

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")

Provisional reviewed results and dividend announcement for the year ended 31 December 2021

Revenue*	EBITDA *	Headline earnings*	Cash generated from operations
UP 9%	UP 32%	UP 166%	UP 19%
R5 170 million	R1 786 million	R886 million	R1 039 million
(2020: R4 750 million)	(2020: R1 356 million)	(2020: R333 million)	(2020: R871 million)

* Core businesses inclusive of joint ventures

COMMENTARY - CORE BUSINESSES

Grindrod achieved a commendable performance in its core businesses for the year ended 31 December 2021 ("period") underpinned by record mineral volumes handled at its Port and Terminals operations and strong performance from the coastal shipping and container depot business. Grindrod Bank performed well as it continued its focus on quality lending and maintaining healthy capital and liquidity ratios.

Overall, Port and Terminals reported robust earnings growth of 70% on 2020, comfortably surpassing its pre- COVID-19 performance level. The coastal shipping and container depot business achieved earnings growth of 33%, with the remaining businesses delivering consistent performance for the period. The impact of cessation of Grindrod's activities, relating to the liquified natural gas project in Northern Mozambique, due to the insurgency in the Cabo Delgado province was mitigated by the resumption of the graphite logistics business in Nacala. Current period results include impairments and provisioning of R78.2 million.

Grindrod Bank's earnings improved 157% from the prior period despite remaining cautious in its lending activities and retaining surplus liquidity in excess of R5.0 billion as at 31 December 2021. During the period Grindrod Bank concluded an agreement with Shoprite Checkers as a key new platform partner and recommenced the project to raise further capital to enable growth and enhance returns.

The disposal of the car carrier business is complete and the disposal of the fuel carrier businesses has progressed. This process necessitated the impairment of goodwill and assets of R266.6 million in the current period.

Grindrod successfully sold its Grindrod Shipping shares, generating proceeds of R338.1 million. A fair value gain of R238.2 million has been recorded in the current period.

Core operations inclusive of joint ventures

	Reviewed 31 December 2021 R000	Reviewed 31 December 2020 R000	Change %
Revenue	5 170 292	4 749 621	9
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	1 786 008	1 355 700	32
Profit attributable to ordinary shareholders	540 460	329 434	64
Headline earnings	886 493	333 125	166

COMMENTARY - NON-CORE BUSINESSES

The Private Equity portfolio now consists of only two significant investments. The disposal of the offshore real estate investment was concluded during November 2021 for GBP17.4 million in addition to a number of smaller investments. The strategy is to exit the remaining two investments at the right valuations.

Progress has been made by the various owners of the KwaZulu-Natal north coast properties. Management continues to work with the principals to manage this exposure and settle the loans.

RESULTS

Bolstered by record volumes in its Port and Terminals operations and strong performances in the coastal shipping and container business included in the Logistics segment and Grindrod Bank, the Group reported a profit of R175.6 million for the period against a loss of R415.2 million in the prior period. Headline earnings increased by 468% to R618.4 million compared to a headline loss of R168.1 million in the prior period.

Total Group on a legal basis

	Reviewed 31 December 2021 R000	Reviewed 31 December 2020 R000	Change %
Revenue	3 904 984	3 751 156	4
EBITDA	1 061 718	333 585	218
Basic earnings / (loss)	175 578	(415 219)	142
Headline earnings / (loss)	618 366	(168 118)	468
Basic earnings / (loss) per share (cents)	26.2	(61.4)	143
Headline earnings / (loss) per share (cents)	92.2	(24.8)	472

DECLARATION OF DIVIDEND

Ordinary dividend

Notice is hereby given that a final gross ordinary dividend of 20.1 cents per share has been declared out of income reserves for the year ended 31 December 2021 (2020: nil cents). The final net ordinary dividend is 16.08 cents per share for ordinary shareholders who are not exempt from dividends tax.

As at the date of this announcement, there were 698 031 586 ordinary shares in issue.

Preference dividend

Notice is hereby given that a final gross preference dividend of 313.0 cents per cumulative, non-redeemable, non-participating and non-convertible preference share ("preference share") has been declared out of income reserves for the year ended 31 December 2021 (2020: 312.0 cents). The final net preference dividend is 250.4 cents per share for preference shareholders who are not exempt from dividends tax.

As at the date of this announcement, there were 7 400 000 preference shares in issue.

Salient dates

The salient dates for the ordinary dividend and preference dividend ("dividends") are as follows:

Dividends' declaration date	Thursday, 3 March 2022
Last day to trade cum-dividends	Tuesday, 22 March 2022
Ordinary shares and preference shares start trading ex-dividends	Wednesday, 23 March 2022
Record date	Friday, 25 March 2022
Payment date	Monday, 28 March 2022

No dematerialisation or rematerialisation of ordinary shares and preference shares will be allowed for the period Wednesday, 23 March 2022 to Friday, 25 March 2022, both days inclusive.

The local dividend tax rate is 20% and Grindrod's tax reference number is 9435/490/71/0. Both the ordinary dividend and preference dividend are 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 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 full announcement is available on the JSE's website on 3 March 2022 at <https://senspdf.jse.co.za/documents/2022/jse/isse/GNDE/ye2021.pdf>.

Copies of the full announcement may also be requested by email at investorrelations@grindrod.com or telephonically from the Company's registered office and the office of the sponsor. Any investment decision by investors and / or shareholders should be made having considered the full announcement as a whole.

By order of the board

Review conclusion

The condensed consolidated financial statements for the year ended 31 December 2021 have been reviewed by Grindrod's auditors, Deloitte & Touche, who issued an unmodified review conclusion report thereon. The auditor's review conclusion and the condensed financial statements are available on the Company's website at www.grindrod.com. This short-form announcement has not been reviewed by Grindrod's auditors.

VB Commaille, Group Company Secretary
3 March 2022

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Grindrod Mews, 106 Margaret Mncadi Avenue, Durban, 4001

Sponsor
Nedbank Corporate and Investment Banking, a division of Nedbank Limited