



## Publication

CAPE TIMES BUSINESS REPORT



## Page

18

## Date

Thurs 21 Sep 2017

## AVE (ZAR)

9375.08

# Vukile plays it cool on Atlantic shares

**Roy Cokayne**

LISTED property company Vukile anticipates its shareholding in Atlantic Leaf Properties will remain below 50 percent, despite being required to make a mandatory offer for all the shares in the company in line with the securities take-over rules of Mauritius.

The mandatory offer was triggered by Vukile's shareholding in Atlantic Leaf, which has a dual listing on the Stock Exchange of Mauritius and on the main board of the JSE and is Vukile's UK investment vehicle, increasing to 34.9 percent of the enlarged issued share capital of Atlantic Leaf.

This followed the successful accelerated book build undertaken by Atlantic Leaf Properties last week to fund its recent acquisition of a portfolio of 11 assets tenanted by DFS, and Vukile being allocated 23 million new shares at a subscription price of R17.60 a share.

But Vukile reported yesterday that shareholders holding 52 percent of the shares in Atlantic Leaf had agreed not to take up the mandatory offer.

Laurence Rapp, the chief executive of Vukile, said yesterday that they were pleased to have grown their shareholding in Atlantic Leaf.

While they were extending this offer to all shareholders who had not provided Vukile with an undertaking not to take up the offer, they anticipated Vukile's shareholding in Atlantic Leaf would remain below 50 percent, he said.

## Accelerated

Paul Leaf-Wright, chief executive of Atlantic Leaf, said the success of the accelerated book build, where they raised £47 million (R845m), was largely due to Vukile's pre-commitment to support Atlantic Leaf's capital raise.

Leaf-Wright said they believed Vukile's about 35 percent shareholding would underpin any future initiatives Atlantic Leaf undertook.

He said they were happy to have Vukile as an anchor investor that was supportive of their growth strategy, adding their management team worked closely with Laurence Rapp and his team in sourcing new opportunities.

Rapp added that Vukile's strategy was to grow its off-shore exposure in developed markets, where it was focused on Spain through its investment vehicle Castellana and in the UK through Atlantic Leaf.

Since listing in March 2014, Atlantic Leaf has grown its assets under management to £304m.

Rapp said Vukile remained strongly supportive of Atlantic Leaf's strategy of investing in quality assets in the UK with an attractive forward yield.

Shares in Vukile rose 0.78 percent yesterday to close at R19.40, while Atlantic Leaf shares closed 0.28 percent lower at R17.90.