Media Statement
For Immediate Release
18 September 2023

STATEMENT ON THE LATEST DECISIONS BY THE COMPETITION COMMISSION

The Competition Commission of South Africa (CCSA) held its ordinary meeting on Tuesday, 12 September 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 K2012150042 (South Africa) (Pty) Ltd ("K2012")/ Old Mint (Pty) Ltd ("Old Mint") in respect of its ownership and direct control of the Target Property, Old Mint Industrial Park ("Target Property")

The Commission has recommended that the Competition Tribunal ("Tribunal") unconditionally approve the proposed transaction whereby K2012 intends to acquire the Target Property from Old Mint.

The primary acquiring firm is K2012. K2012 is controlled by Old Mutual Real Estate Holdings Company (Pty) Ltd ("OMREHC"). OMREHC is ultimately controlled by Old Mutual Limited ("OML"). K2012 and all the firms, directly and indirectly, controlling it and all the firms directly and indirectly controlled by it will hereinafter collectively be referred to as the "Acquiring Group".

The Acquiring Group, through its subsidiaries, is involved in the financial and insurance markets internationally and in South Africa. The Acquiring Group is also active in the property sector. The Acquiring Group, through K2012, already indirectly jointly controls the Target Property.

The primary target firm is Old Mint in respect of the Target Property. Old Mint is jointly controlled by K2012 and Atterbury Property Fund (Pty) Ltd ("Atterbury"). Old Mint is a property-owning company that owns and operates the Target Property, which comprises an industrial property park with a Gross Lettable Area (GLA) of 40,655 m^2 situated at Mint Street, Louwlardia, Centurion.

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.

1.2 Dis-Chem Distribution (Pty) Ltd ("Dis-Chem Distribution")/ Capital Propfund (Pty) Ltd ("Capital Propfund") in respect of Erf 137 Longmeadow Business Estate Extension 10 (the "Target Property")

The Commission has recommended that the Tribunal unconditionally approve the proposed transaction whereby Dis-Chem Distribution intends to acquire the Target Property from Capital Propfund.

The Primary Target Firm is Dis-Chem Distribution. Dis-Chem Distribution is wholly controlled by Dis-Chem Pharmacies Limited ("Dis-Chem"). Dis-Chem is not controlled by any individual shareholder or firm. Dis-Chem, Dis-Chem Distribution, and their subsidiaries will be referred to as "Dis-Chem".

Dis-Chem is a pharmacy group that operates more than 150 pharmacy stores located across South Africa. Dis-Chem also owns warehouses located in Cape Town (Western Cape), Delmas (Mpumalanga), and Pinetown (KwaZulu-Natal) which are used for its business operations.

The primary target firm is the Target Property, which is ultimately wholly controlled by Fortress Real Estate Investments Limited ("Fortress"), a public real estate investment company. The Target Property has a GLA of 62, 303m². 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.

1.3 Kuehne and Nagel (Pty) Ltd ("Kuehne and Nagel SA")/Morgan Cargo (Pty) Ltd ("Morgan Cargo"), Morgan Cargo (KZN) (Pty) Ltd ("Morgan Cargo (KZN)") and Morgan Cargo Express (Pty) Ltd ("Morgan Cargo Express")

The Commission has recommended that the Tribunal approve the proposed transaction whereby Kuehne and Nagels SA intends to acquire Morgan Cargo, Morgan Cargo (KZN), and Morgan Cargo Express, with conditions.

The primary acquiring firm is Kuehne and Nagel SA. Kuehne and Nagel SA is controlled by Kuehne + Nagel International AG ("Kuehne + Nagel International"), a company incorporated in terms of the laws of the Swiss Confederation. Kuehne and Nagel SA does not control any firms in South Africa. Kuehne + Nagel International, Kuehne and Nagel SA, and all their respective subsidiaries are hereinafter referred to as the "Acquiring Group".

The Acquiring Group is a global logistics provider. The Acquiring Group's activities include air logistics, sea logistics, road logistics, and warehousing and distribution.

