Merger Alert

Date of release: 2 June 2023

OUTCOME OF MERGERS DECIDED BY THE TRIBUNAL - 2 JUNE 2023

Type of matter	Parties involved	Tribunal decision
Large merger	Clicks Investments (Pty) Ltd And Sorbet Holdings (Pty) Ltd	Approved with conditions
Large merger	K2023645019 (South Africa) (Pty) Ltd, a SPV Controlled by RMB Ventures Eight (Pty) Ltd and Bopa Moruo Fund 2 (Pty) Ltd, And Aurex Holdings (RF) (Pty) Ltd	Approved with conditions

Clicks Investments (Pty) Ltd And Sorbet Holdings (Pty) Ltd

The Tribunal has conditionally approved the proposed merger whereby Clicks Investments (Pty) Ltd ("Clicks Investments") intends to acquire Sorbet Holdings (Pty) Ltd ("Sorbet Holdings"). The Tribunal has approved the transaction subject to conditions that relate to: promoting a greater spread of ownership by historically disadvantaged persons ("HDPs") and small and medium sized businesses ("SMMEs"); localisation; and training.

The Clicks Group conducts several activities. Its activities as a retailer of healthcare, beauty and toiletry products are of relevance to this transaction.

The Sorbet group sells a variety of skin care and cosmetics products through standalone Sorbet salons (including retail spaces) nationwide. It is a franchisor of the Sorbet brand and enters into franchise agreements with third party operators, being franchisees, in terms of which these individual franchisees are licensed to operate a beauty salon, nail bar and/or professional skin care retail outlet under the name "Sorbet".

K2023645019 (South Africa) (Pty) Ltd, a SPV Controlled by RMB Ventures Eight (Pty) Ltd and Bopa Moruo Fund 2 (Pty) Ltd, And Aurex Holdings (RF) (Pty) Ltd

The Tribunal has conditionally approved the proposed merger in terms of which RMB Ventures Eight (Pty) Ltd ("RMBV") and Bopa Moruo Fund 2 (Pty) Ltd ("Bopa Moruo") intend to acquire a controlling minority interest in Aurex Holdings (RF) (Pty) Ltd ("Aurex") through a special purpose vehicle, K2023645019 (South Africa) (Pty) Ltd (the SPV").

The Tribunal has imposed conditions on the proposed transaction which relate to the establishment of an employee share ownership programme ("ESOP").

The SPV is the primary acquiring firm and does not control any other firm. It is controlled by RMBV and Bopa Moruo. RMBV is ultimately controlled by FirstRand Limited, a public company listed on the Johannesburg Stock Exchange. The Bopa Moruo Group comprises private equity firms and Aurex is an investment holding company.

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