

Grindrod Limited
 Registration number: 1966/009846/06
 Incorporated in the Republic of South Africa
 Share code: GND and GNDP
 ISIN: ZAE000072328 and ZAE000071106

GRINDROD LIMITED
 Condensed provisional results for the year ended 31 December 2019

Continuing operations

Revenue
 Up 12%
 R3 873 million (2018: R3 467 million)

Trading profit
 Up 18%
 R1 029 million (2018: R871 million)

Headline earnings
 Up 9%
 R525 million (2018: R480 million)

Final gross ordinary dividend
 14.2 cents per share

HIGHLIGHTS

- Record volumes of over 21 mt at Maputo Port
- Matola Terminal reached a record 81% utilisation
- Expanded container-handling facilities to 600 000m² total capacity
- Developing the Palma intermodal facility on the back of customer demand
- Operating on the Balama and Malawi logistics corridor to Nacala
- Bank deposits grew in a tough market

OPERATIONAL REVIEW - CONTINUING OPERATIONS

Port and Terminals reported good results in the current year. Maputo Port achieved another volume record with 21.1 million tonnes handled, up 8% on 2018 underpinned by resilient prices and demand. Matola Terminal also achieved a record capacity utilisation of 81%.

Logistics businesses benefited from a streamlined combined structure of Seafreight and Intermodal which facilitated integrated service offerings. The newly established and operational facility in Nacala and development in Palma continue to embed Grindrod's presence in Northern Mozambique and strengthen our ambition to be a key logistics corridor player in the liquefied natural gas project development in the region.

Bank is establishing its platform banking offering and targets lending growth in the SME and property markets. It grew its deposit book in 2018.

CONTINUING OPERATIONS

	31 December 2019 R000	31 December 2018 R000*	% change
Trading profit	1 028 573	871 489	18
Profit/ (loss) attributable to ordinary shareholders	299 875	(20 259)	1 580
Headline earnings	525 154	480 239	9
Weighted average number of shares	680 442	751 877	10
Basic earnings/ (loss) per share (cents)	44.1	(2.7)	1 733
Headline earnings per share (cents)	77.2	63.9	21

Financial results for 2018 have been represented to reflect the decision to exit Marine Fuel and Agricultural investments, and the continuation of the rail leasing business in accordance with the provisions of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, the consolidation of entities in terms of IFRS 10 Consolidated Financial Statements, and the adoption of IFRS 16 Leases in the current year using a full retrospective approach. The reconciliation of the 2018 representation for IFRS 5 and restatement for IFRS 16 and IFRS 10 are outlined below:

RESTATEMENT - CONTINUING

	Earnings R000	Headline earnings R000	Earnings per share cents	Headline earnings per share cents
2018 results previously reported	803 411	716 574	106.9	95.3
IFRS 5 - Rail leasing business continuing	(609 992)	(46 533)	(81.1)	(6.2)
IFRS 5 - Marine Fuel and Agricultural investments now held for sale	(148 689)	(124 813)	(19.9)	(16.6)
IFRS 10 - Consolidation of trusts and UK property	-	-	-	-
IFRS 16 - Leasing impact	(64 989)	(64 989)	(8.6)	(8.6)
2018 represented and restated results	(20 259)	480 239	(2.7)	63.9

DISCONTINUED OPERATIONS

	31 December 2019 R000	31 December 2018 R000*	% change
Basic (loss)/ earnings per share (cents)	(104.0)	384.8	(127)
Headline (loss)/ earnings per share (cents)	(69.1)	41.3	(267)

* All prior year numbers have been represented for the impact of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations and restated for IFRS 16 Leases and IFRS 10 Consolidated Financial Statements.

OPERATIONAL REVIEW - DISCONTINUED OPERATIONS

Discontinued businesses consist of Marine Fuel and Agricultural investments. Grindrod sold its investment in NWK Limited in September 2019 for R204 million. In addition to the impairment at June this year, the investment in Senwes was marked to market based on the trading price on ZARX resulting in a R58.0 million downward adjustment to the fair value.

