

Logistics property firm Equites explores sale of UK business

By [Tannur Anders](#)

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Specialist logistics property group Equites said on Tuesday that it plans to sell its logistics business in the United Kingdom as a way to unlock value amid rising interest rates impacting asset valuations. Globally, capital market conditions have changed considerably since June 2022, with a surge in inflation causing central banks to respond by increasing interest rates.



Source: 4045 via [Freepik](#)

Equites said the changing macroeconomic landscape impacted the UK investment market, which experienced substantial repricing in asset values during 2022.

The group's UK portfolio value declined by 21% on a like-for-like basis, in sterling terms in the year to Feb. 28.

"The Equites board believes that it is in the group's best interest to explore the sale of its stake in the development platform and has appointed Rothschild & Co as its corporate advisor to facilitate a transaction," the company said.

Equites has a 60% shareholding in ENGL, a business it partnered with Newlands Developments. Through this business, it will also no longer undertake large-scale developments in the UK, it added.

The company also reported that its full-year distribution per share rose by 4.1% while its gross property revenue increased by 90.3% to over R3.2bn (\$174.71m).

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