



COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No.: LM030May25

In the matter between:

Tyme Bank Limited

Primary Acquiring Firm

And

Sanlam Personal Loans Proprietary Limited

Primary Target Firm

Panel	:	T Vilakazi (Presiding Member)
	:	G Budlender (Tribunal Member)
	:	A Ndoni (Tribunal Member)
Heard on	:	30 July 2025
Order issued on	:	30 July 2025
Reasons issued on	:	15 August 2025

REASONS FOR DECISION

Introduction

- [1] On 30 July 2025, the Competition Tribunal (“Tribunal”) unconditionally approved the large merger wherein Tyme Bank Limited (“Tyme Bank”) intends to acquire (i) 50% of the shares in Sanlam Personal Loans Services (Pty) Ltd to be renamed SanlamTyme JVCO (Pty) Ltd (“SanlamTyme”), and (ii) 50% of a portfolio of unsecured personal loans originated and held by Sanlam Personal Loans (Pty) Ltd (“SPL”), hereafter referred to as the “SPL Sale Loan Book”.
- [2] On completion of the proposed transaction, SanlamTyme and SPL Sale Loan Book will jointly be controlled by Tyme Bank Limited and Sanlam Limited (“Sanlam”).

Parties and their activities

Primary acquiring firm

- [3] The primary acquiring firm, Tyme Bank, is a public company and commercial bank duly registered in terms of the laws of South Africa.
- [4] Tyme Bank is a wholly owned subsidiary of Tyme Bank Holdings ("Tyme Bank Holdings"). Tyme Bank Holdings is in turn controlled by Tyme SA Holdings (Pty) Ltd ("Tyme SA Holdings")¹ and Tyme Group Pte. Ltd ("Tyme Group"), a company duly incorporated under the laws of Singapore.² Tyme SA Holdings is controlled by African Rainbow Capital Financial Services Holdings (Pty) Ltd (ARC FSH).
- [5] Tyme Bank does not control any firm. Tyme Bank, its controllers and all entities owned and controlled by its controllers will henceforth be collectively referred to as the "Tyme Group".
- [6] Tyme Bank is a commercial bank providing unsecured personal loans and personal and business banking services.

Primary target firm

- [7] The primary target firms are:
- 7.1. SPL Sale Loan Book, an unsecured loan book business of SPL; and
 - 7.2. SanlamTyme, a company duly incorporated in terms of the laws of the Republic of South Africa.
- [8] SanlamTyme and SPL Sale Loan Book are controlled by SPL. SPL is wholly owned and controlled by Sanlam Life Insurance Limited. Sanlam Life is ultimately controlled by Sanlam, a JSE listed public company not controlled by any single firm.

¹ As to 54.13%.

² As to 45.87%.

[9] SPL, its controllers and their subsidiaries will henceforth be referred to as the “Sanlam Group”.

Rationale

[10] Tyme Group, as a digital bank specialising in services for a younger demographic, wants to expand its lending business quickly. However, it faces several challenges as it lacks the necessary performance data for a solid decision-making model, is concerned about the impact of International Financial Reporting Standards 9 on its profitability and would need to build new teams and skills from the ground up, which would take a lot of time. Therefore, the proposed transaction presents an opportunity for it to overcome these obstacles and achieve its growth goals faster. This partnership will allow Tyme Bank to use SPL's existing teams, strategies, and expertise in lending. This move is expected to help Tyme Bank reach profitability sooner and improve its financial position. The increase in revenue from this new venture is projected to have a positive effect on Tyme Bank's future capital base.

[11] According to Sanlam Group, SPL is a longstanding provider of personal loans in South Africa known for serving an older, more affluent customer base under the Sanlam brand. It currently relies on a partnership with Direct Axis and FRB for its digital lending technology. However, with FRB's exit from the partnership, SPL will lose access to the crucial loan management services it needs to continue its digital operations. Therefore, this proposed transaction presents an opportunity for it to solve this problem, by partnering with a technology firm rather than develop its own platforms. This partnership is mutually beneficial. SPL will be able to use Tyme Bank's advanced lending technology to maintain and grow its digital lending business. At the same time, because Tyme Bank and SPL serve different customer bases, they will be able to use each other's customers to expand their market reach and grow their banking and insurance businesses. This collaboration is expected to create new opportunities for growth and value for both parties.

