COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No.: LM057Jun26

In the matter between:

SII Rail Investments GP (Pty) Ltd **Primary Acquiring Firm**

And

Traxtion (Mauritius) Ltd **Primary Target Firm**

Panel	:	Thando Vilakazi (Presiding Member)
	:	Imraan Valodia (Tribunal Member)
	:	Andiswa Ndoni (Tribunal Member)
Heard on	:	27 July 2026
Order issued on	:	27 July 2026
Reasons issued on	:	25 August 2026

REASONS FOR DECISION

Introduction

[1] On 27 July 2026 the Competition Tribunal unconditionally approved the large merger in terms of which SII Rail Investments GP Proprietary Limited ("the acquiring firm") intends to acquire control over Traxtion (Mauritius) Limited ("the target firm") ("the proposed transaction").

[2] Currently, the acquiring firm holds a [redacted]% non-controlling interest in the target firm. Upon implementation of the proposed transaction, the acquiring firm will acquire control over the target firm as contemplated in section 12(2)(g), read with

section 12(1) of the Competition Act 89 of 1998 ("the Act"). In particular, the acquiring firm would be able [redacted] and [redacted].

Parties and their activities

Primary Acquiring Firm

[3] The primary acquiring firm is registered in South Africa and is controlled by STANLIB Infrastructure Fund II ("STANLIB II"). STANLIB II is a domestic private infrastructure fund represented by STANLIB Infrastructure GP 2 Proprietary Limited ("SIG 2"), an entity registered in South Africa.

[4] STANLIB II is ultimately controlled by Standard Bank Group Limited ("SBG"). SBG is listed on the Johannesburg Stock Exchange Limited ("JSE") and the Namibian Stock Exchange ("NSX"). Therefore, no single shareholder controls SBG. The largest shareholders in SBG, as of 31 December 2025, are (i) Industrial and Commercial Bank of China with a 19.7% shareholding, and (ii) Government Employees Pension Fund with a 14.4% shareholding.

[5] The acquiring firm is an investment vehicle within the STANLIB II group, which invests in a diversified portfolio of South African infrastructure assets, primarily in the renewable energy and digital infrastructure sectors. None of the firms controlled by STANLIB II operate in the freight rail or related services sector.

[6] The acquiring firm, the entities controlled by the acquiring firm and the entities controlling the acquiring firm will be referred to as "the acquiring group".

Primary Target Firm

[7] The primary target firm is registered in the Republic of Mauritius ("Mauritius") and is controlled by Traxtion (Mauritius) Holdings Limited ("TMH") (with a shareholding of 61.53%). The remaining shareholding is held by (i) the acquiring firm (with a shareholding of [redacted]%), (ii) PAIDF 2 Partnership (RSA) ("PAIDF 2") (with a shareholding of [redacted]%), (iii) Harith InfraCo RF Limited (with a shareholding of

[redacted]%), (iv) [redacted], and (v) PAIDF 2 Mauritius LLC ("PAIDF 2 Mauritius") (with a shareholding of [redacted]%).

[8] [redacted]

[9] The target firm provides freight rail services in South Africa through Traxtion Sheltam. Its activities include the leasing and maintenance of locomotives and rolling stock, the supply of rail components and the provision of technical, safety, compliance, and training services to customers, primarily in the mining, industrial and bulk commodities sectors.

[10] In South Africa, the target firm wholly controls Traxtion Sheltam Holdings Proprietary Limited ("Traxtion Sheltam").

Competition analysis

[11] The Competition Commission ("Commission") found that there was no horizontal overlap in the activities of the merger parties as the acquiring group is not active in the freight rail services and related solutions industry.

[12] Further, there is no vertical overlap as the merger parties do not operate at different levels of the same value chain.

[13] Considering the above, we find that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market.

Public interest

Effect on Employment

[14] The merging parties indicated that the proposed transaction will not have a negative impact on employment and will not result in any involuntary retrenchments.

[15] The Commission engaged with the employee representative of the acquiring firm, the employee representative of the target firm, and the target firm's trade unions, namely Solidarity and the National Union of Mineworkers ("NUM"). The employee representatives and Solidarity confirmed that employees are aware of the proposed transaction and raised no concerns. Despite several follow-ups, we are informed that the Commission did not receive any submissions from NUM.

[16] Based on the merger parties' submissions and the views of the employee representatives and Solidarity, the Commission found that the proposed transaction is unlikely to raise employment concerns.

[17] Considering the above, we are satisfied that proposed transaction is unlikely to raise any employment concerns.

Effect of the merger on the promotion of a greater spread of ownership by HDPs and workers in firms in the market

[18] The acquiring group has 27.54% of its shareholding held by historically disadvantaged persons ("HDPs"). The Commission found that the target firm derives its HDP credentials from [redacted] of its shareholding held by HDPs.

[19] The merger parties submit that the proposed transaction only involves the acquisition of *de jure* control in terms of section 12(2)(g) of the Act and does not affect the ownership structure of the target firm. The proposed merger itself does not alter the ownership structure of either firm. Accordingly, no further intervention is necessary in this instance.

[20] We agree with the Commission's assessment that the proposed transaction does not raise any other public interest concerns.

Conclusion on public interest

[21] The proposed transaction does not raise any other public interest concerns.

Conclusion

[22] For the reasons set out above, we therefore approve the proposed transaction unconditionally.

Signed by:Thando Vilakazi
Signed at:2026-08-25 10:52:50 +02:00
Reason:Witnessing Thando Vilakazi

Thando Vilakazi

25 August 2026

Prof. Thando Vilakazi **Date**

Prof. Imraan Valodia and Ms Andiswa Ndoni concurring.

Tribunal Case Manager:	Princess Ka-Siboto
For the Merger Parties:	Heather Irvine of Bowmans
For the Commission:	Zanele Hadebe, Mishkah Abdool Sattar and Grashum Mutizwa