



GRINDROD LIMITED

(Incorporated in the Republic of South Africa)

(Registration Number: 1966/009846/06)

JSE Code: GND & GNDP

ISIN: ZAE000072328 & ZAE000071106

("Grindrod" or the "Company")

ANNOUNCEMENT REGARDING THE DISPOSAL OF A PROPERTY TO A RELATED PARTY

1. INTRODUCTION AND RATIONALE

Shareholders are advised that Grindrod, through a wholly owned subsidiary Canosa Holdings Limited ("**Canosa**"), concluded a contract ("**Contract**") with Mr WJ Grindrod and Mrs C Grindrod (the "**Grindrods**") in terms of which the Grindrods acquired a residential property, including furnishings located in London, United Kingdom ("**the Property**") from Canosa for a total purchase consideration of £1,650,000 ("**Purchase Consideration**") (the "**Disposal**"). On 6 January 2022, being the closing date of the Disposal, the Purchase Consideration translated to an equivalent Rand amount of R35 564 265.

Mr WJ Grindrod is a non-executive director of Grindrod and Mrs C Grindrod is his spouse.

The Property was sold due to Grindrod not having any London based operations following the spin-off of Grindrod Shipping in June 2018, whereafter ownership of the Property was not required.

2. TERMS OF THE DISPOSAL

In terms of the Contract, the Property was transferred into the name of the Grindrods with effect from 6 January 2022 (the "**Effective Date**"). The Purchase Consideration was paid in cash on the Effective Date. The proceeds from the Disposal were utilised to settle taxation obligations arising from the Disposal and the remainder was applied in settling Grindrod Property Private Equity debt and related working capital requirements. There are no outstanding conditions precedent relating to the Disposal.

3. FINANCIAL INFORMATION

The value attributed to the Property as at 31 December 2021, being Grindrod's financial year end prior to the conclusion of the Disposal, amounted to £308,482 (equivalent to R6 649 052) and the profit on Disposal attributable to the Property amounted to £1,341,518 (equivalent to R28 915 213).

4. DETAILS OF THE PROPERTY

The Property is of a residential nature and is located at Flat 21, Rossetti Gardens Mansions, Flood Street, London, United Kingdom, measuring 92m². The Property comprises a lounge area, an office, two bedrooms, kitchen and two bathrooms.

5. CATEGORISATION AND SMALL RELATED PARTY TRANSACTION

The Disposal is considered a "small related party transaction" in terms of paragraph 10.7 of the JSE Listings Requirements as Grindrod transacted with "related parties", being the Grindrods, and accordingly no shareholder approval is required provided that an independent expert has confirmed that the terms of the Disposal are fair insofar as Grindrod shareholders are concerned.

The Board of Directors of Grindrod appointed Merchantec Capital (the “**Independent Expert**”) to provide an independent fairness opinion on the Disposal (the “**Fairness Opinion**”) in compliance with paragraph 10.7(b) of the JSE Listings Requirements.

The Independent Expert has considered the terms and conditions of the Disposal and is of the opinion that the Disposal is fair insofar as Grindrod shareholders are concerned. The Fairness Opinion is available for inspection at the registered office of the Company, Grindrod Mews, 106 Margaret Mncadi Avenue, Durban for a period of 28 days from the date of this announcement and may be obtained on request from Grindrod’s Company Secretary at vicky.commaille@grindrod.com.

Johannesburg

03 April 2023

Corporate advisor and Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Independent Expert

Merchantec Capital