

GRINDROD LIMITED

Reviewed results and dividend announcement for the year ended 31 December 2024



PERFORMANCE HIGHLIGHTS

CORE BUSINESS

Grindrod reported a resilient performance for 2024 as it remained steadfast in its commitment to efficiently and cost-effectively deliver Africa's commodities globally through its integrated logistics solutions. Overall, the Group achieved core headline earnings of R1 003.8 million, delivered under difficult trading circumstances following intermittent Lebombo / Ressano Garcia border closures into the last quarter of 2024, and disruptive cyclonic flooding in the first half of the year.

The drybulk terminal operated by the port of Maputo achieved record chrome exports of 14.3 million tonnes per annum (mtpa) compared to 12.6 mtpa in 2023. Drybulk volume exports from Grindrod's terminals in Maputo, Matola, Richards Bay and Durban marginally softened to 16.5 mtpa compared to 17.3 mtpa achieved in 2023. The impact of the border disruptions was 4.4 mtpa on volume and between R180 million and R200 million on headline earnings.

Whilst Logistics benefited from higher road haulage business, albeit at lower margins, and from continued strong ships agency and clearing & forwarding businesses, the persistent weak graphite demand from China and ongoing depressed container throughput volume weighed heavily on this segment's margins.

Grindrod's focus on rail is evident through the successful return of 13 locomotives from Sierra Leone, where its operations demonstrated proficiency in heavy-haul logistics. On its phase two of increasing its reach in South Africa's rail network, Grindrod will seek to acquire new and modern rolling stock fleet. Grindrod is uniquely poised to take advantage of the numerous opportunities in the logistics space as South Africa progresses on its logistics network reform agenda.

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.

	Reviewed 31 December 2024	Audited 31 December 2023	Change
	Rm	Rm	%
Core operations inclusive of joint ventures *			
Revenue	7 371	7 490	(2)
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	2 015	2 513	(20)
Profit attributable to ordinary shareholders	1 006	1 334	(25)
Headline earnings	1 004	1 359	(26)

* Core operations includes Port and Terminals, Logistics and Group.

NON-CORE BUSINESS

The transaction to dispose of the North Coast property-backed loans and advances for R500 million is pending the fulfillment of certain suspensive conditions. As a result of this transaction, fair value losses and expected credit losses of R522.9 million were realised. In addition, a further R165.5 million (2023: R56.1 million) provision was raised to cover warranties provided by Grindrod on specific loans disposed of as part of the Grindrod Bank disposal transaction executed in 2022. Group results also include earnings of R32.7 million (2023: R53.5 million) from the 50% owned marine fuel trading business and a dividend of R73.5 million was received in December 2024 (2023: Rnil).

GROUP RESULTS

Grindrod's headline earnings dropped to R311.9 million (2023: R1 012.4 million) after accounting for the non-core business. The Group's basic earnings decreased to R314.2 million (2023: R987.8 million).

	Reviewed 31 December 2024	Audited 31 December 2023	Change
	Rm	Rm	%
Total Group *			
Revenue	4 976	4 846	3
EBITDA	295	923	(68)
Basic earnings	314	988	(68)
Headline earnings	312	1 012	(69)
Basic earnings per share (cents)	47.1	148.0	(68)
Headline earnings per share (cents)	46.7	151.7	(69)

* Joint ventures are equity accounted.

DECLARATION OF DIVIDEND

Ordinary dividend

Notice is hereby given that a final gross ordinary dividend of 17.0 cents per share (2023: 38.0 cents per share) has been declared out of income reserves for the year ended 31 December 2024. The final net ordinary dividend is 13.6 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 513.0 cents (2023: 521.0 cents) per cumulative, non-redeemable, non-participating and non-convertible preference share has been declared out of income reserves for the year ended 31 December 2024. The final net preference dividend is 410.4 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 are as follows:

Dividends' declaration date	Thursday, 06 March 2025
Last date to trade cum-dividend	Tuesday, 01 April 2025
Ordinary shares and preference shares start trading ex-dividend	Wednesday, 02 April 2025
Record date	Friday, 04 April 2025
Payment date	Monday, 07 April 2025

No dematerialisation or rematerialisation of ordinary shares and preference shares will be allowed during the period Wednesday, 02 April 2025 to Friday, 04 April 2025, 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 on the Company's website at www.grindrod.com and on the JSE cloudlink on 06 March 2025 at <https://senspdf.jse.co.za/documents/2025/jse/isse/GNDE/ye2024.pdf>. 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
06 March 2025

Review conclusion

The condensed consolidated financial statements for the year ended 31 December 2024 have been reviewed by Grindrod's auditors, PricewaterhouseCoopers Incorporated, who issued an unmodified review conclusion report thereon. The auditor's review conclusion forms part of the reviewed results and is available on the Company's website at www.grindrod.com. This short-form announcement has not been reviewed by Grindrod's auditors.

OPERATIONAL

Port volumes

^ 14%
14.3 million tonnes

Drybulk terminal volumes

∨ 5%
16.7 million tonnes

FINANCIAL

Core EBITDA *

R2.0 billion

Core headline earnings *

R1.0 billion

CAPITAL ALLOCATION

Cash generated from operations

R784 million

Cash conversion

92%

Final ordinary dividend

17.0 cents per share

* Includes Port and Terminals, Logistics and Group and is inclusive of joint ventures.

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"]