Competition assessment

Overlap

[12] The Competition Commission (“Commission”) considered the activities of the merging parties and found that there is a horizontal overlap, as both the Acquiring Group and Sanlam are involved in the market for the provision of unsecured personal loans.

[13] There is no vertical relationship between the merging parties in South Africa because the merging parties do not supply any products or services to each other and also do not operate at different parts of the same value chain.

Relevant market

[14] In its assessment of the product market, the Commission relied on the Tribunal assessment in the transaction between *Firefly Investment 326 (Pty) and Bayport Financial Services 2010*³ where the Tribunal considered a relevant market for the provision of unsecured personal loans. Without necessarily concluding on the relevant market, the Commission assessed the proposed transaction in the national market for the provision of unsecured personal loans.

[15] Having considered the above, we did not receive any evidence suggesting a departure from the above approach was necessary in this matter.

Market shares

[16] The Commission estimated that the merged entity will have a combined post-merger market share of less than 5%, with a small accretion in market share. The Commission concluded that the market share accretion was negligible and that.

[17] We considered that the merged entity will continue to face competition from other larger market participants (mainly commercial banks) including Capitec, First National Bank, Nedbank, African Bank and ABSA, and that no market participants

³ Case No: LM141Aug17.

raised concerns regarding the proposed transaction. In addition, we are satisfied that there are comparatively low post-merger market shares and accretion in market shares, such that the proposed transaction is unlikely to substantially prevent or lessen competition in the relevant market.

Information exchange

[18] The Commission considered the structural connections created by the joint venture and whether the joint venture arrangements could facilitate the exchange of competitively sensitive information between Sanlam Group and Tyme Group in relation to the provision of unsecured lending or other markets.

[19] The Commission and merging parties noted that the merging parties and/or joint venture partners do not directly compete in any other market outside of the joint venture. We also enquired with the merging parties regarding the terms in the joint venture share agreement(s) that served to restrict the ability of the joint venture partners to compete with the joint venture entity Sanlam/Tyme. We were satisfied from these arrangements and from the assessments of the Commission and the merging parties⁴ that no further concerns arise in relation to the exchange of competitively sensitive information.

Conclusion on the competition assessment

[20] In light of the above, we find that the proposed transaction is unlikely to lead to a substantial lessening or prevention of competition in any market in South Africa.

Public interest

Effect on employment

[21] The merging parties submitted that the proposed transaction will not have any negative effect on employment. In particular, there will be no retrenchments or job losses that will arise from the proposed transaction.

⁴ Email submission from merging parties dated 28 July 2025.

[22] The employees of SPL will be transferred to SanlamTyme in terms of section 197 of the Labour Relations Act.

[23] The Commission contacted the employee representatives, and no concerns were raised regarding the proposed transaction.

[24] In light of the above, we are satisfied that the proposed transaction is unlikely to have a negative effect on employment.

The effect of the merger on the promotion of a greater spread of ownership

[25] The Commission found that ARC FSH, the majority owner of Tyme Bank, is 76.71% held by Historically Disadvantaged Persons (“HDPs”) whereas Sanlam, the controller of SPL, has 18.13% ownership held by HDPs.

[26] Accordingly, the proposed transaction will result in an increase in the levels of ownership by HDPs.

Other public interest considerations


[27] The proposed transaction raises no other public interest issues.

Conclusion

[28] For the reasons set out above, we are satisfied that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in any relevant market. In addition, the proposed transaction does not raise any public interest concerns.

[29] Accordingly, we approved the proposed transaction without conditions.

Signed by: Thando Vilakazi
Signed at: 2025-08-15 15:16:48 +02:00
Reason: Witnessing Thando Vilakazi

Thando Vilakazi 

Prof Thando Vilakazi

15 August 2025

Date

Adv Geoff Budlender SC and Ms Andiswa Ndoni concurring

Case Manager:	Nomkhosi Mthethwa-Motsa
Tribunal Economist:	Thabiso Poswa
For the Merger Parties:	Sidrah Suliman, Busisiwe Masango and Daryl Dingley of Webber Wentzel (Pty) Ltd
For the Commission:	Rakgole Mokolo and Grashum Mutizwa