



PEREGRINE TO ACQUIRE A CONTROLLING STAKE IN STENHAM

October 2007

On 2 October 2007, Peregrine Holdings Limited announced that it signed non-binding heads of agreement to acquire a controlling stake in Stenham.

The acquisition by Peregrine of a controlling stake in Stenham will enable Stenham to grow its business to the next stage while still preserving its independence and culture. Under the terms of the transaction Peregrine will acquire between 65% and 75% of Stenham with existing shareholders retaining the balance. Peregrine have no rights to purchase the remaining shareholding.

Stenham has grown substantially in recent years, bringing its extensive experience in alternative asset management to a broader institutional client base. In order to achieve the current shareholders' ambitions for Stenham's clients and business, the group needed to bring in a long-term partner with proven strategic skills. Management believes this development will create significant opportunities for Stenham's institutional clients as well as its private clients. Peregrine is seen as the ideal partner to help scale the business while at the same time preserving Stenham's independence and culture.

Peregrine is a wealth and asset management business based in South Africa and listed on the Johannesburg Securities Exchange with a market capitalisation of US\$700m. The group offers portfolio management, hedge fund and traditional fund management, prime broking and investment banking. They have developed a dominant position and market leading brand in South Africa within the spheres of wealth management and alternative asset management. Peregrine's chairman, Sean Melnick, founded the Peregrine business and will join the board of Stenham.

Peregrine and its Directors have been known to the Stenham Group for many years, during which the two organisations have built a strong relationship and developed a high level of mutual trust. Stenham has for some time invested in Peregrine's long/short hedge fund, which has been one of Stenham's best-performing managers

Stenham's existing management team will remain in place and there is no intention to change Stenham's business model or culture. Combined assets of the enlarged group will exceed US\$10b and Stenham will gain access to additional expertise in alternatives and emerging markets.

Peregrine is an established, soundly-financed, listed and regulated institution which will reinforce Stenham's already-strong research capabilities, risk controls and corporate governance processes. Being part of a larger group also facilitates succession planning and enables Stenham to further build management depth. The complementary nature of Stenham's and Peregrine's businesses will provide opportunities in terms of sharing of investment expertise and product design.

Stenham's management team remains committed to the business and to Stenham's strongly-held ethic of delivering consistent investment performance and the highest standard of client service.

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For further information, please contact:

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NOTES TO EDITORS

Stenham was founded in 1901 and is an independent wealth and asset management group providing financial solutions and products to high net worth private clients and institutions. Stenham currently has in excess of US\$ 4 billion under management, with over US\$ 2.2 billion under management in its multi-manager hedge fund portfolios and a further US\$ 2 billion in its property investments. It operates from a network of global offices including the UK, the Channel Islands, Switzerland, the Netherlands, South Africa and Israel.