

**PORTFOLIO COMMITTEE ON TRADE, INDUSTRY AND COMPETITION
THE TAKEOVER REGULATION PANEL
AN REGULATOR REPORTING TO THE DTIC**

BRIEFING BY THE TRP ON ITS 1ST, 2ND AND 3RD QUARTER FINANCIAL AND NON-FINANCIAL PERFORMANCE FOR THE 2025/26 FINANCIAL YEAR

Date: 10 March 2026



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

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DEFINITION AND ACRONYMS

1. APP – Annual Performance Plan
2. Q1 – Quarter 1 for the financial year ending 31 March 2026
3. Q2 - Quarter 2 for the financial year ending 31 March 2026
4. Q3 - Quarter 3 for the financial year ending 31 March 2026
5. TRP or Panel – The Takeover Regulation Panel
6. Act – The Companies Act, 2008
7. PFMA – The Public Finance Management Act, 1999
8. CIPC – The Companies and Intellectual Property Commission
9. ED – Executive Director of the Panel
10. DED – Deputy Executive Director of the Panel
11. B-BBEE – Broad-Based Black Economic Empowerment
12. SCCL – Specialist Committee on Company Law
13. DMS – Document Management System

April 2025 - December 2025: Q1 TO Q3 PROGRESS REPORT TAKEOVER REGULATION PANEL

APP Summary:

- Total number of APP targets in Q1 to Q3: **Nine (9)** it is worth **2 targets are market dependent** and may not be applicable when the Panel is not considering any complaints or conducting investigations.
- Total number of applicable targets on course to be achieved at the end of Q1 to Q3: **8** Total number of **APP targets** are applicable at the **end of Q1 to Q3**. **One(1)** target **missed** considering **initial targets**. **None** considering updated **updated targets**.
- Percentage of Q1 to Q3 APP **targets achieved** utilising previous previous **targets 87,5%. 100%** when utilising **updated targets**.

OVERVIEW OF TRP: ESTABLISHMENT OF THE PANEL

Establishment of the Takeover Regulation Panel:

The Takeover Regulation Panel (**Panel**) is established as a **juristic person, to function as an organ** of state within the public administration, but as **an institution outside public service** in terms of **section 196** of the Companies Act 71 of 2008 (the **Act**).

The **jurisdiction** of the **Panel** spans throughout the **Republic of South Africa** operating **independently**, and subject only to –

- The Constitution and the law; and
- Any policy statement, directive or request issued to it by the **Minister of Trade Industry and Competition (Minister of the dtic)**.

In performing its statutory duties, the Panel-

- Per section 196(2)(c) of the Act must be **impartial** and discharge its mandate **without any fear, favour or prejudice**;
- Per section 201(3) of the Act the Panel is **prohibited** from considering **considering commercial merits** and **disadvantages** of the transactions it regulates; and
- Per section 196(4) may **have regard to international developments** in the field of **company law**.

OVERVIEW OF THE TRP CONT: MANDATE OF THE PANEL

Mandate of the Panel:

The Panel is legislatively mandated to operate in accordance with the provisions of Chapter 5, Part B and C of the Act 71 and Chapter 5 of the Companies Regulations, 2011.

In the discharge of its mandate; the **Panel** must **regulate affected transactions** or **offers** as defined in **Parts B and C of the Act**, without regard to any commercial advantages or disadvantages.

