Media Statement
For Immediate Release
10 September 2026

STATEMENT ON THE LATEST DECISIONS BY THE COMPETITION COMMISSION

The Competition Commission of South Africa ("Commission") held its ordinary meetings on Tuesday 08 September 2026, to review and make decisions on matters brought before the Commission by members of the public and corporate applicants, in terms of the Competition Act (Act No. 89 of 1998), as amended. These matters include, but are not limited to, complaints, mergers, and acquisitions.

1. MERGERS AND ACQUISITIONS

1.1 UPM-Kymmene Corporation ("UPM") and Sappi Limited ("Sappi")/UPM's communication paper operations in Europe and the United States of America ("UPM Contributed Business") and Sappi's communication paper operations in Europe ("Sappi Contributed Business")

The Commission has recommended that the Competition Tribunal approves the proposed transaction in which UPM and Sappi will establish a joint venture ("JV") comprising the UPM Contributed Business and the Sappi Contributed Business, without conditions.

The primary acquiring firms are UPM and Sappi. Relevant for competition assessment in this merger are UPM's and Sappi's communication paper businesses. The proposed merger involves the creation of the JV to which UPM will contribute its European and American communication paper activities, and Sappi will contribute its communication paper activities in Europe. For ease of reference, communication paper will be referred to as "graphic paper".

UPM is not owned or controlled by any single individual or firm.

UPM is a global materials solutions company that produces and markets renewable products and primarily serves business customers in the graphic paper, packaging, labelling, and speciality paper sectors. Its direct presence in South Africa is limited mainly to its adhesive materials business.

Sappi is not owned or controlled by any single individual or firm. Sappi controls several firms globally.

Sappi is a global manufacturer of renewable wood fibre-based materials. Sappi supplies wood pulp, biomaterials and a range of paper products, including packaging, communication, label, release and dye sublimation papers. Sappi's global manufacturing footprint includes its production facilities in Europe, North America and Southern Africa. Sappi primarily supplies business customers in the graphic paper, packaging, label, textile and specialised product sectors.

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

1.2 Akzo Nobel N.V. ("Akzo")/ Axalta Coating Systems Ltd. ("Axalta")

The Commission has approved the proposed transaction whereby Akzo intends to acquire Axalta, with conditions.

The primary acquiring firm is Akzo, a public firm established under the laws of the Netherlands. Akzo controls several firms globally. In South Africa, Akzo controls two firms, AkzoNobel South Africa Proprietary Limited and ICI Dulux Proprietary Limited. Akzo and all the firms controlled by Akzo are collectively referred to as the "Acquiring Group".

The Acquiring Group is a multinational group that manufactures and sells paints and coatings (decorative and performance) for consumer and industrial use. The Acquiring Group specialises in the production and marketing of a wide range of paints and coatings for professional, do-it-yourself markets and industrial end users.

The primary target firm is Axalta, a firm established under the laws of Bermuda. Axalta controls several firms globally. In South Africa, Axalta controls Axalta Coating Systems South Africa Proprietary Limited. Axalta jointly controls Axalta Plascon Proprietary Limited which is a joint venture with Kansai Plascon Africa Limited ("JV"). Axalta and all the firms it controls are collectively referred to as the "Target Group".

The Target Group manufactures, markets and distributes high-performance coating systems and products, including vehicle refinish and coatings for vehicles, electric motors and building facades.

To address the competition concerns from the proposed merger, the merger parties agreed to conditions aimed at safeguarding the JV's independence and preventing the exchange of competitively sensitive information through it.

To address public interest concerns, the merger parties agreed to commitments relating to an employment moratorium, local production, capital investment and skills development initiatives.

1.3 Flo-Tek Industries Proprietary Limited ("Flo-Tek Industries")/ Marley Holdings Proprietary Limited ("Marley Holdings")

The Commission has approved the proposed transaction whereby Flo-Tek Industries intends to acquire Marley Holdings, with conditions.

The primary acquiring firm is Flo-Tek Industries, a private company incorporated under the laws of Botswana. Flo-Tek Industries is not directly or indirectly controlled by any firm(s). Flo-Tek Industries owns and controls several firms in South Africa. Flo-Tek Industries and its subsidiaries, including will collectively be referred to as the "Acquiring Group".

The Acquiring Group is active in the manufacture and supply of polyvinyl chloride ("PVC") pipes and fabricated fittings and high-density polyethylene ("HDPE") pipes and fittings.

