

TRADEHOLD RESTRUCTURES TO LIST FINANCIAL SERVICES INTERESTS SEPARATELY

Tradehold, a property investment holding company which also has interests in the financial services sector, has started a restructuring process to strip out those interests and list them separately.

Joint CEO Friedrich Esterhuyse said this was being done to create more focused businesses each with its own, clear identity. “Our financial services investments have always been dominated by our property interests which constitute 92% of total gross assets. Through the restructuring we want to achieve greater visibility for and public understanding of the financial services we offer, their value and potential.”

He stressed that this was only the first step in the reorganisation of the group aimed at strengthening its focus on its core markets in the UK and South Africa.

Tradehold’s financial services interests are vested in companies in the UK and in South Africa. In the UK it owns, through Reward Investments, 70% of three operating units while in South Africa it wholly-owns Cape-based Mettle Investments. These businesses offer services in *inter alia* financial technology, renewable energy finance, asset management and specialist lending, with the UK currently accounting for approximately two thirds of net income.

Its property assets are in turn vested in three wholly-owned companies: Moorgarth Holdings in the UK; Tradehold Africa operating in Africa outside South Africa; and the Collins Group in South Africa.

Although the financial services assets were at this stage still relatively small, a pipeline of potential acquisitions had been identified and negotiations were already under way with some of these businesses, Esterhuyse said.

The financial services assets will be housed in a company called VestIN which was acquired for this purpose from its owners, Osiris Property Services, and which has a primary listing on the Bermudan Stock Exchange (BSX) and a secondary listing on the JSE’s AltX. Currently a cash shell, VestIN, of which the name is to be changed, will subsequently be unbundled to Tradehold shareholders. It will retain its present listings.

Esterhuyse said Tradehold shareholders would as a result receive shares in the new company equal to the number of shares held in Tradehold. “Although the shareholders of both companies will initially be the same, VestIN’s shares will in no way be linked to those of Tradehold,” Esterhuyse said.

He added that Tradehold itself was also at present in negotiations to dispose of non-core assets and acquire additional assets in the property field to both increase the size of the business and stimulate growth in its core markets.

“Our property business in the UK is performing well. Despite concerns over Brexit, we have made excellent progress in letting vacant space throughout our portfolio, in particular in our two major shopping centres. We are also continuing to grow our portfolio, the most recent acquisition being Waverley Mall in the historic centre of Edinburgh. Acquired in a joint venture within the Moolman Group, the property is fully let. Our serviced office division with

its focus on Central London is proving to be a game changer and continues growing its contribution to group income.

“We are equally pleased with the performance of the Collins Group’s diversified portfolio of 148 properties in South Africa, while its team of professional property managers and developers is proving to be of increasing value to our operations,” Esterhuyse said.

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