

Waterfall City set for major development boost following R2.8bn deal

JSE-listed Attacq Limited has entered into a non-binding term sheet with the Government Employees Pension Fund (GEPF) that will see the fund acquire a 30% interest in the ordinary shares and shareholder loans held in Attacq Waterfall Investment Company (AWIC).



Waterfall City. Source: [Waterfallcity.co.za](https://www.waterfallcity.co.za)

The investment will be made through issuing new AWIC equity, acquiring AWIC shareholder equity and shareholder loans from Attacq, and the extension of an additional pro-rata shareholder loan by the GEPF. The conclusion of the transaction will result in GEPF owning 30% of AWIC for an estimated cash consideration of R2.8bn.

Commenting on the announcement, Attacq CEO, Jackie van Niekerk, said, “We are pleased by this transformative transaction for Attacq, to introduce the GEPF as a long-term strategic investment partner to AWIC. Working closely alongside our new partners, we remain committed in fulfilling our strategic purpose of creating sustainable value for all stakeholders.”

Attacq will retain full control of AWIC through its majority stake and will continue to provide asset management and administration services to AWIC at market-related fees.

Expediting the rollout of developments

Said Attacq chief investment officer, Peter de Villiers: “Attracting this significant investment from the GEPF is a major affirmation of the quality of Waterfall City, one of South Africa’s fastest growing work and lifestyle precincts. We can now expedite the ongoing rollout of developments within Waterfall City as part of our precinct strategy which focuses on creating safe, smart and sustainable retail-experience, collaboration and logistics hubs.”

The proceeds will be utilised to optimise the capital structure of both AWIC and Attacq by de-leveraging the group’s balance sheet, enhancing the liquidity position of Attacq, and improving investment capacity.



Teraco begins construction on its new hyperscale data centre in Johannesburg

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Transaction subject to shareholder approval

“We are truly excited about this milestone transaction for Attacq and Waterfall City. It also provides the GEPF with a unique investment opportunity in the co-ownership of a world class city. Once implemented, Attacq will see its gearing reduce from 37.2% to c. 24.0% on a pro-forma basis, providing the balance sheet to develop out Waterfall City,” said Attacq CFO, Raj Nana.

The transaction is subject to the fulfilment of certain conditions. Since the transaction is classified as a Category 1 transaction in terms of the JSE Listings Requirements, majority shareholder approval is required.

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