



## COMPETITION TRIBUNAL OF SOUTH AFRICA

**Case no: LM062Jul25**

In the large merger between:

**Futuregrowth Asset Management (Pty) Ltd acting  
in its capacity as agent of Old Mutual Life  
Assurance Company (South Africa) Limited**

Primary Acquiring Firm

And

**K2024586840 (South Africa) (Pty) Ltd**

Primary Target Firm

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Panel:	T Vilakazi (Presiding Member) A Ndoni (Tribunal Member) G Budlender (Tribunal Member)
Heard on:	30 September 2025
Order issued on:	01 October 2025
Reasons Issued on:	28 October 2025

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### REASONS FOR DECISION

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#### Introduction

- [1] On 01 October 2025, the Competition Tribunal (“Tribunal”) unconditionally approved the large merger wherein Futuregrowth Asset Management (Pty) Ltd (“Futuregrowth”), acting in its capacity as agent of Old Mutual Life Assurance Company (South Africa) Limited (“OMLACSA”) intends to increase its shareholding in K2024586840 (Pty) Ltd (“WCB NewCo”) from approximately 20% to 40%.
- [2] Upon implementation of the proposed merger, OMLACSA will hold 40% of the issued share capital of WCB NewCo, with BWNJ Group Holdings (Pty) Ltd

("BWNJ Group") holding the remaining 60% interest. Consequently, OMLACSA will exercise joint control over WCB NewCo.

## **Parties to the transaction and their activities**

### *Primary acquiring firm*

- [3] The primary acquiring firm is Futuregrowth in its capacity as an agent of OMLACSA. Futuregrowth is ultimately controlled by Old Mutual Limited ("Old Mutual"). Old Mutual Limited is in turn listed on the Johannesburg Stock Exchange and is not controlled by any firm.
- [4] OMLACSA is ultimately controlled by Old Mutual.
- [5] Futuregrowth, all the firms it controls, and all firms controlling Futuregrowth and all the firms controlled by those firms are hereinafter referred to as the Acquiring Group.
- [6] The Acquiring Group is an international long-term savings, insurance, banking and investment group offering a range of financial products and services. Of relevance to the proposed merger is the Acquiring Group's residential and student accommodation activities in the Western Cape.
- [7] In the Western Cape, the Acquiring Group owns over 35 residential and student accommodation properties, the details of the relevant properties are briefly set out below:
  - 7.1. *River View* – Residential space situated at Koop Street, Kuils River, Western Cape (31 units available for sale);
  - 7.2. *Steenberg Stellendale Village* – Residential space situated at Stellendale Avenue, Stellendale, Western Cape (82 units available for sale); and
  - 7.3. *Steenberg Stellendale Phase 2* – Residential space situated at Stellendale Avenue, Stellendale, Western Cape (64 units available for sale).

*Primary target firm*

[8] The primary target firm, WCB NewCo is controlled by BWNJ Group. BWNJ Group is in turn controlled by [REDACTED].<sup>1</sup>

[9] [REDACTED] does not control any other firms.

[10] WCB NewCo controls WCB Holdings (Pty) Ltd (“WCB Holdings”) and WCB Property Development (Pty) Ltd (“WCB DevCo”). WCB DevCo in turn controls a number of firms including [REDACTED], amongst others.

[11] WCB NewCo and all the firms it controls are hereinafter referred to as the Target Group.

[12] The Target Group is a residential property development group offering a range of property development services. The Target Group mostly sells units in completed properties at its developments prior to, or on completion. Some units within completed developments are retained and leased as student accommodation either through private lease agreements or single-head lease agreements with universities.

[13] The Target Group’s property portfolio consists of the following properties:

13.1. *Residential property*: (i) Rosemary Estate<sup>2</sup> comprising of 22 units (with 15 units available for sale) and (ii) The Monarch<sup>3</sup> comprising of 255 units (with 56 units available for sale).

13.2. *Rentable student accommodation*: (i) The Wynne<sup>4</sup> comprising of 309 units

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<sup>1</sup> The trustees of the [REDACTED]

<sup>2</sup> Located at Saxdowns Road, Kuils River, Cape Town.

<sup>3</sup> Located at 2 Old Oak Road, Tygervalley, Cape Town.

<sup>4</sup> Located at 343 Voortrekker Road, Paros, Avondale, Cape Town.

(with 309 units available to rent) and (ii) Solaris Estate<sup>5</sup> comprising of 342 units (with 68 units available to rent).

## **Rationale**

[14] The proposed merger is a strategic investment by the Acquiring Group, in line with its mandate to [REDACTED] [REDACTED] on behalf of its clients. From the Target Group's perspective, the proposed merger will [REDACTED] [REDACTED].<sup>6</sup>

## **Competition assessment**

### *Horizontal assessment*

[15] The Competition Commission ("Commission") considered the activities of the merging parties and concluded that the proposed merger results in a horizontal overlap since the merging parties' own residential properties for sale and rentable student accommodation in Cape Town, Western Cape.

[16] The Commission relied on Tribunal precedent and conducted its assessment in the following markets:

- 16.1. the market for the sale of residential property within an 8km radius; and
- 16.2. the market for rentable residential property used for student accommodation within an 8km radius of the target properties.

[17] No geographic overlap arises in relation to the market for rentable residential property used for student accommodation as the Acquiring Group does not have any rentable residential property activities within an 8km radius of any of the Target Group's rentable residential properties. The Acquiring Group's closest

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<sup>5</sup> Located at 1 Rhonda Way, Aande Wijnlanden, Cape Town.

