



2019 SECOND HALF AND FULL YEAR RESULTS

FEBRUARY 2020



This presentation contains forward-looking statements with respect to the financial condition, results of operations, cash flows, business strategies, operating efficiencies, competitive position, growth opportunities, plans and objectives of management, markets for stock and other matters of Grindrod Shipping Holdings Ltd. ("**Grindrod Shipping**", "**we**", "**us**", or "**our**").

These forward-looking statements, including, among others, those relating to future business prospects, revenues and income, wherever they may occur in this presentation, 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 in Item 3. Key Information—Risk Factors" of Grindrod Shipping's Annual Report on Form 20-F for the year ended December 31, 2018 (the "**2018 Annual Report**") and other filings filed with the U.S. Securities and Exchange Commission (the "**SEC**"). 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; cyclicity of the drybulk and tanker markets, including general drybulk and tanker shipping market conditions and trends, including fluctuations in charter hire rates and vessel values; changes in supply and demand in the drybulk and tanker shipping industries, 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 and tanker industries; seasonal fluctuations within the drybulk and tanker industries; Grindrod Shipping's ability to employ Grindrod Shipping's vessels in the spot market and Grindrod Shipping's ability to enter into time charters after Grindrod Shipping's current charters expire; general economic conditions and conditions in the oil and coal industry; Grindrod Shipping's ability to satisfy the technical, health, safety and compliance standards of Grindrod Shipping's customers, especially major oil companies and oil producers; the failure of counterparties to Grindrod Shipping's contracts to fully perform their obligations with us; Grindrod Shipping's ability to execute its growth strategy; international political and economic conditions, including additional tariffs imposed by the United States and China on their respective imports; the effect of the coronavirus on demand and trading patterns for both the drybulk and product tanker markets, and the timing of the dissipation of the impact caused by the coronavirus; 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; fluctuations in interest rates and foreign exchange rates, and the uncertainty surrounding the continued existence of the London Interbank Offered Rate ("**LIBOR**"); 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's regulations limiting sulfur content in fuels; potential liability from pending or future litigation; Grindrod Shipping's ability to procure or have access to financing, Grindrod Shipping's liquidity and the adequacy of cash flows for its operations; the continued borrowing availability under Grindrod Shipping's debt agreements and its 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 Grindrod Shipping's ability to complete acquisitions 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; Grindrod Shipping's ability to realize the benefits of the spin-off; unforeseen costs and expenses related to the spin-off; and Grindrod Shipping's ability to operate as an independent entity.

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 presentation or to reflect the occurrence of unanticipated events, except as required by law.

Market and Industry Data

Unless otherwise indicated, information contained in this presentation concerning our industry and the market in which we operate, including our general expectations about our industry, market position, market opportunity and market size, is based on data from various sources including internal data and estimates as well as third party sources widely available to the public such as independent industry publications, government publications, reports by market research firms or other published independent sources. Internal data and estimates are based upon this information as well as information obtained from trade and business organizations and other contacts in the markets in which we operate and management's understanding of industry conditions. This information, data and estimates involve a number of assumptions and limitations, are subject to risks and uncertainties, and are subject to change based on various factors, including those discussed above and in "Forward Looking Statements" above. You are cautioned not to give undue weight to such information, data and estimates. While we believe the market and industry information included in this presentation to be generally reliable, we have not independently verified any third-party information or verified that more recent information is not available.

SECOND HALF AND FULL YEAR 2019 HIGHLIGHTS



SECOND HALF 2019 FINANCIAL HIGHLIGHTS⁽¹⁾

- Financial results for the second half of 2019 were stronger than the first half across the majority of our financial metrics
 - Revenue of \$163.8 million, compared to \$167.2 million 1H 2019
 - Gross Profit increased to \$14.6 million, compared to \$5.9 million in 1H 2019
 - Adjusted EBITDA increased to \$25.0 million, compared to \$14.7 million in 1H 2019⁽²⁾
 - Net Loss decreased to (\$16.4 million) from (\$19.0 million) in 1H 2019
 - Loss Per Share (EPS) of (\$0.86) improved from (\$0.99) in 1H 2019
- Key drivers during the period:
 - TCE per day⁽²⁾ earned by our Handysize and Supramax/Ultramax vessels in 2H 2019 increased to \$8,551/day and \$13,624/day, respectively, compared to \$7,030/day and \$10,481/day, respectively, in 1H 2019
 - We continued to outperform the relevant indices by \$662/day and \$2,538/day for our Handysize and Supramax/Ultramax vessels, respectively, in the second half of the year
 - Tanker rates increased marginally on average relative to the first half of the year, though there was market volatility within the period, as the second half started lower than 1H averages before strengthening materially in the latter portion of the period
 - TCE per day of \$14,409/day and \$12,441/day for our Medium Range and Small Tankers segments, respectively, in 2H 2019 compared to \$14,276/day and \$12,015/day, respectively, in 1H 2019
 - Net loss negatively impacted by (\$10.1) million of non-cash impairment losses in 2H 2019
- We repurchased a combined total of 299,641 ordinary shares on NASDAQ and the JSE at an average price of \$6.62 per share, or ZAR 97.13 based on an indicative ZAR/USD exchange rate of 14.68, before costs

(1) The proportionate share of our joint ventures is not reflected in our condensed consolidated and combined statement of profit and loss, but is reflected in our segment results.

