



competitiontribunal
SOUTH AFRICA

Notice CT 10

About this Notice

This notice is issued in terms of section 16 of the Competition Act.

You may appeal against this decision to the Competition Appeal Court within 20 business days.

Contacting the Tribunal

The Competition Tribunal
Private Bag X24
Sunnyside
Pretoria 0132
Republic of South Africa
tel: 27 12 394 3300
fax: 27 12 394 0169
e-mail: ctsa@comptrib.co.za

Merger Clearance Certificate

Date : 25 May 2021

To : Webber Wentzel Attorneys

Case Number: LM212Mar21

Old Mutual Alternative Investments (Pty) Ltd And ACTOM Investment Holdings (Pty) Ltd

You applied to the Competition Commission on **17 March 2021** for merger approval in accordance with Chapter 3 of the Competition Act.

Your merger was referred to the Competition Tribunal in terms of section 14A of the Act, or was the subject of a Request for consideration by the Tribunal in terms of section 16(1) of the Act.

After reviewing all relevant information, and the recommendation or decision of the Competition Commission, the Competition Tribunal approves the merger in terms of section 16(2) of the Act, for the reasons set out in the Reasons for Decision.

This approval is subject to:

no conditions.

the conditions listed on the attached sheet.

The Competition Tribunal has the authority in terms of section 16(3) of the Competition Act to revoke this approval if

- a) it was granted on the basis of incorrect information for which a party to the merger was responsible.
- b) the approval was obtained by deceit.
- c) a firm concerned has breached an obligation attached to this approval.

The Registrar, Competition Tribunal

Tebofo H. Mphahlele

COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No.: LM212Mar21

In the matter between:

Old Mutual Alternative Investments (Pty) Ltd

Primary Acquiring Firm

And

ACTOM Investment Holdings (Pty) Ltd

Primary Target Firm

Panel: E Daniels (Presiding Member)
Y Carrim (Tribunal Panel Member)
A Ndoni (Tribunal Panel Member)

Heard on: 25 May 2021
Order Issued on: 25 May 2021
Reasons Issued on: 25 May 2021

ORDER

Further to the recommendation of the Competition Commission in terms of section 14A(1)(b) of the Competition Act, 1998 ("the Act") the Competition Tribunal orders that–

1. the merger between the abovementioned parties be approved in terms of section 16(2)(a) of the Act; and
2. a Merger Clearance Certificate be issued in terms of Competition Tribunal Rule 35(5)(a).

Enver Daniels

Presiding Member
Mr Enver Daniels

25 May 2021

Date

Concurring: Ms Yasmin Carrim and Ms Andiswa Ndoni

In the matter between:

Old Mutual Alternative Investments
(Pty) Ltd

Primary Acquiring Firm

And

ACTOM Investment Holdings (Pty)
Ltd

Primary Target Firm

REASONS FOR DECISION

Unconditional approval

- [1] On 25 May 2021, the Competition Tribunal (“Tribunal”) unconditionally approved the proposed transaction in terms of which Old Mutual Alternative Investments (Pty) Ltd (“OMAI”), through its subsidiary OMPE V GP¹, intends to acquire 34.34% of the issued shares of ACTOM Investment Holdings (Pty) Ltd (“ACTOM”). Post-merger, OMAI, by virtue of Old Mutual Life Assurance’s current minority shareholding in ACTOM, will control the majority of the voting rights in ACTOM, thus acquiring indirect control over ACTOM.
- [2] The acquiring firm is OMAI, which is ultimately controlled by Old Mutual Limited (“OML”). OML is not controlled by any individual shareholder. OMAI, the firms it controls, the firms that control it and all its sister companies are referred to as the “Old Mutual Group”. Old Mutual Group is a diversified African services group that offers a broad range of financial solutions and is the ultimate holding company for several subsidiaries operating across various lines of businesses in the financial services industry, namely life assurance products, short-term

¹ Which forms part of the Old Mutual Private equity division.

insurance, savings, property, asset management, banking and lending among others.

- [3] The target firm is ACTOM, a company that controls firms that operate in the manufacture, supply, distribution, installation and repair of a wide range of electrical equipment used in the power generation and industrial segments in South Africa. ACTOM and the firms it controls will be referred to as the “ACTOM Group”.
- [4] There is no horizontal overlap between the activities of the merger parties because they operate in different industries. However, the Commission found that the proposed transaction presents a vertical overlap because ACTOM Group procures (i) trade credit insurance; (ii) guarantee insurance from Old Mutual Group, and also (iii) procures pension administration services from a competitor of the Old Mutual Group [REDACTED]
- [5] The Commission found that these overlaps will not result in anticompetitive vertical effects because Old Mutual Group will not have the ability nor incentive to engage in foreclosure strategies in the three identified market segments. The Commission concluded that the proposed transaction is unlikely to result in a significant prevention or lessening of competition in any market in South Africa.
- [6] The proposed transaction does not give rise to any public interest concerns.
- [7] In light of the above, the proposed transaction was approved unconditionally.

Enver Daniels

Mr Enver Daniels

25 May 2021

Date

Ms Andiswa Ndoni and Ms Yasmin Carrim concurring.

Tribunal Case Manager : Kgothatso Kgobe

For the Merging Parties : A Liebenberg of Webber Wentzel

For the Commission : Y Okharedia