring firm is Redefine Properties. The issued share capital of Redefine Properties is widely held by several institutional shareholders. Redefine Properties wholly controls several entities.

Redefine Properties’ property portfolio comprises a diverse range of properties including office, retail, residential and industrial space situated throughout South Africa.

The target firm is VDMV Brackengate 2 (Pty) Ltd in respect of the property letting enterprise known as Massmart Brackengate.

The Target Property is a light industrial property situated at 10 Rubicon Boulevard, Brackengate 2, Morgan Industria, Western Cape comprising a total of 52,601 m² of rentable light industrial (distribution centre) space which includes grade-A office space.

VDMV Brackengate is an investment property fund, which forms part of the wider VDMV group, with a diversified investment, commercial and industrial property portfolio.

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 Kate Elliot v Volvo Cars South Africa

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

2.2 KNP Logistics (Pty) Ltd v Booksite (Pty) Ltd

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

2.3 Mossel Bay Municipality v Thimna Venus August & Ntombise Nogqala

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

2.4 Shooters Gunshop CC T/A Topsports vs Asics South Africa (Pty) Ltd

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

2.5 Anonymous v ICAS South Africa (Pty) Ltd

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

2.6 Karl Klopfer on behalf of Mode v Bradley Broskie, Commercial Executive of Gamefinity (Pty) Ltd

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

2.7 Mr. Jeremy Andrew v Melomed Richards Bay Private Hospital and Pathcare Laboratory

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

2.8 Tsitsikamma Fishermen Institute v Bitou Local Municipality

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

2.9 Dr Lukhanyo Mavuya v Dr E Wypkema Inc subsidiary of Arwyp Private Hospital and ER Consulting Group

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

2.10 Trusty Malaka v Zaid Ebrahim Carrim

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

2.11 Dr William Ddamulira v Yellow Pages Trudon

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

2.12 Mrs Vanessa Diaz v Momentum Disability

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

2.13 Koobekile Samuel Moepeng v Nedbank

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

2.14 Balito Convenience Centre CC v Shakas Head Fuels Pty Ltd t/a Total Umhlali owner- Selvan

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

3. COMPLAINTS (WITHDRAWAL)

3.1 Van Loveren Vineyards (Pty) Ltd and Phillip Beyers Retief v Stellenbosch Wine Route, Political Parties and Stellenbosch Municipality

The Commission has accepted the withdrawal of the complaint.

3.2 Mr Neil Birch vs Dis-Chem

The Commission has accepted the withdrawal of the complaint.

3.3 Anonymous vs Outsurance

The Commission has accepted the withdrawal of the complaint.

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

[ENDS]

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