(2) Adjusted EBITDA and TCE per day are non-GAAP financial measures. For the reconciliation of these measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, please refer to the definitions and reconciliations at the end of this presentation.

SECOND HALF 2019 FLEET DEVELOPMENTS

- In August and September 2019, we took delivery of two owned Japanese Ultramax eco newbuildings, the *IVS Okudogo* and *IVS Prestwick*, respectively
 - We drew down \$15.7 million in financing with The IYO Bank in conjunction with the delivery of each vessel, resulting in a total financing amount of \$31.4 million
- In September 2019, we completed a financing arrangement with a Japanese shipowner relating to the 2011-built Handysize vessel *IVS Kinglet* for a cash amount of \$12.5 million (before commissions but net of charter pre-payments)
 - The transaction generated net proceeds of \$6.1 million after settling the debt associated with the vessel
- In November 2019, we completed a similar financing arrangement with a Japanese shipowner relating to the 2011-built Handysize vessel *IVS Magpie* for a cash amount of \$10.3 million (before commissions but net of charter pre-payments)
 - The transaction generated net proceeds of \$5.3 million after settling the debt associated with the vessel
- Agreed to extend the charter-in of the 2014-built Japanese eco Supramax vessel *IVS Crimson Creek* for a period of about 15 to 17 months from December 2019 at a revised variable rate structure
- The bareboat charter out of the 2016-built MR product tanker *Matuku* was extended for a further two years until May 2022 at an increased charter rate

RECENT DEVELOPMENTS

IVS Bulk JV

- Effective February 14, 2020, we acquired an additional 33.25% ordinary and preferred equity interest in our IVS Bulk joint venture from Regiment Capital (“Regiment”) for a combined amount of \$44.1 million, taking our interest to 66.75%
 - IVS Bulk’s 12 vessels are modern Japanese built Eco vessels
- Entered into a new shareholders agreement with Sankaty European Investments III (“Sankaty”), the remaining partner, that grants us control of key aspects of the corporate governance of the JV and extends the term for a minimum of one year
 - As a result, the financials of IVS Bulk will be consolidated into our financial statements from the closing date of February 14 rather than being accounted for under the equity accounting method, as has previously been the case
- Acquisition financed from cash on hand and new debt with no equity dilution to our shareholders
 - Further details and pro forma financials for the transaction are set out later in this presentation

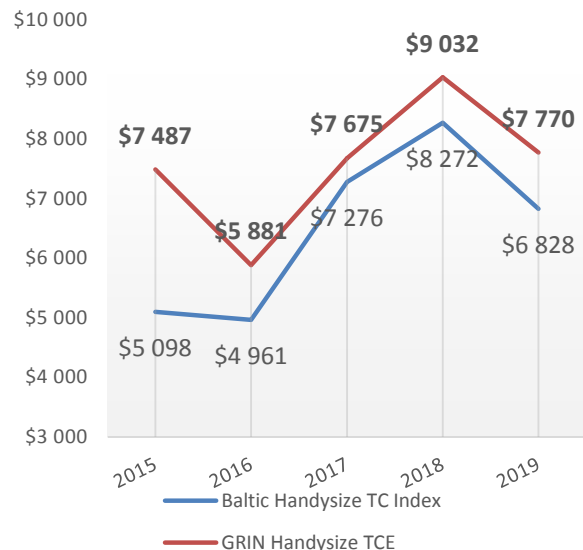
Additional Transactions

- Tendered notice of redelivery of the long-term chartered-in vessel *IVS Augusta* and expect the vessel to redeliver on or about February 28, 2020
- Contracted to sell the 2010-built small product tanker *Kowie* for an amount of \$9.2 million (before costs) with delivery to her new owners expected on or about February 28, 2020

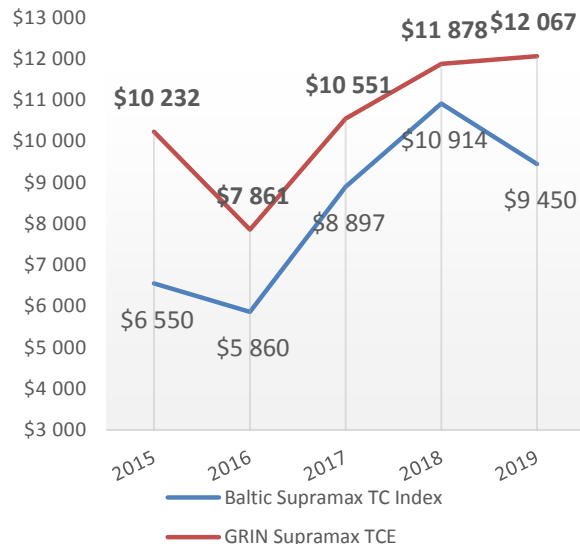
OUTPERFORMING INDUSTRY FREIGHT RATE BENCHMARKS

