

Grindrod Shipping Holdings Ltd.
Abbreviated Name: GRINSHIP
Registered in Singapore with registration number 201731497H
JSE Share code: GSH
ISIN: SG9999019087
Primary listing on NASDAQ Global Select Market
Secondary listing on the JSE Main Board

Grindrod Shipping Holdings Ltd. Announces Unaudited Financial Results For the Three Months Ended March 31, 2023

On May 17, 2023, Grindrod Shipping Holdings Ltd. (NASDAQ: GRIN) (JSE: GSH) (“Grindrod Shipping” or “Company” or “we” or “us” or “our”), a global provider of maritime transportation services predominantly in the drybulk sector, announced its earnings results for the three months ended March 31, 2023.

Financial Highlights for the Three Months Ended March 31, 2023

- Revenues of \$76.8 million
- Gross profit of \$7.0 million
- Loss for the period and attributable to owners of the Company of \$4.3 million, or \$0.22 per ordinary share
- Adjusted net loss of \$4.3 million, or \$0.22 per ordinary share⁽¹⁾
- Adjusted EBITDA of \$15.7 million⁽¹⁾
- Handysize and supramax/ultramax TCE per day of \$9,491 and \$12,869, respectively⁽¹⁾

⁽¹⁾ *Adjusted EBITDA, Adjusted net income/(loss) and TCE per day are non-GAAP financial measures. For the definitions of these non-GAAP financial measures and the reconciliation of these measures to the most directly comparable financial measure calculated and presented in accordance with GAAP, please refer to the definitions and reconciliations in “Non-GAAP Financial Measures” at the end of this press release.*

Operational & Corporate Highlights for the Three Months Ended March 31, 2023

- On March 3, 2023, we entered into a contract to sell the 2010-built handysize bulk carrier, *IVS Sentosa*, for \$10.9 million (before costs) with delivery to her new owners on April 6, 2023.
- On March 16, 2023, we delivered the 2015-built ultramax bulk carrier, *IVS Hirono*, to her new owners.
- On March 21, 2023, we agreed to extend the long-term charter on the 2014-built supramax bulk carrier, *IVS Crimson Creek*, for a period of 11 to 14 months commencing March 11, 2023.
- On March 22, 2023, we entered into a contract to sell the 2015-built ultramax bulk carrier, *IVS Pinehurst*, for \$23.2 million (before costs) with delivery to her new owners on May 3, 2023.
- On March 23, 2023, we entered into a contract to sell the 2014-built handysize bulk carrier, *IVS Kestrel*, for \$17.3 million (before costs) with delivery to her new owners planned on or about May 31, 2023.
- On March 31, 2023, Mr. Stephen Griffiths retired from the Company as Interim Chief Executive Officer and Chief Financial Officer and relinquished his position on the Board of Directors. Mr. Edward Buttery was appointed as Chief Executive Officer and Mrs. Deborah Davel as Chief Financial Officer, effective April 1, 2023.
- On March 31, 2023, Mr. Quah Ban Huat and Mr. John Herholdt retired as Directors of the Company and retired as Chairman of the Audit and Risk Committee and Chairman of Compensation and Nomination Committee respectively. The Board appointed Mr. Gordon French as an independent, Non-Executive Director and Chairman of the Audit and Risk Committee effective April 1, 2023 and Mr. Cullen Schaar was appointed as the Chairman of the Compensation and Nomination Committee effective on April 1, 2023.

Recent Developments

- On April 6, 2023, we delivered the 2010-built handysize bulk carrier, *IVS Sentosa*, to her new owners.
- On May 3, 2023, we delivered the 2015-built ultramax bulk carrier, *IVS Pinehurst*, to her new owners.
- On May 17, 2023, the Company's Board of Directors declared an interim quarterly cash dividend of \$0.03 per ordinary share, payable on or about June 19, 2023, to all shareholders of record as of June 9, 2023 (the "Record Date"). As of May 17, 2023, there were 19,472,008 common shares of the Company outstanding. In view of the Record Date of June 9, 2023, shareholders may not reposition shares between the JSE and the U.S. Register during the period from June 8, 2023, at 9.00 a.m. (South African time) until June 10, 2023, at 9.00 a.m. (South African time).
- As of May 10, 2023, we have contracted the following TCE per day for the second quarter of 2023 ⁽¹⁾:
 - Handysize: approximately 992 operating days⁽²⁾ at an average TCE per day of approximately \$11,439
 - Supramax/ultramax: approximately 992 operating days⁽²⁾ at an average TCE per day of approximately \$16,114

⁽¹⁾ TCE per day is a non-GAAP financial measure. For the definition of this non-GAAP financial measure and the reconciliation of this measure to the most directly comparable financial measure calculated and presented in accordance with GAAP, please refer to the definitions and reconciliations in "Non-GAAP Financial Measures" at the end of this press release.