The **Panel's mandate per section 119(1) of the Act** is to ensure:

- the **integrity of the marketplace and fairness** to holders of securities of regulated companies;
- **provision of necessary information** to holders of securities, to the extent required to **enable making of fair and informed decisions**;
- adequacy of time for regulated companies and holders of securities to obtain and provide advice with respect to offers; and
- **prevent actions** by regulated companies designed to **impede, frustrate or defeat an offer**, or the making of fair and informed decisions by holders.
- Per **section 169** of the Act the **Panel** has **investigative powers** and may investigate **complaints** that are **not** considered **frivolous nor vexatious**
- The **Panel** may only **investigate complaints** if the allegation if prove would **constitute a remedy** in the Act

COMPOSITION THE PANEL

Composition of the Panel:

- A **Chairperson** appointed by the Minister of Trade Industry and Competition (**Professor Tshepo Mongalo**)
- The **Commissioner of the the CPIC (Adv Rory Voller)**
- The **Competition Commission (Ms. Doris Tshepe)**
- A representative for the exchanges: currently Johannesburg Stock Exchange (**Ms. Nadia Jada**)
Cape Town Stock Exchange (**Mr. Mohamed Jakoob**)
- Panel Members **appointed by the Minister** per section 197(d) of the Act namely: **Mr. Bryan Shuping**
Ms. Tinswalo Mthembi
Ms. Mapitse Maubane
Ms. Lungelwa Sonqishe
Adv Mtho Xulu

Operationally, per section 200 of the Act, the Panel has an Executive Director and one or more Deputy Executive Directors.

- The **Deputy Executive Director is Mr. Zano Nduli**, who is on a 3-year contract expiring in 2027, appointed by the Panel.
- The Executive Director role has been vacant since 1 January 2025, and the Minister is awaiting concurrence on the terms of employment of the ED from the Minister of Finance per section 200(4) of the Act prior to being able to formally initiate a recruitment process.
- As a PFMA listed entity the Panel also has a **Chief Financial Officer, Ms. Margaret Motsoahae.**

PANEL

**QUARTER ONE
PERFROMANCE**

Q1 PERFORMANCE

APP Output indicator	Q1 APP target (per approved APP)	Q1 APP Target be achieved at end of Q1 (Yes/No)?	Q1 APP target (per approved ADJUSTED APP)	Updated Target Met	Details
Percentage of decisions and rulings issued within 5 business days of receipt of the complete application.	100%	Yes	92,5%	Yes	The Panel achieved its 100% target in Q1
The percentage of preliminary assessments (concluded within 1 month (including approved extensions) (80%)	100%	N/A	80%	N/A	There is no set quarterly milestone or target in relation to complaints and investigations due to their indeterminate nature.
The percentage of formal investigations (complex matters) concluded within 4 months (including approved extensions).	100%	N/A	80%	N/A	<p>There is no set quarterly milestone or target in relation to complaints and investigations due to their indeterminate nature.</p> <p>However, it is worth noting that the Panel currently has two investigations underway, which involve the following regulated companies:</p> <ul style="list-style-type: none"> (i) Letaba Pakkers Proprietary Limited (ii) Novus Holdings Limited and Mustek Limited.

Q1 PERFORMANCE

APP Output indicator	Q1 APP target (per approved APP)	Q1 APP Target be achieved at end of Q1 (Yes/No)?	Q1 APP target (per approved ADJUSTED APP)	Updated Target Met	Details
Procure from B-BBEE compliant service providers	70%	Yes (86%)	70%	Yes (86%)	86% of the procurement budget was spent on B-BBEE-compliant suppliers, exceeding the target of 70%.
Proposed legislative amendments submitted for processing	None due on 31 Dec 2025 (Q3)	Yes	Submission 31 Dec 2025 (Q3)	Yes (submitted June 2025)	Submission of proposed amendments to section 118(1)(c) of the Act relating to the definition of regulated companies that directly impacts the instances in which private companies fall within the jurisdiction of the Panel. The proposed legislative amendments were submitted to the Specialist Committee on company law (SCCL), this is a committee that reports to the Minister of Trade, Industry and Competition in terms of sections 191 and 192 of the Act. The SCCL has various company law experts, including the dtic. The submission was made in June 2025.
Percentage uptime/availability of the cloud-based Document Management System	99%	Yes (100%)	99%	Yes (100%)	The Panel did not experience any downtime the DMS was fully accessible throughout Q1

