

## GRINDROD LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1966/009846/06)

Share code: GND and GNDP

ISIN: ZAE000072328 and ZAE 000071106

("Grindrod" or "the Company")

Unaudited condensed consolidated interim results for the six months ended 30 June 2020

### COMMENTARY

Grindrod's performance was resilient in the first half of the year to 30 June 2020 with trading profit up on the first half of the prior year.

Cash generated from operations is R507.4 million, up 40% on the prior year. Additional banking facilities advanced of R450.0 million remain available. The balance sheet continues to be strong with net debt to equity of 5%.

Port and Terminals reported good volumes through the Maputo Port and Matola Terminal. The Seafreight business and its landside container operation achieved earnings growth underpinned by its increased port activities. Grindrod's presence in the northern Mozambique gas region gained momentum with four barges now on charter. Continued effort in aligning all parties on the North-South corridor remained a focus with deployment of locomotives and wagons now also on the Dar es Salaam corridor.

Grindrod Bank continues to operate cautiously during this time ensuring that its liquidity cover and capital adequacy ratios remain above minimum regulatory requirements.

Whilst the core business remained buoyant, COVID-19 specific actions resulted in once off adjustments. These included dividend withholdings tax of R31.6 million on repatriation of undistributed profits of US\$27.9 million from Mozambique and a R90.0 million mark to market adjustment on the Grindrod Shipping shares held.

The discontinued businesses comprise the Marine Fuel, Agricultural Logistics businesses and the private equity portfolio. COVID-19 impacted valuations of the private equity portfolio, resulting in impairments and fair value adjustments of R270.2 million.

### TOTAL OPERATIONS

Results presented below include continuing and discontinued operations

	Unaudited 30 June 2020 R000	Unaudited 30 June 2019 R000 Restated*	% change
Revenue	1 816 095	1 857 141	(2)
Trading profit	464 895	414 520	12

Weighted average number of shares <sup>^</sup>	677 532	680 483	
Basic loss per share (cents)	(44.4)	(75.3)	41
Headline loss per share (cents)	(34.2)	(17.8)	(92)
Net asset value per share	1 234	1 175	5

\* Restated for IFRS 10 Consolidated Financial Statements.

<sup>^</sup> Weighted average number of shares includes 64.0 million shares treated as treasury shares following consolidation of the BBBEE consortium since 2018.

#### DECLARATION OF FINAL DIVIDEND

##### Ordinary dividend

Notice is hereby given of the decision not to declare an interim dividend for the six months ended 30 June 2020 as a prudent and precautionary measure to manage the impact of the COVID-19 pandemic (2019 H1: 5.0 cents).

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

##### Preference dividend

Notice is hereby given that a gross interim dividend of 381.0 cents (2019 H1: 447.0 cents) per cumulative, non-redeemable, non-participating and non-convertible preference share has been declared out of income reserves for the six-month period ended 30 June 2020, 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 interim net preference dividend is 304.8 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 dividend timetable

Declaration and finalisation date	Thursday, 27 August 2020
Last date to trade cum-dividend	Monday, 21 September 2020
Securities start trading ex-dividend	Tuesday, 22 September 2020
Record date	Friday, 25 September 2020
Payment date	Monday, 28 September 2020

No dematerialisation or rematerialisation of shares will be allowed for the period Tuesday, 22 September 2020 to Friday, 25 September 2020, both days inclusive.

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

Directors' statement

This short-form announcement is the responsibility of the directors and is only a summary of the information of the full announcement and does not contain full or complete details.

The full announcement is available on the JSE's website (<https://senspdf.jse.co.za/documents/2020/jse/isse/GNDE/ie2020.pdf>), and for inspection at no charge, Monday to Friday, during office hours at the company's registered office, or at the office of the Sponsor, or from the company secretary by emailing [Vicky.Commaille@grindrod.com](mailto:Vicky.Commaille@grindrod.com).

Any investment decision by investors and/or shareholders should be made having considered the full announcement as a whole.

By order of the board

VB Commaille  
Group company secretary  
26 August 2020

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