

## DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 6019

20 March 2025

## NOTIFICATION TO APPROVE WITH CONDITIONS THE TRANSACTION INVOLVING:

JBSA PROPS (PTY) LTD

AND

CORVEST 6 IN RESPECT OF ITS 50% SHAREHOLDING IN R&A ADMINISTRATION OF  
PROPERTY (PTY) LTD

CASE NUMBER: 2024NOV0014

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 08 November 2024, the Competition Commission ("the Commission") received notice of an intermediate merger whereby JBSA Props (Pty) Ltd ("JBSA"), intends to acquire the remaining **[CONFIDENTIAL]**% shares which it does not currently own in R&A Administration of Property (Pty) ("R&A Admin"). Post-merger, R&A Admin will be a wholly owned subsidiary of JBSA.
2. The primary acquiring firm, JBSA, is duly incorporated under the laws of the Republic of South Africa. **[CONFIDENTIAL]**.
3. **[CONFIDENTIAL]**.
4. **[CONFIDENTIAL]** has interests in other property-owning entities.
5. JBSA, its controlling entities, the firms controlled by its controlling entities and the entities it controls, will hereafter be collectively referred to as the "Acquiring Group".

6. None of the issued shares of the Acquiring Group are held by historically disadvantaged persons (“HDPs”).
7. The primary target firm is Corvest 6 (Pty) Ltd (“Corvest 6”) in respect of its **[CONFIDENTIAL]**% shareholding in R&A Admin. Both Corvest and R&A Admin are duly incorporated under the laws of the Republic of South Africa. R&A Admin is currently jointly **[CONFIDENTIAL]** controlled by the Acquiring Group and Corvest 6. Corvest 6 is ultimately controlled by FirstRand Bank Limited (“FirstRand”). Corvest 6 **[CONFIDENTIAL]** and R&A Admin will henceforth be referred to as the “Seller” and the “Target Firm”, respectively.
8. The Target Firm controls the following properties: -
  - 8.1. Sections situated on Portion 1 of Erf 9662 Pietermaritzburg known as “Town Bush Office Park”;
  - 8.2. Remainder of Erf 9662 and Portion 19 of Erf 176 Pietermaritzburg known as “Cascades Lifestyle Centre”; and
  - 8.3. Sections situated on Portion 25 of Erf 176 Pietermaritzburg known as “3 On Crescent”.
9. Town Bush Office Park, Cascades Lifestyle Centre and 3 On Crescent will hereafter be collectively referred to as the “Target Properties”.
10. The broad-based black economic empowerment (“B-BBEE”) Certificate of FirstRand indicates that 35.99% of its entire issued share capital is held by HDPs.
11. The Acquiring Group is involved in the leasing of fixed property including retail, office, industrial and residential developments in South Africa. Of relevance to the proposed transaction is the Acquiring Group’s portfolio of retail and office properties in Pietermaritzburg.
12. The Target Firm owns the Target Properties which are comprised of a retail property, Cascade Lifestyle Centre (“Cascade”) and two office properties, Town Bush (“Town Bush”) and 3 On Crescent (“3 On Crescent”), which are also located in Pietermaritzburg.

### **Competitive assessment**

13. The Commission found that the proposed transaction is unlikely to lead to a substantial prevention or lessening of competition in any relevant market.

**Public interest considerations**

14. To address public interest concerns, the parties have tendered conditions set out in **Annexure A**.

**Conclusion**

15. The Commission approves the merger subject to the conditions set out in **Annexure A** hereto.

**ANNEXURE A**  
**JBSA PROPS PROPRIETARY LIMITED**  
**AND**  
**R & A ADMINISTRATION OF PROPERTY (PTY) LTD**  
**CASE NUMBER: 2024NOV0014**

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**CONDITIONS**

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**1. DEFINITIONS**

The following terms have the meaning assigned to them below, and cognate expressions have corresponding meanings –

- 1.1 **"Acquiring Firm"** means JBSA Props Proprietary Limited, a private company registered in South Africa.
- 1.2 **"Approval Date"** means the date on which the Merger is approved by the Commission and set out in the Commission's Clearance Certificate (Notice CC 15) in terms of the Competition Act;
- 1.3 **"Commission"** means the Competition Commission of South Africa;
- 1.4 **"Commission Rules"** means the Rules for the Conduct of Proceedings in the Commission;
- 1.5 **"Competition Act"** means the Competition Act No. 89 of 1998, as amended;
- 1.6 **"Conditions"** means these conditions;
- 1.7 **"HDP"** means historically disadvantaged person as contemplated in section 3(2) of the Act;
- 1.8 **"Implementation Date"** means the date, occurring after the Approval Date, on which the Merger is implemented by the Merger Parties;
- 1.9 **"Merger"** means the acquisition by the Acquiring Firm of sole control over the Target Firm;
- 1.10 **"Merger Parties"** means the Acquiring Firm and the Target Firm;

- 1.11 **"South Africa"** means the Republic of South Africa;
- 1.12 **"Target Firm"** means R & A Administration of Property Proprietary Limited;
- 1.13 **"Target Properties"** means *Cascades Lifestyle Centre, Town Bush Office Park and 3 On Crescent*;
- 1.14 **"Tribunal"** means the Competition Tribunal of South Africa; and
- 1.15 **"Tribunal Rules"** means the Rules for the Conduct of Proceedings in the Competition Tribunal, issued in terms of section 27 of the Competition Act.

## CONDITIONS TO THE APPROVAL OF THE MERGER

### 2. PROCUREMENT COMMITMENT

- 2.1. For a period of three years from the Approval Date (the "**Procurement Commitment Period**"), the Acquiring Firm commits to:-
- 2.2.1 in respect of the Target Properties, procure property maintenance services from HDPs **[CONFIDENTIAL]**; and
- 2.2.2 adjust the current annual spend in respect of the property maintenance services listed in clause 2.2.1 above in the amount of **[CONFIDENTIAL]** annually in accordance with the percentage adjustment in the most-recent headline inflation of the Consumer Price Index as published by Statistics South Africa in respect of the preceding year, the first such adjustment to be effective no later than one year from the Approval Date.

### 3. MONITORING OF COMPLIANCE WITH THE CONDITIONS

- 3.1. The Acquiring Firm shall inform the Commission in writing of the Implementation Date within 10 Days of its occurrence.
- 3.2. For the duration of the Procurement Commitment Period, and within 30 (thirty) Days of each anniversary of the Approval Date, the Acquiring Firm shall submit to the Commission a Compliance Report detailing compliance with these Conditions.

- 3.3. The Commission may request any additional information from the Acquiring Firm, which the Commission may reasonably deem necessary for the purposes of monitoring the extent of compliance with these Conditions.

#### **4. APPARENT BREACH**

- 4.1. In the event that the Commission receives any complaint in relation to non-compliance with the above Conditions, or otherwise determines that there has been an apparent breach by the Merging Parties of these Conditions, that apparent breach shall be dealt with in terms of Rule 39 of the Commission Rules read together with Rule 37 of the Tribunal 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 waived, relaxed, modified and/or substituted. Should a dispute arise in relation to the variation of the Conditions, the Merging 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 in relation to the Conditions must be submitted to the following e-mail address: [mergerconditions@compcom.co.za](mailto:mergerconditions@compcom.co.za) and [ministry@thedtic.gov.za](mailto:ministry@thedtic.gov.za).
7. 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.