



MERGER NOTICE NO 29: 2017

THE PROPOSED ACQUISITION OF SOLE CONTROL OF CAPEVIN HOLDINGS PTY LTD, AND ULTIMATELY DISTELL GROUP LTD BY REMGRO INTERNATIONAL HOLDINGS PTY LTD.

Pursuant to section 56(1) of the Competition Act [CAP 46:09], the Competition Authority has received a merger notification for the proposed acquisition of sole control of Capevin Holdings (Pty) Ltd ("**Capevin**"), and ultimately Distell Group Ltd ("**Distell**") by Remgro International Holdings (Pty) Ltd ("**RIH**").

RIH, the primary acquiring enterprise, is a holding company incorporated under the Laws of the Republic of South Africa, and is controlled 100% by Remgro Ltd ("**Remgro**"), a company listed on the Johannesburg Stock Exchange. RIH together with Capevin, the target enterprise, equally control Remgro-Capevin Investments (Pty) Ltd ("**RCI**"). Furthermore, RCI controls Distell Group Ltd ("**Distell**") with the remaining shares being held between Public Investment Corporation SOC Ltd, acting as agent and representative of the Government Employees Pension Fund ("**The PIC**") and minority shareholders. Distell wholly owns Distell Botswana (Pty) Ltd ("**Distell Botswana**"). Also, in Botswana, Remgro indirectly controls RCL foods Ltd ("**RCL**") which wholly owns Vector Logistics (Pty) Ltd ("**Vector Logistics**"). In turn, Vector Logistics jointly controls Senn Foods Logistics (Pty) Ltd ("**Senn Foods**").

RIH and RCI are investment holding companies with their sole asset being the indirect investment in Distell. RCL sells animal feed, molasses, sugar, wheat, maize, chicken, mayonnaise, peanut butter, rusks, pet food and Mageu brand maize drink, as well as providing logistics services in Botswana through Vector Logistics. Senn Foods is involved in the trading and distribution of dry, frozen and chilled food in Botswana. Distell is Africa's leading producer and marketer of wines, spirits (such as brandy, white spirits, whisky and rum), ciders and other ready-to-drink beverages; which are distributed in Botswana through Distell Botswana.

Capevin, the target enterprise, is a company listed on the Johannesburg Stock Exchange, therefore not controlled by any one company. Capevin is also an investment holding company that has a 50% stake in RCI which holds, as its sole investment, a controlling stake in Distell.

According to section 57(3) of the Competition Act, "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 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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