

Tower Property Fund launches TPF International

Tower Property Fund has announced the launch of TPF International, separate offshore company to be incorporated in Mauritius as a Category 1 Global Business Licence company, explains Marc Edwards, CEO of Tower. The company intends to list TPF International on the Stock Exchange of Mauritius and the JSE in due course.



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“We have embarked on the process of ring-fencing our Croatian properties through TPF International – a move that leverages our existing relationships in Croatia and surrounding countries and allows us to grow Tower’s European exposure and enable TPF International to raise its own capital,” says Edwards.

TPF International’s initial portfolio will comprise Tower’s R1.30bn (€90.88m) Croatian property portfolio, made up of four retail properties (two shopping centres and two “hypermarket” type centres), with retailer Konzum as the head-lease tenant, and the majority of the VMD building, an office building in Zagreb. Tower will be represented on TPF International’s board through Edwards, who will be a non-executive director. Tower’s regional representative in Croatia, Ivan Bozac, will be the company’s CEO.

Strengthening Tower’s balance sheet

“The establishment of TPF International will strengthen Tower’s balance sheet (through the Oryx investment detailed below) whilst providing us with the ability to grow our earnings from our Croatian investments,” says Edwards.

“Tower is also very pleased to announce that Oryx Properties Limited, a property loan stock company listed on the Namibian Stock Exchange with a diverse property portfolio valued at approximately \$N2.3bn (R2.3bn), has committed to invest R300m in TPF International through, a combination of, the acquisition of TPF International shares from Tower and a subscription for shares in TPF International.”

Edwards advises that TPF International will use the proceeds from the share subscription to fund yield enhancing acquisitions, while Tower intends to use the proceeds from the share sale to strengthen its balance sheet by reducing both euro and ZAR debt.

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