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INVITATION

WEBINAR INVITATION: 19 APRIL 2023

HOW TO BUILD WEALTH IN MAURITIUS

- □ **Magnus Heystek**
  Director|
  Investment Strategist
- □ **Samina Jaffery**
  Managing Director
- □ **Richard Haller**
  Director| Pam Golding

INVESTING WITH SA'S LEADING BOUTIQUE WEALTH MANAGER 2022

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STUDENTS, BUSINESS EXECUTIVES & RETIREES FLOCK TO MAURITIUS

By Magnus Heystek, Director and Investment Strategist at Brenthurst Wealth

MAURITIUS THRIVES AS SA'S GROWTH REMAINS SLUGGISH

While South Africa's GDP growth is projected to remain below 0.1% this year, according to the World Bank, the tiny island of Mauritius expects an impressive growth rate of 5%, even after upwardly revising its 2022 growth rate from 7.8% to 8.7%.

This exceptional growth is attributed to the successful revival of its tourism industry, coupled with Mauritius' removal from the global grey list following the implementation of various measures to satisfy the international financial community.

Tourism continues to be one of the key industries on the island, with an estimated 1.3 million international visitors expected this year - a 25% increase from 2022. The easing of Covid-related restrictions has greatly fueled the industry's recovery.

Remarkably, 30 years ago, South Africa's GDP per capita was double that of Mauritius. However, today, Mauritius' GDP per capita surpasses that of South Africa, with the former at $25,655 compared to the latter's $19,375, according to World Economics.

Once viewed only as a popular holiday and honeymoon destination, Mauritius' property market opened up in 2004, attracting numerous investors and retirees, many of whom are from South Africa. Notably, brand names like Sanlam, Absa, Pam Golding, Mugg & Bean, and Brenthurst Wealth are visible across the island.

Well-known property developers, Atterbury, constructed the largest shopping complex on the island - Bagatelle, while listed company, Grit, has completed several developments. Pam Golding and Brenthurst Wealth have recently partnered to provide a comprehensive service to prospective buyers interested in buying or leasing properties in Mauritius. Brenthurst Wealth has also obtained a license to provide global investment advice to interested individuals.

Grit's latest commercial building, The Precinct, recently opened near Grand Baie, where companies like RMB, Workshop17, Dentons and Brent Consulta, Brenthurst's trust company on the island, are now operating.

MANY MORE SOUTH AFRICANS ARE FLOCKING TO MAURITIUS

Mauritius is becoming an increasingly popular destination for South Africans, with many choosing to invest in the island nation. While most property investors in Mauritius come from the UK and France, there is a growing number of South Africans who are taking advantage of the opportunities that the country has to offer.

❶ **ONE OPTION FOR SOUTH AFRICANS IS TO BECOME PROPERTY OWNERS IN MAURITIUS.** However, this requires a minimum investment of **$375,000 per unit in certain complexes,** which may be out of reach for the average South African due to the declining exchange rate of the SA rand. Despite this, many South Africans are still opting for this route, as residency rights are linked to the ownership of the property, meaning that as long as the owner owns the property, the residency rights cannot be taken away.

❷ **ANOTHER OPTION FOR SOUTH AFRICANS IS TO TAKE ADVANTAGE OF THE RETIREMENT MARKET IN MAURITIUS.** This new category for residency rights is available to **people over 50 who are required to bring $18,000 per year or $1,500 per month to the island**. This is a popular route for South Africans who want to settle on the island without having to buy property. Alternatively, they can buy lower-priced properties and use the retirement permit to live in Mauritius.

❸ **FINALLY, THERE IS ALSO THE PROFESSIONAL PERMIT OPTION.** This allows individuals with certain qualifications to live and work on the island. Many South Africans are choosing this route, as they realised during the Covid pandemic that they can work from anywhere in the world and pay lower taxes. In particular, young people with internet-based businesses are moving to the island and paying considerably lower taxes.

Overall, it is clear that Mauritius is an attractive destination for South Africans looking for new opportunities. Whether through property investment, retirement or professional permits, there are a variety of routes for South Africans to take advantage of what the island nation has to offer.

WHY ARE PEOPLE MOVING TO MAURITIUS?

