

Steinhoff could consider raising equity - CEO

South African conglomerate Steinhoff International Holdings N.V. could consider an equity issue, its CEO said on Friday, as the retailer looks to reduce its debt and financing costs.



Steinhoff chief executive officer Louis du Preez addresses a presentation to investors in Cape Town, South Africa, August 13, 2019. Reuters/Mike Hutchings/File Photo

At an annual shareholder meeting, chief executive officer Louis du Preez was asked whether the company would consider an equity issue once it has settled about 90 separate legal claims against it following a 2017 accounting scandal.

"One of the options that we will potentially look at, there are many options, is potentially an equity raise. Obviously no decision has been made in that regard," he told shareholders, without elaborating on what the funds might be used for.

The furniture and clothing retailer is preparing to meet the costs of a \$1bn global lawsuit settlement plan by selling some of its majority-owned African subsidiary's shares, among other steps.

South Africa-headquartered and Netherlands-registered Steinhoff has been selling off assets and planning to list its Pepco Group discount retailer business to reduce debt and financing costs.

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