

The parties and their activities

- [2] The primary acquiring firm is Lodestone Investment Holdings (Pty) Ltd (“Lodestone”)², a company incorporated under the company laws of the Republic of South Africa. Lodestone is part of the Standard Chartered Bank group of companies (“SCB group”). The SCB group’s activities relate to various banking services.
- [3] The primary target firm is Candy Tops (Pty) Ltd (“Candy Tops”). Candy Tops manufactures, markets and distributes a wide range of sugar confectionery products, including toffees, chews, éclairs, centre-filled candy, lozenges, bubblegum, ball-gum and coated candy. These products are sold and marketed under the “Candy Tops” and “Sovereign” brands.

The proposed transaction

- [4] In terms of the proposed deal Lodestone will acquire *inter alia* shares constituting in excess of 51% of the entire issued share capital of Candy Tops. According to the merging parties Candy Tops will pursuant to the implementation of the proposed transaction be under the sole control of Lodestone.

Overlap and impact on competition

- [5] The activities of the merging parties do not overlap. The SCB group has no investments or interests in firms in South Africa that engage in commercial or business activities that would be considered by buyers as reasonably interchangeable with or substitutable for the products or services of Candy Tops. The proposed deal therefore does not result in a substantial prevention or lessening of competition in any plausible market.

² See footnote 1 above.

Public interest

[6] The merging parties confirmed that there would be no job losses in South Africa as a result of the proposed deal. No other public interests issues arise from the proposed deal.

Conclusion

[7] Due to the fact that the activities of the merging parties do not overlap and a lack of public interest concerns the proposed transaction is approved without conditions.

08 October 2010

Andreas Wessels

DATE

Medi Mokuena and Merle Holden concurring

Tribunal Researcher : Mahashane Shabangu

For the merging parties : Mark Garden of Edward Nathan
Sonnenbergs Inc

For the Commission : Lerato Monareng of the Mergers and
Acquisitions Division