

## Grindrod to raise R4bn for project funding

Industrial freight, logistics and shipping group Grindrod's board of directors has approved an equity capital raising process that would lead to the total issue of Grindrod shares worth up to R4bn, with net cash proceeds of up to R3bn going to Grindrod, to fund projects, the company said last week.



Grindrod is raising cash to invest in locomotive manufacture, infrastructure and ports. Image: RRL Grindrod

The company said the proposed capital raising would provide the equity for the planned expansion of terminal capacity, port and rail infrastructure and locomotives, as well as for further agricultural investments.

"The company is in the final stages of negotiations with its black economic empowerment partners (BEE) Calulo and Solethu Investments, to buy their interests in some subsidiaries of Grindrod to create greater alignment between the subsidiary companies," Grindrod said.

Grindrod will conclude a new BEE transaction with a consortium of black investors, which includes Calulo and Solethu.

Following a book-build placement, Grindrod plans to issue Grindrod shares to the consortium to raise up to R1.6bn by way of a specific issue of shares for cash.