



## **PSG Alpha partners with the Amdec Group to acquire 50% stake in Evergreen Lifestyle**

**Cape Town, 19 September 2017.** PSG Alpha Investments, a subsidiary of the JSE-listed PSG Group, has acquired a 50% stake in Evergreen Lifestyle, South Africa’s pre-eminent provider of retirement living and a division of the Amdec Group. With investments such as Capitec Bank (retail banking) and Curro Holdings (private education) in its portfolio, this investment marks a significant new focus area for PSG – a move into the retirement property sector.

The PSG Alpha investment amounts to a R675 million subscription for new shares, one of the largest initial cash investments by the group to date. This partnership between two powerful national brands provides even greater peace of mind for the rapidly increasing number of middle- to upper-income retirees in South Africa.

“Our investment mandate is to invest in and work with businesses that show high growth potential for the future,” explains Nico de Waal, Chief Executive Officer of PSG Alpha. “With this approach, we focus on identifying suitable businesses for a long-term commitment - ones that we are confident will deliver satisfactory returns for shareholders”.

“With its competitive advantage, intellectual capital and deep-rooted expertise in the retirement property development sector, Evergreen Lifestyles meets these criteria and is ideally positioned to entrench and grow its position as a leading provider in the retirement landscape in South Africa.”

The Amdec Group’s prestigious portfolio of real estate investments and property developments include, in addition to Evergreen Lifestyles, the iconic Melrose Arch mixed use precinct in

Johannesburg, The Yacht Club in Cape Town, Westbrook in Port Elizabeth, and Val de Vie and Pearl Valley in the Cape Winelands. The group also recently announced a partnership with Marriott International to develop five new hotels in South Africa, and will shortly launch Harbour Arch, a R10-billion project at the gateway to the burgeoning Cape Town CBD.

James Wilson, Chief Executive Officer for the Amdec Group says, “We are always looking for opportunities that make good business sense for our group and our clients. We believe that the retirement market in South Africa has not been very well conceived or developed. We have analysed global trends in retirement accommodation and we believe that we can meet the increasing demand for a better retirement lifestyle within quality houses and state of the art villages”.

Arthur Case, Evergreen Retirement Holdings CEO, says, “Our offering stretches far beyond the stereotypical old-age home with its hospital-like atmosphere. Instead, ours is a hospitality-based approach, with resort-style facilities and amenities in all our villages, where you’ll find vibrant communities of residents enjoying an active, independent retirement lifestyle. And when the need arises we are able to match lifestyle to life stage with a range of care offerings to respond to the challenges of ageing.”

Wilson points out that the PSG Alpha deal is of great importance for Evergreen Lifestyle, since it will accelerate the growth of the brand and allow for the rapid development of the many other retirement villages currently in the planning stages. “This injection of capital means we can rapidly expand our offering from the current 500 homes, to approximately 3 000 homes over the next three years. We want to scale quickly because the numbers of middle- to upper-income retirees in South Africa are growing quickly, so not only does the demand for quality accommodation exist, but it is swiftly outstripping supply.”

For PSG, a number of factors make Evergreen Lifestyles an attractive company to invest in: It is one of the leading retirement accommodation brands in South Africa and is backed by the pioneering Amdec Group with its strong, proven track record. It has successfully rolled out the Life Right purchase model for retirement accommodation in South Africa – as opposed to the traditional method of sectional title or freehold. The Life Right purchase model gives peace of mind to retirees and their loved ones

because Evergreen Lifestyles remains vested in the scheme and ensures that every aspect of the village is taken care of. It comes with flexible payment structures and a range of accommodation options to suit every preference and pocket.

The PSG Alpha investment is noteworthy in terms of both the property and investment sectors in South Africa. It brings together a major player in the financial services sector and a leader on the national property front. It represents a long-term commitment by both parties – PSG via its capital investment and proven track record to help grow new businesses, and the Amdec Group through construction, development and knowledge of the retirement sector – and confirms both parties' commitment to invest in South Africa.

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#### **About PSG Group**

PSG Group is a JSE-listed investment holding company with a market capitalisation of approximately R52bn. PSG Group consists of underlying investments that operate across a diverse range of industries, which include banking, education, financial services and food and related businesses, as well as early-stage investments in growth sectors. As part of PSG Group, PSG Alpha's focus is to identify, invest in and grow high growth potential businesses.



#### **About the Amdec Group**

Founded in 1989, the privately-owned Amdec Group has established a reputation as South Africa's leading developer of New Urban lifestyles. It was founded upon a belief that there is a better way of living, working, relaxing and interacting. The group is active throughout South Africa, the United Kingdom and the USA.