FULL YEAR AVERAGE ANNUAL RATES:

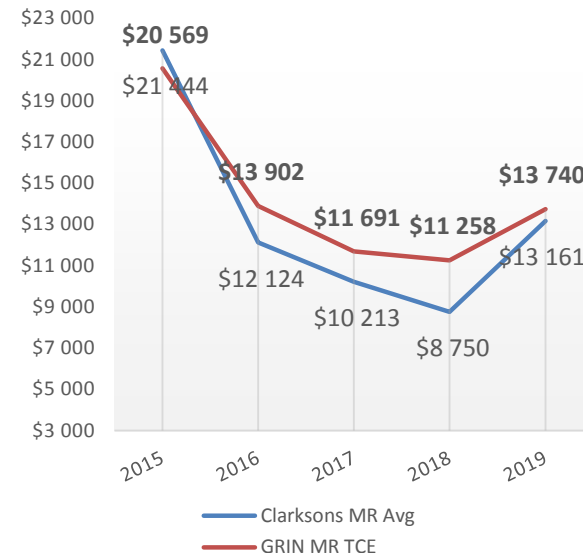
**GRIN Handysize TCE Per Day ⁽¹⁾
vs. BHSI Net ⁽²⁾**



**GRIN Supramax TCE Per Day ⁽¹⁾
vs. BSI-58 Net ⁽²⁾**



**GRIN MR Tanker TCE Per Day ⁽¹⁾
vs. MR Clean Average Earnings ⁽³⁾**



➤ Operating performance relative to drybulk industry benchmarks continued to outperform while MR tankers lagged slightly in **2H 2019**

- Handysize TCE per day⁽¹⁾ of \$8,551/day vs. \$7,889/day for the BHSI, net⁽²⁾, an outperformance of **~8.4%**
- Supramax/Ultramax TCE per day⁽¹⁾ of \$13,624/day vs. \$11,806/day for the BSI-58⁽²⁾, net, an outperformance of **~22.9%**
- MR Tanker TCE per day of \$14,409/day vs. \$15,033/day for the Clarkson's MR Clean Average Earnings assessment, an underperformance of **~4.2%**

(1) TCE per day is a non-GAAP financial measure. For a reconciliation of TCE per day to the most directly comparable GAAP measure and a discussion of why management believes TCE per day is a useful measure, see "Non-GAAP Financial Measures."

(2) Baltic Handysize-28 TC ("BHSI") and Baltic Supramax-58 TC ("BSI-58") adjusted for 5% commissions to be comparable to Grindrod Shipping's TCE per day.

(3) Source: Clarkson's Research Services Ltd., February 2020.

SECOND HALF AND FULL YEAR 2019 FINANCIALS



UNAUDITED CONDENSED INCOME STATEMENT – 2H & FY 2019

\$Millions	2H 2019	2H 2018	FY 2019	FY 2018
Total Revenue	\$ 163.8	\$ 168.2	\$ 331.0	\$ 319.0
Cost of Sales				
Voyage expenses	(75.1)	(80.2)	(149.4)	(151.7)
Vessel operating costs	(17.1)	(16.3)	(33.9)	(32.7)
Charter hire	(30.9)	(46.4)	(61.7)	(100.6)
Depreciation and amortization - owned assets	(9.0)	(7.4)	(17.5)	(14.1)
Depreciation and amortization - right of use assets	(16.6)	-	(30.4)	-
Other expenses	(0.3)	(1.5)	(0.7)	(1.1)
Cost of ship sale	(0.1)	(7.7)	(16.8)	(7.7)
Gross Profit	\$ 14.6	\$ 8.7	\$ 20.5	\$ 11.1
Other operating (expense) income	(10.6)	0.1	(15.4)	6.0
Administrative expense	(15.1)	(14.3)	(28.4)	(31.6)
Share of income (losses) of joint ventures	0.1	0.9	(1.4)	(0.5)
Impairment loss recognised on financial assets	-	(1.6)	-	(1.6)
Interest income	0.8	1.8	2.0	3.8
Interest expense	(6.1)	(3.6)	(11.9)	(6.5)
Loss before taxation	\$ (16.4)	\$ (7.9)	\$ (34.7)	\$ (19.3)
Income tax expense	(0.1)	0.8	(0.7)	(1.4)
Loss for the period	\$ (16.4)	\$ (7.2)	\$ (35.4)	\$ (20.6)
Loss per share (Basic & Diluted) (\$)	\$ (0.86)	\$ (0.38)	\$ (1.86)	\$ (1.08)
Average ordinary shares for the period	18,982,163	19,063,833	19,022,665	19,063,833

