



COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No.: LM190Feb26

In the matter between:

Government Employee Pension Fund (represented by Public Investment Corporation SOC Ltd), Hybrid SPV (Pty) Ltd, Wiphold Shelfco No.1 (Pty) Ltd

Primary Acquiring Firms

And

Zaad Holdings (Pty) Ltd

Primary Target Firm

Panel	: Andreas Wessels (Presiding Member)
	: Imraan Valodia (Tribunal Member)
	: Andiswa Ndoni (Tribunal Member)
Heard on	: 20 May 2026
Order issued on	: 20 May 2026
Reasons issued on	: 27 May 2026

REASONS FOR DECISION

Introduction

[1] On 20 May 2026 the Competition Tribunal (“Tribunal”) approved the large merger whereby the Government Employees Pension Fund (“GEPF”) represented by the Public Investment Corporation SOC Ltd (“PIC”), Hybrid SPV (Pty) Ltd (“Phatisa SPV”) and WIPHOLD Shelfco No.1 (Pty) Ltd (“WIPHOLD Shelfco”) intend to acquire issued shares in Zaad Holdings (Pty) Ltd (“Zaad”). PIC, Phatisa SPV and WIPHOLD Shelfco are collectively referred to as the Acquiring Consortium.

- [2] The Acquiring Consortium intends to acquire issued shares in Zaad in the following proportions (with each member acquiring the shares on a direct basis): WIPHOLD Shelfco - 28.69%; PIC - 28.69%; and Phatisa SPV - 23.21%. Post-merger the Acquiring Consortium will exercise joint control over Zaad.
- [3] For completeness, the merger parties submitted that the Industrial Development Corporation (“IDC”), will acquire a non-controlling 19.21% interest in Zaad. This acquisition of a non-controlling interest by the IDC will occur concurrently with the proposed transaction.

Parties and their activities

Primary Acquiring Firms

- [4] The primary acquiring firms are (i) GEPF represented by the PIC, (ii) Phatisa SPV, and (iii) WIPHOLD Shelfco.
- [5] The GEPF and the PIC are state-owned entities, which are wholly owned by the government of South Africa. The GEPF holds interests in various firms.
- [6] The PIC, on behalf of the GEPF, invests in various classes of assets including equities, property, and fixed income, which the PIC has been appointed to manage. Relevant for purposes of the merger filing are the GEPF's non-controlling interests in firms operating in the broader agricultural sector, which are active in: poultry farming, the production of milk products, the production and exporting of grapes, and the production and exporting of citrus.
- [7] Phatisa SPV is a private company incorporated in South Africa, and it does not control any firm. It is a newly incorporated special purpose vehicle wholly owned by [REDACTED]. The Phatisa Group is an African private equity fund manager which invests across the African food value chain and affordable housing.

[8] WIPHOLD Shelfco is a wholly owned subsidiary of WIPHOLD Proprietary Limited ("WIPHOLD"), a private company incorporated in South Africa. The shareholders of WIPHOLD are: [REDACTED]

[9] The WIPHOLD Group is an investment group that investments in the following sectors: (i) infrastructure, (ii) food and agriculture, (iii) financial services, (iv) mining and energy, and (v) services. WIPHOLD's investment in the agricultural sector is through its subsidiary WIPHOLD Agriculture which includes: (i) WIPHOLD Agriculture, that hosts the farming operations; and (ii) WIP Equipment, that procures and leases production machinery to projects.

Primary Target Firm

[10] The primary target firm is Zaad, a private company incorporated in accordance with the laws of South Africa. Zaad is controlled as to 97.2% by Zeder Financial Services Limited ("ZFS"), a public company incorporated in South Africa. ZFS is wholly owned by Zeder Investments Limited ("Zeder"), a public company listed on the Johannesburg Securities Exchange, and it is not controlled by any firm. Zaad and all the firms that it controls are collectively referred to as the "Target Group".

[11] The Target Group operates in the specialised agri-inputs industry by breeding, producing and distributing a broad range of agronomy, forage and vegetable seeds. The Target Group is also active in the development and distribution of agro chemicals (agricultural remedies and fertilizers).

