

# Spree and Superbalist merge to form single, focused fashion platform

Spree and Superbalist, two of South Africa's most popular online fashion retailers, will merge into a single platform, Media24 and Takealot.com announced today. The new venture will be held 51% by Media24, Spree's current shareholders, while Takealot Group will own 49% of the venture.



Takealot will be responsible for the day-to-day operations and management of the business.

The merger is effective on 1 July 2018 and is not subject to Competition Commission approval. The merged entity will undergo a two to three month period of integration planning and implementation during which each business will continue to operate independently before final integration.

"In South Africa, the penetration of online retail sales is currently around 1%, while in the USA, China and the UK it is in excess of 13%. Clothing and footwear sales in the UK drive a large share of the growth of online retail with similar trends in the USA, China and India. This suggests that there is room to build a substantial position in the online footwear and apparel market in South Africa," it stated in the press announcement.

There is currently no integration between Spree and Superbalist, both part of the Naspers group, with each business running its own sourcing and buying, technical, marketing, warehousing and logistics functions while primarily targeting a similar, if not the same customer segment and demographic in South Africa. It's hoped that merging the two businesses into

a single entity will create a larger, more focused platform on which to build a substantial online retail, footwear and apparel business.



## Online retail potential will soon be realised in SA - Spree

26 Mar 2018



“We are very excited about the opportunity to further accelerate the growth of online fashion retail in South Africa. We look forward to welcoming Spree into the Takealot Group,” said Kim Reid, Takealot Group CEO.

“Media24 believes in and loves e-fashion. Since starting Spree in 2013 we have always said e-fashion is a very important growth portfolio to ensure a diversified and sustainable future for Media24. That is why we are delighted to be the majority shareholder in the combined business,” commented Esmaré Weideman, CEO of Media24.

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