➤ Includes non-cash impairment charges

➤ IVS Bulk JV accounted for on an equity basis

UNAUDITED CONDENSED BALANCE SHEET

\$Millions	December 31, 2019	December 31, 2018
Cash, bank balances & restricted cash	\$ 45.2	\$ 47.3
Other current assets	55.9	87.3
Ships, property, plant and equipment	313.3	249.6
Right of use assets	55.2	-
Interest in joint ventures	52.5	54.6
Other non-current assets	5.0	8.9
Total assets	\$ 527.2	\$ 447.6
Bank loans & other borrowings	\$ 165.2	\$ 114.5
Lease liabilities ⁽¹⁾	57.9	-
Other liabilities	43.9	40.7
Total equity	260.1	292.5
Total equity & liabilities	\$ 527.2	\$ 447.6

SEGMENT OPERATIONAL PERFORMANCE⁽¹⁾ – DRYBULK

HANDYSIZE SEGMENT	Six Months Ended Dec 31,		Year Ended Dec 31,	
	2019	2018	2019	2018
(\$Thousands)				
Revenue	\$ 53,249	\$ 72,881	\$ 112,232	\$ 126,709
Cost of sales	(50,975)	(66,953)	(111,454)	(117,554)
Calendar days ⁽²⁾	3,189	3,411	6,495	6,704
Available days ⁽³⁾	3,120	3,382	6,405	6,565
Operating days ⁽⁴⁾	3,090	3,366	6,352	6,495
Owned fleet operating days ⁽⁵⁾	2,205	2,576	4,546	4,915
Long-term charter-in days ⁽⁶⁾	-	40	-	221
Short-term charter-in days ⁽⁷⁾	885	750	1,806	1,359
Fleet Utilization ⁽⁸⁾	99.0%	99.5%	99.2%	98.9%
Average Daily Results				
TCE per day ⁽⁹⁾	\$ 8,551	\$ 9,066	\$ 7,770	\$ 9,032
Vessel Operating costs per day ⁽¹⁰⁾	\$ 5,101	\$ 5,167	\$ 5,040	\$ 5,201
Long-term charter-in costs per day ⁽¹¹⁾	-	\$ 8,600	-	\$ 8,600

SUPRAMAX / ULTRAMAX SEGMENT	Six Months Ended Dec 31,		Year Ended Dec 31,	
	2019	2018	2019	2018
(\$Thousands)				
Revenue	\$ 83,192	\$ 73,647	\$ 155,155	\$ 147,322
Cost of sales	(76,102)	(71,857)	(148,671)	(146,612)
Calendar days ⁽¹⁾	3,385	2,930	6,670	6,401
Available days ⁽²⁾	3,346	2,922	6,626	6,345
Operating days ⁽³⁾	3,330	2,913	6,601	6,315
Owned fleet operating days ⁽⁴⁾	601	361	959	704
Long-term charter-in days ⁽⁵⁾	1,245	1,103	2,351	2,299
Short-term charter-in days ⁽⁶⁾	1,484	1,449	3,291	3,312
Fleet Utilization ⁽⁷⁾	99.5%	99.7%	99.6%	99.5%
Average Daily Results				
TCE per day ⁽⁹⁾	\$ 13,624	\$ 12,795	\$ 12,067	\$ 11,878
Vessel Operating costs per day ⁽¹⁰⁾	\$ 4,616	\$ 4,667	\$ 4,545	\$ 4,641
Long-term charter-in costs per day ⁽¹¹⁾	\$ 12,610	\$ 12,668	\$ 12,650	\$ 12,866

- The average long-term charter-in costs per day for the Supramax fleet for 1H 2020 is expected to be approximately \$12,330/day
- As of February 20, 2020, we have secured the following TCE per day for the remainder of 2020
 - Handysize – approximately 1,400 operating days at an average TCE per day of ~\$6,420⁽⁹⁾
 - Supramax – approximately 1,420 operating days at an average TCE per day of ~\$9,830⁽⁹⁾

(1) Segment results of operations include the proportionate share of joint ventures which is not reflected in our combined results of operations.

(2) Calendar days: total calendar days the vessels were in our possession for the relevant period.

(3) Available days: total number of calendar days a vessel is in our possession for the relevant period after subtracting off-hire days for scheduled drydocking and special surveys. We use available days to measure the number of days in a relevant period during which vessels should be available for generating revenues.

(4) 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 revenues.

(5) Owned fleet operating days: the number of operating days in which our owned fleet is operating for the relevant period.

(6) Long-term charter-in days: the number of operating days in which our long-term charter-in fleet is operating for the relevant period. We regard chartered-in vessels as long-term charters if the period of the charter that we initially commit to is 12 months or more. Once we have included such chartered-in vessels in our Fleet, we will continue to regard them as part of our Fleet until the end of their chartered-in period, including any period that the charter has been extended under an option, even if at a given time the remaining period of their charter may be less than 12 months.

