COMPETITION & CONSUMER AUTHORITY

Fair Markets, Empowered Consumers.

MERGER DECISION

MERGER DECISION NO 34: 2026

Notice in Terms of Section 53(4) (a)(ii) of the Competition Act 2018

DECISION ON THE ASSESSMENT OF THE PROPOSED ACQUISITION OF THE REMAINING 50% OF THE SHARES IN NMI DURBAN SOUTH MOTORS PROPRIETARY LIMITED BY HN MOTOR HOLDINGS PROPRIETARY LIMITED FROM BARLOWORLD SOUTH AFRICA PROPRIETARY LIMITED

Introduction of the Merging Parties

Pursuant to section 53(4)(a)(ii) of the Competition Act 2018 ("the Act"), notice is hereby given on the decision made by the Competition and Consumer Authority ("the Authority") in relation to the proposed acquisition of the remaining 50% of the shares in NMI Durban South Motors Proprietary Limited ("NMI" or the "Target Enterprise") by HN Motor Holdings Proprietary Limited ("HN Motor Holdings" or the "Acquiring Enterprise"), from Barloworld South Africa Proprietary Limited ("Barloworld SA" or the "Seller"), (the "Proposed Transaction").

The Acquiring Enterprise is a company incorporated in accordance with the Laws of South Africa. It is controlled by HAK Holdings Proprietary Limited ("HAK Holdings") and Velvet Gold Proprietary Limited ("Velvet Gold"), which are both companies registered in South Africa. HAK Holdings is wholly owned by the Hassan Akoob Khamissa Family Trust. Velvet Gold is wholly owned by the Nizam Akoob Khamissa Family Trust. These family Trusts are domiciled in South Africa, and their beneficiaries are South Africans.

The Target Enterprise is a company incorporated in accordance with the Laws of South Africa. It is jointly controlled by HN Motor Holdings and Barloworld SA, each holding a 50% shareholding. Barloworld SA is a wholly owned subsidiary of Barloworld Proprietary Limited ("Barloworld"). Barloworld SA and Barloworld are both companies incorporated in South Africa. Barloworld is controlled by K2024528179 (South Africa) Proprietary Limited, a South African company. NMI wholly owns and controls NMI Durban South Motors Botswana Proprietary Limited ("NMI Botswana"), a company registered in Botswana.

Relevant Markets

In terms of the markets of the Merging Parties, the Acquirer is an investment holding company whose sole activity is to hold a 50% shareholding in NMI, through which it has its business presence in Botswana. On the other hand, the NMI's business includes trading in new and used motor vehicles, after sales services including the service of motor vehicles and the sales of parts and accessories, finance and insurance products. NMI operates motor vehicle franchise and non franchise dealerships in South Africa and Botswana. NMI carries on business in Botswana through its subsidiary NMI Botswana.

The Proposed Transaction reveals that the Acquiring Entity will acquire shares in the Target Enterprise from the Seller, who is a co-shareholder, resulting in the Acquiring Entity obtaining sole shareholding and control of the Target Enterprise. It is worth highlighting that the Proposed Transaction is taking place at the parent holding company level in South Africa, with the resultant change in control cascading down to the Target Entity's subsidiary in Botswana, NMI Botswana. In the same vein, Barloworld SA has decided to sell its shares in NMI to HN Motor Holdings pursuant to the pre-emptive rights provided for in the NMI shareholders' agreement. Accordingly, the Proposed Transaction constitutes an internal restructuring and will not result in any change to the relevant market structure. The status quo will therefore be maintained following implementation of the Proposed Transaction. Consequently, the Proposed Transaction is not expected to give rise to any market effects in Botswana.

Competitive Analysis and Public Interest

The Authority has established that the Proposed Transaction is not likely to result in a substantial lessening of competition, nor endanger the continuity of service in the market relevant in Botswana. Furthermore, the proposed merger will not have any negative effect on public interest matters in Botswana as per the provisions of section 52(2) of the Competition Act 2018.

The Determination

Pursuant to the provision of Section 53 of the Competition Act, 2018, the Authority has decided to unconditionally approve the proposed acquisition of the remaining 50% of the shares in NMI Durban South Motors Proprietary Limited by HN Motor Holdings Proprietary Limited, from Barloworld South Africa Proprietary Limited.

However, as stated under section 61 of the Act, this approval does not override or negate any other mandatory statutory approvals or processes that any of the parties to this merger must comply with under the Laws of Botswana.

Dated at Gaborone on this 13th day of October 2026.

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