
CONDUIT CAPITAL LIMITED

Incorporated in the Republic of South Africa

(Registration number 1998/017351/06)

Share code: CND ISIN: ZAE000073128

PRESS RELEASE - CONDUIT CAPITAL TO MERGE WITH LEGAL SHIELD HOLDINGS

Johannesburg – Conduit Capital (“Conduit”) is pleased to announce the acquisition of Legal Shield Holdings (“LSH”) by way of a reverse merger into Conduit. Through the transaction, LSH will become the majority shareholder of Conduit. Conduit is acquiring LSH for R10.4 billion through the issue of new shares in Conduit. Conduit shareholders are expected to receive approximately R1.7 billion in value through this transaction.

Conduit is a JSE-listed investment holding company with its primary investment in Constantia Insurance Group (“Constantia”), a 100%-owned subsidiary. Constantia generated over R2 billion in premiums in fiscal 2019. LSH is a diversified Namibian financial services company and the owner of Trustco Bank, Trustco Properties, Trustco Finance and IoL (student lending), Trustco Insurance and Trustco Life. LSH has a long record of exceptional value creation over the past 26 years.

On completion, the merged Conduit and LSH business is expected to have assets in excess of R7.5 billion. Conduit will benefit from access to resources to support its objective of growing Constantia into a diversified insurer of size in South Africa.

The acquisition of Legal Shield is in addition to the already announced transaction to acquire certain property developments from Trustco, which boosts Constantia’s capital by approximately R1 billion. This transaction continues and it not affected by the acquisition of LSH.

Sean Riskowitz, Chief Executive Officer of Conduit said: “The transaction represents a pivotal point in the evolution of Conduit. It allows for Constantia, our insurance business, to access significant capital to grow under the leadership and guidance of entrepreneurs with an outstanding track record.”

Quinton van Rooyen, Managing Director of Trustco Group Holdings adds: “Trustco has a history of empowering extraordinary people to create extraordinary wealth over time. The combination of Legal Shield and Conduit is the next step on the journey”.

A comprehensive presentation detailing the transactions is available on our website at <https://www.conduitcapital.co.za/presentations.php>. A conference call is scheduled for 1 April 2020 at 15h00 South African time to discuss the transaction. For further detail please contact Rene Kok at renek@conduitcapital.co.za.

Notes – Conduit Capital Ltd is a JSE-listed investment holding company, and the owner of Constantia Insurance Group. Legal Shield Holdings is a diversified Namibian financial services company and a subsidiary of Trustco Group Holdings Limited.

Johannesburg
27 March 2020

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