(7) Short-term charter-in days: the number of operating days for which we have chartered-in third party vessels for durations of less than one year for the relevant period.

(8) Fleet utilization: the percentage of time that vessels are available for generating revenue, determined by dividing the number of operating days during a relevant period by the number of available days during that period. We use fleet utilization to measure a company's efficiency in technically managing its vessels.

(9) TCE per day: vessel revenues less voyage expenses during a relevant period divided by the number of operating days during the period. The number of operating days used to calculate TCE revenue per day includes the proportionate share of our joint ventures' operating days and includes charter-in days. See "Non-GAAP Financial Measures" at the end of this presentation.

(10) Vessel operating costs per day: Vessel operating costs per day represents vessel operating costs divided by the number of calendar days for owned vessels. The vessel operating costs and the number of calendar days used to calculate vessel operating costs per day includes the proportionate share of our joint ventures' calendar day and excludes charter-in costs and charter-in days.

(11) Long-term charter-in costs per day: Charter hire expenses associated with long-term charter-in vessels divided by long-term charter-in days for the relevant period. (please refer to Annex A)

SEGMENT OPERATIONAL PERFORMANCE⁽¹⁾ – TANKERS

	Six Months Ended Dec 31,		Year Ended Dec 31,	
MEDIUM RANGE TANKERS SEGMENT	2019	2018	2019	2018
(\$Thousands)				
Revenue	\$ 17,518	\$ 18,990	\$ 45,165	\$ 37,911
Cost of sales	(15,388)	(20,086)	(39,898)	(39,795)
Calendar days ⁽²⁾	1,104	1,375	2,253	2,733
Available days ⁽³⁾	1,104	1,375	2,253	2,721
Operating days ⁽⁴⁾	1,104	1,349	2,253	2,660
Owned fleet operating days ⁽⁵⁾	736	808	1,523	1,587
Long-term charter-in days ⁽⁶⁾	368	541	730	1,073
Short-term charter-in days ⁽⁷⁾	-	-	-	-
Fleet Utilization ⁽⁸⁾	100.0%	98.1%	100.0%	97.8%
Average Daily Results				
TCE per day ⁽⁹⁾	\$ 14,409	\$ 10,950	\$ 14,341	\$ 11,258
Vessel Operating costs per day ⁽¹⁰⁾	\$ 6,815	\$ 6,502	\$ 6,691	\$ 6,888
Long-term charter-in costs per day ⁽¹¹⁾	\$ 15,300	\$ 14,972	\$ 15,300	\$ 14,995

	Six Months Ended Dec 31,		Year Ended Dec 31,	
SMALL TANKERS SEGMENT	2019	2018	2019	2018
(\$Thousands)				
Revenue	\$ 5,982	\$ 12,209	\$ 21,899	\$ 21,175
Cost of sales	(4,478)	(10,263)	(18,762)	(18,641)
Calendar days ⁽¹⁾	368	634	908	1,268
Available days ⁽²⁾	368	624	897	1,234
Operating days ⁽³⁾	367	623	896	1,223
Owned fleet operating days ⁽⁴⁾	367	623	896	1,223
Long-term charter-in days ⁽⁵⁾	-	-	-	-
Short-term charter-in days ⁽⁶⁾	-	-	-	-
Fleet Utilization ⁽⁷⁾	99.7%	99.8%	99.9%	99.1%
Average Daily Results				
TCE per day ⁽⁹⁾	\$ 12,441	\$ 11,453	\$ 12,190	\$ 11,392
Vessel Operating costs per day ⁽¹⁰⁾	\$ 6,036	\$ 6,390	\$ 6,321	\$ 7,069
Long-term charter-in costs per day ⁽¹¹⁾	-	-	-	-

- The average long-term charter-in costs per day for the Medium Range fleet until the expiry of their charters in 2020 is expected to be approximately \$15,300/day
- As of February 20, 2020, we have secured the following TCE per day for the remainder of 2020
 - Medium Range – approximately 360 operating days at an average TCE per day of ~\$19,600⁽⁹⁾
 - Small Tankers – approximately 112 operating days at an average TCE per day of ~\$12,800⁽⁹⁾

(1) Segment results of operations include the proportionate share of joint ventures which is not reflected in our combined results of operations.

(2) Calendar days: total calendar days the vessels were in our possession for the relevant period.

(3) Available days: total number of calendar days a vessel is in our possession for the relevant period after subtracting off-hire days for scheduled drydocking and special surveys. We use available days to measure the number of days in a relevant period during which vessels should be available for generating revenues.

(4) 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 revenues.

(5) Owned fleet operating days: the number of operating days in which our owned fleet is operating for the relevant period.

