



## Capespan expands its Far East markets

In a deal extending its reach in the Far East, Capespan Group Ltd will be taking full ownership of subsidiary Metspan Hong Kong Ltd.

Louis Kriel, Capespan Group acting managing director, announced that Capespan had begun a series of planned steps to strengthen its position in the Far East. He said, "China especially is one of the future growth areas globally. Therefore, a hundred percent ownership of Metspan certainly facilitates Capespan's expansion into the burgeoning Far East markets. Opportunities abound in this dynamic region and Metspan is a well-established vehicle to facilitate our growth here."

Since 1996 Capespan and Metcash Trading Africa (Pty) Ltd each owned 50% of Metspan. However, Metcash Africa agreed to sell its shares to Capespan as fresh produce procurement and sales didn't constitute its core business.

Operating as a risk taker in a trading environment as both buyer and seller of fresh produce, Metspan's main office is in Hong Kong with a procurement sub-office in Cape Town. It sources fresh produce globally, servicing key customers in 12 Far East retailer and wholesale distribution markets, including Hong Kong, China, Malaysia, Taiwan, Korea and Thailand. Metspan management will remain as is under the new ownership.

Kriel indicated that other deals were in the negotiation stage and would be announced when concluded. "We're very pleased with negotiations so far," he said.