



## **MERGER NOTICE NO 1: 2015**

### **THE PROPOSED ACQUISITION OF 92.34% SHARES IN PEPKOR HOLDINGS PROPRIETARY LIMITED BY STEINHOFF INTERNATIONAL HOLDINGS LIMITED**

Pursuant to section 56(1) of the Competition Act (Cap 46:09), the Competition Authority has received a merger notification between Pepkor Holdings (Pty) Ltd and Steinhoff International Holdings Limited. The proposed transaction involves Steinhoff International Holdings Limited acquiring 92.34% shares in Pepkor Holdings (Pty) Ltd.

Steinhoff International Holdings Limited is a public company listed on the Johannesburg Stock Exchange (JSE). Steinhoff is an integrated retailer that manufactures, sources and retails furniture and household goods in Europe, Africa and the Pacific Rim. In addition, the group holds an associate interest in KAP Industrial Holdings Limited, a separately JSE listed group, which is a diversified industrial business operating in Southern Africa, consisting of timber products and other raw materials, and provides specialist supply chain and logistics services across diverse industries. Steinhoff controls JD Group, a diversified and differentiated furniture, appliance, electronic goods, home entertainment and office automation retailer, which operates in Southern Africa through the following business divisions: traditional retail, cash retail, new business development, building supplies retail, automotive retail, and financial services and insurance; and a mass consumer financier.

In Botswana, Steinhoff is involved in furniture retail, as well as the reselling of mobile airtime and handsets and is not involved at all in the retail of clothing, footwear or personal accessories. Steinhoff operates through the following stores in Botswana: Supreme Furnishers, HiFiCorp, Incredible Connection and TimberCity.

On the other hand, Pepkor is a holding company with subsidiaries that operate in the retail industry, supplying clothing, footwear, and accessories including personal apparel, financial services, homeware, cellular hardware, prepaid airtime, starter packs, and data bundles, and mobile accessories to consumers. Pepkor is an investment holding company, based in South Africa, with retail interests in Africa, Australia and Eastern Europe. Pepkor operates through the following brands in Botswana: PEP, Ackermans, Shoe City and Dunns.

According to section 57(3), of the Competition Act, “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 Competition Authority therefore seeks any stakeholder views for or against the proposed merger, which may be sent within 10 days from date of this publication to the following address:

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