(6) Long-term charter-in days: the number of operating days in which our long-term charter-in fleet is operating for the relevant period. We regard chartered-in vessels as long-term charters if the period of the charter that we initially commit to is 12 months or more. Once we have included such chartered-in vessels in our Fleet, we will continue to regard them as part of our Fleet until the end of their chartered-in period, including any period that the charter has been extended under an option, even if at a given time the remaining period of their charter may be less than 12 months.

(7) Short-term charter-in days: the number of operating days for which we have chartered-in third party vessels for durations of less than one year for the relevant period.

(8) Fleet utilization: the percentage of time that vessels are available for generating revenue, determined by dividing the number of operating days during a relevant period by the number of available days during that period. We use fleet utilization to measure a company's efficiency in technically managing its vessels.

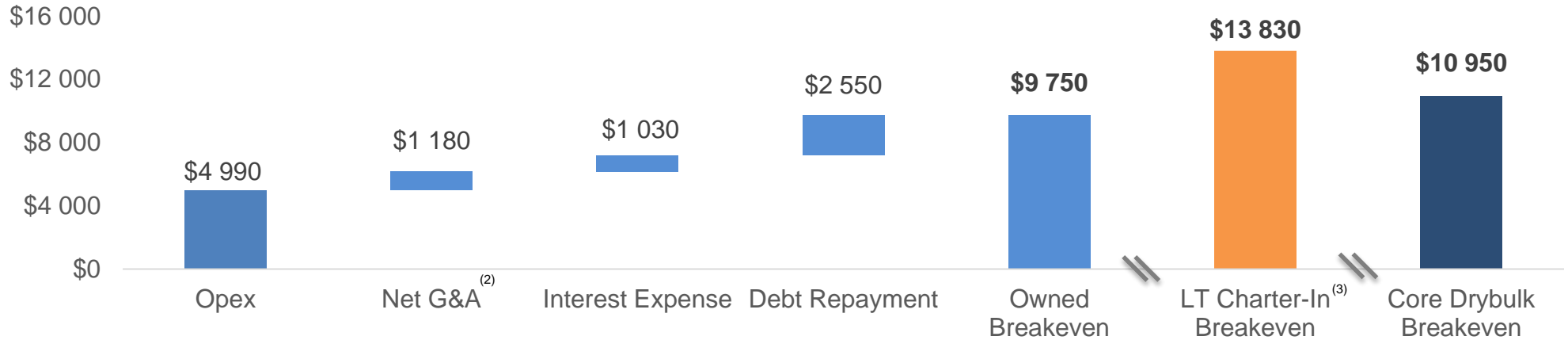
(9) TCE per day: vessel revenues less voyage expenses during a relevant period divided by the number of operating days during the period. The number of operating days used to calculate TCE revenue per day includes the proportionate share of our joint ventures' operating days and includes charter-in days. See "Non-GAAP Financial Measures" at the end of this presentation.

(10) Vessel operating costs per day: Vessel operating costs per day represents vessel operating costs divided by the number of calendar days for owned vessels. The vessel operating costs and the number of calendar days used to calculate vessel operating costs per day includes the proportionate share of our joint ventures' calendar day and excludes charter-in costs and charter-in days.

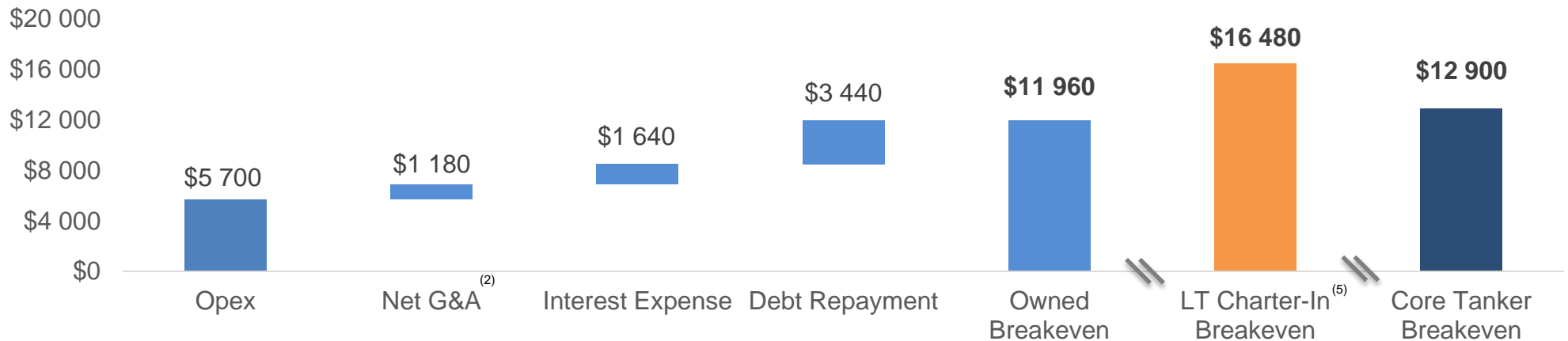
(11) Long-term charter-in costs per day: Charter hire expenses associated with long-term charter-in vessels divided by long-term charter-in days for the relevant period. (please refer to Annex A)

FULL YEAR 2019 CORE FLEET CASH BREAKEVEN OVERVIEW

Drybulk Core Fleet Breakeven Analysis for 2019 (\$ Per Vessel Per Day) ⁽¹⁾



Tanker Core Fleet Breakeven Analysis for 2019 (\$ Per Vessel Per Day) ⁽⁴⁾



(1) Based on 5,665 Owned Days and 2,351 Long-term Charter-in Days in 2019, except Net G&A.

