

**DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION****NOTICE 3072 OF 2025****NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:****ALPHA HOLD (PTY) LTD****AND****ALPHA PHARM (PTY) LTD****CASE NUMBER: 2024OCT0048**

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 23 October 2024, the Competition Commission ("Commission") was notified of an intermediate merger in terms of which Alpha Hold (Pty) Ltd ("Alpha Hold") intends to acquire 70.68% shareholding in Alpha Pharm (Pty) Ltd ("Alpha Pharm") from Shogun Holding und Finanz AG. Post-merger, Alpha Pharm will be controlled by Alpha Hold while the remaining 29.32% shareholding in Alpha Pharm will continue to be held by the various existing individual shareholders of Alpha Pharm.
2. The primary acquiring firm is Alpha Hold, a private company incorporated in South Africa. Alpha Hold was specifically incorporated for purposes of the proposed transaction and is controlled by Greater AP (Pty) Ltd, a private company incorporated in South Africa ("Greater AP").
3. Greater AP is controlled by Gen Blue HoldCo (Pty) Ltd ("Gen Blue"), which is also a private company incorporated in South Africa. Gen Blue controls U-Gen (Pty) Ltd, Grientrie Groep (Pty) Ltd, Retskaai Holdings (Pty) Ltd, Blue Tree Capital (Pty) Ltd and Greater AP (Pty) Ltd.
4. Gen Blue is controlled by Greater Corp (Pty) Ltd ("Greater Corp"), a private company incorporated in South Africa. Greater Corp in turn controls Greater Royalty (Pty) Ltd, Greater Admin Services (Pty) Ltd, Greater Trading (Pty) Ltd, Greater Property Holdings (Pty) Ltd, Greater Media (Pty) Ltd, Greater Wholesale and Retail (Pty) Ltd and GrAlter (Pty) Ltd. Greater Corp is owned by various family trusts, none of which control it.

5. Alpha Hold, Greater AP, Gen Blue, Greater Corp and the firms controlled by those firms are collectively referred to as the “Acquiring Group”.
6. The Acquiring Group’s business activities include insurance brokerage, social media, photography and videography, labour consulting, clothing, business advisory and consulting, property investment and management as well as furniture manufacturing.
7. The Acquiring Group is not owned or controlled by historically disadvantaged persons (“HDPs”) as contemplated in section 3(2) of the Competition Act 89 of 1998, as amended (“the Act”).
8. Alpha Pharm is controlled by Shogun Holdings und Finanz AG (“Shogun”), a company incorporated in Switzerland, as to 70.68%. The remaining 29.32% is held by various individual shareholders including franchisees (retail pharmacies) of Alpha Pharm.
9. Alpha Pharm is involved in the manufacturing and wholesale distribution of pharmaceuticals and retail pharmacy.
10. The parties submit that Alpha Pharm has **[CONFIDENTIAL]**% HDP ownership.

#### **Competition Assessment**

11. 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**

12. To address employment concerns the parties have agreed to the conditions set out in **Annexure A** hereto.

#### **Conclusion**

13. The Commission approves the proposed transaction subject to the conditions set out in **Annexure A** hereto

**ANNEXURE A****ALPHA HOLD (PTY) LTD****AND****ALPHA PHARM (PTY) LTD****CASE NO: 2024OCT0048**

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**CONDITIONS**

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**1. DEFINITIONS**

1.1. The following expressions shall bear the meanings assigned to them below, and cognate expressions bear corresponding meanings –

1.1.1. “**Acquiring Firm**” means Alpha Hold (Pty) Ltd;

1.1.2. “**Affected Employees**” means not more than twenty-seven (27) employees of the Target Firm, all of whom occupy positions at either management or executive level and none of whom are unskilled or semi-skilled employees. A list of the Affected Employees is annexed to these conditions as “**Annexure 1**”.