<sup>6</sup> Joint Competitiveness and Public Interest Report, para 3, page 38 of the Merger Record.

rentable residential property is located in the Cape Town CBD, which is approximately 22km from the Target Group's rentable residential property.

- [18] In the market for the sale of residential property, the Acquiring Group does not own residential properties for sale within an 8km radius of the Target Group's residential property development known as The Monarch situated in Tygervalley. On this basis, the Commission concluded that the proposed merger does not result in any geographic overlaps with regards to residential property activities in Tygervalley.
- [19] The proposed merger results in a geographic overlap with regards to the residential property activities in Kuils River. The Acquiring Group owns residential property within an 8km radius of the Target Group's Rosemary Estate. These properties include (i) River View (located 5km from Rosemary Estate), (ii) Steenberg Stellendale Village (located 4km from Rosemary Estate), and (iii) Steenberg Stellendale Phase 2 (located 4 km from Rosemary Estate).
- [20] In relation to the horizontal overlap in the Kuils River area, the Commission found that the Acquiring Group will have a market share of approximately 6.37% with an accretion of less than 1%, based on information regarding the estimated number of units available in the area as submitted by the merging parties.
- [21] The Commission found that there are various residential properties for sale within an 8km radius from Rosemary Estate which will constrain the merged entity post-merger such as Balata on Haasendal, Silverstone Lifestyle Estate and Coniston Heights, amongst others.
- [22] Taking the above into account, we agree with the Commission's assessment that the proposed merger is unlikely to raise (horizontal) competition concerns in the relevant markets, as there are either no significant geographic overlaps or there are a number of other property alternatives present in the relevant local markets.

#### *Vertical assessment*

- [23] The Commission found that the proposed merger does not result any vertical overlaps. The Commission did however find that the Acquiring Group, through its subsidiary [REDACTED] has been providing property management services to the Target Group in respect of its student accommodation at Solaris Estate on an arm's length basis.
- [24] The relationship predates the proposed merger and is limited to one of the Target Group's properties which is unlikely to result in any foreclosure concerns. Furthermore, we take into account the Commission's finding that there are several property managers who provide property management services in Cape Town who will continue to constrain the merged entity post-merger.

#### *Restraint of trade*

- [25] The Commission found that WCB NewCo entered into agreements with each of its founding shareholders and directors. These agreements restrain each of the shareholders and directors from engaging in any business in competition with WCB NewCo in South Africa for a period of two years following the implementation of the proposed merger.
- [26] In this regard, the Commission relied on Tribunal precedent<sup>7</sup> and found that these restraints are acceptable and are unlikely to raise competition concerns as the restraints will operate for a period not exceeding three years, limited to the activities of WCB NewCo in South Africa. We agree with the Commission's assessment in this regard.
- [27] Based on the above, we are of the view that the proposed merger is unlikely to result in the substantial prevention or lessening of competition in any relevant market.

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<sup>7</sup> *Fidelity Security Services (Pty) Ltd and SSG Holdings (Pty) Ltd*, Case No. LM003Apr25; *Bidvest Branded Products Holdings 9Pty) Ltd and LK Plating Services (Pty) Ltd and Others*, Case No. LM137Dec24; *RCS Cards (Pty) Ltd and The Consumer Finance Business of the JD Group Limited*, Case No. LM193Feb15; and *Imperial Holdings Limited and Itumele Bus Lines (Pty) Ltd*, Case No. LM105Sep16.

## **Public interest**

### *Employment*

[28] The merging parties provided an unequivocal undertaking that the proposed merger will not result in retrenchments.

[29] The Commission did not receive any employment related concerns from the employee representatives or trade unions representing the merging parties' employees.

[30] We are of the view that the proposed merger is unlikely to have a negative impact on employment.

### *Promotion of a greater spread of ownership*

[31] The Acquiring Group has a shareholding by historically disadvantaged persons ("HDPs") of 43.53% whereas the Target Group has a shareholding by HDPs of [REDACTED] %.

[32] The parties to the transaction are both shareholders in the Target Group pre-merger, and the proposed merger gives rise to a change in the proportional shareholding.

[33] Post-merger, the Target Group will have a shareholding by HDPs of [REDACTED] %. BWNJ Group, which is 100% HDP owned, will retain a shareholding of 60% and joint control in the Target Group. We further considered the submissions of the merging parties regarding the strategies of the Target Group, and the rationale for the proposed merger from the perspective of the Target Group and BWNJ Group.

[34] In the particular circumstances of the proposed merger, we are of the view that the proposed merger raises no substantial issues regarding the promotion of a greater spread of ownership.

## Conclusion

[35] For the reasons set out above, we are satisfied that the proposed merger is unlikely to substantially prevent or lessen competition in any relevant market and the proposed merger does not raise public interest concerns.

[36] In the circumstances, we unconditionally approved the proposed merger.

Signed by: Thando Vilakazi  
Signed at: 2025-10-28 16:55:22 +02:00  
Reason: Witnessing Thando Vilakazi

*Thando Vilakazi*

**28 October 2025**

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**Prof. Thando Vilakazi**

**Date**

**Adv. Geoff Budlender SC and Ms Andiswa Ndoni**

Tribunal Case Manager: Tarryn Sampson

For the Merging Parties: Susan Meyer of Cliffe Dekker Hofmeyr.

For the Commission: Nomonde Mbali and Wiri Gumbie.