Derrick Mace, formerly with Pam Golding and now an independent property consultant, believes there are multiple reasons why people are considering Mauritius as a Plan B.

These reasons include the high crime rate in South Africa, ongoing and worsening power issues, low and favourable tax rates compared to SA (with no capital gains tax, dividend tax or property rates payable), the possibility of an ANC/EFF alliance after the 2024 election, the total collapse of infrastructure in SA, better prospects for children outside of South Africa (including excellent universities and high schools that use Cambridge study levels) and countries like Australia, New Zealand, Canada and the UK making it harder for South Africans to emigrate there, making Mauritius an alternative option.

MAURITIUS WEBINAR INVITATION: 19 APRIL 2023

Furthermore, on 19 April 2023 at 14:00, Brenthurst Wealth, in collaboration with Pam Golding (Mauritius) and Brent Consulta, will host an online seminar entitled "Creating Wealth in Mauritius."

Speakers will include **Magnus Heystek**, **director and investment strategist of Brenthurst Wealth, Richard Haller, director of Pam Golding Mauritius**, and **Samina Jagoo-Jaffery of Brent Consulta.** If you require more information on purchasing property, retirement permits or establishing trusts in Mauritius, be sure to register for this webinar.

REGISTER HERE > [Brenthurst Mauritius Webinar 19 April 2023.]

MAJOR GROWTH AREA

Mauritius has become a major destination for South Africans either relocating and retiring or wanting to set up global company and trust structures for new business ventures or for housing existing global assets.

Post-Covid, the small island state has shown exceptional growth with property values increasing by between 20% and 40%, as pent-up demand from global buyers rapidly snapped up most property stock in the areas popular amongst South Africans, which include Black River, Tamarin and Grand Baie.

Many South African buyers have purchased properties in their personal capacity, which could cause problems in the case of death and resultant spousal inheritance.

Samina Jaffery stated, "A trust is a particularly good legal vehicle (as opposed to personal name) to house fixed assets, such as a house, as the property inheritance laws are based on the Napoleonic code which prescribes how property devolves in the case of death."

Venture capitalists setting up new companies are also urged to set up structures to house these assets, typically an operating company owned by the trust.

THIS ADDS A LAYER OF PROTECTION AND HAS MASSIVE ESTATE DUTY IMPLICATIONS.

- It is also possible to transfer existing trusts to Brent Consulta at no additional costs and more competitive pricing.
- The interest in Mauritius has also been boosted, post-Covid , by the work-from-anywhere phenomenon and the collapse of Eskom.
- In terms of existing tax laws, it is possible to earn as much as R1,25 million per annum and not pay any tax, based on the so-called 183-day rule. This means that taxpayers who spend at least 183 days per tax year outside of SA can avoid paying taxes in South Africa.

ABOUT BRENT CONSULTA | MAURITIUS TRUST COMPANY

Brent Consulta's team of seasoned professionals are committed to providing you with a pragmatic solution to your business needs in different areas. We focus on delivering solutions which leverage on the structuring and corporate governance for our clients.

We have a thorough knowledge of all types of corporate structures and can work with clients to provide the best and most appropriate support relating to the establishment, administration and accounting of corporate vehicles. With our in-house team of corporate secretaries and accountants, our corporate services team is ideally positioned to assist you while ensuring cost efficiency.

Our hands-on approach to business has helped us garner valuable industry knowledge, which we combine with relevant local insights, to serve our clients optimally. Our focus is on the quality of the services which we provide to our clients.

MEET THE TEAM

SAMINA JAGOO JAFFERY | MANAGING DIRECTOR

BSc Actuarial Sciences, FCCA, MBA, MCSI, MIPA, MIOD

Samina is a Fellow Member of the Association of Chartered Certified Accountants ACCA, with over 20 years' working experience in the global business sector.

Before joining one of the largest conglomerates in Mauritius, she worked at KPMG Mauritius as senior auditor, specialising in the audit review of banks, insurance and reinsurance companies.

In addition to her MBA degree with a specialisation in finance, she has extensive experience in corporate finance, financial modelling, and valuation.

