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Common Market for Eastern
and Southern Africa

29 January 2025

CCC Merger Inquiry Notice No. 08 of 2025

Notice of Inquiry into the Proposed Acquisition by Pepkor Lifestyle Eswatini Proprietary Limited and JD Home-Tech Zambia Limited of the Furniture and Credit Businesses of Shoprite Holdings Limited

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the "**Regulations**") that the COMESA Competition Commission (the "**Commission**"), after receiving a notification in terms of Article 24 of the Regulations regarding the proposed acquisition of control by Pepkor Lifestyle Eswatini Proprietary Limited ("**Pepkor Lifestyle Eswatini**") and JD Home-Tech Zambia Limited ("**JD Zambia**"), or collectively the ("**acquiring group**"), of the furniture and credit business of Shoprite Holdings Limited ("**Shoprite Furniture**" or the "**target group**") in Eswatini and Zambia, intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties submitted that Pepkor Lifestyle Eswatini and JD Zambia are indirect subsidiaries of Pepkor Trading Proprietary Limited ("**Pepkor Trading**"). Pepkor Trading is ultimately controlled by Pepkor Holdings Limited ("**Pepkor**"), a South African-based investment and holding company focused on the discount and value consumer retail and fintech markets. The majority of its operations are in South Africa, with others extending into African countries outside of South Africa and Brazil. Pepkor's furniture, bedding and plugged goods retail business, housed in the Pepkor Lifestyle Division, includes the Bradlows, Sleepmasters, and HiFi-Corp retail brands operating in Eswatini only in the COMESA Common Market. Within the Common Market, the acquiring group operates in Eswatini, Malawi and Zambia.

The parties submitted that Shoprite Furniture maintains a primary listing on the exchange operated by JSE Limited in South Africa and has secondary listings on the Namibian and Zambian stock exchanges. Shoprite Furniture provides homeware, furniture and electrical appliances, insurance products, and financial services to customers spanning a range of income groups in South Africa and other parts of Africa. Shoprite's furniture and electrical appliances business is housed in the OK Furniture and House & Home retail brands. In the Common Market, the target group operate in Eswatini and Zambia.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether the proposed transaction is likely to substantially prevent or lessen competition within the Common Market and whether the proposed

transaction is or would be contrary to the public interest as provided for under Article 26 of the Regulations.

In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the parties to the proposed transaction to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: mdebessay@comesacompetition.org. All written representations should be sent to the Commission not later than **19 February 2025**.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Mr. Mengistu Debessay, Principal Analyst, Competition Division** on Tel: +265 (0) 111 772 466 or mdebessay@comesacompetition.org.

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.