



competition commission
south africa

Media Statement

For Immediate Release

04 September 2023

STATEMENT ON THE LATEST DECISIONS BY THE COMPETITION COMMISSION

The Competition Commission of South Africa (CCSA) held its ordinary meeting on Tuesday, 29 August 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 Thusanyo Project Services Proprietary Limited (“TPS”)/ Thusanyo Investments Proprietary Limited (“Target Firm”)

The Commission has unconditionally approved the proposed transaction whereby TPS intends to acquire all the issued share capital of the Target Firm.

The primary acquiring firm is TPS. TPS is controlled by Top Fix Holdings Proprietary Limited (“TF Holdings”). TPS, all the firms controlling it, and all the firms controlled by those firms will be referred to as the “Acquiring Group”.

The Acquiring Group provides industrial maintenance and engineering services to customers who operate industrial plants and equipment in the energy, petrochemical, and mining sectors (“IME Services”). These services include providing scaffolding, insulation, welding, cleaning, machine maintenance, and painting/anti-corrosion protection. The Acquiring Group also provides labour broking services. The IME Services provided by the Acquiring Group require the placement of skilled artisans such as welders, painters, boilermakers, and sheet metal workers on a short-term basis to execute the contract.

The Target Firm is in Secunda, Mpumalanga, and provides labour broking services, including to the Acquiring Group.

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

1.2 AgroFresh South Africa (Pty) Ltd (“AgroFresh”)/ Tessara HoldCo (Pty) Ltd (“Tessara”)

The Commission has approved the proposed transaction whereby AgroFresh intends to acquire Tessara, with conditions.

The primary acquiring firm is AgroFresh. AgroFresh is directly controlled by AgroFresh Solutions Singapore Pte. Ltd (“AgroFresh Solutions”) (together with its affiliates, AgroFresh), which is ultimately controlled by Paine Schwartz Food Chain Fund VI GP, L.P. AgroFresh does not directly or indirectly control any firm in South Africa. AgroFresh, all the firms controlling it, and all the firms controlled by those firms, will be referred to as AgroFresh.

AgroFresh South Africa forms part of a global group of companies (AgroFresh) that develops and provides food preservation and food waste reduction products and services, to ensure the freshness of fruit, by managing and delaying the ripening process. AgroFresh supplies these solutions to growers, packers, and retailers across the food supply chain to enhance the quality and extend the shelf life of fresh produce. AgroFresh’s range of solutions includes plant growth regulators, plant-based coatings, antimicrobials, equipment, and proprietary solutions that help improve the freshness of the supply chain from harvest to the end-consumer.

The primary target firm is Tessara. Tessara is controlled by CSSAF Fresh Holdings, which is incorporated in terms of the laws of the Republic of Mauritius. CSSAF Fresh Holdings is ultimately controlled by the Carlyle Group, which is incorporated in terms of the laws of the State of Delaware. Tessara has several subsidiaries in various countries including South Africa. Tessara and all its subsidiaries will from hereon be collectively referred to as “Tessara”.

Tessara is a manufacturer of preservation technologies for use in the marketing and export of fresh produce. Tessara produces sulphur dioxide (SO₂)-based sheets for use in the preservation of fresh produce post-harvest. Its product *Uvasys* is a SO₂-based sheet, primarily used to protect table grapes against *Botrytis* infection. Tessara’s other commercial product is *Berrisys* which is focused on post-harvest preservation of berries. In South Africa, Tessara operates through a network of approximately 30 distributors who are responsible for ensuring its products reach various customers, i.e., fresh produce growers and exporters.

The Commission found that the proposed transaction is unlikely to result in substantial prevention or lessening of competition in any relevant markets.

To promote a greater spread of ownership the merging parties shall establish an Employee Share Ownership Programme (ESOP) for the benefit of qualifying workers. Tessara also agreed to certain local procurement commitments.

