



Media Statement

For Immediate Release

10 February 2023

STATEMENT ON THE LATEST DECISIONS BY THE COMPETITION COMMISSION

The Competition Commission of South Africa (CCSA) held its ordinary meeting on Tuesday, 7 February 2023, 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 IDEAS Infrastructure I GP (Pty) Ltd (IDEAS)/ SolarAfrica Energy (Pty) Ltd (SolarAfrica Energy)

The Commission has recommended that the Competition Tribunal (Tribunal) approve the proposed transaction whereby IDEAS intends to acquire SolarAfrica, with conditions.

The primary acquiring firm is IDEAS, a private infrastructure fund ultimately controlled by Old Mutual Limited (OM). IDEAS and all the firms controlling it and all the firms controlled by those firms will be referred to as the “Acquiring Group”. Though OM, the Acquiring Group is active in the supply of energy infrastructure, in particular, solar photovoltaic (solar PV).

The primary target firm is SolarAfrica Energy. SolarAfrica Energy is wholly owned by SolarAfrica which is ultimately controlled by a trust. SolarAfrica Energy controls a number of subsidiaries. SolarAfrica Energy and the firms it controls will be referred to as the “Target Group”.

The Target Group is a supplier of solar Photovoltaic (PV) to the commercial and industrial sectors. The Target Group also provides battery energy storage, wheeling, and hybrid power solutions as part of its product offering to commercial and industrial customers.

The Commission found that the merger raises information exchange concerns as the Acquiring Group has the ability to appoint directors at the Target Group’s competitors (i.e. other solar PV suppliers). The Commission has recommended that the Tribunal approves this merger subject to conditions that mitigate the exchange of any competitively sensitive information through director appointments.

The Commission further found that the proposed transaction does not raise any other public interest concerns.

1.2 Unico Property Partners Proprietary Limited (Unico Property Partners)/ Khumonetix Proprietary Limited (Khumonetix)

The Commission has recommended that the Tribunal approve the proposed transaction whereby Unico Property Partners intends to acquire six industrial properties (Target Properties) from Khumonetix, without conditions.

The primary acquiring firm is Unico Property Partners. Unico Property Partners is a newly established firm that will be 100% controlled by an investment vehicle referred to as "Investment SPV". Investment SPV is jointly controlled by a consortium of shareholders referred to as "Shareholder SPV", RMB Investments and Advisory Proprietary Limited (RMBIA), and Nedbank Limited (Nedbank). Unico Property Partners and all the firms controlling it are collectively referred to as the "Acquiring Group".

The Acquiring Group through RMBIA and Nedbank is active in several sectors. However, relevant to the proposed transaction, the Acquiring Group owns light industrial properties.

The primary target firm is Khumonetix in respect of the Target Properties. The Target Properties are owned and controlled by Khumonetix. Khumonetix is owned and controlled by a trust. The Target Properties consist of the following rentable light industrial properties:

- Innes Road, situated at 14 Innes Road, Jet Park, Johannesburg,
- Estee Ackerman Street, situated at 9 Estee Ackerman Street, Jet Park, Johannesburg, Gauteng,
- Abbeydale Park, situated at 15A Innes Road, Jet Park, Johannesburg, Gauteng,
- Atlas Copco Building, situated at 16 Innes Road, Jet Park, Johannesburg, Gauteng,
- Innes Park, situated at 38 Jansen Road, Jet Park, Johannesburg, Gauteng,
- 7 Sim Road, situated at 7 Sim Road, Pomona, Glen Marais, Gauteng.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market in South Africa. The Commission further found that the proposed transaction does not raise any other public interest concerns.

1.3 Starsight Energy Africa Holding Ltd (Starsight Energy)/ SolarAfrica Energy (Pty) Ltd (SolarAfrica Energy)

The Commission has recommended that the Tribunal approve the proposed transaction whereby Starsight Energy intends to acquire SolarAfrica Energy from SolarAfrica (Africa), with conditions.

The primary acquiring firm is Starsight Energy, a special-purpose vehicle created for the purposes of the proposed transaction. Upon implementation of the merger, Starsight Energy will be jointly controlled by Dogstar Mauritius, a private company registered in Mauritius, and the selling firm, SolarAfrica Energy Africa. Dogstar Mauritius is ultimately jointly controlled by Helios Investment Partners LLP (Helios) and Old Mutual Limited (OM). Dogstar Mauritius, all the firms controlling it, and all the firms controlled by those firms, will be referred to as the “Acquiring Group”.

Of relevance to the transaction is that through OM’s funds managed by AIIM (IDEAS and AIIF3), the Acquiring Group is active in the supply of energy infrastructure, in particular, solar photovoltaic (solar PV).

The primary target firm is SolarAfrica Energy. SolarAfrica Energy is wholly owned by SolarAfrica Energy Africa. SolarAfrica Energy controls several subsidiaries. SolarAfrica Energy and all the firms it controls will be referred to as the “Target Group”.

