



PUBLIC HEARING NOTICE NO 01: 2019

THE PROPOSED ACQUISITION OF 100% SHAREHOLDING IN CLOVER INDUSTRIES LTD BY MILCO SA (PTY) LTD.

Pursuant to section 58(1) of the Competition Act [CAP 46:09], the Competition Authority ("the Authority") hereby invites members of the public to a hearing in relation to the proposed transaction which involves the acquisition of 100% shareholding in Clover Industries Ltd ("**Clover**") by Milco SA (Pty) Ltd ("**Milco SA**").

The hearing will be held on **Thursday 27th June 2019** at Plot 28, Matsitama Road, Old BEDIA Building at **09:30 hrs**. The hearing will be held with each of the parties to the transaction and other interested parties, pursuant to section 58(3)(a) of the Competition Act. The hearing is intended to allow the parties to the transaction to make verbal representations to the Authority with respect to the transaction as well as allow their competitors and the general public to express their views on the proposed acquisition.

Furthermore, other interested parties not party to the proposed transaction will be afforded an opportunity to voluntarily submit to the Authority any documents, affidavit, statements or other relevant information in respect of the proposed acquisition. Though not mandatory, it would be preferable for those attending to submit copies of what they intend to present to the Authority no later than **Friday 14th June 2019**.

The acquiring enterprise, Milco SA, is a special purpose vehicle (SPV) incorporated in accordance with the Laws of South Africa and it is controlled by Milco Mauritius International Ltd ("**MMI**") which is also an SPV incorporated according to the Laws of Mauritius. Both SPVs were formed for the purposes of the proposed transaction. MMI is controlled by International Beer Breweries Ltd ("**IBBL**") which is incorporated in Israel. IBBL manufactures and markets beer brands Carlsberg, Tuborg, Holsten and Stella Artois as well as non-alcoholic beer brand Malty and juice brands Prigat and Ocean Spray.

IBBL is a directly owned subsidiary of the Central Bottling Company Group ("**CBC**"), a company registered in accordance to the Laws of Israel. CBC is in turn a privately-owned international food and beverage group, and, through its foreign subsidiaries, has manufacturing and distribution operations in Turkey, Romania, and Uzbekistan. CBC is the owner of Tara dairy, which is Israel's second largest milk processing dairy, and Cat Foods, which is a juice operation with customers in over 70 countries.

The directors of Milco SA are Aran Ernest Oelsner; Joav Asher Nachson (both Israelis) and Andrew Stuart McLeod (South Africans).

The target enterprise, Clover, is incorporated in accordance with the Laws of South Africa. It is a branded consumer goods company in the food and beverage industry that is focused on the supply of dairy products, soy products, olive oil, and olives, and the supply of non-alcoholic beverages as well as sales, merchandising and distribution of consumer goods.

Clover is listed on the Johannesburg Stock Exchange (JSE) and it is not controlled by any single shareholder or a group of shareholders. Clover's shareholders holding 3% or more as at the end of its most recent financial year were: Clover Milk Producers Trust (12.42%); Allen Gray (7.87%) Government Employees Pension Fund (6.04%); Lekto Brosseau (5.79%); JH Vorster (4.50%); and HSBC (4.09%).

Clover wholly owns Clover SA (Pty) Ltd; Real Beverage Company; Clover MilkyWay and Clover Frankies (all based in South Africa). Clover also wholly owns Clover Botswana (based in Botswana); Clover Namibia (based in Namibia); Clover Swaziland (based in eSwatini) and Clover West Africa (based in Nigeria). Furthermore, Clover controls the following South African based subsidiaries: Clover Waters (70%); Clover Good Hope (51%); Clover Pride (51%); Clover Fonterra (51%); and Clover Futurelife (50.1%). The Directors of Clover are JW Basson; SF Booysen; WI Buchner; NV Mokhesi; JFM Morgan; B Ngonyama; FFF Scheepers; NA Smith; and JH Vorster (all South Africans).

Any questions on the abovementioned hearing may be directed to:-

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