

## DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 5387

4 October 2024

## COMPETITION COMMISSION

## NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:

CACM INVESTMENTS LTD

AND

ANCHOR GROUP (PTY) LTD AND CREDO WEALTH LTD

CASE NUMBER: 2024FEB0018

The Competition Commission hereby gives notice, in terms of Rule 38 (3)(c) of the 'Rules for the Conduct of Proceedings in the Competition Commission', that it has approved the transaction involving the abovementioned firms subject to conditions set out below:

**Background**

1. On 12 February 2024, the Competition Commission ("Commission") received notice of an intermediate merger involving a restructure of Anchor Group (Pty) Ltd ("Anchor"), through a series of cross-conditional and inter-related transaction steps, which will ultimately result in CACM Investments Ltd ("CACM") acquiring 100% control over each of Anchor and Credo Wealth Ltd ("Credo").
2. The primary acquiring firm is CACM, a company incorporated in accordance with the laws of the British Virgin Islands. CACM is a special purpose vehicle (SPV) which has been created for the purpose of the proposed transaction. Since its inception, CACM has been controlled by a trust which benefits a natural person.
3. CACM does not currently control (directly or indirectly) any firm(s). Post-merger, CACM will control Anchor and Credo (the primary target firms in the current transaction). Given that CACM is an SPV, it does not conduct any business activities.
4. Currently, CACM does not have any shareholding by historically disadvantaged persons ("HDP").
5. The primary target firms are (i) Anchor, a private company incorporated in accordance with the laws of the Republic of South Africa; and (ii) Credo, a private company incorporated in accordance with the laws of the British Virgin Islands.

6. The primary target firms are not controlled by any firm(s). However, the target firms control several firms that are active in the asset management and wealth management markets.
7. Anchor has some HDP ownership, whilst Credo has none.
8. Anchor is an asset and wealth management business with three primary divisions, namely, private clients, asset management and stockbroking. Credo is a holding company, with its main operating subsidiary, Credo Capital Limited ("CCL"), a firm incorporated in the UK. CCL is an independent wealth management business operating in South Africa and the UK. Its market segments include private clients, financial intermediaries, and asset management. The service offering of the Credo subsidiaries include investment management, trading services and wealth planning.

#### **Competition Assessment**

9. The Commission found that the proposed transaction is unlikely to result in any substantial prevention or lessening of competition in any relevant markets.

#### **Public Interest considerations**

10. The merging parties tendered commitments which the Commission considers will render the merger justifiable on public interest grounds. These commitments are set out in **Annexure A**.

11. The Commission therefore conditionally approves the proposed transaction.

**ANNEXURE A: CONDITIONS**  
**CACM INVESTMENTS LIMITED**  
**AND**  
**ANCHOR GROUP PROPRIETARY LIMITED AND CREDO WEALTH LIMITED**  
**CASE NUMBER:2024FEB0018**

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**1. DEFINITIONS**

In this document, the expressions used above will have the appropriate meanings assigned to them and the following and related expressions will bear the following meanings:

- 1.1 “**Act**” means the Competition Act No. 89 of 1998, as amended;
- 1.2 “**Anchor**” means Anchor Group Proprietary Limited;
- 1.3 “**CACM**” means CACM Investment Limited;
- 1.4 “**Commission**” means the Competition Commission of South Africa, a statutory body established in terms of section 19 of the Competition Act;
- 1.5 “**Commission Rules**” means the Rules for the Conduct of Proceedings in the Competition Commission;
- 1.6 “**Conditions**” means these merger conditions, included in this Annexure A;
- 1.7 “**Credo**” means Credo Wealth Limited;
- 1.8 “**Days**” means any day that is not a Saturday, Sunday or public holiday in South Africa;
- 1.9 “**HDP**” means historically disadvantaged persons, as defined in Section 3(2) of the Act;
- 1.10 “**Implementation Date**” means the date on which the Merger is implemented by CACM, Anchor and Credo;

1.11 “**Merger**” means the acquisition by CACM of Anchor and Credo, as notified to the Commission under Case No. 2024FEB0018;

1.12 “**Merging Parties**” means CACM, Anchor and Credo;

1.13 “**South Africa**” means the Republic of South Africa.

## **2. CONDITION TO THE APPROVAL OF THE MERGER**

2.1 Pursuant to and within 10 (ten) Days of the Implementation Date of the Merger, HDP ownership in CACM will increase to not less than 20%.

## **3. MONITORING**

3.1 CACM will notify the Commission in writing of the Implementation Date within 5 (five) Days of its occurrence.

3.2 CACM shall, within 10 (ten) Days of the Implementation Date, submit an affidavit from a director of CACM, confirming compliance with the Condition.

3.3 The Commission may, at any time, request the Merging Parties to provide any additional documents and information it requires to verify compliance with the Condition.

## **4. APPARENT BREACH**

4.1 Should the Commission receive any complaint in relation to non-compliance with the above Condition, or otherwise determines that there has been an apparent breach by the Merging Parties of this Condition, the alleged breach shall be dealt with in terms of Rule 39 of the Commission Rules.

## **5. VARIATION**

5.1 The Merging Parties may at any time, on good cause shown, apply to the Commission for the Conditions to be lifted, revised, or amended. Should a dispute arise in relation to the variation of the Conditions, the Merging Parties shall apply to the Tribunal, on good cause shown, for the Conditions to be lifted, revised, or amended.

## **6. GENERAL**

6.1 All correspondence concerning the Conditions must be submitted to the following e-mail addresses: [mergerconditions@compcom.co.za](mailto:mergerconditions@compcom.co.za) and [ministry@thedtic.gov.za](mailto:ministry@thedtic.gov.za).

Enquiries in this regard may be addressed to the Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3298