⁽²⁾ Operating days: the number of available days in the relevant period a vessel is controlled by us after subtracting the aggregate number of days that the vessel is off-hire due to a reason other than scheduled drydocking and special surveys, including unforeseen circumstances. We use operating days to measure the aggregate number of days in a relevant period during which vessels are actually available to generate revenue.

CEO Commentary

Edward Buttery, the Chief Executive Officer, commented:

"During the quarter, we contracted three more ship sales, in line with our commitment to reduce debt. Charter rates decreased given the seasonally weak start to the year, compounded by a particularly early Chinese New Year. If the market strengthens, as we anticipate it will in the lead up to summer, then we will look to increase cover on a portion of the fleet. In my short time as CEO of TMI and Grindrod I am delighted with the cooperation between both companies and I'm confident there is significant room to improve margins once the integration of our business and operations is complete."

Headline earnings and Headline earnings per share

The Johannesburg Stock Exchange, or JSE, requires that we calculate and publicly disclose Headline earnings per share and diluted Headline earnings per share. Headline earnings per share is calculated using net income which has been determined based on IFRS. Accordingly, this may differ to the Headline earnings per share calculation of other companies listed on the JSE because such companies may report their financial results under a different financial reporting framework such as U.S. GAAP.

Headline earnings for the period represents profit for the period attributable to owners of the Company adjusted for the re-measurements that are more closely aligned to the operating or trading results as set forth below, and Headline earnings per share represents this figure divided by the weighted average number of ordinary shares outstanding for the period.

The table below presents a reconciliation between (Loss) profit for the period attributable to owners of the Company to Headline earnings for the three month periods ended March 31, 2023 and 2022.

(In thousands of U.S. dollars, except per share data)	Three months ended	
	March 31,	
	2023	2022
(Loss) profit for the period	\$ (4,294)	\$ 29,031
Headline (loss) earnings	(4,294)	29,031
Weighted average number of shares on which the profit per share and headline earnings per share has been calculated	19,472,008	18,679,384
Effect of dilutive potential ordinary shares	-	388,004
Weighted average number of ordinary shares for the purpose of calculating diluted profit per share and diluted headline earnings per share	19,472,008	19,067,388
Basic (loss) profit per share	\$ (0.22)	\$ 1.55
Diluted (loss) profit per share	\$ (0.22)	\$ 1.52
Basic headline (loss) earnings per share	\$ (0.22)	\$ 1.55
Diluted headline (loss) earnings per share	\$ (0.22)	\$ 1.52

Interim Dividend

The relevant dates for the payment of dividend number 7 are as follows:

Declaration date on NASDAQ	Wednesday, 17 May 2023
Declaration and Finalisation date announcement on SENS before 09:00	Thursday, 18 May 2023
Last day to trade cum-dividend (JSE)	Tuesday, 6 June 2023
Last day to trade cum-dividend (NASDAQ)	Wednesday, 7 June 2023
Shares commence trading ex-dividend (JSE)	Wednesday, 7 June 2023
Shares commence trading ex-dividend (NASDAQ)	Thursday, 8 June 2023
Record date (JSE and NASDAQ)	Friday, 9 June 2023
Payment date (JSE and NASDAQ)	Monday, 19 June 2023

Shareholders registered on the South African section of the share register will not be allowed to dematerialise or rematerialise their shareholdings, and transfers between the NASDAQ and South African register will not be permitted between Wednesday, 7 June 2023 and Friday, 9 June 2023, both dates inclusive.

Additional information for South African resident shareholders of Grindrod Shipping Holdings Ltd.

• Shareholders registered on the South African branch register are advised that the distribution of US\$0.03 per ordinary shares will be converted to Rands using the USD/Rand spot rate from Standard Chartered Bank (Singapore) Limited, as determined on close of business on Wednesday, 17 May 2023, of 19.07693. This will equate to a gross dividend of ZAR 57.23079 cents per share.

- Grindrod Shipping Holdings Ltd. tax reference number: 201731497H.
- The issued ordinary share capital of Grindrod Shipping Holdings Ltd. is 19,472,008 ordinary shares and the Company has nil ('0') treasury shares as at 17 May 2023.
- The dividend will be distributed by the Company, from distributable profit reserves and is regarded as a “foreign dividend” (as defined in the South African Income Tax Act No. 58 of 1962) for South African resident shareholders holding shares on the South African branch register.
- Singapore does not impose withholding tax on dividends.
- Dividends declared and paid by the Company to South African resident shareholders holding shares on the South African branch register are subject to South African dividend tax (“SA DWT”) of 20% (subject to any applicable exemptions that may apply). The net dividend to South African resident shareholder who are not exempt from SA Tax, equates to ZAR 45.78463 cents per share.
- Dividends will be paid net of SA DWT, to be withheld and paid to the South African Revenue Service. Such tax must be withheld unless beneficial owners of the dividend have provided the necessary document proof to the regulated intermediary (being a broker, CSD participant, nominee company or the Company’s transfer secretaries Computershare Investor Services (Pty) Ltd., Private Bag x9000, Saxonwold, 2132, South Africa) that they are exempt therefrom, or entitled to a reduced rate, as a result of any relevant double taxation agreement between South Africa and the country of tax domicile of such owner.

