



**COMPETITION TRIBUNAL
REPUBLIC OF SOUTH AFRICA**

Case No.: LM031May24

In the matter between:

Luvon Investments (Pty) Ltd

Primary Acquiring Firm

And

Vergelegen Property Investment (Pty) Ltd

Primary Target Firm

Panel:	L Mncube (Presiding Member) G Budlender (Tribunal Member) T Vilakazi (Tribunal Member)
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Heard on:	26 June 2024
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Decided on:	27 June 2024
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ORDER

Further to the recommendation of the Competition Commission in terms of section 14A(1)(b)(ii) of the Competition Act, 1998 (“the Act”) the Competition Tribunal orders that–

1. the merger between the abovementioned parties be approved subject to the conditions set out in “**Annexure A**” in terms of section 16(2)(b) of the Act; and
2. a Merger Clearance Certificate be issued in terms of Competition Tribunal Rule 35(5)(a).

**Presiding Member
Prof. Liberty Mncube**

27 June 2024

Date

Concurring: Prof. Imraan Valodia and Prof. Thando Vilakazi



competitiontribunal
SOUTH AFRICA

Merger Clearance Certificate

Date : 27 June 2024

To : KallyCO Attorneys

Case Number: LM031May24

Luvon Investments (Pty) Ltd And Vergelegen Property Investment (Pty) Ltd

Notice CT 10

About this Notice

This notice is issued in terms of section 16 of the Competition Act.

You may appeal against this decision to the Competition Appeal Court within 20 business days.

You applied to the Competition Commission on **30 April 2024** for merger approval in accordance with Chapter 3 of the Competition Act.

Your merger was referred to the Competition Tribunal in terms of section 14A of the Act or was the subject of a Request for consideration by the Tribunal in terms of section 16(1) of the Act.

After reviewing all relevant information, and the recommendation or decision of the Competition Commission, the Competition Tribunal approves the merger in terms of section 16(2) of the Act, for the reasons set out in the Reasons for Decision.

This approval is subject to:

no conditions.

the conditions listed on the attached sheet.

The Competition Tribunal has the authority in terms of section 16(3) of the Competition Act to revoke this approval if

- a) it was granted on the basis of incorrect information for which a party to the merger was responsible.
- b) the approval was obtained by deceit.
- c) a firm concerned has breached an obligation attached to this approval.

Contacting the Tribunal

The Competition Tribunal
Private Bag X24
Sunnyside
Pretoria 0132
Republic of South Africa
tel: 27 12 394 3300
fax: 27 12 394 0169
e-mail: ctsa@comptrib.co.za

The Registrar, Competition Tribunal

ANNEXURE A

IN THE MERGER INVOLVING:

LUVON INVESTMENTS PROPRIETARY LIMITED
(REGISTRATION NUMBER:2008/007386/07)

AND

VERGELEGEN PROPERTY INVESTMENT PROPRIETARY LIMITED
(REGISTRATION NUMBER: 2021/393958/07)

CONDITIONS

1. DEFINITIONS

Unless inconsistent with the context, the words and expressions set forth below shall bear the following meanings and cognate expressions shall bear corresponding meanings:

- 1.1 “**Acquiring Firm**” means Luvon Investments Proprietary Limited (Registration Number:2008/007386/07);
- 1.2 “**Ancillary Services**” means any outsourced services in relation to the business of the Vergelegen Plein Shopping Centre including but not limited to gardening, security, maintenance, parking and/or cleaning services;
- 1.3 “**Approval Date**” means the date on which the Merger is approved in terms of the Competition Act;
- 1.4 “**Commission**” means the Competition Commission of South Africa;
- 1.5 “**Competition Act**” means the Competition Act, No. 89 of 1998, as amended;

- 1.6 “**Compliance Period**” means a period of 5 (five) years following the Implementation Date;
- 1.7 “**Conditions**” means these conditions as set out in this Annexure A;
- 1.8 “**Day**” means any calendar day which is not a Saturday, a Sunday or an official public holiday in South Africa;
- 1.9 “**HDPs**” means historically disadvantaged persons within the meaning of section 3(2) of the Competition Act;
- 1.10 “**HDP-owned**” means owned as to, at least, 50% plus 1 share by HDP(s);
- 1.11 “**Implementation Date**” means the date, occurring after the Approval Date, on which the Merger is implemented by the Merging Parties in South Africa;
- 1.12 “**Merging Parties**” means the Acquiring Firm and the Primary Target Firm;
- 1.13 “**Merger**” means the proposed acquisition by the Acquiring Firm of control in the Primary Target Firm as notified to the Commission under case number: 2024Apr0061 and Tribunal under case number: LM031May24;
- 1.14 “**Primary Target Firm**” means Vergelegen Property Investment Proprietary Limited (Registration Number: 2021/393958/07);
- 1.15 “**South Africa**” means the Republic of South Africa;
- 1.16 “**Tribunal**” means the Competition Tribunal of South Africa, a statutory body established in terms of section 26 of the Competition Act;
- 1.17 “**Tribunal Rules**” means the Rules for the Conduct of Proceedings in the Tribunal; and
- 1.18 “**Vergelegen Plein Shopping Centre**” means the shopping centre owned by the Primary Target Firm, situated at c/o Sir Lowry’s Pass and Bizweni Road, Somerset West.

2. CONDITIONS IMPOSED

- 2.1. The Primary Target Firm shall appoint HDP-owned firms to undertake Ancillary Services with a value of no less than R6 000 000 (six million Rand) over the duration of the Compliance Period.
- 2.2. In fulfilment of the terms in clause 2.1 above, the Primary Target Firm shall spend no less than R1 200 000 (one million and two hundred thousand Rand) per annum, over the duration of the Compliance Period, on the procurement of Ancillary Services from HDP-owned firms.

3. MONITORING OF COMPLIANCE WITH THE CONDITIONS

- 3.1. The Merging Parties shall inform the Commission of the Implementation Date within 5 (five) Days of it becoming effective.
- 3.2. The Merging Parties shall within 30 (thirty) Days of each anniversary date of the Implementation Date up until the 5th (fifth) anniversary of the Implementation Date, provide a suitable and appropriately detailed annual compliance report to the Commission regarding compliance with the Conditions.
- 3.3. The annual compliance report referred to in paragraph 3.2 above, shall be accompanied by an affidavit (deposed to by a senior official of the Primary Target Firm) confirming the accuracy of the information contained therein.
- 3.4. The Commission may request additional information from the Merging Parties, which the Commission may reasonably deem necessary for the purposes of monitoring the extent of compliance with these Conditions.

4. APPARENT BREACH

Should the Commission receive any complaint in relation to non-compliance with the above Conditions, or otherwise determine that there has been an apparent breach by the Merging Parties of these Conditions, the breach shall be dealt with in terms of Rule 39 of the Rules for the Conduct of Proceedings in the Commission read together with Rule 37 of the Rules for the Conduct of Proceedings in the Tribunal.

5. VARIATION

The Merging Parties and/or the Commission may at any time, on good cause shown and on notice to the other, apply to the Tribunal for any of the Conditions to be waived, relaxed, modified or substituted.

6. GENERAL

All correspondence in relation to these Conditions must be submitted to the following email addresses: mergerconditions@compcom.co.za and ministry@thedtic.gov.za.