

TRADEHOLD MAINTAINS EXPANSION DRIVE

In the six months to August, Tradehold maintained the strong expansion momentum begun last year, growing the value of its investment properties by 48.8% to £179.0m (R3.8bn).

Tradehold chairman Christo Wiese said this growth was largely due to the acquisition in March of a portfolio of commercial properties for £40.9m, bought from the Collins Group of KwaZulu-Natal. These properties are mostly in Namibia, but also in Botswana, Zambia and Mozambique, with a further two in the UK. The transaction has also given Tradehold access to the Africa property expertise of the Collins Group.

As by far the greater part of its assets are outside South Africa and then primarily in the UK, the company reports its results in pound sterling.

Tradehold increased total assets by 45% to £300.8m for the six months, with operating profit rising by 73% to £9.1m compared to the corresponding period in the prior year. The bulk of its property assets remain in the UK, held through a 95% interest in the Moorgarth group of companies. During the reporting period Moorgarth made its biggest acquisition to date when it bought the Broad Street Mall in Reading outside London for £65.4m in a joint venture with South African based Texton Property Fund.

Wiese said in Africa Tradehold had been focusing primarily on Namibia and Mozambique. In Namibia, work was progressing according to schedule on shopping centres in Rundu and Walvis Bay while land has been secured for similar retail developments in Oshakati in the north and Gobabis in the east.

In Mozambique good progress is being made on the major residential project which is being developed in Maputo for the US Embassy and the American oil exploration company Anadarko. The first phase is to be completed by February and the second by October 2016.

Although not the main focus of the business, Tradehold's financial services interests in the UK and South Africa both produced pleasing results during the reporting period. In the UK, Tradehold has a 70% interest in the two operating companies of the Reward group which provide short-term, asset-backed loans as well as invoice-discounting facilities to small and medium-sized businesses. Together they produced a pre-tax profit of £1.4m (2014: £1.2m).

In South Africa, the multi-faceted Mettle Investments reported a net after-tax profit of £0.4m. Wiese said he was enthusiastic about the potential of Mettle Solar, established during the reporting period, which rents out solar photovoltaic systems to businesses.

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