Competition analysis

[12] The Competition Commission ("Commission") considered the activities of the merger parties and found that the proposed transaction does not result in a horizontal overlap between the activities of the Acquiring Consortium and the Target Group. This is because none of the portfolio companies controlled by

Acquiring Consortium are active in the production and supply of seeds and agro-chemicals in competition with the Target Group.

[13] Given the above, the proposed transaction is, from a horizontal perspective, unlikely to substantially prevent or lessen competition in any relevant market.

Information Sharing

[14] In its assessment, the Commission considered whether the proposed transaction could facilitate the exchange of commercially sensitive information by assessing potential overlaps in the activities of the Acquiring Consortium members, including in markets in which they are active outside of their post-merger interest in the Target Group.

[15] In this regard, the Commission found that although the Acquiring Consortium members each have interests in the broad agricultural sector, the firms in which each of the Acquiring Consortium members are invested do not provide goods and/or services that can be considered to be interchangeable. Based on this, the Commission was of the view that the proposed transaction was unlikely to raise information sharing concerns. We see no reason to disagree with the Commission's assessment.

Restraint of Trade

[16] The merger parties indicated to the Commission that they intend to enter into a Share Purchase Agreement that includes a restraint of trade. In terms of the restraint, ZFS undertakes in favour of the Acquiring Consortium not to directly or indirectly engage in any business that competes with the Target Group, and not to solicit or entice away the Target Group's employees, customers, clients or business partners for a period of 5 (five) years from implementation of the proposed transaction (the "Restraint"). The merger parties submitted that the Restraint is a standard commercial restraint routinely applied in bona fide transactions to protect the value of the equity being sold.

[17] Based on international and local case law, including *RCS Cards Proprietary Limited v Consumer Finance Business of the JD Group Limited*, Case No: LM193Feb15 the Commission requested the merger parties to reduce the Restraint period to 3 (three) years. The merger parties agreed to the reduction by executing an addendum to the restraint agreement recording the revised period.

Public interest

Effect on Employment

[18] The merger parties submitted that the proposed merger will not have any detrimental or negative effects on employment. Specifically, no-merger related retrenchments will occur in South Africa as a result of the proposed transaction.¹

[19] The employees of GEPF are represented by an employee representative, while Phatisa SPV and WIPHOLD Shelfco have no employees. The Target Group's employees are represented by the Southern African Clothing and Textile Workers' Union ("SACTWU"), the South African Chemical Workers Union ("SACWU") and separate employees' representatives. SACWU and the relevant representatives of the Target Group's subsidiaries did not raise any concerns regarding the proposed transaction.

[20] The Commission considered the unequivocal undertaking by the merger parties that the proposed merger will not result in any retrenchments and that this undertaking is binding on the merger parties. Considering this, the Commission was of the view that no further interventions are required. We have no reason to disagree.

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

[21] As state-owned entities, the GEPF and the PIC do not have direct shareholding by historically disadvantaged persons ("HDPs") as contemplated by section 3(2) of the Competition Act No. 89 of 1998 (as amended) (the "Act"). However,

¹ Parties' joint report on competition and public Interest at page 65 of the record.

according to the merger parties, the GEPF's membership demographics are estimated to be comprised of ■% of individuals considered to be HDPs.

[22] Phatisa SPV ■ shareholding held by HDPs; and WIPHOLD Shelfco (through WIPHOLD) is held ■% by HDPs.

[23] Zaad is indirectly held as to ■% by HDPs.

[24] The Commission found that on a flow through basis, the HDP ownership in Zaad will be ■% post-merger, attributable to WIPHOLD. Accordingly, the proposed transaction results in an increase in HDP ownership.

[25] Considering that the proposed transaction results in an increase in HDP shareholding in the Target Group, we agree with the Commission's view that no further intervention is required.

Other public interest concerns

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

Conclusion

[27] For the reasons set out above, we conclude that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market and raises no public interest issues.

[28] We therefore approve the proposed merger unconditionally.





Mr Andreas Wessels

27 May 2026

Date

Prof. I. Valodia and Ms A. Ndoni concurring.

Tribunal Case Manager:	Princess Ka-Siboto
For the Merger Parties:	Susan Meyer of Cliffe Dekker Hofmeyr Inc.
For the Commission:	Londiwe Senona and Reabetswe Molotsi