



## MERGER NOTICE NO 12: 2021

### **THE PROPOSED ACQUISITION OF 34.34% OF THE ISSUED SHARE CAPITAL IN ACTOM INVESTMENT HOLDINGS (PTY) LTD BY OMPE V GP PROPRIETARY LIMITED**

Pursuant to section 49(1) of the Competition Act 2018, the Competition and Consumer Authority ("the Authority") has received a merger notification for the proposed acquisition of 34.34% of the issued share capital in Actom Investment Holdings (Pty) Ltd ("AIH" or the "Target Enterprise") by OMPE V GP Proprietary Limited ("OMPE V Pty Ltd" or the "Acquiring Enterprise").

The proposed transaction involves OMPE V Pty Ltd acquiring 34.34% of the issued share capital of AIH from various entities ultimately controlled by Actis LLP ("Actis") (the "Proposed Transaction"). The Acquiring Enterprise, OMPE V Pty Ltd is controlled by Old Mutual Private Equity ("OMPE"), a division of Old Mutual Alternative Investments Proprietary Limited ("OMAI"), by virtue of a management agreement that has been concluded between OMAI and OMPE V Pty Ltd. OMAI is a private alternative investment manager, ultimately controlled by Old Mutual Limited ("OML"). For ease of reference, we refer to all firms controlled by OML, as the "Old Mutual Group". Another entity in the Old Mutual Group, Old Mutual Life Assurance Company (South Africa) ("OMLACSA"), currently holds 19.62% of the issued share capital of AIH. OMAI controls the voting rights in respect of these shares for the purposes of the Act by virtue of a similar management agreement that has been concluded between OMAI and OMLACSA. Consequently, as a result of the proposed transaction, OMAI will control the voting rights in respect of 53.96% of AIH and thereby acquire indirect control over AIH.

The primary Acquiring Enterprise, OMAI, is a private company incorporated in accordance to the Laws of South Africa. As noted above, OMAI is an alternative investment manager, which forms part of the Old Mutual Group. The Old Mutual Group is a diversified African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key markets in 14 countries. OML was listed in South Africa in June 2018 and is the ultimate holding company for a number of subsidiaries operating across various lines of business in the financial service industry, including among others, life assurance products, short term insurance, savings, property, asset management, banking and lending. OML is not controlled by any enterprise or group of enterprises.

OMAI does not have any operations in Botswana and OMPE does not control any portfolio companies with operations in Botswana. The activities of the Old Mutual group in Botswana (through its subsidiary companies – Old Mutual Financial Services Botswana (Pty) Ltd; Old Mutual Life Insurance Company (Botswana) (Pty) Ltd; and Old Mutual Short-Term Insurance (Botswana) Limited) form part of its Personal and Corporate divisions.

The Personal division is involved in the provision of insurance services such as life and disability insurance, funeral cover, health insurance, and non-life insurance, whereas the Corporate division provides group assurance services such as disability and income protection solutions as well as business insurance covering a wide range of cover options to insure business related risks.

The Directors of OMAI are: Paul Norman Boynton; Bradley Mathew Kalil; Karin Lizl Hausmann; and Gcinikhaya Loyiso Gobodo (all South Africans).

The Target Enterprise, AIH, is a private company incorporated in accordance with the Laws of South Africa. It is a holding company for a group of companies which are involved in the manufacture; supply; distribution; installation and repair of a wide range of electrical equipment used in the power generation and industrial segments in Africa. AIH is not controlled by any single firm or a combination of firms. The names of shareholders that hold more than 5% of the Target Enterprise's issued share capital are: Actis LLP (34.34%); OMLACSA (19.62%); Kagiso Power Services III (Pty) Ltd (9.31%); and Tiso Electrical (Pty) Ltd (9.31%).

AIH controls ACTOM SA (Pty) Ltd, which is a private company incorporated in South Africa. ACTOM SA (Pty) Ltd in turn controls ACTOM (Pty) Ltd, a private company also incorporated in South Africa. In Botswana ACTOM (Pty) Ltd controls ACTOM Botswana (Pty) Ltd ("ACTOM Botswana"), which does not have ongoing operations. However, at times the ACTOM Group's South African business units conduct projects in Botswana through ACTOM Botswana. The South African based divisions through which ACTOM Group had sales into Botswana are: ACTOM Power Systems; ACTOM High Voltage Equipment; ACTOM Distribution Transformers; ACTOM Electrical Products; Genlux Lighting; LH Marthinusen Fan Service; LH Marthinusen Motors; LH Marthinusen Transformers; ACTOM MV Switchgear; and ACTOM Protection & Control.

The Directors of AIH are: S. Chauke; C. Kula; M.M. Mccollum; N. Mohamed; M.A. Mthethwa; S.M. Mthunywa; M. Naidoo; S.P. Sepeng; E.A. Van Wyngaardt (South Africans). The Alternate Directors of AIH are M.L.E. Augonnet (French); and M. Parusel (German). AIH's company secretary is A.C. Heyneke (South African).

According to section 50 (3) of the Competition Act 2018, "any person, including a third party not a party to the proposed merger, may voluntarily submit to the inspector or the Authority any document, affidavit, statement or other relevant information in respect of a proposed merger."

The Competition and Consumer Authority therefore seeks any stakeholder views for or against the proposed merger, which may be sent within 10 days from date of this publication to the following address:

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