

Grindrod, Brimstone deal worth R1.6bn completed

By [Mark Allix](#)

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Grindrod and Brimstone Investment, both listed on the JSE, say they have completed their black economic empowerment (BEE) transaction giving a black empowerment consortium led by Brimstone an 8.4% share in Grindrod for R1.6bn.



Grindrod's Alan Olivier says Brimstone's contribution, along with Calulo and Solethu will add value for shareholders

Brimstone holds a 59% share in the consortium, with Calulo Investments holding 20%, Solethu Investments holding 13%, Safika Holdings Proprietary Limited holding 5%, and the Adopt-A-School Foundation holding 3% of shares.

Calulo, Adopt-A-School and Solethu previously held shares in Grindrod subsidiaries, but have restructured their shareholding through the consortium at listed company level.

Grindrod's Chief Executive Alan Olivier said the investment, together with R2.4bn raised through the issue of 96m new shares earlier this year, would fund planned capital infrastructure projects.

"We've been in business with Calulo and Solethu for some time and value their contribution to our business. We are very pleased to have Brimstone as the leading shareholder in this consortium and look forward to their input," he said.

Adopt-A-School would continue work in transforming schools in under-privileged communities throughout SA.

Brimstone's Chief Executive, Mustaq Brey, said Brimstone was continuously seeking investment opportunities that would create long-term value for shareholders.

"The BEE transaction allows us to establish infrastructure as a new focus area - alongside our portfolio of healthcare, food and financial services clusters - and is something we've been investigating for some time," he said.

"With its diversified suite of well-placed quality assets, Grindrod represents a long-term investment in African infrastructure development which is an attractive and growing asset class.

"Grindrod shares are currently tightly held and it's difficult to acquire a substantial shareholding in the company. The BEE transaction enables us to acquire a meaningful stake on a leveraged basis and we look forward to contributing to Grindrod's ongoing success."



Brimstone's Mustaq Brey says the deal with Grindrod means it can now invest in infrastructure for development in South Africa and Africa. Image: Brimstone

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