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SOUTH AFRICA

COMPETITION TRIBUNAL
REPUBLIC OF SOUTH AFRICA

Case No.: LM020Apr26

In the matter between:

Moxy Hotels (Pty) Ltd	**Primary Acquiring Firm**
and	
Granger Bay Development Hotel Section C/O The Granger (Pty) Ltd	**Primary Target Firm**

Panel	:	I Valodia (Presiding Member)
	:	A Wessels (Tribunal Member)
	:	A Ndoni (Tribunal Member)
Heard on	:	08 June 2026
Order issued on	:	09 June 2026
Reasons issued on	:	15 June 2026

REASONS FOR DECISION

Introduction

[1] On 09 June 2026, the Competition Tribunal ("Tribunal") conditionally approved a large merger in terms of which Moxy Hotels (Pty) Ltd ("Moxy") intends to wholly acquire the leasehold rights to a property known as the Granger Bay Development Hotel Section (the "Target Property").

[2] Post-merger, Moxy will exercise sole control over the Target Property.

The parties and their activities

Primary Acquiring Firm

[3] The primary acquiring firm is Moxy, a private company incorporated in South Africa. Moxy is controlled by Amdec Investments (Pty) Ltd ("Amdec")[1], in turn, Amdec is jointly controlled by [redacted][2]

[4] Amdec controls various firms, including Amdec Property Investments (Pty) Ltd, Amdec Residential Developments (Pty) Ltd, and Arch Property Fund (Pty) Ltd, amongst others.

[5] Moxy does not control any firm(s). Moxy, its controllers, and all the firms controlled by its controllers are collectively referred to as the "Acquiring Group".

[6] The Acquiring Group is involved in the development, management, letting and sale of residential and commercial properties in South Africa.

Primary Target Firm

[7] The primary target firm is the Target Property located on Erf 2189, Green Point, City of Cape Town Division, Western Cape province. The Target Property does not control any firm(s).

[8] The Target Property is in the process of being developed. It is anticipated that once development is completed, the Target Property will be a 4-star hotel with 266 rooms.

Transaction and rationale

[9] The proposed merger forms part of several transactions, wherein The Granger (Pty) Ltd ("Granger") is selling four different sections of the Granger Bay Development, namely, the office section ("Granger Corporate Park Transaction"), the aparthotel section ("FG2 Transaction"), the Target Property,

[1] As to 100%.
[2] As to 50% each.

and the retail section. The FG2 Transaction and Granger Corporate Park Transaction were both approved by the Commission on 21 April 2026. The retail transaction is still in the process of being finalised.

[10] The Acquiring Group wishes to expand its portfolio and the Target Property presents it with a commercially beneficial opportunity to acquire a hotel property situated in a growing node, near the Waterfront.

[11] Granger wishes to liquidate its interest in the Target Property and the proposed merger presents it with a commercially beneficial opportunity to do so.

Competition Analysis

[12] The Competition Commission ("Commission") assessed the activities of the merger parties and found that once the Target Property is developed, there will be a horizontal overlap since both the Target Property and the Acquiring Group will provide short-term accommodation in the Western Cape province.

[13] The activities of the merging parties do not give rise to a vertical overlap as they do not fall within different levels of the same value chain.

[14] The Commission assessed the product market by considering precedent in *New Tsogo Sun Holdings (Pty) Ltd / Southern Sun Holdings Ltd / Tsogo Sun Holdings (Pty) Ltd*[3], where the Tribunal considered a broad market, and in *Southern Sun Hotels (Pty) Ltd / Hotel Formula 1 (Pty) Ltd*[4], where the Commission considered a narrow market.

[15] For a geographic market, the Commission considered precedent in *Southern Sun Hotel Interests (Pty) Ltd / The Cullinan Hotel (Pty) Ltd*[5], where the Commission considered the geographic market at a local level, being Cape Town, Sandton, and Pretoria. In *Liberty Group Limited / Melrose Arch*

[3] Tribunal Case no. 96/LM/Dec02.
[4] Tribunal Case no. 108/LM/Dec11 (or LM137Dec11 on website).
[5] Tribunal Case no. 018473 (or LM191Jan14 on the website).

