



COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No: LM013Apr25

In the matter between:

New Seasons Security Services Proprietary Limited

Primary Acquiring Firm

and

Fidelity Services Group Proprietary Limited

Primary Target Firm

Panel:	I Valodia (Presiding Member) A Ndoni (Tribunal Member) G Budlender (Tribunal Member)
Heard on:	10 June 2025
Decided on:	11 June 2025
Reasons issued on:	25 June 2025

REASONS FOR DECISION

Introduction

- [1] On 11 June 2025, the Competition Tribunal ("Tribunal") unconditionally approved a large merger in which New Seasons Security Services Proprietary Limited ("NSSS") intends to acquire [REDACTED]% of the issued share capital of Fidelity Services Group Proprietary Limited ("Fidelity"). The remaining [REDACTED]% will be held by a new company yet to be registered ("Holdco"). NSSS will be wholly owned by Holdco. Pursuant to the implementation of the merger, NSSS will exercise sole control over Fidelity.

Parties to the transaction and their activities

Primary acquiring firm

- [2] The primary acquiring firm is NSSS, an investment holding entity incorporated under the laws of the Republic of South Africa. NSSS is currently not controlled by any firm.
- [3] NSSS was created specifically to hold an [REDACTED] % interest in Fidelity. NSSS does not conduct any business activities and does not control any firms.
- [4] Post the implementation of the proposed transaction, NSSS will be wholly owned and controlled by a new holding company, Holdco, which in turn will be held by various current shareholders, none of which will control Holdco.
- [5] NSSS, all the firms controlling NSSS and all the firms controlled by those firms are collectively referred to as the “Acquiring Group”. The Acquiring Group does not conduct any commercial activities.

Primary target firm

- [6] The primary target firm is Fidelity, a provider of a wide range of security and ancillary services throughout South Africa. Fidelity is not controlled by any firm.
- [7] Fidelity controls various firms in South Africa including Fidelity Cleaning and Hygiene Services Proprietary Limited and Fidelity ADT and Technical Proprietary Limited which provide cleaning and hygiene services and technical/electronic security services, respectively.
- [8] Fidelity’s key business areas include guarding services, technical and electronic security solutions, cleaning and sanitary services, cash solutions (such as cash in transit and processing), monitoring and response services, among others.

integration as NSSS is an investment entity without commercial operations, and Fidelity is a provider of security and related services.

In light of the above, we concluded that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in any relevant market.

Public interest assessment

Effect on Employment

[13] The merging parties confirmed that the proposed transaction will not have any adverse impact on employment. In particular, there will be no retrenchments or job losses that will arise from the proposed transaction.

[14] In light of the above, we conclude that the proposed merger is unlikely to raise any employment concerns.

Promotion of a greater spread of ownership

[15] Fidelity is currently [REDACTED] % owned by HDPs, and this level of empowerment will be maintained post-merger since the transaction involves the same shareholders reorganizing their interests. NSSS and Holdco do not have any HDP ownership, but as the transaction does not reduce Fidelity's HDP ownership, there is a de minimis impact on empowerment. The Commission found no need for further interventions in this regard. We have no basis to disagree with the Commission's conclusion.

[16] In light of the above, we are of the view that the proposed transaction is unlikely to have a negative impact on employment or the promotion of a greater spread of ownership.

[17] The proposed transaction does not raise any other public interest issues.

Third parties' views

[18] No third parties raised any concerns regarding the proposed transaction

Conclusion

[19] For the reasons set out above, we are satisfied that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market.

[20] We, accordingly, approved the proposed transaction unconditionally.

Signed by: Imraan Valodia
Signed at: 2025-06-25 12:53:27 +02:00
Reason: Witnessing Imraan Valodia

Imraan Valodia

25 June 2025

Presiding Member

Date

Prof. Imraan Valodia

Ms Andiswa Ndoni and Adv. Geoff Budlender SC concurring.

Tribunal Case Manager:

Bobedi Seleke

For the Merging Parties:

Albert Aukema and Reece May of Cliffe Dekker
Hofmeyr Inc.

For the Commission:

Wiri Gumbie and Nomonde Mbali