



COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No.: LM027May25

In the matter between:

RMB Investments and Advisory (Pty) Ltd and
Castlevue Property Fund Ltd

Primary Acquiring Firm

And

Inani Prop Holdings (Pty) Ltd

Primary Target Firm

Panel	:	Thando Vilakazi (Presiding Member)
	:	Geoff Budlender (Tribunal Member)
	:	Andiswa Ndoni (Tribunal Member)
Heard on	:	30 July 2025
Order issued on	:	30 July 2025
Reasons issued on	:	27 August 2025

REASONS FOR DECISION

Introduction

[1] On 30 July 2025 the Tribunal conditionally approved the large merger whereby RMB Investments and Advisory (Pty) Ltd (“RMBIA”) and Castlevue Property Fund Limited (“Castlevue”) (collectively referred to as the “Acquiring Firms”) intend to acquire indirect joint control over Inani Prop Holdings (Pty) Ltd (“Inani”). Once finalised, the Acquiring Firms will each indirectly control 50% of the shares in Inani, and therefore, they will exercise joint control over Inani.

Parties and their activities

Primary Acquiring Firm

- [2] The primary acquiring firms are RMBIA and Castlevue, companies incorporated under the laws of the Republic of South Africa. RMBIA is ultimately wholly controlled by FirstRand Limited ("FirstRand"). FirstRand is not controlled by any firm or shareholder, as its shares are widely held. Both FirstRand and RMBIA control and have interests in several entities. FirstRand and all the firms directly and indirectly controlled by it are collectively referred to as the "FirstRand Group".

- [3] Castlevue is ultimately controlled by Specialised Holding Trust 1 ("Specialised Holding Trust"). Castlevue controls several entities. Of relevance for the present transaction is that Castlevue directly controls Emira Property Fund Limited ("Emira") by virtue of owning 59.26% of Emira's shares. Specialised Holding Trust and all the firms controlled by Specialised Holding Trust are collectively referred to as the "SH Group". The SH Group controls several special purpose vehicles. Of relevance for our assessment is that the SH Group controls Accelerate Property Fund Limited ("APF"), a public company incorporated in South Africa.

- [4] RMBIA (part of the FirstRand Group) is an investment company, and its main business is the acquisition and holding of assets for investment purposes. Most relevant for our assessment are the FirstRand Group's property activities. The FirstRand Group controls several office properties in South Africa. In Gauteng (where the primary target firm has properties), it controls 28 office properties.

- [5] Castlevue is a property holding and investment company within the SH Group. Castlevue has direct property investments where it owns the properties via other real estate companies (for example, Emira) with separate management teams, with the goal of maximising total returns to its shareholders.

- [6] APF is a Real Estate Investment Trust (REIT) within the SH Group, which owns numerous office, retail and industrial properties across South Africa. SH Group controls several office properties in South Africa. In Gauteng (where the primary target firm operates), it controls 15 office properties.

Primary Target Firm

- [7] The primary target firm is Inani, a South African firm. Inani is 51% controlled by Zungu Investments (Pty) Ltd (“Zico”). The remaining shareholding in Inani is held by Boyno Trade and Invest (Pty) Ltd (“Boyno”) (29%) and Emira (20%). Inani does not (directly or indirectly) control any firm. Inani has 65.23% of its shareholding that is held by historically disadvantaged persons (“HDPs”), as per its latest B-BBEE verification certificate.
- [8] Inani is a privately held commercial property investment company and property fund. Inani controls 10 office properties in Gauteng.
- [9] Since the proposed transaction involves two different shareholders who share a common commercial interest in the target firm, the Commission assessed this as an indivisible transaction. Rand Merchant Bank (“RMB”) has partnered with Castleview and Emira (a subsidiary of Castleview) to ensure that the value of the target firm is preserved given the precarious financial position of Inani. For many years, RMB has been the largest debt funder to Emira. Further, the merger agreements are inter-conditional upon each other and are concluded simultaneously. Finally, both Castleview and RMB are involved in the same line of business which is property ownership and management.
- [10] We agree with the Commission’s approach in assessing the proposed merger as an indivisible transaction.

Competition analysis

- [11] The Commission considered the activities of the merging parties and found that their activities overlap horizontally in respect of the provision of rentable office space (Grade A and B) in the Menlyn node. However, the Commission found that the overlap between the merging parties is purely notional as the office properties

owned by the FirstRand Group in the Menlyn node are used exclusively by FirstRand for its own business operations and are not leased to third parties.

[12] The Commission also found that there is no product overlap arising between the office properties owned by the SH Group and Inani because they offer different grades of office property. The SH Group owns Grade P office properties while Inani owns Grade A and B office properties.

[13] On this basis, and our assessment of documents contained in the merger record, we found that the proposed transaction does not result in any significant accretion in market share and there is no vertical overlap between the merging parties. We are satisfied that the merger parties would have a limited share of the relevant market whether defined broadly or narrowly.

Information exchange assessment

[14] We note that this transaction will create a joint venture among different property owners. The Commission considered whether a structural link would be created that might facilitate the exchange of competitively sensitive information between the merging parties, particularly in relation to the property markets.

[15] The structural link between Castlevue, APF and Emira arose from recent transactions in which SH Group acquired control over Castlevue and APF, which were approved by the Competition Tribunal. The Commission noted that Castlevue already had control over Emira, and that Castlevue, APF and Emira will all be constituent firms within a single economic entity, and therefore, a restriction on cross-directorships was not required.

[16] Given the above assessment, we found that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in any market.

Public interest

Effect on employment

[17] It was submitted that neither RMB nor Inani have any employees. There were no employment concerns raised by the employee representative of Castleview. Furthermore, the merging parties provided an unequivocal statement that there would be no retrenchments or job losses arising due to the proposed transaction.

[18] We concluded that the proposed transaction is unlikely to raise any employment concerns.

Effect on a greater spread of ownership

[19] The FirstRand Group has a 35.99% shareholding held by HDPs, and SH Group has no HDP shareholding. Inani has 65.23% HDP ownership and Emira has 40.88% HDP ownership.

[20] There is, therefore, a significant dilution in HDP ownership post-merger which results in the HDP shareholding in Inani decreasing by 39%, from 65.23% to 26.18%.

[21] We have noted the correspondence between the merging parties and the Commission, and the submissions of the merging parties regarding potential remedies in light of the significant dilution of HDP ownership. We have also had regard to the evidence regarding the financial position of the target firm and the necessity of the transaction for the continuity of its business, factors which militated against ownership-related or other remedies.

[22] Having regard to the context of the proposed transaction and the business of the target firm, we are satisfied that the remedies tendered by the merging parties were appropriate in the circumstances. Specifically, following engagements with the Commission, the parties agreed to an HDP procurement commitment of over 50% of Inani's annual total procurement spend for a period of three (3) years following the implementation of the proposed transaction.

Conclusion on the public interest assessment

[23] Based on this we concluded that the proposed transaction does not raise further public interest concerns.

Conclusion

[24] We conclude that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in any relevant market and raises no further public interest concerns.

[25] We therefore approve the proposed merger subject to the procurement conditions contained in **Annexure A**.

Prof. Thando Vilakazi

27 August 2025

Date

Adv. G. Budlender SC and Ms A. Ndoni concurring.

Tribunal Case Manager: Princess Ka-Siboto

For the Merger Parties: Chris Charter and Duran Naidoo of Cliffe Dekker Hofmeyr Inc

For the Commission: Grashum Mutizwa, Zanele Hadebe and Phillipine Mpane