At Brent Consulta Management Services Ltd, Samina advises clients on personal and corporate structuring, as well as assisting with all Mauritian immigration matters. **Samina can be contacted at samina@brent.mu**

KJELL EKSTROM, ACG, MIOD | HEAD OF PRIVATE EQUITY/ FUNDS

Kjell accomplished a career in corporate administration, having started his I.C.S.A journey at Varsity College, Cape Town, South Africa in 1998.

After college, Kjell handled the trust administrative responsibilities of Standard Bank Trust Company (Mauritius) Limited until 2006. He then commenced with a 14-year position at Abax Corporate Services, now known as Ocorian, providing management services to global business companies, private equity funds, trusts, domestic companies in Mauritius and international companies, including large private equity investors from the US.

He was then appointed as Chief Operating Officer at Dolphin Management Services Ltd where he worked for two years before joining Bret Consulta Management Services Ltd .

He is an Associate Member of the Institute of Chartered Secretaries and Administrators (I.C.S.A), now known as the Corporate Governance Institute, is also a member of the Mauritius Institute of Directors (M.I.O.D) and is bilingual in English and French. Kjell can be contacted at kjell@brent.mu

MR. MAGNUS HEYSTEK, BA (HONS) | CHAIRMAN OF THE BOARD

Magnus Heystek is a co-founder, director and investment strategist at Brenthurst Wealth Management.

The company was established in 2004 and manages more than R18bn on behalf of its clients. It has nine offices across Gauteng and the Western Cape in South Africa, and an office in Mauritius. Heystek is the author of several books about investing, retirement and personal finance, and an established public speaker on money and investment-related topics. He holds a BA (Hons) Degree from the University of Johannesburg (RAU at the time) and had a distinguished career as a financial and business journalist before establishing his own companies.

He founded one of the first investor clubs in South Africa while at The Star and has been involved in investments, financial planning and personal finance for individuals since 1994.

He has won several awards including the prestigious Sanlam Financial Journalist of the Year in 1983 and 1984, the PMR magazine's most respected financial advisor awards in 1998 and 1999 and a Momentum Elite Diamond Award in 1998.

Brenthurst Wealth was recognised as the Top Boutique Wealth Manager in SA in 2020 and 2017, the runner-up in 2018 and in the top four in 2019 and top three in 2021 and 2022. The Brenthurst brand was listed as a trusted brand in financial services in South Africa by news website Daily Investor in 2022 and ranked sixth amongst the leading financial services companies. Email Magnus on MagnusH@brenthurstwealth.co.za

RICHARD HALLER: DIRECTOR | PAM GOLDING PROPERTIES MAURITIUS

Richard joined the Pam Golding Property Group in 2004 after working for Goldman Sachs Investment Bank in London. For over 17 years Richard has been involved in the International operations of the group, with a specialised focus on launching luxury Mauritius residential real-estate developments to South African, French and European clientele.

Since 2015, Richard has played an integral role in the overall management and growth of the Pam Golding Mauritius operation, as well as the highly successful Mont Choisy Le Parc Golf and Beach Estate in Grand Baie with over USD600 million of sales to date.

Richard holds an MBA from the University of Cape Town, a Bachelor of Commerce degree from the University of Stellenbosch and a diploma in Real-Estate Development from Cape Town Technical University.

HOW TO BUILD WEALTH IN MAURITIUS WEBINAR INVITATION: 19 APRIL 2023

Mauritius is highly sought after by affluent individuals worldwide due to its strategic location, vibrant business landscape and advantageous fiscal policies.

The country is renowned for its investment-friendly regulations and attractive tax rates for both individuals and corporations. If you are interested in exploring the various business and investment structures available on the island, as well as property opportunities, we invite you to join our upcoming webinar.

Our expert panelists, including Magnus Heystek, Director and Investment Strategist at Brenthurst Wealth, who is also a property owner in Mauritius, Samina Jagoo-Jaffery, Managing Director of Mauritian Trust Company Brent Consulta, and Richard Haller, Director of Pam Golding Properties Mauritius, will elaborate on the opportunities and discuss how investors can benefit from relocating to and establishing businesses in Mauritius. We highly encourage you to attend this informative session.

REGISTER HERE > Brenthurst Mauritius Webinar 19 April 2023.

SPEAK TO OUR MAURITIUS TEAM TO DISCUSS INVESTMENT OPPORTUNITIES IN MAURITIUS

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