

SOUTH AFRICA / JUDGMENT

Vukile Property Fund Limited v SA Retail Properties (Proprietary) Limited ; In respect of the enterprise known as Pinecrest Centre (LM256Mar16) [2016] ZACT 42 (11 May 2016)

[2016] ZACT 42

COURT

Competition Tribunal

BEFORE

Andreas Wessels, Medi Mokuena, Andiswa Ndoni

CASE / FILE NUMBER

LM256Mar16

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

COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No: LM256Mar16

In the matter between:

VUKILE PROPERTY FUND LIMITED

Primary Acquiring Firm

and

SA RETAIL PROPERTIES (PROPRIETARY) LIMITED Primary

Target Firm

IN RESPECT OF THE ENTERPRISE KNOWN AS

PINECREST CENTRE

Panel

: Andreas Wessels (Presiding Member)

: Medi Mokuena (Tribunal Member)

: Andiswa Ndoni (Tribunal Member)

Heard on :

13 April 2016

Order Issued on : 13 April 2016

Reasons

Issued on : 11 May 2016

Reasons

for Decision

Approval

[1] On 13 April 2016, the Competition Tribunal ("Tribunal") approved the proposed transaction between Vukile Property Fund Limited and SA Retail Properties (Proprietary) Limited in respect of the enterprise known as Pinecrest Centre.

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

Parties to proposed transaction

Primary acquiring firm

[3] The primary acquiring firm is Vukile Property Fund Limited ("Vukile"), a public company registered in accordance with

the laws of the Republic of South Africa.

[4] Vukile is a property fund, which is listed on the Johannesburg Securities Exchange (JSE). Vukile's property portfolio comprises of retail and office space as well as land under development.

[5] Relevant to the current competition analysis is Vukile's retail properties in the KwaZulu-Natal Province.

Primary target firm

[6] The primary target firm is SA Retail Properties (Proprietary) Limited ("SA Retail Properties") in respect of an undivided half share of the enterprise known as Pinecrest Centre (hereinafter referred to as "the target property").

[7] Pre-merger Vukile owns an undivided half share in the target property.

[8] Pinecrest Centre is classified as a minor regional centre and is located in Pinetown in KwaZulu-Natal.

Proposed transaction and rationale

[9] Vukile intends to acquire an interest equivalent to an undivided half share of the target property which will give Vukile sole control over the target property post- transaction.

[10] Vukile considers the target property as well located with anticipated increased future trading.

[11] SA Retail Properties wishes to dispose of the target property.

Impact on competition

[12] The Commission found that there is no horizontal overlap between the target property and the properties owned by Vukile in KwaZulu-Natal.

[13] From a vertical perspective, the Commission noted that the target property is currently managed by Broll Properties Group Pty Ltd ("Broll") and that Vukile has capabilities to render property management services. The merging parties however confirmed

that Broll will continue to manage the target property post-merger. The Commission thus concluded that the proposed transaction raises no significant vertical concerns.

[14] Given the above, the Commission concluded that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market. We concur with this finding.

Public interest

[15] The merging parties confirmed that the proposed transaction will not result in any adverse impact on employment. [1] The proposed transaction further raises no other public interest concerns.

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. In addition, no public interest issues arise from the proposed transaction. Accordingly, we approve the proposed transaction unconditionally

11 May 2016

DATE

Mr Andreas Wessels

Ms Medi Mokuena and Ms Andiswa Ndoni concurring

Tribunal Researcher: Busisiwe Masina

For the merging parties: Albert Aukema of Cliffe Dekker Hofmeyr

For the Commission: Maanda Lambani

[1] Merger record, pages 8 and 50.

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/2016/42.html>

CASE PAGE <https://chat.esheria.ai/case-law/south-africa/vukile-property-fund-limited-v-sa-unknown-topic-act-2016>

Prepared on 12 October 2026 · Esheria