

SOUTH AFRICA / JUDGMENT

Kagiso Capital (Pty) Ltd v Kagiso Tiso Holdings (Pty) Ltd (LM192Jan17) [2017] ZACT 4; [2017] 1 CPLR 342 (CT) (13 February 2017) [2017] ZACT 4

COURT

Competition Tribunal

BEFORE

Norman Manoim, Enver Daniels, Andiswa Ndoni

CASE / FILE NUMBER

LM192Jan17

Source: saflii.org · Research copy typeset by Esheria. Not court-issued or certified.

COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No: LM192Jan17

In the matter between:

KAGISO CAPITAL (PTY) LTD

Primary Acquiring Firm

and

KAGISO TISO HOLDINGS (PTY) LTD

Primary Target Firm

Panel

: Norman Manoim (Presiding Member)

: Enver Daniels (Tribunal Member)

: Andiswa Ndoni (Tribunal Member)

Heard on

: 01 February 2017

Order Issued on

: 01 February 2017

Reasons

Issued on : 13 February 2017

Reasons

for Decision

Approval

[1] On 01 February 2017, the Competition Tribunal ("Tribunal") approved the proposed transaction between Kagiso Capital (Pty) Ltd and Kagiso Tiso Holdings (Pty) Ltd.

[2] The reasons for approving the proposed transaction follow.

Parties to proposed transaction

Primary acquiring firm

[3] The primary acquiring firm is Kagiso Capital (Pty) Ltd ("KC"), a company incorporated in accordance with the laws of the Republic of South Africa.

[4] KC is controlled by the Kagiso Charitable Trust ("KC") and controls Kagiso Trust Strategic Investments (Pty) Ltd ("KTSI"). KC has a 6.7% interest in KTH and KCT a 31.3% interest in KTH.

[5] KCT empowers the poverty stricken by creating and implementing development programs in the areas of education, capacity building,

socio-economic development, fundraising and investment through special projects.

Primary target firm

[6] The primary target firm is Kagiso Tiso Holdings (Pty) Ltd ("KTH"), a company incorporated in accordance with the laws of the Republic of South Africa.

[7] KTH is not controlled by any firm but does control the following: Kagiso Media (Pty) Ltd, Lupo Bakery (Pty) Ltd, Kagiso Asset Management (Pty) Ltd, Servest Group (Pty) Ltd, and Kagiso Ventures (Pty) Ltd.

[8] KTH is a black controlled and managed investment holding company and has a portfolio of investments across key sectors such as media, property, resources, infrastructure, power, financial services, investment companies and health.

Proposed transaction

[9] In terms of the proposed transaction, KC intends to increase its shareholding in KTH from 38% to 59% by acquiring an additional 21.3% shareholding held by Tiso Blackstar Group SE. Upon the implementation of the transaction, KC will control KTH.

Rationale

[10] KTH is perceived to be a growth platform with attractive assets and the ability to raise capital. Thus, the transaction allows KTH to create significant value for KC as a black investment company.

Primary target firm

[11] The seller noted its intention to focus on media and related industries. This shift in focus meant that the seller will dispose of all non-core assets which included KTH in the short to medium term.

Impact on competition

[12] The Commission considered the activities of the merging parties and found that there was no overlap in the activities of the merging parties. The transaction does not change the structure of any market as there will be no accretion in market shares.

[13] The Commission was therefore of the view that the proposed transaction is unlikely to substantially prevent or lessen competition in any market.

Public interest

[14] The merging parties submitted that the proposed transaction will have no adverse effect on employment.[1]

[15] The Commission was of the view that the proposed transaction is unlikely to raise concerns on any other public interest grounds.

Conclusion

[16] In light of the above, we conclude that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market. Accordingly, we approve the proposed transaction unconditionally.

13 February 2017

DATE

Mr Norman Manoim

Mr Enver Daniels and Ms Andiswa Ndoni concurring

Case Manager: Kameel Pancham

For the merging parties: Chris Charter of Cliffe Dekker Hofmeyr Inc.

For the Commission: Zintle Siyo

[1] Inter alia Commission's Recommendation page 11.

Source & reproduction note

Judgment wording, source notices and original paragraph numbers are retained. Esheria supplies the layout and this PDF's page numbers; these are not the source pagination. This is a research copy, not an official or certified court document. Check quotations, citations and publication restrictions against the original source before relying on it.

ORIGINAL SOURCE <https://www.saflii.org/za/cases/ZACT/2017/4.html>

CASE PAGE <https://chat.esheria.ai/case-law/south-africa/kagiso-capital-pty-ltd-v-kagiso-unknown-topic-act-2017>

Prepared on 10 October 2026 · Esheria