



Case no: LM002Apr21

In the matter between:

Trafigura PTE Ltd

Primary Acquiring Firm

And

Puma Energy Holdings PTE Ltd

Primary Target Firm

REASONS FOR DECISION

Unconditional approval

- [1] On 13 May 2021, the Competition Tribunal (“Tribunal”) unconditionally approved the proposed transaction in terms of which Trafigura PTE Ltd (“Trafigura”) intends to acquire an additional 45% of the shares in Puma Energy Holdings PTE Ltd (“Puma Energy”). Post-merger, Trafigura will own and control Puma Energy.
- [2] The acquiring firm is Trafigura, a company incorporated in accordance with the company laws of Singapore. Trafigura and all its subsidiaries will hereinafter be referred to as “Trafigura”. Trafigura is an international commodity trader, with business operations in more than 20 countries worldwide. Its core business is the physical trading (i.e., supply and transportation) of oil and petroleum, minerals and metal commodities globally. In South Africa, Trafigura is involved in trading activities relating to oil and petroleum products, as well as metals and minerals. Trafigura also supplies fuel and gas oil (bunkering) through a joint venture, TFG Marine.

- [3] The target firm is Puma Energy, a Singaporean company in which Trafigura is a shareholder pre-merger. Puma Energy has several subsidiaries globally. Its activities in South Africa include the distribution of refined petroleum products, including petrol, diesel, kerosene and aviation fuel.
- [4] The Competition Commission (“Commission”) found no horizontal overlap between the activities of the merger parties but found that the proposed transaction has a vertical dimension since Trafigura is active in the (upstream) trading of crude oils and the supply of refined petroleum products, whilst Puma Energy is active in the (downstream) wholesale and distribution of refined petroleum products. The Commission concluded that this is unlikely to lead to any foreclosure concerns given the merging parties’ relatively low market shares in the vertically affected markets and the continued constraints that will be faced from competitors after the proposed transaction. The Commission ultimately concluded that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market and we concur with that conclusion.
- [5] The proposed transaction does not give rise to any public interest concerns.
- [6] In light of the above, we approved the proposed transaction unconditionally.

Mr Andreas Wessels

1 June 2021

Date

Mr Enver Daniels and Ms Yasmin Carrim concurring

Tribunal Case Manager : Kgothatso Kgobe

For the Merging Parties : K McLean, J Lurie, and M Sambo of Bowmans

For the Commission : Z Hadebe