Short-form announcement

The full announcement includes the contents of the Report on Form 6-K as filed with the SEC on May 17, 2023, being the earnings results of Grindrod Shipping Holdings Ltd. for the three months March 31, 2023.

This short-form announcement is the responsibility of the directors of the Grindrod Shipping Holdings Ltd.

This short-form announcement is only a summary of the information in the full announcement and does not contain full or complete details. Any investment decision by investors and/or shareholders should be based on consideration of, inter alia, the full announcement.

The full announcement has been released on SENS on May 18, 2023 and is available for viewing on the Company’s website (www.grinshipping.com) and at

<https://senspdf.jse.co.za/documents/2023/jse/isse/GSHE/GRINQ12023.pdf>

The full announcement is available for inspection at the offices of the Company (200 Cantonment Road, #03-01 Southpoint, Singapore 089763) and the offices of the Sponsor, Grindrod Bank Limited (Grindrod Tower, 8A Protea Place, Sandton, 2196), at no charge during normal office hours on business days following its release on May 18, 2023.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act 1995 with respect to Grindrod Shipping's financial condition, results of operations, cash flows, business strategies, operating efficiencies, competitive position, growth opportunities, plans and objectives of management, and other matters. These forward-looking statements, including, among others, those relating to our future business prospects, revenues and income, are necessarily estimates and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Accordingly, these forward-looking statements should be considered in light of various important factors, including those set forth below. Words such as "may," "expects," "intends," "plans," "believes," "anticipates," "hopes," "estimates," and variations of such words and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on the information available to, and the expectations and assumptions deemed reasonable by Grindrod Shipping at the time these statements were made. Although Grindrod Shipping believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. These statements involve known and unknown risks and are based upon a number of assumptions and estimates which are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of Grindrod Shipping. Actual results may differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation, Grindrod Shipping's future operating or financial results; the strength of world economies, including, in particular, in China and the rest of the Asia-Pacific region; the effects of the COVID-19 pandemic on our operations and the demand and trading patterns for the drybulk market, and the duration of these effects; cyclical nature of the drybulk market, including general drybulk shipping market conditions and trends, including fluctuations in charter hire rates and vessel values; changes in supply and demand in the drybulk shipping industry, including the market for Grindrod Shipping's vessels; changes in the value of Grindrod Shipping's vessels; changes in Grindrod Shipping's business strategy and expected capital spending or operating expenses, including drydocking, surveys, upgrades and insurance costs; competition within the drybulk industry; seasonal fluctuations within the drybulk industry; Grindrod Shipping's ability to employ its vessels in the spot market and its ability to enter into time charters after its current charters expire; general economic conditions and conditions in the oil and coal industries; Grindrod Shipping's ability to satisfy the technical, health, safety and compliance standards of its customers; the failure of counterparties to our contracts to fully perform their obligations with Grindrod Shipping; Grindrod Shipping's ability to execute its growth strategy; international political and economic conditions including additional tariffs imposed by China and the United States; potential disruption of shipping routes due to weather, accidents, political events, natural disasters or other catastrophic events; vessel breakdowns; corruption, piracy, military conflicts, political instability and terrorism in locations where we may operate, including the recent conflicts between Russia and Ukraine and tensions between China and Taiwan; fluctuations in interest rates and foreign exchange rates and the changes in the method pursuant to which the London Interbank Offered Rate and other benchmark rates are determined; changes in the costs associated with owning and operating Grindrod Shipping's vessels; changes in, and Grindrod Shipping's compliance with, governmental, tax, environmental, health and safety regulations including the International Maritime Organization, or IMO 2020, regulations limiting sulfur content in fuels; potential liability from pending or future litigation; Grindrod Shipping's ability to procure or have access to financing, its liquidity and the adequacy of cash flows for its operation; the continued borrowing availability under Grindrod Shipping's debt agreements and compliance with the covenants contained therein; Grindrod Shipping's ability to fund future capital expenditures and investments in the construction, acquisition and refurbishment of its vessels; Grindrod Shipping's dependence on key personnel; Grindrod Shipping's expectations regarding the availability of vessel acquisitions and its ability to buy and sell vessels and to charter-in vessels as planned or at prices we deem satisfactory; adequacy of Grindrod Shipping's insurance coverage; effects of new technological innovation and advances in vessel design; and the other factors set out in "Item 3. Key Information-Risk Factors" in our Annual Report on Form 20-F for the year ended December 31, 2022 filed with the Securities and Exchange Commission on March 23, 2023. Grindrod Shipping undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events except as required by law.

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By order of the Board

18 May 2023

Sponsor: Grindrod Bank Limited