The primary target firm, Marley Holdings, is a wholly owned subsidiary of Glynwed Overseas Holdings Limited. Marley Holdings and the firms it controls are collectively referred to as the "Target Group".

The Target Group manufactures and supplies PVC pipes, including rainwater pipes, and fittings. It does not manufacture HDPE pipes or fittings but supplies third-party HDPE pipe and compression fittings on an ad hoc and insignificant basis. The Target Group has a limited presence in the agriculture sector, where it offers a minor range of third-party products, including compression fittings, small-bore HDPE pipes and flexible hoses. It serves customers across South Africa through its own supply chain, particularly in the pluming and drainage segment, and has warehouses and depots in various areas across the country.

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 parties have agreed to conditions that include a moratorium on merger specific retrenchments, local manufacturing, and procurement from historically disadvantaged persons/small micro and media enterprise service providers for a set period.

1.4 Foxtrott BidCo GmbH ("Foxtrott")/ Flender Group GmbH ("Flender")

The Commission has approved the proposed transaction whereby Foxtrott intends to acquire Flender, without conditions.

The primary acquiring firm is Foxtrott. Foxtrott is a limited liability company incorporated in accordance with the laws of Germany. Foxtrott is indirectly controlled by Triton Fund 6 GP SARL, whose sole direct shareholder is Triton GP HoldCo II SARL, a company registered in Luxembourg. Foxtrott, all the firms which it directly and indirectly controls together with all the firms directly and indirectly controlling it will collectively be referred to as the "Acquiring Group".

The Acquiring Group is an investment fund dedicated to investing in medium-sized companies headquartered in Central and Northern Europe, operating across different markets, with a particular focus on three core sectors: Industrial Technology, Consumer Goods, and Healthcare.

The primary target firm is Flender, a limited liability company incorporated in accordance with the laws of Germany. Flender is a wholly owned subsidiary of CEP V Investment 9 S.à r.l., a limited liability company incorporated under the laws of Luxembourg. Flender and all the firms which it controls will collectively be referred to as "the Target Group".

Globally, the Target Group develops, manufactures, sells and services wind turbine components, including gearboxes and generators, as well as industrial gears, turbo gears and couplings, supported by retrofit, repair, monitoring, field and spare-parts services across various sectors.

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.

1.5 Rema Tip Top Holding South Africa (Pty) Ltd ("RTT")/ Ubusisiwe Ukuphila (Pty) Ltd ("Ubusisiwe")

The Commission has approved the proposed transaction whereby RTT intends to acquire Ubusisiwe, without conditions.

The primary acquiring firm, RTT, is ultimately controlled by OWG Beteiligungs AG, a company incorporated in Germany. RTT, all the firms controlled by it, all the firms controlling it and all the firms controlled by the firms that control it are collectively referred to as the "Acquiring Group".

Relevant to the proposed merger, the Acquiring Group (excluding its interest in the primary target firm) manufactures conveyor belts in South Africa. However, the conveyor belts manufactured by the Acquiring Group in South Africa are not distributed into the South African market.

The primary target firm, Ubusisiwe, is controlled by RTT and a trust. Ubusisiwe holds an interest in Mbense Sosibo Investment Holdings (Pty) Ltd. Ubusisiwe and all the firms controlled by it are collectively referred to as the "Target Group".

The Target Group manufactures, supplies and distributes conveyor belts primarily in South Africa. The Target Group also provides ancillary services relating to the servicing and maintenance of conveyor belts in South Africa.

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.

2. COMPLAINTS (NON-REFERRALS)

2.1 Abbey Tshephe v Ms. T Matshaba/ Ms. D Ngakantsi, Northwest Department of Health

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

2.2 Outdoor Investment Holdings (Pty) Ltd v Awesome Tools Distributors (Pty) Ltd

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

2.3 Alpha Damme (Pty) Ltd v Compensation Fund

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

2.4 Lebohang Katleho Molaba v Smart Locksmith

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

2.5 Kavi Pitampersad v Takelot

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

2.6 Dr Kudakwashe Magwedere v Department of Forestry, Fisheries and Environment

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

[ENDS]

Issued by:
Siyabulela Makunga, Spokesperson
On behalf of: The Competition Commission of South Africa
Tel: 067 421 9883
Email: SiyabulelaM@compcom.co.za

<u>Find us on the following social media platforms:</u>

X: @CompComSA
Instagram: Competition Commission SA
Facebook, LinkedIn and YouTube: The Competition Commission South Africa