

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 6014

20 March 2025

NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:

**UNIFRUTTI SOUTH AFRICA (PTY) LTD
AND
FALCON RIDGE, HABATA, OLIPHANTSKLIP, SUR-LE-SUN, AND THE EQUIPMENT**

CASE NUMBER: 2024SEP0049

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 26 September 2024, the Competition Commission ("Commission") was notified of an intermediate merger whereby Unifrutti South Africa (Pty) Ltd ("Unifrutti") intends to acquire the following citrus farms based in the Eastern Cape: (i) portion 274 of the farm Strathsomers Estate 42 ("Falcon Ridge"); (ii) portion 73 (remaining extent) of the farm Claas Kraal 53 ("Oliphantsklip"); (iii) portion 4 of farm 512 and portion 385 of farm Strathsomers Estate 42 ("Habata"); (iv) portions 509 and 510 of the farm Strathsomers Estate 42 ("Sur-le-Sun"); and (v) the farming equipment, vehicles and tools used in relation to the aforementioned farms (collectively, the "Target Properties").
2. The primary acquiring firm is Unifrutti. Unifrutti is a South African private company which is controlled by Abu Dhabi Developmental Holding Company P.J.S.C ("ADQ"), a government owned public limited company incorporated in the United Arab Emirates. ADQ owns various firms who are active in the pharmaceutical and agricultural sectors. ADQ and all the firms it controls are referred to as the "Unifrutti Group". Unifrutti controls several firms in South Africa which are involved in the cultivation of citrus fruit.
3. The merging parties submit that Unifrutti Group does not have any shareholding by historically disadvantaged persons (HDPs) as contemplated by section 3(2) of the Competition Act No. 89 of 1998 (as amended) (the "Act").

4. In South Africa, Unifrutti Group operates citrus and table grape farming operations located in the Eastern Cape, Limpopo and the Western Cape, at which it farms and packages various citrus fruit, amongst others. Unifrutti Group also provides export marketing agent services to citrus growers which entails citrus growers supplying their citrus produce to Unifrutti Group, which on-sells the citrus fruit to the global market on behalf of the citrus grower in return for a commission. In addition, Unifrutti Group also provides citrus fruit packaging services to third party citrus exporters on an *ad hoc* basis.
5. The Target Properties are owned by various entities but have SJ Joubert Trust as a common shareholder. The Target Properties do not have any shareholding by HDPs as contemplated in section 3(2) of the Act.
6. The Target Properties are involved in the cultivation of citrus fruit, namely, oranges, lemons and soft citrus. This citrus fruit is earmarked for the export market. In this regard, the Target Properties use market agents to sell its citrus produce to the export market.

Competition Assessment

7. 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

8. To address public interest concerns, the parties have agreed to conditions as set out in **Annexure A** hereto.

Conclusion

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

ANNEXURE A**UNIFRUTTI SOUTH AFRICA PROPRIETARY LIMITED****AND****FALCON RIDGE, HABATA, OLIPHANTSKLIP, SUR-LE-SUN AND THE EQUIPMENT
(TARGET FARMS)****CASE NUMBER: 2024SEP0049**

CONDITIONS

1. The merging parties (Unifrutti and Target Farms) have committed to public interest commitments to the aggregate value of approximately (**CONFIDENTIAL**) to be disbursed over a period of 5 years after the implementation date.
2. These commitments will be incremental to pre-merger capex spend and Corporate Social Responsibility Initiatives undertaken by the parties in the communities where the Target Farms operate, as measured with reference to the last financial year preceding the merger notification date.
3. The spend of the commitments will be allocated to plans that are additive to public interest factors as envisaged in sections 12A(3)(c) and 12A3(e).
4. The parties will formulate initiatives/plans/commitments they will undertake and submit these to the Competition Commission of South Africa ("Commission") with 30 days of the merger implementation date.
5. The Commission will consider and approve the initiatives/plans/commitments within 60 days of receipt.
6. The parties may not implement the initiatives/plans/commitments without the Commission's written approval.

7. GENERAL

7.1 All correspondence concerning these Conditions must be submitted to the following email address: mergerconditions@compcom.co.za and ministry@thedtic.gov.za

7.2 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.