(2) Net G&A is a non-GAAP financial measure and has been adjusted for \$3.2 million non-cash share compensation expense, and \$6.0 million of management fees received. Based on 16,326 Total Calendar Days for 2019.

(3) Includes Net G&A per ship per day in addition to base daily charter-in cost of \$12,650/day. Excludes Opex, Interest Expense and Debt Repayment.

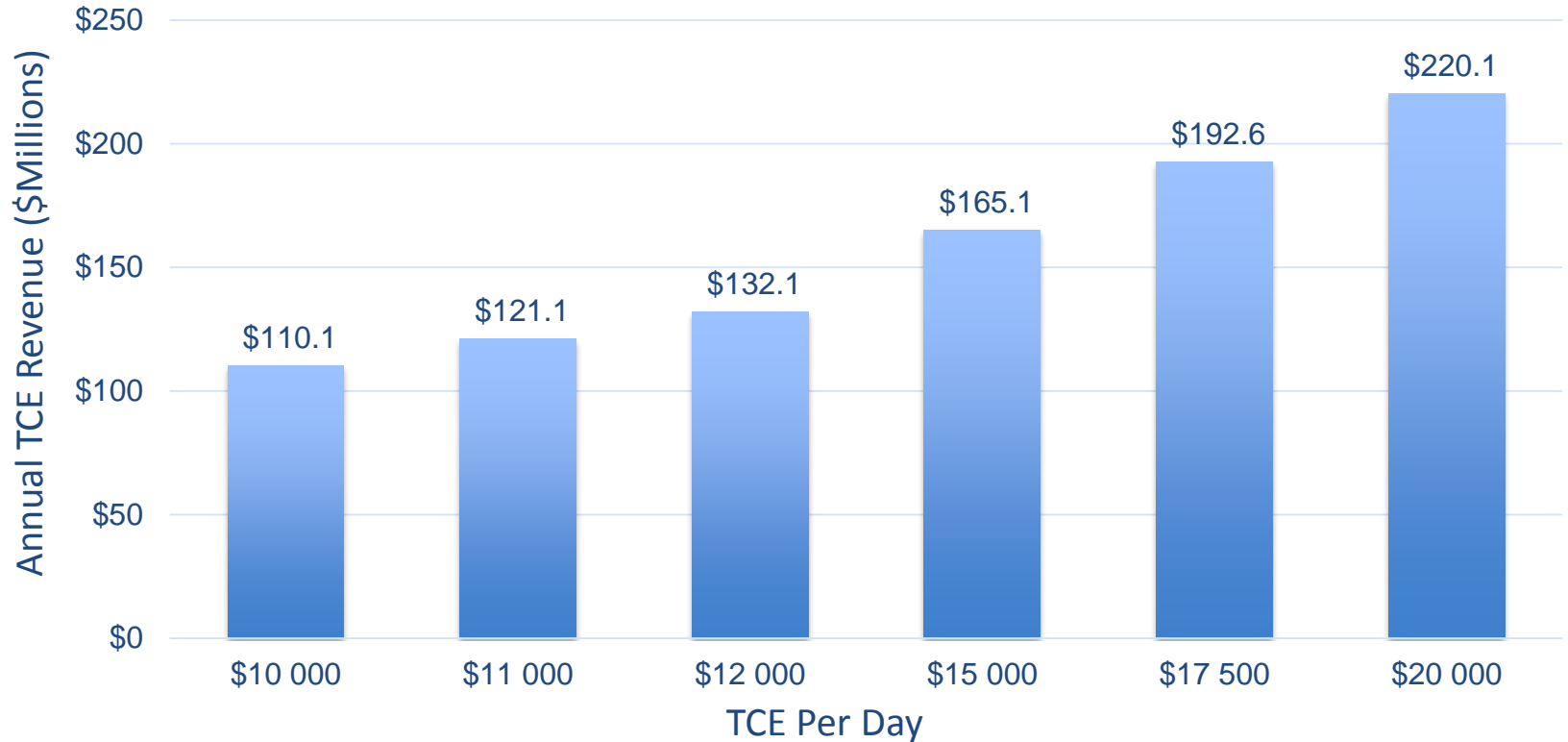
(4) Based on 2,797 Owned Days and 730 Long-term Charter-in Days in 2019, except Net G&A. Includes *Matuku*, which is currently bareboat chartered out.