Investment Holdings (Pty) Ltd[6], the Commission considered that the relevant market for the provision of short-term accommodation in 4 and 5 star hotels is within a 6km radius from the target property.

[16] The Commission reached no definitive view but assessed the market for the provision of short-term accommodation with star grading 3, 4 and 5 in Cape Town (i.e., Cape Town CBD, Waterfront, and Green Point).

Market shares

[17] Owing to the lack of publicly available information, the Commission relied on the market share estimates provided by the merger parties by using the number of rooms available in respect of 42 short-term accommodations located in the Cape Town CBD, Waterfront, and Green Point areas.[7]

[18] The estimated market share of the merged entity will be [redacted]%, with an accretion of [redacted]% in the provision of short-term accommodation with star grading 3, 4 and 5 in Cape Town.

[19] Furthermore, the Target Property is located in a major tourist destination with considerable competition from a number of short-term accommodation providers.

[20] Given that there will be minimal market share accretion and that the merger parties will continue to face substantial competition from several players in the market, we concur with the Commission's view that the proposed merger is unlikely to substantially lessen or prevent competition in any relevant market.

[6] Case No: 018960, paragraph 11.
[7] The merger parties submit that their market shares in the relevant market are likely to be overstated as they only include rooms available in 42 short term accommodations while there are numerous other short-term accommodation options available in Cape Town.

Public interest

Effect on employment.

[21] The merger parties submitted that the proposed merger will not result in any retrenchments or job losses[8] since the merger parties do not have any employees.

[22] Considering the above, we anticipate that the proposed merger is unlikely to raise any employment concerns.

Promotion of greater spread of ownership to increase the levels of ownership by historically disadvantaged persons (HDPs) and workers in firms in the market.

[23] The merger parties do not have shares held by HDPs. In light of this, the Commission requested the merger parties to implement an HDP transaction and/or establish an Employee Share Ownership Programme in the merged entity to address the greater spread of ownership requirements.

[24] The merger parties committed to appoint an HDP contractor to render construction services for the development of the Target Property to the value of at least R[redacted] over 17 months. WBHO Construction Company (Pty) Ltd ("WBHO") is the intended HDP contractor that will render construction services at the Target Property[9].

[25] The merger parties confirmed that this commitment is only applicable to the proposed merger (i.e., the development of the Target Property) and is separate from the commitments proffered in the FG2 Transaction and Granger Corporate Park Transaction.

[26] In its assessment, the Commission requested the merging parties to (i) provide a rationale for appointing one construction company to render construction

[8] Merger Report, paragraph 9.1.
[9] WBHO is 81.20% owned by HDPs.

services for the development of the Target Property, and, (ii) consider appointing more HDP firms as contractors or subcontractors on the development of the Target Property.

[27] The merger parties submitted that it is standard practice in commercial property developments that one contractor is appointed by a way of Joint Building Contracts Committee ("JBCC") Principal Building Agreement. The JBCC contractual framework contemplates a single contractor assuming full responsibility for the construction project. Therefore, it is neither contractually feasible nor practically workable to appoint more than one contractor on the same project under the JBCC contractual framework.

[28] Given the above commitments, we are of the view that no further intervention is required.

Other Public interest concerns

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

Conclusion

[30] For the reasons set out above, we conclude that the proposed transaction is unlikely to substantially prevent or lessen competition in the defined market and does not raise any significant public interest concerns.

[31] We therefore approve the proposed transaction subject to the conditions attached as Annexure "A" of the order.

Signed by:Imraan Valodia
Signed at:2026-06-15 18:37:07 +02:00
Reason:Witnessing Imraan Valodia

Professor Imraan Valodia

15 June 2026
Date

Ms Andiswa Ndoni and Mr Andreas Wessels concurring.

Tribunal Case Manager:	Theresho Galane and Princess Ka-Siboto
For the Merger Parties:	Misha Van Niekerk of Adams & Adams
For the Commission:	Grashum Mutizwa, Alistair Dey-Van Heerden and Nhlakanipho Mbhense