1.1.3. “**Approval Date**” means the date referred to on the Commission's Merger Clearance Certificate (Form CC 15);

1.1.4. “**Commission**” means the Competition Commission of South Africa, a statutory body established in terms of section 19 of the Competition Act;

1.1.5. “**Commission Rules**” means the Rules for the Conduct of Proceedings in the Commission;

- 1.1.6. **"Competition Act"** means the Competition Act, 89 of 1998, as amended;
- 1.1.7. **"Conditions"** means these conditions and a condition means any one the conditions;
- 1.1.8. **"Days"** means any calendar day other than a Saturday, a Sunday or an official public holiday in South Africa;
- 1.1.9. **"Implementation Date"** means the date, occurring after the Approval Date, on which the Merger is implemented by the Merging Parties;
- 1.1.10. **"Labour Relations Act"** means the Labour Relations Act, No. 66 of 1995, as amended;
- 1.1.11. **"Merged Entity"** means the Acquiring Firm including the Target Firm following the Implementation Date;
- 1.1.12. **"Merger"** means the proposed transaction between the Merger Parties notified to the Commission under case number: 2024OCT0048;
- 1.1.13. **"Merger Parties"** means the Acquiring Firm and the Target Firm;
- 1.1.14. **"Target Firm"** means Alpha Pharm (Pty) Ltd; and
- 1.1.15. **"Tribunal"** means the Competition Tribunal of South Africa, a statutory body established in terms of section 26 of the Competition Act.

## 2. EMPLOYMENT

- 2.1. The Merged Entity shall not retrench any employees as a result of the Merger for a period of 3 (three) years from the Implementation Date, including the period between the Approval Date and Implementation Date.
- 2.2. For the avoidance of doubt, this condition does not include (i) voluntary retrenchment and/or voluntary separation arrangements; (ii) voluntary early retirement packages, (iii) unreasonable refusals to be redeployed in accordance

with the provisions of the Labour Relations Act; (iv) resignations or retirements in the ordinary course of business; (v) retrenchments lawfully effected for operational requirements; (vi) terminations in the ordinary course of business, including but not limited to, dismissals as a result of misconduct or poor performance; or (vii) any decision not to renew or extend a contract of a fixed-term third party contract employee or contract with a third party.

- 2.3. For a period of (3) three years from the Implementation Date of the Merger, the Merged Entity shall give first consideration to the Affected Employees in the event that employment opportunities arise within the Merged Entity, provided that such employees possess the necessary qualifications, skills, and experience required for the relevant roles.

### **3. MONITORING OF COMPLIANCE WITH THE CONDITIONS**

- 3.1. The Merger Parties shall inform the Commission in writing of the Implementation Date within 5 (five) Days of the Implementation Date.
- 3.2. Within 10 (ten) Days of the Implementation Date, Merger Parties shall circulate a non-confidential version of the Conditions to their employees. As proof of compliance, the Merger Parties shall, within 5 (five) Days of circulating the Conditions, submit to the Commission an affidavit attested to by a senior official.
- 3.3. For a period of 3 (three) years, on each anniversary of the Implementation Date, the Merger Parties shall provide the Commission with a report confirming compliance with clauses 2.1 and 2.3 of the Conditions. Such report shall be accompanied by an affidavit attested to by a senior official of the Merger Parties, attesting to compliance with the Conditions.
- 3.4. The Commission may request such additional information from the Merger Parties, which the Commission may, from time to time, deem necessary for purposes of monitoring the extent of compliance with these Conditions.

### **4. APPARENT BREACH**

- 4.1. Should the Commission receive any complaint in relation to non-compliance with the above Conditions, or otherwise determine that there has been an apparent

breach of these Conditions, the breach shall be dealt with in terms of Rule 39 of the Commission Rules.

## **5. VARIATION OF CONDITIONS**

- 5.1. The Merger Parties may at any time, on good cause shown, apply to the Commission for the Conditions to be waived, relaxed, modified and/or substituted. Should a dispute arise in relation to the variation of the Conditions, the Merger Parties shall apply to the Tribunal, on good cause shown and on notice to the Commission, for the Conditions to be waived, relaxed, modified and/or substituted.

## **6. GENERAL**

- 6.1. All correspondence concerning these Conditions must be submitted to the following email address: [mergerconditions@compcom.co.za](mailto:mergerconditions@compcom.co.za) and [ministry@thedtic.gov.za](mailto:ministry@thedtic.gov.za)
- 6.2. Enquiries in this regard may be addressed to the Manager: Mergers and Acquisitions Division at Private Bag X23, Lynnwood Ridge, 0040. Telephone: (012) 394 3200.

**ANNEXURE 1**  
**[CONFIDENTIAL]**