

TRADING STATEMENT

The Grindrod board completed its strategic review during the first half of 2019 providing clear direction on the future of the company. The Freight Services business will focus on trade corridors supported by key infrastructure and Financial Services will refocus on the core banking function and develop the retail business offering. The Marine Fuels and Agricultural investments do not form part of the strategic focus and are therefore held for sale.

Shareholders are advised that continuing businesses demonstrated good performance despite a constrained economic growth environment. In addition, the prior year earnings reduced through the retrospective application of IFRS 16 Leases standard. As a result, Grindrod expects headline earnings and earnings from continuing operations, for the six months ended 30 June 2019 to be between R127 million and R147 million. This represents an increase in excess of 100 percent, compared to headline earnings from continuing operations of R62.7 million, generated for the six months ended 30 June 2018 ("comparative period"), and a turnaround in excess of 100 percent compared to the losses from continuing operations of R418.1 million recorded in the comparative period.

Shareholders are further advised that headline earnings per share from continuing operations for the six months ended 30 June 2019, are expected to be between 21.6 cents and 18.7 cents, an increase in excess of 100 percent, compared to the revised headline earnings per share from continuing operations of 8.3 cents achieved in the comparative period. Earnings per share from continuing operations of between 21.6 cents and 18.7 cents are expected, an increase in excess of 100 percent compared to the revised loss per share from continuing operations of 55.8 cents reported in the comparative period.

The Marine Fuels and Agricultural investments do not form part of the strategic focus and are therefore held for sale. As a consequence of impairments these discontinued operations are expected to report a loss, of between R659 million and R639 million, compared to earnings of R2 836.7 million reported in the comparative period, a deterioration in excess of 100 percent. Prior year discontinued operations include the Shipping division and results for that period include the foreign currency translation gain of R2 830.3 million that arose on the separate listing of the Shipping division.

For the six months ended 30 June 2019 the total loss is expected to be between R532 million and R492 million, a decline in excess of 100 percent from the earnings of R2 418.5 million reported in the comparative period. Total headline losses for the six months ended 30 June 2019 are expected to be between R141 million and R101 million, a decline in excess of 100 percent from the reported total headline earnings of R347.0 million in the comparative period. Total headline loss per share are expected to be between 20.7 cents and 14.8 cents, a decline in excess of 100 percent compared to the total headline earnings per share of 46.1 cents reported in the comparative period. A total loss per share of between 78.2 cents and 72.3 cents are expected, a decline in excess of 100 percent from the total earnings per share of 321.4 cents reported in the comparative period.

The information contained in this trading statement has not been reviewed nor reported on by the company's external auditors.

Grindrod will release its results to shareholders on or about Friday, 23 August 2019 and will present to the investors in Johannesburg on that day.

By order of the board

16 August 2019

Sponsor: Grindrod Bank Limited