



## MERGER NOTICE NO 29: 2025

### **THE PROPOSED ACQUISITION OF ISSUED SHARE CAPITAL IN BARLOWORLD LIMITED BY GULF FALCON HOLDING LIMITED AND ENTSHA PROPRIETARY LIMITED (TOGETHER, THE CONSORTIUM), THROUGH K2024528179 (SOUTH AFRICA) 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 all issued share capital in Barloworld Limited ("Barloworld" or the "Target Enterprise") other than those held by Barloworld subsidiaries (including any member of the Barloworld Group holdings shares as "forfeitable shares" as escrow agent), the Barloworld Empowerment Foundation Trust ("BEFT"), Zahid Tractor & Heavy Machinery Co. Ltd ("Zahid Tractor"), Mr. Dominic Sewela ("Mr. Sewela") and the Katlego Le Masego Trust (the "Trust") (collectively, the "Excluded Shareholders") by Gulf Falcon Holding Limited ("Falcon Holding") and Entsha (Pty) Ltd ("Entsha") (together, the Consortium), through K2024528179 (South Africa) (Pty) Ltd ("NewCo") (collectively the "Acquiring Enterprise"). The Proposed Transaction will be implemented by way of a Standby Offer.

The Primary Acquiring Enterprise, NewCo, is a newly incorporated South African company established for the purpose of the Proposed Transaction (special purpose vehicle). NewCo does not supply any products or services. NewCo is jointly controlled by Entsha and Falcon Holding.

Entsha is a newly incorporated South African company that is wholly owned by DKMS Group Proprietary Limited ("DKMS HoldCo"), also a newly incorporated South African company. DKMS HoldCo, in turn, is wholly owned by the Trust, an *inter vivos* trust established for the benefit of Mr. Sewela and his family. The Trust does not control any other enterprise. Entsha and DKMS HoldCo were established for the purposes of the Proposed Transaction and do not supply any products or services.

Falcon Holding is a wholly owned subsidiary of Zahid Tractor. Falcon Holding and Zahid Tractor form part of the Zahid Group of Companies ("Zahid Group"). The Zahid Group is a multidisciplinary conglomerate headquartered in the Kingdom of Saudi Arabia (the Kingdom). The Zahid Group operates across 14 sectors throughout the Middle East, Europe, North America and Africa (including through its existing minority and non-controlling interest and long-held stake in Barloworld). The Zahid Group does not supply any products or services in Botswana.

The Acquiring Group does not currently operate in, nor does it control any enterprise that operates in Botswana.

The Directors of NewCo are Aladdin Riad Sami, Augustinos Antoine Sfeir, Dominic Malentsha Sewela and Katlego Sewela.

The Directors of Entsha are Dominic Malentsha Sewela, Katlego Sewela and Masego Sewela. The Directors of Falcon Holding are Usman Mahmood Siddique Mohammad, Aladdin Riad Sami and Augustinos Sfeir.

The Primary Target Enterprise, Barloworld, is a publicly listed company incorporated under the Laws of South Africa with a primary listing on the Johannesburg Stock Exchange ("JSE") and a secondary listing on the A2X Stock Exchange.

It is an industrial processing, distribution and services company with two primary areas of focus, namely Industrial Equipment and Services (through which the company is the official distributor of Caterpillar construction, mining and industrial equipment) and Consumer Industries (through which the company produces and supplies unmodified starch, glucose and related products). Barloworld provides a link between the manufacturer and the customer and adds value through sales, aftermarket support and solutions to customers. Barloworld's Consumer Industries division operates through Barloworld Ingrain (Pty) Ltd ("Ingrain"), including Ingrain SA (Pty) Ltd ("Ingrain SA"), a wholly owned subsidiary of Barloworld. Ingrain has a physical presence in Australia and South Africa and has only made ad hoc *de minimis* sales to customers in Botswana.

In Botswana, Barloworld ultimately controls Barloworld Equipment Botswana (Pty) Ltd ("Barloworld Equipment Botswana"). Barloworld Equipment Botswana is a private company incorporated in Botswana. The primary operations of Barloworld in Botswana entail the distribution and servicing of Caterpillar machines and the supply of Caterpillar spare parts. (i.e., Industrial Equipment). For completeness, Barloworld also holds a 50% shareholding interest in NMI Durban South Motors Botswana (Pty) Ltd ("NMI Botswana") through NMI Durban South Motors (Pty) Ltd ("NMI"). NMI is a private company incorporated in South Africa. NMI Botswana is a private company incorporated in Botswana, whose activities primarily relate to the sale and rental of motor vehicles. Barloworld and all firms directly or indirectly controlled by Barloworld are referred to as the "Target Group".

The Directors of Barloworld are Dominic Sewela, Nopasika Lila, Nolulamo Gwagwa, Nomavuso Mnxasana, Vuyisa Nkonyeni, Neo Mokhesi, Peter Shmid, Hugh Molotsi, Nicola Chiaranda and Bashirat Oduneewu.

The Directors of Barloworld Equipment Botswana are Modiri Seoke and Febian Mulenga Kayula. The Directors of NMI Botswana are Zacharia Matlho Kapaletswe, Veliswa Celestine Rozani, Riaan Jacobus van Zyl and Hassan Akoob Khamissa.

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

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