



BEE property groups call off three-way merger

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THE merger of three broad-based black economic empowerment (BEE) property groups — Delta, Rebois and Ascension — was called off yesterday with the companies citing timing problems.

“It was always the understand-

ing that the merger made strategic sense, but presented practical challenges which they seem to have been unable to overcome,” Anton de Goede of Coronation Fund Managers said.

“It is good that an amicable solution could be reached.”

In February, both Delta and Rebois were courting Ascension

Properties, and discovered a director had misled each of them into thinking they were in exclusive negotiations. To avoid a complicated mess, a triple merger was proposed.

Rebois had previously bought Ascension’s management company for R150m, but not all the shares in Ascension. It bought a

29% stake in Ascension’s B units for R289m. Delta still held Ascension shares.

Delta yesterday announced it had sold all of its Ascension shares to Rebois. This was a sign that the funds had made an amicable joint decision, Stanlib fund manager Keillen Ndlovu said.

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