PANEL

**QUARTER TWO
PERFROMANCE**

Q2 PERFORMANCE

APP Output indicator	Q2 APP target (per approved APP)	Q2 APP Target be achieved at end of Q2 (Yes/No)?	Q2 APP target (per approved ADJUSTED APP)	Updated Target Met	Reason the Q2 APP target was missed and planned corrective action
Percentage of decisions and rulings issued within 5 business days of receipt of the complete application.	100%	No 98%	92,5%	Yes	There were forty-five (45) rulings and decisions considered in the current reporting period. One target not achieved from a total of 45 rulings issued in Q2. One (1) ruling was not issued within 5 business days. This is due to complexities associated with some matters which renders it almost impossible to issue rulings within 5 business days. This is why the Panel welcomed the dtic's invitation to reconfigure the annual performance targets.
The percentage of preliminary assessments (concluded within 1 month (including approved extensions) (80%)	100%	n/a	80%	n/a	There is no set quarterly milestone or target in relation to complaints and investigations due to their indeterminate nature.
The percentage of formal investigations (complex matters) concluded within 4 months (including approved extensions).	100%	n/a	80%	n/a	The inspector issued a report in September, concluding the investigation into the mandatory offer triggered by Novus Holdings Limited for Mustek Limited shareholders. The determination was made that there was no requirement for an investigation relating to Letaba Packers Proprietary Limited The Panel is still engaging the parties and providing advisory services.

Q2 PERFORMANCE

APP Output indicator	Q2 APP target (per approved APP)	Q2 APP Target be achieved at end of Q2 (Yes/No)?	Q2 APP target (per approved ADJUSTED APP)	Updated Target Met	Details
Procure from B-BBEE compliant service providers	70%	Yes (89%)	70%	Yes (89%)	89% of the procurement budget spent on B-BBEE compliance suppliers.
Number of higher learning institutions learners placed at the Panel	2	Yes (2)	2	Yes(2)	The Panel was joined by 2 students in Q2 for a 2-week period as part of the vocational work program. The students were also paid a stipend so they can get the Panel offices with limited financial constraints.
Percentage uptime/availability of the cloud-based Document Management System	99%	Yes 100%	99%	Yes (100%)	The Panel did not experience any downtime the DMS was fully accessible throughout Q2
Number of substantive knowledge-sharing and bench marking engagements with peer regulators	1	Yes (1)	1	Yes(1)	The Panel engaged with the Monetary Authority of Singapore on the Panel's legislative framework on 16 and 17 September 2025.

QUARTER THREE PERFORMANCE

Q3 PERFORMANCE

APP Output indicator	Q3 APP target (per approved APP)	Q3 APP Target be achieved at end of Q3 (Yes/No)?	Q3 APP target (per approved ADJUSTED APP)	Updated Target Met	Reason the Q2 APP target is likely to be missed and planned corrective action
Percentage of decisions and rulings issued within 5 business days of receipt of the complete application.	100%	Yes (100%)	92,5%	Yes (100%)	There were thirty seven (37) rulings and decisions considered in the current reporting period. None of the rulings were issued outside the 5 business days.
The percentage of preliminary assessments (concluded within 1 month (including approved extensions) (80%)	100%	N/A	80%	N/A	There is no set quarterly milestone or target in relation to complaints and investigations due to their indeterminate nature.
The percentage of formal investigations (complex matters) concluded within 4 months (including approved extensions).	100	N/A	80%	N/A	There is no set quarterly milestone or target in relation to complaints and investigations due to their indeterminate nature.