The primary target firms are Morgan Cargo, Morgan Cargo (KZN), and Morgan Cargo Express, hereinafter referred to as the Target Firms. The Target Firms are controlled by Morgan Cargo Holdings (Pty) Ltd ("Morgan Cargo Holdings"). The Target Firms do not control any firms in South Africa. Morgan Cargo Holdings, the Target Firms, and all other subsidiaries are herein collectively referred to as the "Morgan Cargo Group".

The Morgan Cargo Group is a South African freight forwarding service provider. The Morgan Cargo Group provides these services with respect to both imported and exported goods via air and sea.

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

To address employment concerns, the Commission recommended that the Target Firms should not retrench any employee in South Africa as a result of the proposed transaction for three years.

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

1.4 N. Harris Computer Corporation ("Harris")/ Internet Filing Proprietary Limited ("Interfile") and Ionize Technology Proprietary Limited ("Ionize") ("Proposed Transaction")

The Commission has approved the proposed transaction whereby Harris intends to acquire Interfile and Ionize (collectively, the "Target Firms"), with conditions.

The primary acquiring firm is Harris, a private company registered in Canada. Harris is ultimately controlled by Constellation Software Inc. ("Constellation") which is a public company listed on the Toronto Stock Exchange and is thus not directly or indirectly controlled by any firm or individual. Constellation and all the firms it controls will be referred to as the "Acquiring Group".

The Acquiring Group provides vertical software solutions ("VSS") to various industries/customers. VSS are software offerings that are designed for a specific end-user in a particular industry. The Acquiring Group offers VSS to the private sector in South Africa.

The primary Target Firms are private companies that are controlled by an individual and have significant ownership by historically disadvantaged persons (HDPs). Through Interfile, the Target Firms provide VSS only to the public sector, to entities such as municipalities and government.

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

To promote the greater spread of ownership, the parties have agreed to a package of remedies including share ownership by workers, skills development, and support to firms owned by HDPs.

1.5 Boxwood Property Investment Fund GP Proprietary Limited ("Boxwood Fund")/ Equites Property Fund ("Equites") iro Equites Property Fund Limited in respect of a rental enterprise known as "Simba" and Galt Property One Proprietary Limited in respect of a rental enterprise known as "Assegaai Road"

The Commission has unconditionally approved the proposed transaction whereby Boxwood intends to acquire the light industrial properties known as Simba and Assegaai Road (Collectively the "Target Properties").

The primary acquiring firm is Boxwood Fund, the general partner of Boxwood Property Investment Fund ("Boxwood Investment") which is an *en commandite* partnership registered in South Africa. Boxwood Fund is ultimately owned by various HDPs and family trusts. Boxwood Fund, all the firms controlling it, and all the firms controlled by those firms will be referred to as the "Acquiring Group".

The Acquiring Group is a property investment fund with investments in retail, office, and light industrial property.

The primary target firms are comprised of an undivided share in each of the Target Properties ultimately controlled by Equites Property Fund ("Equites"). The Target Properties are located in Parow Industria, Cape Town.

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.

1.6 Saldomate Proprietary Limited ("Saldomate")/ Thungela Operations Proprietary Limited ("Thungela")

The Commission has unconditionally approved the proposed transaction whereby Saldomate intends to acquire a portion of the non-operational Landau Mining Right currently owned by Thungela.

The primary acquiring firm is Saldomate. Saldomate, is a non-operational company that owns a mining right. One of the shareholders of the Acquiring Firm owns a coal processing plant and associated equipment.

The primary target firm are assets that comprise a portion of a non-operational coal mining right as well as a coal processing plant located a few kilometres from Emalahleni, Mpumalanga Province.

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.

1.7 Heneken s.r.o ("Heneken")/ GfE-MIR Alloys and Minerals SA (Pty) Ltd ("the Target Firm")

The Commission has approved the proposed transaction whereby Heneken intends to acquire the Target Firm, with conditions.

The primary acquiring firm is Heneken, a limited liability company incorporated in the Slovak Republic. Heneken is a Slovakian entity and does not have any interest in any firm in South Africa.

