Takeover Regulation Panel
a member of the dtic group

Strategic Plan, Budget &
Annual Performance Plan 2026/27

High-level briefing to the Select Committee on Economic Development and Trade

Session Details

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Virtual sitting

Presenter

Zano Nduli

Deputy Executive Director (Acting Executive Director)

Mandate, governance and market reach

The Panel regulates affected transactions and offers under Chapter 5 of the Companies Act — safeguarding the integrity of the market and the fair treatment of shareholders. This is the Committee's first engagement with the Panel.

Legal foundation & governance

- Juristic person under s196; a Schedule 3A public entity (PFMA)
- Minister of Trade, Industry & Competition is the Executive Authority; the Panel is its own accounting authority
- Executive leadership provided by the Deputy Executive Director (Acting Executive Director)
- Takeover Special Committee provides internal appeal; ARC and RemNom oversight
- Lean permanent staff of 11

Core functions — s201

- Regulate affected transactions and offers
- Investigate complaints, including from minority shareholders
- Apply to court to wind up a company where warranted
- Advise the Minister on the Takeover Regulations

Strategic contribution

R15+ trillion

in capital markets overseen

40%

of JSE funds are foreign-sourced

JSE + CTSE

listed companies in scope

Strategic intent and 2026/27 targets

IMPACT

Enhanced investor confidence and market integrity — regulating affected transactions while protecting shareholders and the integrity of South Africa's public markets.

PROGRAMME 1

Regulation of Affected Transactions

Timely, fair review of documents filed under the takeover provisions, and effective investigation of non-compliance.

94%	of rulings issued within 5 business days of receipt
90%	of complaint decisions issued within 30 days of receipt
90%	of formal investigation rulings issued within 120 days

PROGRAMME 2

Administration

A capable workforce and sound corporate services underpinning the regulatory mandate.

>90%	of approved posts filled
75%	of procurement from B-BBEE Level 1–4 suppliers
>99%	Document Management System uptime

Self-funded model and 2026/27 budget

Financial Model

100%

Self-Funded Model

No transfer or parliamentary appropriation is ever received from the fiscus.

Three Revenue Streams (s210):

- Surcharge & fees on JSE & CTSE listed companies
- Fees for regulatory services rendered
- Interest earned on strategic reserves

2026/27 Budgeted Expenditure

Compensation of employees**R20.9m**
Goods & services**R15.8m**
Depreciation**R0.1m**
Total Expenditure

R36.8m

The budget is fully funded from the Panel's own revenue streams.

Provincial Breakdown

public

Single-Site Regulator

National capital market scope

The Panel operates with no provincial establishment. Its regulatory footprint spans the entire national capital market.

100%

National Expenditure

All operational expenditure is incurred nationally from the Gauteng head office.

Revenue over the MTEF and adequacy of resources

2026/27 budget and MTEF estimates

R'm	2026/27	2027/28	2028/29
Revenue	37.1	40.1	36.6
Expenditure	36.8	36.1	35.5
Surplus	0.2	4.0	1.2

- 2026/27 revenue of R37.1m comprises fees for services (R26.5m), interest on reserves (R9.9m) and other income (R0.7m)
- Operating expenditure is held broadly flat across the MTEF — R36.8m, R36.1m and R35.5m
- Modest budgeted surpluses across the period (R0.2m, R4.0m and R1.2m) on a fully self-funded basis

Adequacy — resources are sufficient to deliver the plan

R37.1m Own revenue budgeted for 2026/27 — fully funds the planned programme

R118.5m Accumulated reserves (net assets, 31 Mar 2026, audited)

The 2026/27 programme is fully funded from the Panel's own revenue. Reserves accumulated over more than a decade underpin the self-funded model, providing an operating buffer and funding the litigation the Panel must defend at its own cost — without recourse to the fiscus.

Impact of National Treasury measures

As a self-funded entity, the Panel is affected by fiscal-consolidation measures differently from grant-dependent entities.

Insulated from allocation cuts

- **No fiscus dependency:** No dtic transfer or parliamentary appropriation. Budget cuts do not impact the Panel's operating budget.
- **Non-competitive:** The Panel does not compete with service-delivery entities for a shrinking transfer.
- **Net relief:** In a constrained environment, the Panel is a net relief to the portfolio.

The main exposure: surplus-retention policy

Surplus retention. For a self-funded entity, National Treasury measures pressure accumulated reserves. These sustain operations and litigation; surrendering them would remove ~R9.9m of annual investment income, forcing reliance on the fiscus. In Oct 2025, NT exempted the Panel from s 53(3) requirements, recognizing its statutory self-funding model.

Revenue base. A gradual decline in JSE listings narrows the fee base, which the Panel monitors closely over the medium term.

What we would like the Committee to take away

A serious mandate, prudently run

Eleven staff regulate R15+ trillion of markets, self-funded, with clean governance and a track record of sound financial management.

No burden on the fiscus

100% privately funded, no appropriation ever sought — the Panel relieves the portfolio rather than drawing on it.

Credible, deliverable targets

The 2026/27 APP sets tight service-standard and transformation targets across two focused programmes, funded by a breakeven budget.

Reserves underpin the self-funded model

Accumulated over a decade, reserves sustain operations and the Panel's own litigation costs — with no recourse to the fiscus.

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Thank you

We welcome the Committee's questions.

Zano Nduli
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