

Bonatla gets R800m loan

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Business Reporter

Johannesburg – JSE-listed Bonatla Property Holdings has secured a R800 million loan from Kinfed Investments.

The loan forms part of a broader partially underwritten rights offer and is intended to assist Bonatla to enhance its profile as a property entity and an investment holding company in strategic businesses.

Kinfed's interest in Bonatla is due to its shareholding or deals around its activated carbon business, which relate to manufacturing and green energy; Ruitersvlei and Grande Roche, which present agricultural development, tourism, property holding and property development opportunities; The Kimberley Diamond Hub, affording property and beneficiation opportunities; Lincoln Meade, which provides for the development of middle-income housing and retail/small office development; as well as other targeted property and hospitality investment opportunities.

Kinfed will also partner with Bonatla in its socially responsible business endeavours to create additional employment through socio-economic development, backed by property investment and property development initiatives and a strong balance sheet, the company said in a statement on Friday.

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The deal will also enable Bonatla to recapitalise its balance sheet, have access to larger transactions and will enable Bonatla to inject assets and capital into the company.

The R800 million will be used to acquire properties and plant and machinery and for working capital.

The loan period will be for 3 years.

Bonatla advised shareholders to trade with caution until all the details are nailed down.

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