



Media Statement

For Immediate Release

30 January 2025

STATEMENT ON THE LATEST DECISIONS BY THE COMPETITION COMMISSION

The Competition Commission of South Africa (CCSA) held its ordinary meeting on Tuesday, 28 January 2025, 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 Lactalis South Africa Proprietary Limited (“Lactalis SA”)/ Vista 24 Proprietary Limited (“Vista 24”)

The Commission has recommended that the Competition Tribunal (“Tribunal”) approves the proposed transaction whereby Lactalis SA intends to acquire Vista 24, with conditions.

The primary acquiring firm, Lactalis SA, is ultimately controlled by B.S.A. SAS (“BSA”), a company duly incorporated and registered in accordance with the laws of the French Republic. Lactalis SA and all the firms controlling it will collectively be referred to as the “Acquiring Group”.

The Acquiring Group is a global dairy company with operations in 94 countries across the world. In South Africa, the Acquiring Group is active in the production and sale of dairy products, juice and other food products under the following brands: Parmalat, Bonnita, Melrose, Steri Stumpie, Purejoy, President, Galbani, EasyGest, Cabana and Aylesbury.

The primary target firm, Vista 24, is controlled by Nestlé (South Africa) Proprietary Limited (“Nestlé ZA”). Nestlé ZA is ultimately controlled by Nestlé S.A., a company incorporated in terms of the laws of Switzerland.

Vista 24 is a newly formed special purpose vehicle that has been created to solely house the Cremora business which was carved out from Nestlé.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any relevant market.

To address public interest concerns, the Merging Parties shall not retrench any employees at the Merging Parties as a result of the merger. In addition, the Merging Parties will ensure the Target Firm will increase their procurement from historically disadvantaged persons (HDPs).

1.2 Lesaka Technologies Proprietary Limited (“Lesaka SA”) / Recharger Proprietary Limited (“Recharger”)

The Commission has approved the proposed transaction whereby Lesaka SA intends to acquire Recharger, with conditions.

The primary acquiring firm, Lesaka SA, is controlled by Lesaka Technologies Inc. (“Lesaka USA”). Lesaka USA is listed on the Nasdaq and Johannesburg Stock Exchange (JSE) and is not controlled by any single shareholder.

The Lesaka Group is active in financial technology markets and utilises its proprietary banking and payment technologies to deliver financial services solutions and software to consumers and merchants in Southern Africa.

The primary target firm is Recharger which is ultimately controlled by a trust. Recharger is a prepaid electricity vending and sub-metering business that provides prepaid electricity solutions to landlords across South Africa.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market.

To address concerns raised by market participants, the Acquiring Group shall provide hardware security modules and services to third party customers at the same fees that it charges its own vertically integrated subsidiaries. To address public interest concerns, qualifying workers will be included as beneficiaries in an employee share ownership programme (ESOP) established by the Acquiring Firm.

1.3 JBSA Props (Pty) Ltd (“JBSA”) / Corvest 6 (Pty) Ltd (“Corvest 6”) in respect of its shareholding in R&A Administration of Property (Pty) Ltd (“R&A Admin”)

The Commission has approved the proposed transaction whereby JBSA intends to acquire R&A Admin, with conditions.

The primary acquiring firm, JBSA, is wholly owned by a family trust. JBSA, its controlling entities, the firms controlled by its controlling entities and the entities it controls, will hereafter be collectively referred to as the “Acquiring Group”.

The Acquiring Group is involved in the leasing of fixed property including retail, office, industrial and residential developments. Of relevance to the proposed transaction is the Acquiring Group’s portfolio of retail and office properties in Pietermaritzburg.

The primary target firm is Corvest 6 in respect of its shareholding in R&A Admin.

The Target Firm in turn controls the following target properties located in Pietermaritzburg: (i) a retail property known as Town Bush Office Park; (ii) office property known as Cascades Lifestyle Centre; and (iii) an office property known as 3 On Crescent.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market.