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

1.3 African Parks Network (“African Parks”)/ Nsele Trading 44 (Pty) Ltd (“Nsele”)/ Platinum Rhino Conservation Enterprise (previously named Buffalo Dream Ranch) (“Platinum Rhino”)

The Commission has unconditionally approved the proposed transaction whereby African Parks intends to acquire Nsele and Platinum Rhino.

The primary acquiring firm is African Parks. African Parks is a non-profit organisation (NPO). Consequently, African Parks has no shareholders.

African Parks takes on responsibility for the rehabilitation and long-term management of protected areas in partnership with governments and local communities. African Parks is not currently involved in the management and or protection of any such protected areas in South Africa. It does, however, support 22 parks located in various African jurisdictions.

The primary target firms are Nsele and Platinum Rhino.

Nsele is a company that provides security services exclusively to Platinum Rhino. Platinum Rhino is a privately owned rhino conservation enterprise located in the North-West Province that engages in the breeding and protection of over 1600 southern white rhinos to prevent the poaching and extinction of rhinos in South Africa. Platinum Rhino also engages in the lawful trade of rhino horns as well as the sale of game and livestock in South Africa.

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

1.4 Witzenberg Properties Proprietary Limited (“Witzenberg”)/ Crookes Brothers South Africa Proprietary Limited (“Crookes Brothers”)

The Commission has approved the proposed transaction whereby Witzenberg intends to acquire the deciduous fruit operations of Crookes Brothers, with conditions.

The primary acquiring firm is Witzenberg. Witzenberg is owned by the Pieter Graaff Family Trust. Witzenberg controls Ceres Potatoes Proprietary Limited, Ceres Fruit Growers Proprietary Limited, Ceres Group (RF) Proprietary Limited, and Leopont Properties Proprietary Limited. Witzenberg, all the firms it controls, and all the firms controlling Witzenberg, shall be referred to as the “Acquiring Group”.

Through Witzenberg, the Acquiring Group is an agricultural business and producer of pome fruit (pears and apples). Through its controlling interest in the Ceres Group, the Acquiring Group is also active in packaging, juice processing, and marketing of pome fruit for the South African and export markets.

The primary target firm is the deciduous fruit (pome fruit) operations of Crookes Brothers (“Target Enterprise”). The Target Enterprise is active in the following pome fruit value chain elements in South Africa: selling pome fruit into deciduous fruit packing, logistics, marketing and sales; and the processing of fruit not suitable for packing and marketing into concentrates (juice). The Target Enterprise produces pome fruit from the Ouwerf, Vyeboom, Dennebos and Belleview (Bellcro Farming) farms, which are all located in the EGV (Elgin-Grabouw-Villiersdorp) region of the Western Cape.

The Commission found that the proposed transaction is unlikely to result in substantial prevention or lessening of competition in any relevant markets.

The merging parties have agreed to a set of public interest conditions including ensuring that a certain amount of their procurement will be committed to Historically Disadvantaged Persons-owned firms. Further, Witzenberg will ensure that the farmworkers of the Target Enterprise will continue to participate in the Ithemba Elitsha Structure.

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

1.5 Spartan Truck Hire (Pty) Ltd (“Spartan”)/ Leopard Transport (Pty) Ltd (trading as Elite Truck Hire)

The Commission has approved the proposed transaction whereby Spartan intends to acquire Elite Truck Hire, with conditions.

The primary acquiring firm is Spartan. Spartan is controlled by Flowering Hydrangea Holdings (Pty) Ltd and Temo Capital 2 (Pty) Ltd. Spartan controls (directly and indirectly) several entities in South Africa, including Power Truck Hire (Pty) Ltd, Smart Truck Hire (Pty) Ltd, Anchor Auto Body Builders (Pty) Ltd, Fleet 101 (Pty) Ltd and Mango Logistics (Pty) Ltd. Spartan and all its subsidiaries will be collectively referred to as “Spartan”.