The Target Group is a supplier of solar PV to the commercial and industrial sectors. The Target Group also provides battery energy storage, wheeling and hybrid power solutions as part of its product offering to commercial and industrial customers.

The Commission found that the merger raises information exchange concerns as the Acquiring Group has the ability to appoint directors at the Target Group’s competitors (i.e. other solar PV suppliers). The Commission has recommended that the Tribunal approves this merger subject to conditions that mitigate the exchange of any competitively sensitive information through director appointments.

The Commission further found that the proposed transaction does not raise any other public interest concerns.

1.4 Baobab Industrial Group (PTY) Ltd (“HoldCo”)/Dupleix Liquid Meters (PTY) Ltd (“DLM”) and West Rand Engineering (“WRE”)

The Commission has approved the proposed transaction whereby Holdco intends to acquire DLM and WRE, without conditions.

The Acquiring Firm is HoldCo, a newly incorporated private company. HoldCo does not conduct any business operations and is not directly or indirectly controlled by any other firm.

The first target firm is DLM. DLM wholly controls the following firms: Metermatic (Pty) Ltd (“Metermatic”), Dupleix Liquid Meters Madagascar SARLU, and MDF Engineering (Pty) Ltd (“MDF Engineering”). DLM, its shareholders, and its subsidiaries are referred to as the “Acquiring Group”. 4

Through three divisions (valves, flow, and instrumentation), DLM provides solutions for over-pressure protection, flow, level and density measurement, automation, and control requirements. These products and solutions are consumables in the greater materials manufacturing sector including mining, petrochemical, and other industries.

The second target firm is WRE. The shares in WRE are wholly owned by Pillans Investments (Pty) Ltd (“Pillans”). Apart from WRE, Pillans does not hold interests in other firms.

WRE is a diversified manufacturer with three main divisions namely West Rand Engineering, Malleable Castings, and Africa Thermal Insulations. WRE also supplies finished products to Klambon Water, its wholly owned subsidiary in the Commonwealth of Australia.

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

1.5 SKG Properties Fund III Proprietary Limited (“SKG Properties Fund III”)/Centurion Systems (“Target Property”) from Super Fine Investments Proprietary Limited (“Super Fine Investments”)

The Commission has approved the proposed transaction whereby SKG Properties Fund III intends to acquire the Target Property from Super Fine Investments, without conditions.

The primary acquiring firm is SKG Properties Fund III. SKG Properties Fund III is ultimately controlled by a family trust. SKG Properties Fund III, the firms controlling it, and their subsidiaries will collectively be referred to as the “Acquiring Group”.

The Acquiring Group is engaged in the development and leasing of residential, office, industrial and retail investment properties and the management thereof.

The primary target firm is Super Fine Investments, in respect of the rental enterprise known as Centurion Systems or the “Target Property”. Super Fine Investments is controlled by Caymen Investments 3 Proprietary Limited. The Target Property is a light industrial property. The Target Property includes a grade B office space. The Target Property is leased out to a single tenant, Centurion Systems.

The Commission is of the view that the proposed transaction is unlikely to substantially prevent or lessen competition in any market. The Commission further found that the proposed transaction does not raise any other public interest concerns.

2. COMPLAINTS (NON-REFERRALS)

2.1 Mariette Barends @ EmployInsight v Johannesburg City Parks and Zoo (JCPZ)

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

2.2 Kate Elliot v Honda Cape Town

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

2.3 Moya Candlish Nape on behalf of New Horizon Oil & Gas (Pty) Ltd v City of Tshwane (Ms. Masebathe (Acting City Manager), Mr. A Makgota, Ms. Verusha Morgan, Ms. Nomsa and Thabiso, Mr. Randall Williams)

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

2.4 Faizel Peterson v Vumatel (Pty) Ltd

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

2.5 Akila Trading (Pty) Ltd v Standard Bank South Africa

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

2.6 Ishara Ramparsad Inc T/A Lab 24 v Life Mount Edgecombe Hospital

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

2.7 Anonymous v Leigh-Ann Hollington, Body Corporate of Pearls of Umhlanga

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

2.8 Inkokeli Trading (Pty) Ltd T/A Ciolli Brothers v Afrisam SA (Pty) Ltd

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

2.9 Joel Moagi Benedict Tumelo Ngwato v United National Breweries

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

2.10 Red Unicorn (Pty) Ltd v The Outdoor Group

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

2.11 3Sixty Health Pty (Ltd) v Council for Medical Schemes and Discovery Health (Pty) Ltd

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

2.12 Tokelo Khabele v Old Mutual Vanderbjlpark

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

2.13 Dale Kushner v Standard Bank- UCount Loyalty Program

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

3. COMPLAINTS (WITHDRAWAL)

3.1 Roger Kruger v Siemens Healthineers, GE Healthcare and Philips Healthcare

The Commission has accepted the withdrawal of the complaint.

[ENDS]

Issued by:

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