



MERGER NOTICE NO 17: 2022

THE PROPOSED ACQUISITION BY MR PRICE GROUP LIMITED OF SOLE CONTROL OF BLUE FALCON 188 TRADING PROPRIETARY LIMITED

Pursuant to section 49 (1) of the Competition Act, 2018 the Competition and Consumer Authority ("the Authority") has received a merger notification for the proposed acquisition by Mr Price Group Limited ("Mr Price") of sole control of Blue Falcon 188 Trading Proprietary Limited (trading as Studio 88 Group) and hereinafter referred to as ("Studio 88").

Mr Price, the Acquiring Enterprise, is a public company listed on the Johannesburg Stock Exchange and registered in accordance with the Laws of the Republic of South Africa. The shares of Mr Price are widely held and freely traded. No firm directly or indirectly controls Mr Price. In Botswana, the Acquiring Enterprise controls Mr Price Botswana Proprietary Limited ("Mr Price Botswana").

Mr Price Botswana operates through the following retail store brands in Botswana:

- i. Mr Price (Apparel) (15 stores): Mr Price (Apparel) sells fashion-value apparel, footwear, accessories, cosmetics and ancillary products such as mobile phone handsets and airtime. The majority of the goods are 'own brand' or 'private label' like RT, Project, RED and Oakridge;
- ii. Miladys (4 stores): Miladys sells moderate, private label feminine women's smart and casual fashion apparel, intimate wear, footwear and accessories;
- iii. Mr Price Sport (2 stores): Mr Price Sport sells sporting goods comprising equipment and technical apparel for fitness and sports activities. The store trades in brands such as: Maxed, Maxed Elite and Maxed Terrain which are private label brands;
- iv. Mr Price Home (4 stores): Mr Price Home is a mass market homeware retailer that sells a range of private label contemporary homeware and furniture; and
- v. Sheet Street (8 stores): Sheet Street is a homeware store offering a wide range of private label core and fashion products across the bedroom, living room and bathroom.

The Directors of Mr Price Botswana are: Mark Stirton, Kerryn Els (both South African nationals); and Thapelo Borekilwe ("Motswana").

Studio 88, the Target Enterprise, is a company incorporated in accordance with the Laws of the Republic of South Africa. In Botswana, Studio 88 controls The Branded Clothing Company (Pty) Ltd ("Studio 88 Botswana"). Studio 88 Botswana operates the following stores in Botswana:

- i. Studio 88 (9 stores) the flagship chain of the Studio 88 group focused on branded sports and leisure lifestyle apparel;
- ii. Side Step (5 stores) a fashion footwear division specialising in branded footwear; and
- iii. Skipper Bar (3 stores) selling men's classic branded sports and leisure lifestyle and fashion apparel and footwear.

Studio 88 and Studio 88 Botswana sell branded sports-lifestyle, "athleisure" oriented clothing apparel, footwear and accessories. Studio 88 sells internationally branded sporting, leisure and lifestyle brands. Prominent brands sold by Studio 88 include Adidas, Ellesse, Puma, Converse, Nike, Guess, Superga and Levi. Studio 88 Botswana operates retail stores throughout Botswana.

The Directors of Studio 88 Botswana are: Laurentius Marinus Francis Werners, Bruce Robert Binnie, Wiets Cornelius Johannes Wiehahn who are all South African citizens and Michael Richard J. Everingham (Motswana).

According to section 50 (3) of the Competition Act, 2018 "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 and Consumer 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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