



Joint statement: GWK and VKB – 22 December 2022

Competition authorities say “yes” to merger between VKB and GWK

Good news was received that the Competition Tribunal approved the merger between VKB and GWK on 21 December 2022 shortly after receiving a recommendation for approval from the Competition Commission.

This follows the July 2020 announcement that discussions commenced between the two companies. GWK’s shareholders voted in favour of the merger on 11 August 2022 after approval of the transaction by VKB’s board of directors within their mandate earlier in 2022.

The conception and design of the transaction was led by representatives of GWK and VKB, in collaboration with an external, independent corporate finance advisor, Pallidus, in order to negotiate an agreement that ensures the protection and long-term benefit of both groups. These representatives took the utmost care to critically consider several aspects, including synergies in terms of company culture and structure, a shared vision to promote agriculture, preserving producer ownership and control, and to ensure continued quality service for farmers.

Dr PG Strauss, managing director of the VKB group, says it is positive news that the Competition Tribunal has approved the merger between VKB and GWK. “The respective management teams of VKB and GWK will meet to discuss the next steps and process moving forward as soon as all the remaining suspensive conditions for the transaction have been met, including final approval by the Takeover Regulatory Panel. After that more communication with clients, employees, shareholders and other stakeholders will follow. In the meantime, both companies will continue with normal operations.”

Mr Llewellyn Brooks, managing director of the GWK group, says this is a significant milestone in the two companies’ history, which was achieved after diligent work over the past two years. “The transaction will unlock great opportunities for all our stakeholders. We are excited that we can now continue planning to build the agricultural company of the future.”

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The independent board of GWK accepts responsibility for the information contained in this announcement insofar as it relates to GWK, and accepts responsibility for the accuracy of such information. The board of VKB accepts responsibility for the information contained in this announcement insofar as it relates to VKB, and accepts responsibility for the accuracy of such information.