

Coronation joins Steinhoff legal action queue

Coronation Fund Managers, one of the largest shareholders in Steinhoff when it announced 'accounting irregularities' in December, is taking legal action against the company, says **Business Day**. A statement follows last Thursday's announcement that GT Ferreira and the vendors of Tekkie Town lodged demands with Steinhoff. The company was prompted by former chairperson Christo Wiese's decision to serve summons on Steinhoff. **Coronation said that where possible it would also be taking action against any other parties that have been complicit in any wrongdoing.** The report notes it is the first SA-based investor to announce legal action as a shareholder. 'We are in the process of completing our legal due diligence on the various legal options available to us and have consulted extensively with international counsel in this regard,' Coronation spokesperson Louise Pelser reportedly told **Business Day**. Coronation's legal action will be distinct from that of Wiese, Ferreira and Tekkie Town, who are claiming that they sold something of value to Steinhoff on the basis of misleading financial information it provided.

The Public Servants Association (PSA) is also planning legal action. It is finalising an application to declare some of Steinhoff's current and past directors as delinquent for allegedly contravening the Companies Act. A **Fin24** report notes **the PSA estimates its own legal costs amount to more than R2m and plans to claim this back from the Public Investment Corporation (PIC).** 'The PSA will therefore approach the PIC to fund the court action, failing which the PSA will consider claiming damages against the PIC, which has failed to exercise its oversight role to Steinhoff, directly resulting in severe losses in pension monies for public servants.' Nick Crail, senior fund manager at Ashburton Investments, said the legal claims are the 'first shot across the bow' by investors and concerned participants hoping to be in line to be paid out once there is more clarity about what went wrong with the company. 'There's no proof of anything yet,' Crail reportedly told **Fin24**.