Heneken is a supplier of non-ferrous metals, scrap, and master alloys globally. The majority of its products are sold within Europe. Of particular relevance to the proposed transaction is Heneken's production and supply of silicon metal and ferro-titanium as these products are also supplied by the Target Firm. Heneken produces silicon metal globally and does not produce or supply silicon metal in South Africa. Although Heneken has supplied ferro-titanium to the South African market in the past, it has not done so recently.

The Target Firm does not directly or indirectly control any other firm.

The Target Firm is involved in the importing, exporting, processing, sale and distribution of ores, minerals, alloys, and calcium aluminate. The Target Firm produces silicon metal and sells it through distributors locally and to the export market. The Target Firm does not produce ferro-titanium locally but imports it.

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 merged entity shall establish an Employee Share Ownership Programme (ESOP) for the benefit of qualifying workers. The Target Firm shall also continue to produce silicon metal in South Africa.

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

1.8 Novozymes A/S ("Novozymes")/ Chr Hansen Holding A/S ("CH Holding")

The Commission has approved the proposed transaction whereby Novozymes intends to acquire CH Holding, with conditions.

The primary acquiring firm, Novozymes, is a public company incorporated under the laws of the Kingdom of Denmark. Novozymes is a wholly owned subsidiary of Novo Holdings A/S ("Novo Holdings"). In South Africa, the following firms form part of the Novo Group: Novo Nordisk Proprietary Limited, Novozymes SA (Pty) Ltd, BBI Enzymes SA (Pty) Ltd and Vision Biotech (Pty) Ltd. Novozymes is a global biotechnology company which provides sustainable biological solutions for industrial and consumer use and is predominantly a manufacturer of industrial enzymes and, to a lesser extent, microorganisms (including probiotics and biologicals for plant health).

The primary target firm, CH Holding, is a public company incorporated under the laws of Denmark. CH Holding is publicly listed on the Nasdaq Copenhagen Stock Exchange.

CH Holding is a global, differentiated bioscience company that develops natural ingredients solutions for nutritional, pharmaceutical, and agricultural industries for various foods, beverages, dietary supplements, animal feed, and crop protection. In South Africa, each of these bioscience companies commercialises (licenses, brands, markets, supports), distributes and in some instances further beneficiate products that are imported from either their own global supply facilities or third parties.

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

To address public interest concerns, the merged entity shall invest in enterprise and supplier development, skills development and procurement from black-owned and black women-owned businesses.

1.9 Blantyre Capital Limited ("Blantyre Capital")/ Dynamic Commodities Holdings Proprietary Limited ("DCH") and DC Foods Proprietary Limited ("DC Foods")

The Commission has approved the proposed transaction whereby Blantyre Capital intends to acquire DCH, with conditions.

The primary acquiring firm is Blantyre Capital, a firm incorporated in the United Kingdom. In South Africa, Blantyre Capital controls Ster-Kinekor Theatres Proprietary Limited ("Ster-Kinekor"). Blantyre Capital, the entities and affiliates it directly and indirectly controls and the entities and affiliates that directly and indirectly control it will collectively be referred to as "Blantyre Capital".

The primary target firms are DCH and DC Foods (collectively the "Target Firms"). DCH is controlled by two individuals. DC Foods is jointly controlled by DCH and Invenfin Proprietary Limited, a subsidiary of Remgro Limited.

DC Foods is an export-driven business, which is active in the manufacturing and supply of high-quality frozen desserts and frozen fruit pieces. DC Foods' fruit products are exported to countries that include the United States of America, France, Australia, Japan, and various countries in Europe.

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

To address public interest concerns, conditions attached to the merger include that Blantyre Capital shall invest a set amount to increase the capacity of DC Foods' existing production facility near Gqeberha, Eastern Cape Province. Blantyre Capital shall also create a certain number of jobs. Blantyre Capital shall also ensure that a set percentage of the suppliers to DC Foods are HDP-owned businesses.

1.10 Stellenzicht Wines Proprietary Limited ("Stellenzicht")/Cruinneag Proprietary Limited ("Cruinneag")

The Commission has approved the proposed transaction whereby Stellenzicht intends to acquire Cruinneag, with conditions.

