

Kagiso shifts 25% Waco Africa stake

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EMPOWERMENT group Kagiso has transferred its ownership of a 25% stake in construction-related company Waco Africa from its private equity arm to its strategic investments arm, signalling a more permanent involvement with Waco.

The empowerment company said yesterday that Kagiso Ventures had sold its 25,1% stake in the lucrative construction company back to Waco Africa's shareholders for an "exceptional profit" in a deal worth "several hundred million rands". It declined to disclose the sum.

Kagiso's long-term investment vehicle, Kagiso Strategic Investments, almost immediately acquired a 25% stake of Waco Africa.

Kagiso Ventures MD Afzal Patel said the shareholding in Waco Africa could not be transferred to Kagiso Strategic Investments as the two entities had different shareholders.

Patel said Kagiso believed there was substantial further scope for growth in the Waco group.

Waco, in turn, expected to benefit from having a substantial empowerment partner for its African operations.

Waco Africa forms part of Waco International, the group that came close to listing on the JSE this year.

Waco International group finance director Stephen Goodburn said Waco had had an amicable and successful relationship with Kagiso since 2001.

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