

GRINDROD LIMITED  
(Incorporated in the Republic of South Africa)  
(Registration number 1966/009846/06)  
Share code: GND and GNDP  
ISIN: ZAE000072328 and ZAE000071106  
("Grindrod" or the "Company")

## DISPOSAL OF GRINDROD'S ENTIRE SHAREHOLDING IN GRINDROD SHIPPING

### 1. Introduction

Grindrod shareholders are hereby advised that the Company has agreed to dispose of its entire direct and indirect shareholding ("**Disposal**") in Grindrod Shipping Holdings Ltd. ("**Grindrod Shipping**"), being 1 841 962 Grindrod Shipping ordinary shares ("**Sale Shares**"), following an underwritten public offering ("**Offering**").

The Sale Shares amount to c. 9.6% of Grindrod Shipping's total issued share capital.

### 2. Rationale for the Disposal and use of proceeds

Grindrod has communicated its commitment to dispose of investments that are non-core to its business, which includes Grindrod's investment in Grindrod Shipping. The Disposal is expected to result in an improved capital allocation reflective of the Company's strategy.

### 3. Information on Grindrod Shipping

Grindrod Shipping, which originated in South Africa with roots dating back to 1910, is an international shipping company that owns, charters-in and operates a fleet of drybulk carriers and owns one medium range product tanker. The company is based in Singapore, with offices in London, Durban, Tokyo, Cape Town and Rotterdam. It has a primary listing on Nasdaq, with a secondary listing on the JSE Limited's ("**JSE**") Main Board.

### 4. The Offering

Jefferies LLC acted as the sole book-running manager for the Offering. Noble Capital Markets, Inc. acted as the co-manager for the Offering.

### 5. Results of the Disposal

The Sale Shares were sold at a gross price of USD 13.50 (ZAR 199.94)<sup>1</sup> per Sale Share ("**Sale Price**"), raising total gross proceeds of USD 24.87 million (ZAR 368.27 million)<sup>1</sup>. The Sale Price represents a discount of 14% to the Grindrod Shipping closing price of USD15.70 per share on Nasdaq on 22 September 2021.

Accordingly, the Company's interest in Grindrod Shipping has been reduced from c. 9.6%% to 0%. Settlement of the Disposal is expected to occur on or about 27 September 2021.

### 6. Financial information

The value of the net assets and profit attributable to the assets that are the subject of the Disposal were R287.9 million and R186.2 million, respectively ("**Financial Information**"), as at and for the six months ended 30 June 2021, respectively. The Financial Information has been extracted from Grindrod's unaudited condensed consolidated interim results for the six months ended 30 June 2021 ("**Interim Results**"). The accounting policies used in the preparation of the Interim Results are in terms of International Financial Reporting Standards and are consistent with those of the annual financial statements for the year ended 31 December 2020. The Interim Results are the responsibility of the board of directors of Grindrod.

### 7. Categorisation

In terms of the JSE Listings Requirements, the Disposal is classified as a Category 2 transaction for Grindrod, which requires an announcement.

23 September 2021

**Sponsor**

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

1. Converted at USD/ZAR 14.81 on 22 September 2021 (source: Bloomberg)