



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

## **BUSINESS REVIEW AND TRADING STATEMENT UPDATE**

### **Performance review**

The drybulk terminal operated by the port of Maputo achieved record chrome exports of 14.3 million tonnes per annum (mtpa) (2023: 12.6 mtpa). Exports from Grindrod's terminals softened to 16.5 mtpa (2023: 17.3 mtpa). Overall performance was impacted by lower commodity prices (except chrome), intermittent disruptions at the Lebombo / Ressano Garcia border and low container handling throughput. The impact of the border disruptions was 4.4 mtpa on volume and between R180 and R200 million on headline earnings. On safety, Grindrod's lost time injury frequency rate improved to 0.33 (2023: 0.48), however Grindrod sadly reported a fatality.

### **Strategy execution**

Grindrod is uniquely poised to take advantage of the opportunities in the logistics space as South Africa progresses on its logistics network reform agenda, and has identified a growth pipeline that includes several logistics infrastructure-led investment opportunities valued at R8 billion across the core portfolio.

The Group is participating in the open access slots process across the rail network in South Africa. The business will be discerning in the corridors it tenders for, evaluating the opportunities against a set of criteria including efficiencies, customer commitments, understanding of the corridor and the impact on the overall returns across the logistics value chain.

The acquisition of the remaining 35% shareholding in Matola terminal for R1.5 billion is well advanced. Negotiations on the R500 million Richards Bay container handling facility concluded in the first quarter of this year. The refurbishment on the 13 repatriated Sierra Leone locomotives is progressing.

Grindrod's capital allocation framework, growth opportunities, track record of operational performance and healthy balance sheet will enable investment in future growth and drive strong returns for shareholders.

### **Trading statement for the year ended 31 December 2024**

In terms of paragraph 3.4(b)(i) of the Listings Requirements of the JSE Limited ("JSE"), listed companies are required to publish a trading statement as soon as they become reasonably certain that the financial results for the period to be reported on will differ by more than 20% from the financial results reported in the comparative period.

Accordingly, shareholders are advised that Grindrod expects headline earnings per share ("HEPS") from core operations to be between 147.4 cents and 153.4 cents, a decrease of between 25% and 28% from the previous year (2023: 203.7 cents). Total HEPS and earnings per share ("EPS") were impacted by the fair value and expected credit losses of R522.9 million which resulted from the disposal of the non-core North Coast property backed loans for R500 million, and R165.5 million additional provision for warranties on specific non-core loans that were sold as part of the Grindrod Bank deal. Consequently, HEPS and EPS are expected to be between 43.7 cents and 49.7 cents, and 44.1 cents and 50.1 cents, respectively. This is a decrease of between 67% and 71% for HEPS (2023: 151.7 cents), and 66% and 70% for EPS (2023: 148 cents), from the previous year.

The financial information on which this trading statement is based has not been reviewed nor reported on by Grindrod's external auditors. Core operations consist of the Port and Terminals, Logistics and Group segments.

Grindrod will release its results for the year ended 31 December 2024 on the JSE's Stock Exchange News Service on Thursday, 06 March 2025.

25 February 2025

Durban

**Sponsor**

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