Prior year discontinued operations include Shipping results prior to the separate listing.

TOTAL OPERATIONS

	31 December 2019 R000	31 December 2018 R000*	% change
Trading profit	1 028 573	1 097 464	(6)
Basic (loss)/ earnings per share (cents)	(59.9)	382.1	(116)
Headline earnings per share (cents)	8.1	65.7	(88)
Net asset value per share	1 175	1 285	(9)
Net debt/ (cash) : equity	0.00 : 1	(0.04 : 1)	100

DECLARATION OF FINAL DIVIDEND

Ordinary dividend

Notice is hereby given that a final gross dividend of 14.2 cents has been declared out of income reserves for the year ended 31 December 2019 (2018: 14.6 cents final dividend declared). The final net dividend is 11.36 cents per share for ordinary shareholders who are not exempt from dividends tax.

At the date of this announcement, there were 762 553 314 issued ordinary shares.

Preference dividend

Notice is hereby given that a final gross dividend of 445.0 cents per cumulative, non-redeemable, non-participating and non-convertible preference share (2018: 446.0 cents) has been declared out of income reserves for the year ended 31 December 2019, payable to preference shareholders in accordance with the timetable below.

At the date of this announcement, there were 7 400 000 cumulative, non-redeemable, non-participating and non-convertible preference shares in issue. The final net preference dividend is 356.0 cents per share for preference shareholders who are not exempt from dividends tax.

With respect to the preference dividend, in terms of the dividends tax effective since 22 February 2017, the following additional information is disclosed:

The local dividends tax rate is 20%; and Grindrod Limited's tax reference number is 9435/490/71/0.

Preference and ordinary dividend timetable	
Declaration and finalisation date	Wednesday, 4 March 2020
Last date to trade cum-dividend	Tuesday, 24 March 2020
Securities start trading ex-dividend	Wednesday, 25 March 2020
Record date	Friday, 27 March 2020
Payment Date	Monday, 30 March 2020

No dematerialisation or rematerialisation of shares will be allowed for the period Wednesday, 25 March 2020 to Friday, 27 March 2020, both days inclusive.

The dividend is declared in the currency of the Republic of South Africa.

Directors' statement

This unreviewed short-form announcement is the responsibility of the directors and is only a summary of the information of the provisional reviewed results and does not contain full or complete details. The provisional reviewed results is available for inspection at no charge, Monday to Friday, during office hours at the Company's registered office, the office of the sponsor and on the Company's website at www.grindrod.com. The provisional reviewed results are available on SENS from 4 March 2020 at <https://senspdf.jse.co.za/documents/2020/jse/isse/GNDE/2020SENS.pdf>. Copies of the full provisional reviewed results may also be requested by email at investorrelations@grindrod.com or telephonically from the Company's registered office and the offices of the sponsor. Any investment decision by investors and/ or shareholders should be made having considered the provisional reviewed result as a whole. This short-form announcement has been extracted from the provisional reviewed results and has not itself been audited or reviewed by the Company's external auditors.

Reviewer's Conclusion

The provisional reviewed results for the year ended 31 December 2019 have been reviewed by Deloitte & Touche, who issued an unmodified review conclusion report thereon. Copies of the reviewer's report on the reviewed condensed consolidated financial statements are available for inspection at the Company's registered office, together with the condensed consolidated financial statements identified in the reviewer's report.

Message from the CEO

The Grindrod strategy focuses on driving a corridor approach, securing contracted volumes, building corridor solutions and extending supply chains within the Port, Terminals and Logistics businesses. The Bank targets growth in the SME and property markets, developing service solutions for the fintech market and attracting suitable strategic partners. The entire team is focused on achieving the objectives contained in the revised business strategy over the next three years.

By order of the Board

Mrs Cathie Lewis
Group Company Secretary
3 March 2020

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