



COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No: LM231Jan19

In the matter between:

Main Street 783 (Pty) Ltd

Primary Acquiring Firm

And

Makhugiso Investment (Pty) Ltd

Primary Target Firm

Panel	:	Yasmin Carrim (Presiding Member)
	:	Mondo Mazwai (Tribunal Member)
	:	Andiswa Ndoni (Tribunal Member)
Heard on	:	20 February 2019
Order Issued on	:	20 February 2019
Reasons Issued on	:	02 April 2019

Reasons for Decision

Approval

- [1] On 20 February 2019, the Competition Tribunal ("Tribunal") unconditionally approved the transaction involving Main Street 783 (Pty) Ltd and Makhugiso Investments (Pty) Ltd.
- [2] The reasons for approving the proposed transaction follow.

Parties to the proposed transaction

Primary acquiring firm

- [3] The primary acquiring firm is Main Street 783 (Pty) Ltd (“Main Street”), a firm incorporated in accordance with the laws of the Republic of South Africa. Main Street is 100% controlled by Thebe Investment Corporation (Pty) Ltd (“Thebe”).
- [4] Thebe is jointly controlled by Batho Trust, Main Street 1485 (Pty) Ltd, Main Street 1547 (Pty) Ltd, Sanlam Life Insurance Ltd and Umhlobo Equity Participation (Pty) Ltd.
- [5] Thebe is an investment holding company that has investments mainly in tourism, mining resources, infrastructure, renewable energy, petrochemicals, telecommunications, financial services and healthcare.
- [6] Thebe controls Pride Milling Company (Pty) Ltd, GROW Fresh Produce Agents (Pty) Ltd and HarvestFresh Farms (Pty) Ltd.

Primary target firm

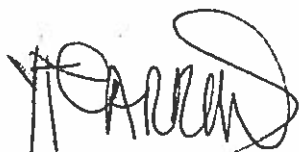
- [7] The primary target firm is Makhugiso Investment (Pty) Ltd (Makhugiso), a firm incorporated in terms of the company laws of South Africa. Makhugiso holds 59% of the entire issued share capital of Compass Group Southern Africa (Pty) Ltd (“Compass SA”).
- [8] Makhugiso, is wholly-owned subsidiary of Compass Group Holdings PLC (“Compass Holdings”), which is ultimately controlled by Compass Group PLC (“Compass SA”). Compass Group Holdings directly and indirectly controls several entities, including Compass Group Southern Africa (Pty) Ltd, Supercare Services Group (Pty) Ltd and Supercare Hygiene (Pty) Ltd.

Public interest

[14] The merging parties confirmed that the proposed transaction will have no adverse effect on employment in South Africa and does not raise any other public interest concerns.¹

Conclusion

[15] In light of the above, we concluded that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market. In addition, no public interest issues arise from the proposed transaction. Accordingly, we approved the proposed transaction unconditionally.



Ms Yasmin Carrim

Ms Mondo Mazwai and Andiswa Ndoni concurring

02 April 2019

DATE

Tribunal Case Manager : Ms Busisiwe Masina
For the merging parties : Mr Nkonzo Hlatshwayo of Hogan Lovells
For the Commission : Mr Tumiso Loate

¹ Merger Record, pages 17.