To address public interest concerns, the Acquiring Firm has made commitments to procure various services from HDPs.

1.4 SPAR Group Limited (“SPAR Group”) / 3MP Sales and Education Services CC (“3MP Sales”) in respect of SPAR & TOPS Caledon (“Target Firm”)

The Commission has approved the proposed transaction whereby the SPAR Group intends to acquire the Target Firm from 3MP Sales, without conditions.

The primary acquiring firm is SPAR Group. SPAR Group is listed on the JSE and is not controlled by any single shareholder.

The SPAR Group operates predominately as a wholesaler of grocery and liquor to independent retailers who are members of the SPAR Guild of Southern Africa NPC (“SPAR Guild”). The SPAR Group also operates SPAR Distribution Centres, which distribute grocery and liquor products to the SPAR Guild members. In addition, the SPAR Group is a retailer of groceries and liquor through SPAR branded stores.

The Target Firm is SPAR & TOPS Caledon. The Target Firm is currently owned by 3MP Sales.

The Target Firm is located in Caledon, Western Cape and operates as a grocery and liquor retailer.

The Commission is of the view that the proposed transaction is unlikely to substantially lessen or prevent competition in any market.

SPAR Group undertakes to prioritise the consideration of HDP purchasers in its deliberations to on-sell SPAR & TOPS Caledon. SPAR Group further undertakes to continue procuring from SPAR & TOPS Caledon's non-contract independent suppliers in accordance with the pre-merger arrangements and subject to those suppliers meeting SPAR Group's product standards.

1.5 Surgical Devices South Africa Proprietary Limited (“Acquiring Firm”) / Surgical and medical business (“Target Business”) of Surgical Devices CC (“Surgical Devices”)

The Commission has approved the proposed transaction whereby the Acquiring Firm intends to acquire the Target Business of Surgical Devices, without conditions.

The Acquiring Firm is jointly controlled by (i) Kleoss Capital BBGF Subco (RF) Proprietary Limited (“BBGF Subco”), and (ii) Kleoss Fund II Partnership, a South African en commandite Partnership (“KF II”). An en commandite partnership is a business structure where some partners have limited liability.

The Target Business is a business division of Surgical Devices. Surgical Devices is jointly controlled by two individuals. The Target Business does not directly or indirectly control any firm.

The Target Business is a specialist surgical distribution entity focusing on laparoscopic surgery, with key specialities being gynaecology, general surgery, urology, cardiology and thoracic surgery. The Target Business also sources and supplies cost-effective disposable surgical devices to medical institutions (such as private hospital groups) in South Africa. These surgical devices are laparoscopic disposable access devices, manual open and laparoscopic stapling devices, electrosurgical devices, mesh, sutures, glue and haemostatic devices, and xagent.

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

1.6 Abakhulu Investments (Pty) Ltd (“Abakhulu”) / Centlube (Pty) Ltd (“Centlube”), Zestcor Eleven (Pty) Ltd (“Zestcor”) and Ingwe Lubricants (Pty) Ltd (“Ingwe Lubricants”)

The Commission has approved the proposed transaction whereby Abakhulu intends to acquire Centlube, Zestcor and Ingwe Lubricants, without conditions.

The primary acquiring firm, Abakhulu, is jointly controlled by two individuals. Abakhulu is a newly incorporated firm which was established for the purposes of the proposed transaction and thus does not control any firm.

The primary target firms are (i) Centlube, (ii) Zestcor and (iii) Ingwe Lubricants.

Centlube is a provider of lubricant solutions in Southern Africa wherein it blends, markets and distributes a wide range of lubricants, greases, industrial fluids and magnetic filtration systems. Zestcor is a petrochemical sales, marketing, procurement and supply chain management company. Zestcor also supplies base oils. Ingwe Lubricants owns the Cera blending plant used for the blending of lubricants.

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

[ENDS]

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