



STRATHMORE GROUP UNVEILS DETAILS OF PLAN FOR COMMSOFT

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Internet and technology-based venture capitalist Strathmore Group has spelt out the detail of its role in the future of Commssoft.

Telecommunications technology company Commssoft, which is 38% owned by Strathmore, is due to list on both the New Zealand and Australian stock exchanges on September 13.

In a complex buyback deal, in which Strathmore will buy 15% of its own shares, existing Strathmore shareholders will get one \$A1.10 Commssoft share for every 4.25 Strathmore shares they sell back to the company.

Strathmore announced the buyback three weeks ago and issued a don't sell notice at the time. That announcement irked some investors as it gave no other detail than that it was related to Commssoft's future. While they suspected they would be given some preference to buy shares in Commssoft, they wanted details of the deal and of the company.

Both were forthcoming this week, with a complete prospectus on view at the Commssoft's website www.commssoftgroup.com.

The preferential entitlement to Strathmore investors for Commssoft stock comes in the form of a minimum option to subscribe for 500 Commssoft shares at a rate of one share for every 75 Strathmore shares held. New Zealand Funds Management has offered to pay \$A0.11 a share for those investors not wishing to exercise their preferential purchasing rights.

Strathmore executive chairman Phil Norman said the preferential entitlement was a tangible way of rewarding Strathmore shareholders for their support. Shareholders on Strathmore's register on August 11 will be able to participate in the entitlement of Commssoft shares. Those on the register on August 18 will be eligible to participate in the buy back.

Commssoft directors, cornerstone shareholders Cullen Investments and Advantage Group, and institutional investor New Zealand Funds Management have agreed to accept the buyback.

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