

Futuregrowth invests in tourism's recovery through Thebe Tourism Group

Published: 26 January 2021

Futuregrowth, on behalf of its clients, has put its vote of confidence in the tourism industry by buying a significant stake in Thebe Tourism Group, alongside its senior management, in December 2020.

Although the sector has been one of the hardest hit during COVID-19, the iconic properties owned by Thebe Tourism position it well for the industry's inevitable recovery from the challenges it has faced.

A wealth of skills and assets

Thebe Tourism was founded in 2001 and the senior management team, Jerry Mabena and Brett Hendricks, have steadily built an A-list portfolio of uniquely South African tourism venues. Says Amrish Narrandes, head of Unlisted Equity Transactions at Futuregrowth, "We believe strongly that the tourism industry will return to its former glory post-COVID and, given the quality of the assets of the group, feel Thebe Tourism is well-positioned to capitalise on the eventual resurgence of the sector." He adds that, with a total GDP contribution of around 9% and over 1.5 million jobs supported, the tourism sector will continue to be an instrumental contributor to the South African economy.

Kearon Gordon, Investment Analyst at Futuregrowth, notes, "The diversity of the Thebe Tourism portfolio of assets means it appeals to both local and international tourists, while giving both groups access to the best experiences South Africa has to offer." Furthermore, he says, the practice of managing such iconic destinations has equipped the management team with the knowledge and skills to continue growing the business.

Included in the Thebe Tourism portfolio is ownership of the concession to the iconic Cape Point, a Cape Town tourist destination near the top of the list of must-see destinations for locals and international travellers alike.

The Group also owns the newly launched innovative Kruger Shalati "train on a bridge" Hotel overlooking the Sabie River in the Kruger National Park. The hotel spans the bridge, where visitors can relax in a hot tub overhanging the river while watching elephants and other wildlife coming down to the river banks to drink.

Thebe Tourism will also soon be launching Sanctuary Mandela, a boutique hotel that gives visitors the opportunity to stay in Nelson Mandela's Houghton home. People who were part of his life will provide guests with a unique glimpse into the stalwart's life. The grand opening, COVID willing, is set to take place on Freedom Day, 27 April 2021.

To capitalise on the growing "glamping" trend, Thebe Tourism has also invested in Chiefs Tented Camps. This luxury tented camp operator recently secured a concession to operate two new camps in the Kruger National Park and one in the Knysna Forest on the Garden Route.

Harnessing heritage for hope

Thebe Tourism has been at the forefront of the transformation and empowerment of the tourism sector. The company's goal is to drive black economic empowerment, in order to redress the economic imbalances in South African society. The Group has positioned itself as a tourism business that understands South African and African heritage, with an unmatched ability to package aspects of this heritage into tangible tourism products for distribution to the domestic and international tourism markets.

"This purchase is more than just an acquisition. Investing in the tourism business gives hope to not only those who work for us across all these products, but also to others in the industry who fear that this sector has no more room for growth" says Jerry Mabena, who now serves as CEO. "I firmly believe that, together with our partners, we will lead all the brands within our company on to new heights and show

that tourism in Africa will not only survive these current times, but also thrive once the pandemic has passed.”

Mabena’s considerable leadership experience, the high regard in which he is held within the tourism space, and his vision about the future of tourism in Africa, means that the team is well led. Brett Hendricks adds to Mabena’s experience in his role of General Manager, with his in-depth understanding of the tourism sector and business. He has been part of Thebe Tourism for 20 years and has served on many boards within the space. Cobus du Plessis, who takes on the group finance role, also has years of tourism experience, and Judiet Barnes is responsible for product development, brand, sales and marketing.

Says Brett Hendricks, “We are extremely excited and proud to partner with Futuregrowth, who believe in our vision and passion, and together we aim to grow and transform the tourism industry”. Thebe Tourism’s vision is to be a trusted, world-class African company that develops and invests in unique and sustainable businesses for the long-term benefit of communities – and that is passionate about developing iconic products that are strongly influenced by their African heritage and share Africa with the world.

Thebe Tourism adds to a rich and varied portfolio of assets in the Futuregrowth Development Equity Fund (DEF), each of which plays an essential role in South Africa’s development. Futuregrowth is committed to improving the lives of all South Africans by striving to identify opportunities that yield optimal financial returns for our clients and make tangible contributions to society. Other early-stage business investments in the DEF portfolio include Rubicon, LifeCheq, SweepSouth and Yoco, which are complemented by a variety of maturing and established companies in the developmental space.

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Published on www.futuregrowth.co.za/newsroom.

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