Spartan has eight branches nationally and provides the following services: (i) short-term rental of commercial vehicles, which involves the provision of a fleet of commercial vehicles ranging from 1-ton light delivery vehicles to larger horse and trailer combinations; (ii) full maintenance leasing (“FML”) services,

which encompasses the management of costs associated with the acquisition, maintenance and administration of a vehicle fleet, with fixed monthly payments spread over the lease period; (iii) forklift rental services, which involves the provision of rental services for forklifts of various sizes and variations; and (iv) dedicated contracts, which involves the provision of a fleet of commercial vehicles that are uniquely configured for a customer's specific needs.

The primary target firm is Elite Truck Hire. Elite Truck Hire wholly controls Leopard Line Haul (Pty) Ltd; Century Tanker Hire (Pty) Ltd and Local Bulk Haulage (Pty) Ltd. Elite Truck Hire and all its subsidiaries will be collectively referred to as "Elite Truck Hire".

Elite Truck Hire group's core activities include FML, short-term rental of commercial vehicles, forklift rental, water tanker rentals, and chemical transportation. Elite Truck Hire has 10 branches spread throughout South Africa.

The Commission found that the proposed transaction is unlikely to result in substantial prevention or lessening of competition in any relevant markets.

To promote a greater spread of ownership, the merging parties have agreed to establish an ESOP within 12 months of the implementation date. The Acquiring Group has further agreed to establish an owner-driver programme within 12 months of the implementation date.

To address employment concerns, the merged parties shall not retrench any employees as a result of the merger for a period of 24 months from the implementation date.

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

1.6 Bopa Moruo Erf 497 Proprietary Limited ("Bopa Moruo 497")/ Equites Property Fund Limited in respect of the rental enterprise known as Tunney Ridge ("Target Property")

The Commission has unconditionally approved the proposed transaction whereby Bopa Morua 497 intends to acquire the Target Property.

The primary acquiring firm is Bopa Moruo 497. Bopa Moruo 497 is controlled by Bopa Moruo Real Estate Fund Proprietary Limited ("Bopa Moruo Fund"). The Bopa Moruo Fund is managed by Bopa Moruo Private Equity Fund Managers Proprietary Limited ("Bopa Moruo Managers"). Bopa Muruo 497 and all the firms, directly and indirectly, controlling it and the firms controlled by its controlling shareholders will hereinafter collectively be referred to as the "Acquiring Group".

The Acquiring Group undertakes private equity activities and holds investments across industries such as property, manufacturing of furniture, packaging solutions, digital signage solutions, automotive, student accommodation, and freight services.

The primary target firm is an undivided share in a light industrial property rental enterprise known as Tunney Ridge ("Target Property"). The Target Property is a light industrial property situated at the corner of Pinnacle Close and Sam Green Road, Germiston, Gauteng comprising 13,802 m².

The Commission found that the proposed transaction is unlikely to result in 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)

Following its investigations, the Commission has decided not to refer the following matters to the Competition Tribunal for prosecution.

2.1 Jannie Du Toit v Blueflame Hardware and Gas (Pty) Ltd and Easigas (Pty) Ltd

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

2.2 Noor Sirkot v Megapak, a division of Nampak, and Mpack Plastics

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

2.3 Miguel do Rego, director of Plastic Ideas (Pty) Ltd v Nampak and Mpack

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

2.4 Anonymous v Nampak Rigids/Megapak - Quinten Swart

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

2.5 Anonymous v Afrox and Liquid Gas

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

2.6 Jacques R. Dippenaar v Discovery Bank and Vitality

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

2.7 South African Social and Economic Development Forum (SASEDF) v Absa Insurance Company, Old Mutual Insurance Ltd, Nedgroup Insurance Company Ltd, Standard Insurance Ltd

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

2.8 JJ Steyn v Discovery Health and other medical aids

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

2.9 Mike Dickinson v Dischem Pharmacy

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

2.10 Steven Siyabonga Ndlovu v FSCA's Supply Chain/Procurement

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

3. COMPLAINTS (WITHDRAWALS)

The Commission has accepted the withdrawal of the following case:

3.1 KRM Global Works (Pty) Ltd v Eskom SOC Ltd

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

[ENDS]

Issued by:

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