



(Incorporated in the Republic of South Africa)
(Registration number 1966/009846/06)
Share code: GND & GNDP
ISIN: ZAE000072328 & ZAE 000071106
("Grindrod" or "the Company")

Announcement of shortlist of buyers to acquire Mercantile Bank Limited

Shareholders are referred to reports in the local press on Monday, 18 June 2018, that the Portuguese government made public on Friday, 15 June 2018, the names of four parties who had been shortlisted as potential acquirers and who would participate in the second phase (which will include, *inter alia*, due diligence, engagement with Mercantile management and submission of binding offers) of the process to acquire Mercantile Bank Limited ("Mercantile"), which is owned by Portuguese state-owned Caixa Geral de Depósitos. A consortium comprising Arise B.V. ("Arise") and Grindrod Limited's subsidiaries Grindrod Bank Limited ("Grindrod Bank") and Grindrod Financial Holdings Limited ("GFH") ("the Consortium") has been selected as one of the four shortlisted potential acquirers of Mercantile.

Arise is a leading African investment company that partners with sustainable, locally-owned financial services providers in Sub-Saharan Africa. The company, founded by three cornerstone investors namely Rabobank, Norfund and FMO, currently manages assets in excess of USD700 million and is operational in over ten countries. Arise's vision is to contribute to the economic growth of Sub-Saharan Africa and the prosperity of its people by increasing financial inclusion and employment, strengthening rural development and poverty alleviation.

Mercantile's business is considered complementary to that of Grindrod Limited's Financial Services division comprising Grindrod Bank and GFH and a merger will create a business well placed to grow and compete in the South African financial services and banking sector.

The Financial Services division remains focused on positioning itself to expand its service offering and optimise value within its areas of business. This includes investigating ways in which further value can be created by introducing a BEE shareholding, in order to propel Financial Services to the next level of growth.

By order of the board

19 June 2018

Sponsor: Grindrod Bank Limited