Q3 PERFORMANCE

APP Output indicator	Q3 APP target (per approved APP)	Q3 APP Target be achieved at end of Q3 (Yes/No)?	Q3 APP target (per approved ADJUSTED APP)	Updated Target Met	Reason the Q2 APP target is likely to be missed and planned corrective action
Procure from B-BBEE compliant service providers	70%	Yes (87%)	70%	Yes (87%)	87% of the procurement budget spent on B-BBEE compliance suppliers.
Number of higher learning institutions learners placed at the Panel	2	Yes (3)	2	Yes	The Panel was joined by 3 students in Q3 for a 2-week period as part of the vocational work program. The students were also paid a stipend so they can get the Panel offices with limited financial constraints.
Interns from disadvantaged groups	1	Yes(1)	1	Yes (1)	Please note these was an error in the initial approved APP. The annual target was listed as one and this was incorrectly transcribed as 2 in the quarterly targets.
Percentage uptime/availability of the cloud-based Document Management System	99%	Yes 100%	99%	Yes (100%)	The Panel did not experience any downtime the DMS was fully accessible throughout Q3

FINANCIAL PERFORMANCE

BUDGET VS ACTUAL SPEND PERIOD ENDING 31 12 2025

Description of Item	YTD Budget Q1 - Q3 '000	YTD Actuals Q1 - Q3 '000	Variance '000	% Variance	Comments
Other income	-	381	(381)	-	Other income is made up of bad debts recovered. This can never be budgeted for, however the Panel constantly tries to recover written off debts.
Documentation Fees	1 800	2 220	(420)	(23,33)	Documentation fees income exceeded the budget by 23.33% driven by increased M&A market activity.
Hearings Fees	565	-	565	100	The Panel did not have any hearings in the first 3 quarters of the financial year.
Interest Received	6 814	6 760	54	0,79	Interest income was slightly below this variance is attributable to a decrease in prime interest rate.
Rulings & Consultations Fees	688	1 418	(730)	(106,10)	Income from rulings and consultations performed significantly above budget These were driven by an increase in complex rulings issued by the Deputy Executive Director.
Surcharge Fees	16 163	16 163	-	-	Surcharge fees income were in line with the budget.

BUDGET VS ACTUAL SPEND PERIOD ENDING 31 12 2025

Description of Item	YTD Budget Q1 - Q3 '000	YTD Actuals Q1 - Q3 '000	Variance '000	% Variance	Comments
Administrative Expenses	8 424	6 791	1 633	19,39	The positive variance was due to the saving in legal fees and conferences the Panel engaged in.
Panel Members' Remuneration	1 986	2 460	(474)	(23,87)	The negative variance was due to ad-hoc meetings held during the period. These include meetings considering various matters like Panel policies etc.
Personnel Cost	14 268	13 382	886	6,21	There's a vacancy in the organogram.

FOLLOW UP ON PREVIOUS PC TRADE QUESTIONS

PC TRADE QUESTION	PANEL ANSWER
<p>The Committee raised questions about penalties for non-compliance with takeover regulations</p>	<p>In terms of Section 175 of the Act, the Panel may approach a court to impose administrative fines in instances where parties do not comply with compliance notices issued by the Panel for non-compliance with the Takeover Provisions. Administrative fines may not be greater than 10% of the respondent's turnover or an amount determined by the Minister. The amount determined by the Minister can not be less than R1 million.</p>
<p>How the TRP ensures compliance and its involvement in international regulatory forums.</p>	<p>The Panel's APP includes a target of at least one annual engagement with international regulators, which include bi-lateral engagements and takeover conferences. Where possible, the Panel aims to attend at least two engagements of this nature, provided there are no budgetary constraints. It is vital that the Panel stays abreast of developments in the global community relating to takeover law as per section 196(4) in implementing its mandate the Panel should have regard to international developments in company law.</p>
<p>Members also expressed concerns about foreign takeovers of local companies and asked how the panel protects South African businesses.</p>	<p>The concerns raised are understandable; however, the regulations governing takeover transactions restrict the Panel from considering commercial aspects, including the advantages and disadvantages of specific deals, as outlined in sections 201(3) and 119(1) of the Act. While these concerns are common in global takeover transactions, it is acknowledged that identifying eligible investors can be complex in an open market, except where specific statutory exclusions apply, such as with companies holding broadcasting licenses.</p>

THANK YOU