The primary acquiring firm, Stellenzicht, is wholly controlled by LVS Capital GmbH ("LVS"), a company incorporated in accordance with the laws of the Federal Republic of Germany. LVS is, in turn, wholly controlled by LVS Holding GmbH & Co. KG ("LVS Holding"), a limited partnership incorporated in accordance with the laws of Germany.

The LVS Group is active in the production of wines in South Africa and these activities are conducted through Alto, Ernie Els Wines, and Stellenzicht.

The primary target firm, Cruinneag, is wholly controlled by Paddington SA Proprietary Limited ("Paddington" or the "Seller").

Cruinneag owns a wine farmland (the Bilton wine farm) and equipment and agricultural assets, which are all currently leased to a tenant and sub-tenants. Cruinneag does not sell wine commercially and does not produce wines on any of the land it owns.

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

To address public interest concerns, the merging parties agreed not to retrench any employees as a result of the merger for a period of three years from the implementation date. The Acquiring Firm has further agreed to transfer ownership of newly built homes to qualifying employees who are employees of Cruinneag. The merging parties will also invest in the target firm to improve the international competitiveness of the firm in the global wine industry.

1.11 Capripack BidCo GmbH ("BidCo")/ Constantia Flexibles Holding GmbH ("Constantia Flexibles")

The Commission has unconditionally approved the proposed transaction whereby BidCo intends to acquire Constantia Flexibles.

The primary acquiring firm is BidCo, (previously known as Ea Zweihundertzehnte WT Holding GmbH), a firm incorporated in the Republic of Austria. BidCo is an investment holding company which is ultimately controlled by One Rock Capital Partners, LLC ("ORC"). BidCo, all firms that control BidCo (whether directly or indirectly), all firms controlled (whether directly or indirectly) by the firms controlling BidCo, and all firms controlled (whether directly or indirectly) by BidCo, will collectively be referred to as the "Acquiring Group".

In South Africa, the Acquiring Firm does not control any firms that provide any packaging products in competition with the target firm.

The primary target firm is Constantia Flexibles, a firm incorporated in Austria. In South Africa, Constantia Flexibles indirectly controls Afripack Proprietary Limited ("Afripack") and Afripack Consumer Flexibles Proprietary Limited ("Afripack Consumer Flexibles"), collectively referred to as Afripack SA.

Constantia Flexibles is a global producer of flexible packaging products with a portfolio of customers in the pharmaceutical and consumer industries. Flexible packaging products are made of non-rigid materials and includes bags, pouches, liners, wraps, roll stock, and other flexible products.

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 Agroberries Limited ("Agroberries")/ BerryWorld Group Holdings Limited ("BerryWorld")

The Commission approved the proposed transaction whereby Agroberries intends to acquire BerryWorld subject to conditions.

The primary acquiring firm is Agroberries, a firm based in the United Kingdom. Agroberries is controlled by AGB Global Partners, S.A. ("AGB Global Partners"), a company incorporated in terms of the laws of the Republic of Panama. AGB Global Partners is a holding company and does not have any activities in South Africa and/or controls any firms incorporated in South Africa. Agroberries, together with their controlled affiliates, are referred to as the "Acquiring Group".

Globally, Agroberries is active in the fresh berry industry as a producer and marketer of berries, with offices in the United States of America and in the Netherlands. Agroberries particularly specialises in blueberries, raspberries and blackberries.

The primary target firm is BerryWorld, a firm incorporated in the United Kingdom. The target firm directly or indirectly controls the following firms in South Africa: BerryWorld SA Proprietary Limited (“BerryWorld SA”) and BerryWorld Local Proprietary Limited (“BerryWorld Local”). The target firm is controlled by Poupart Holdings Limited which is, in turn, controlled by Poupart BerryWorld Holdings Limited, firms incorporated in the United Kingdom.

BerryWorld is active in international berry breeding and marketing, with global operations in the United Kingdom, the Netherlands, Spain, France, South Africa, and Australia. The target firm owns the rights to several berry varieties, which it develops and propagates through its breeding and plant management programmes. The target firm does not grow these berries itself, but contracts with local propagators and growers who cultivate, process and package the berries for the Target Firm to distribute and market.

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

To address public interest concerns, the merging parties have made a number of commitments related to education, training, skills development, and employment. The Commission further found that the proposed transaction does not raise any other public interest concerns.

