

Sanlam to acquire 30% of fintech disruptor EasyEquities

Purple Group (PPE) and Sanlam Investment Holdings (SIH), a wholly owned subsidiary of Sanlam Limited, are delighted to announce that SIH has entered into agreements to acquire a 30% stake in First World Trader Proprietary Limited, trading as EasyEquities. This is in a joint pursuit of growing clients' wealth, making it easier for new clients to open an investment account and access the investment markets. The transaction is subject to the fulfilment or waiver of certain conditions precedent, including the approval of the Competition Commission.

EasyEquities is an award-winning fintech business, which has disrupted the investments sector with its low barriers to opening an investment account, through its low-cost platform. One of its primary objectives is to provide investment solutions to all South Africans by removing barriers such as high cost and product complexity. This deal is one further step towards joint efforts by Sanlam Investments and EasyEquities to make it easier for investors to be able to save by facilitating easier access to investments.

With its bespoke technology, passionate team and client service ethic, EasyEquities, with SatrixNOW, was named Best African FinTech company of 2016 at the African FinTech Awards, which forms part of the Finance Indaba Africa, the largest conference on the continent for financial professionals.

EasyEquities launched during October 2014 and has, to date, been funded by the earnings of the other business units operating within the Purple Group and through funding procured by the Purple Group through small capital raisings. The rapid growth of EasyEquities has necessitated the need to seek out additional funding from a strategic partner that brings with it the necessary capital to fund the growth and development of the platform over the next 24 to 36 months. In addition to capital, Sanlam Investments was identified on the basis that it would broaden market access through established distribution channels both locally and abroad.

Says Charles Savage, CEO of Purple Group, "The EasyEquities transaction with Sanlam Investments provides our fintech winner with added capital, skills and the ability to continue on the path we're on – aggressive growth in client numbers, products on the site for client benefit and a way for all South Africans to access the financial markets – in South Africa and excitingly also in the US. We also look forward to announcing our international growth plans where the collaboration with Sanlam Investments provides invaluable insights, guidance and access to various jurisdictions."

EasyEquities and Sanlam Investments are no strangers to partnering with the objective of improving access for investors. SatrixNOW is a direct investment platform and forms part of the leading passive investment brand, Satrix. The SatrixNOW platform is a white-label version of EasyEquities. With the recent launch of three new international Satrix ETFs on SatrixNOW, clients now have access to an increasingly diverse product set at low cost.

Says Helena Conradie, CEO of Satrix, "EasyEquities and SatrixNOW share the same innovative culture and the purpose of democratising investments for all South Africans. These are the only investment platforms in the country that has no minimum investment amount, making it accessible to those with even the smallest of investments."

Says Robert Roux, CEO of Sanlam Investments, “This was a natural fit for us since EasyEquities and Satrix already have a good relationship with the launch of SatrixNOW. The deal solidifies the relationship to the benefit of clients and shareholders. We believe that EasyEquities is a market leading fintech company and an innovative business focussed on servicing the needs of its clients. It is typically the kind of business Sanlam seeks to partner with.”

Roux continues, “Sanlam has a vision to provide financial education, financial freedom and access to financial markets to a wider range of clients. This is a segment of the South African population that EasyEquities has already established a presence in. For both Sanlam Investments and EasyEquities the primary focus is to service the clients’ needs, provide direct access to the market at an affordable cost in a simple and transparent way.”

Says Savage, “My team and I are delighted to continue our journey with the Sanlam team. With their strong history of adding value to South Africans, their partnership philosophy which seeks to empower and improve, not control, and our joint ability to make a meaningful, positive contribution to our country, the democratisation of investment has arrived.”

Disclaimer

SatrixNOW is a product of Satrix Managers (RF) Pty, Ltd which is an authorised Financial Services Provider (15658) and a registered and approved manager of collective investment schemes in securities. The online platform is administered by First World Trader (Pty) Ltd t/a EasyEquities, an authorised Financial Services Provider (22588).

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Photos attached: Robert Roux, CEO of Sanlam Investments and Charles Savage, CEO of Purple Group.