

PIC not funding SAA 51% stake takeover

The Public Investment Corporation (PIC) has confirmed that it is not funding the 51% stake acquisition in South African Airways (SAA).



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The confirmation comes after media reports and comments over the weekend suggested that PIC funds will be used for the acquisition of the stake by Takatso Consortium.

“The PIC is not involved in this acquisition, nor are the assets that it manages on behalf of clients.

“However, the PIC owns 30% of Harith General Partners and some of the individuals involved in Takatso Consortium may previously have been associated with the PIC,” said the corporation.



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Nonetheless, it said, Harith General Partners and the Takatso Consortium did not involve the PIC in any way in the acquisition.

"Whilst it is a fact that the PIC has shares in Harith General Partners, it must be stated that the PIC is not a member of Takatso Consortium, which we understand is a special vehicle established by Harith General Partners and Global Airways.

"The PIC remains focused on delivering on its investment mandate on behalf of its clients," said the PIC.

Public Enterprises Minister Pravin Gordhan on Friday announced that government would surrender its 51% stake to the strategic equity partner in a bid to save the financially embattled airline. The state will retain 49%.

The ground breaking venture comes after the State-owned airline, SAA, was placed under business rescue in December 2019, a process which concluded in April this year.

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