1.13 All4Labels Management GmbH ("All4Labels Management”)/ First Impressions Labels SA (Pty) Ltd ("First Labels”)

The Commission has approved the proposed transaction whereby All4Labels Management intends to acquire First Labels, with conditions.

The primary acquiring firm is All4Labels Management. All4Labels Management is controlled by All4Labels HoldCo GmbH (“A4L HoldCo”). A4L HoldCo is in turn controlled by Triton Investment Fund V (“Triton”). All4Labels Management controls several firms globally. In South Africa, All4Labels Management controls All4Labels South Africa (Pty) Ltd (“A4L SA”). All4Labels Management, A4L HoldCo, Triton, and all the firms that they control shall be referred to as the “Acquiring Group”.

The Acquiring Group, through A4L SA, is a producer and supplier of self-adhesive labels and shrink sleeve labels. These labels are produced and supplied for use by retailers and brand owners of consumer goods, particularly fast-moving consumer goods in home and personal care, food and beverage, wine and spirits, pharma, industrials, and chemicals markets.

The primary target firm is First Labels. First Labels is controlled by Blackstar Holdings Group (Pty) Ltd (“Blackstar Holdings”). First Labels controls Capacity Holdings (Pty) Ltd (“Capacity Holdings”). First Labels and Capacity Holdings shall be referred to as the “Target Group”.

The Target Group is a producer and supplier of labels for use by retailers and brand owners of consumer goods, particularly fast-moving consumer goods. The main categories of labels supplied are (i) self-adhesive labels; (ii) shrink sleeves; (iii) film wraparound labels; and (iv) polyroll/base wrap labels.

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

To address employment concerns, the merging parties shall not effect any merger-specific retrenchments of the Merging Parties' employees (with the exception of certain affected employees) as a result of the merger for a period of 36 months following the implementation date as well as between approval date and implementation date.

To promote a greater spread of ownership, the merging parties will establish an ESOP for the benefit of qualifying workers. In addition, the parties committed to spending a particular amount on enterprise supplier development and preferential procurement from firms owned by HDPs.

1.14 Redsun Dried Fruit & Nuts (Pty) Ltd ("Redsun")/Desert Raisins (Pty) Ltd ("Desert Raisins")

The Commission has approved the proposed transaction whereby Redsun intends to acquire the assets of Desert Raisins, with conditions.

The primary acquiring firm is Redsun. Redsun is controlled by One Thousand & One Voices Africa 1 (Mauritius) Ltd ("1K1V") with the remaining shareholding held by One Thousand and One Voices Funding Solutions (Mauritius) ("1K1V Solutions"). 1K1V is wholly owned and controlled by One Thousand & One Voices Africa 1 Fund ("1K1V Fund"), which is ultimately controlled by an individual. Redsun wholly owns and controls Edidor 139 (Pty) Ltd, RTE Snacks (Pty) Ltd, and Redsun Property Vredendal (Pty) Ltd. Redsun, all the firms controlling it and all the firms controlled by those firms, will hereinafter be collectedly referred to as the "Acquiring Group".

The Acquiring Group is involved in a number of activities in the agricultural sector including processing and supply of raisins, pecans, and trout. Of relevance to this merger assessment are the Acquiring Group's raisin processing and supply activities in South Africa, which are conducted through Redsun. In that regard, the Acquiring Group operates a raisin processing factory located in Keimoes, Northern Cape. The Acquiring Group procures these raisins from local farmers and once processed, they are predominately sold to export markets.

The primary Target Assets are comprised of the raisin processing and packaging assets owned by Desert Raisins (the "Target Assets") including 31 591 raisin storage bins as well as raisin processing and packaging equipment with a processing capacity of 15 000 mt per annum. Desert Raisins is ultimately indirectly wholly owned by BKB Limited ("BKB"). The assets owned by Desert Raisins will be referred to as the Target Assets.

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

To address employment concerns, the Acquiring Firm undertakes to create 100 new jobs within the Acquiring Firm within seven years of the implementation date. The Acquiring Firm will also invest in the commissioning of a new factory.

[ENDS]

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