

**GRINDROD LIMITED****Unaudited condensed consolidated interim results for the six months ended 30 June 2022****Revenue \*****^31%**R3 134 million  
(2021 H1: R2 388 million)**EBITDA \*****^37%**R1 066 million  
(2021 H1: R779 million)**Headline earnings \*****^53%**R529 million  
(2021 H1: R345 million)**Cash generated from operations****^120%**R741 million  
(2021 H1: R336 million)**Capital expenditure \***

H1 2022 actual

R288 million

H2 2022 approved

R287 million

**COMMENTARY – CORE BUSINESSES**

Grindrod delivered good earnings growth in its core businesses for the six months ended 30 June 2022 ("period") underpinned by strong mineral commodity markets and Grindrod Bank continued to perform well on the back of favourable net interest margins.

Port and Terminals achieved earnings growth of 164% on the prior period due to an increase in volumes handled. Maputo port volumes grew by 30% compared to the prior period. Grindrod's drybulk terminals grew volumes handled by 52% compared to the prior period despite various disruptive challenges. Grindrod's coastal shipping and container depot businesses performed well under the challenging operational environment with earnings growth of 88% on the prior period. The Northern Mozambique graphite operations and the Clearing and Forwarding business delivered solid results for the period. Grindrod's rail business showed an improvement in locomotive deployment.

Grindrod Bank reported healthy growth of 63% in its earnings from the prior period underpinned by the higher interest rate environment. Grindrod Bank's capital adequacy ratio is in line with compliance requirements and its credit loss ratio at 48 bps is below the levels of 2021.

|  | Unaudited    | Unaudited    | Change |
|--|--------------|--------------|--------|
|  | 30 June 2022 | 30 June 2021 |        |
| <b>Core businesses inclusive of joint ventures</b>                         |              |              |        |
| Revenue  | <b>3 134</b> | 2 388        | 31     |
| Earnings before interest, taxation, depreciation and amortisation (EBITDA) | <b>1 066</b> | 779          | 37     |
| Profit attributable to ordinary shareholders                               | <b>510</b>   | 64           | 697    |
| Headline earnings  | <b>529</b>   | 345          | 53     |

**COMMENTARY – NON-CORE BUSINESSES**

The Group continues to pursue the sale of non-core assets. Marine Fuels earnings were up from the prior period due to the strong oil market. Management continues to work with the Marine Fuels management and co-shareholder to exit this investment. The private equity portfolio exit is largely complete with only one significant asset remaining. Management continues to explore various options to recover the significant loans advanced to the KwaZulu-Natal north coast property owners.

**RESULTS**

The Group reported a profit of R385.2 million for the period against a loss of R424.0 million in the prior period. Headline earnings increased significantly to R404.4 million compared to R4.5 million in the prior period.

|   | Unaudited    | Unaudited    | Change |
|---|--------------|--------------|--------|
|   | 30 June 2022 | 30 June 2021 |        |
| <b>Total Group on a legal basis</b>       |              |              |        |
| Revenue                                   | <b>2 479</b> | 1 915        | 29     |
| EBITDA                                    | <b>615</b>   | 325          | 89     |
| Basic earnings / (loss)                   | <b>385</b>   | (424)        | 191    |
| Headline earnings                         | <b>404</b>   | 4            | 10 000 |
| Basic earnings / (loss) per share (cents) | <b>57.8</b>  | (63.1)       | 192    |
| Headline earnings per share (cents)       | <b>60.6</b>  | 0.7          | 8 557  |

**CORPORATE TRANSACTIONS**

In early April 2022 the fuel carrier fleet in Botswana was disposed of at its net carrying value marking the completion of Grindrod's exit from the fuel and automotive carrier businesses.

The joint venture transaction between Maersk Logistics and Services operations and certain of Grindrod's container depots and its coastal shipping business was approved by the Competition Commission on 24 May 2022. The remaining conditions precedent relating to implementation steps are being executed.

The disposal of Grindrod Bank to African Bank for R1.5 billion is ongoing, with all parties focused on fulfilling the conditions precedent.

**CHANGE IN DIRECTORATE**

Mr Mike Hankinson retired as non-executive director and Chairman of the Board with effect from 03 June 2022. Grindrod is immeasurably grateful to Mike for his steady stewardship and unwavering service during his 12-year tenure as director.

Ms Cheryl Carolus was appointed as Chair of the Board with effect from 03 June 2022. Cheryl is an experienced director and Grindrod looks forward to her leadership as we continue to positively contribute to our communities and Africa's trade with the world.

The Board is pleased to announce the appointment of Xolani Mbambo to succeed Andrew Waller as Grindrod's Chief Executive Officer with effect from 01 January 2023.

**DECLARATION OF INTERIM DIVIDEND****Ordinary dividend**

Notice is hereby given that a gross interim dividend of 17.20 cents has been declared out of income reserves for the six months ended 30 June 2022 [2021 H1: nil cents]. The interim net ordinary dividend is 13.76 cents per share for ordinary shareholders who are not exempt from dividends tax.

At the date of this announcement, there were 698 031 586 issued ordinary shares.

**Preference dividend**

Notice is hereby given that a gross interim dividend of 337.0 cents [2021 H1: 305.0 cents] per cumulative, non-redeemable, non-participating and non-convertible preference share has been declared out of income reserves for the six months ended 30 June 2022. The interim net preference dividend is 269.6 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                                      | Friday, 26 August 2022       |
| Last day to trade cum-dividends                                  | Tuesday, 20 September 2022   |
| Ordinary shares and preference shares start trading ex-dividends | Wednesday, 21 September 2022 |
| Record date  | Friday, 23 September 2022    |
| Payment date   | Monday, 26 September 2022    |

No dematerialisation or rematerialisation of ordinary shares and preference shares will be allowed for the period Wednesday, 21 September 2022 to Friday, 23 September 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](http://www.grindrod.com). The full announcement is available on the JSE's website on 26 August 2022 at <https://senspdf.jse.co.za/documents/2022/jse/isse/GNDE/ie2022.pdf>. Copies of the full announcement may also be requested by email at [investorrelations@grindrod.com](mailto: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

VB Commaille  
Group Company Secretary  
26 August 2022

**Registered office and business address**

Grindrod Mews, 106 Margaret Mncadi Avenue, Durban, 4001

**Sponsor**

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

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