(5) Includes Net G&A per ship per day in addition to base daily charter-in cost of \$15,300/day. Excludes Opex, Interest Expense and Debt Repayment.

2019 CORE FLEET TCE REVENUE SENSITIVITY TO CHARTER RATES

Annual TCE Revenue Sensitivity ⁽¹⁾⁽²⁾⁽³⁾

➤ Every \$1,000 Change in TCE/day Equated to ~\$11.1 million of Annual TCE Revenue



➤ Represents GRIN's combined tanker and drybulk vessel operating days for our Core Fleet

(1) Based on a total of 11,005 total proportional days in 2019.

(2) Not indicative of future performance.

(3) TCE Per Day and TCE Revenue are non-GAAP financial measure. Please refer to the definitions at the end of this presentation.

IVS BULK TRANSACTION SUMMARY



IVS BULK TRANSACTION SUMMARY

IVS Bulk Acquisition

- A subsidiary of the Company, Grindrod Shipping Pte. Ltd., or GSPL, acquired the 33.25% ordinary and preferred equity shares held by Regiment for a total consideration of \$44.1 million, thereby increasing its stake to 66.75%
- Ordinary equity portion was acquired for \$35.0 million while the preferred equity component was \$9.1 million representing Regiment's 33.25% share of the \$27.3 million preferred share capital in IVS Bulk
- Acquisition was funded through a combination of cash on hand, proceeds received from IVS Bulk following a refinancing of the IVS Bulk capital structure, and a new loan at GSPL

IVS Bulk Refinancing

- Existing credit facilities at IVS Bulk were refinanced with two new loans totaling \$127.3 million representing an approximate 55% loan-to-value at drawdown with maturities both scheduled for 2025
 - New Credit Facility # 1 – \$114.125 million with pricing at LIBOR + 3.1% per annum
 - New Credit Facility # 2 – \$13.13 million with pricing at LIBOR + 2.75% per annum
- Proceeds of the refinancing and release of restricted cash under existing credit facilities at IVS Bulk, utilized to repay in full \$116.9 million in existing credit facilities, \$10.9 million of shareholder loans and redeem a \$7.7 million portion of the preferred share capital

Transaction Financing

- Grindrod Shipping agreed to a new financing in the amount of \$35.833 million with an affiliate of Sankaty
- The facility bears interest at a rate of 7.5% per annum and is repayable at maturity in June 2021
- Redeemable by the Company at any time prior to maturity, subject to a 6-month interest make-whole provision

TRANSACTION SOURCES & USES

\$Millions

Step 1 – IVS Bulk Refinancing

Sources of Funds		Uses of Funds	
New Credit Facility #1	\$ 114.1	Repay Existing Credit Facilities	\$ 116.9
New Credit Facility #2	13.1	Repay Shareholder Loans	10.9
Release of Restricted Cash	12.0	Partially Redeem Preferred Shares	7.7
Unrestricted Cash on Hand	10.6	Debt Service Reserve Account (Restricted Cash)	4.3
		Working Capital (Unrestricted Cash)	7.0
		Closing Costs, Fees & Expenses	3.2
Total Sources of Funds	\$ 149.8	Total Uses of Funds	\$ 149.8

Step 2 – IVS Bulk Acquisition

Sources of Funds		Uses of Funds	
New Senior Loan	\$ 35.8	Purchase 33.25% of IVS Bulk Common Shares	\$ 35.0
Cash Received from IVS Bulk Refinancing	5.2	Purchase 33.25% of IVS Bulk Preferred Shares	9.1
Cash on Hand	4.5	Closing Costs, Fees & Expenses	1.4
Total Sources of Funds	\$ 45.5	Total Uses of Funds	\$ 45.5

UNAUDITED PRO FORMA CONDENSED BALANCE SHEET

\$Millions

As at December 31, 2019	Grindrod Shipping	IVS Bulk Acquisition	Refinancing Adjustments	Pro Forma
Cash, bank balances & restricted cash	\$ 45.2	\$ 20.6	\$ (9.3)	\$ 56.4
Other current assets	55.9	6.3	-	62.2
Ships, property, plant and equipment	313.3	242.2	-	555.5
Right of use assets	55.2	0.1	-	55.3
Interest in joint ventures	52.5	(50.5)	-	2.0
Other non-current assets	5.0	(2.6)	-	2.4
Total assets	\$ 527.2	\$ 216.0	\$ (9.3)	\$ 733.9
Bank loans & other borrowings	\$ 165.2	\$ 116.9	\$ 43.0	\$ 325.1
Lease liabilities (IFRS 16)	57.9	0.1	-	58.1
Other liabilities	43.9	54.9	(52.3)	46.5
Equity attributable to owners of Grindrod	260.1	-	-	260.1
Non-controlling interests	-	44.1	-	44.1
Total equity & liabilities	\$ 527.2	\$ 216.0	\$ (9.3)	\$ 733.9

UNAUDITED 2019 PRO FORMA INCOME STATEMENT

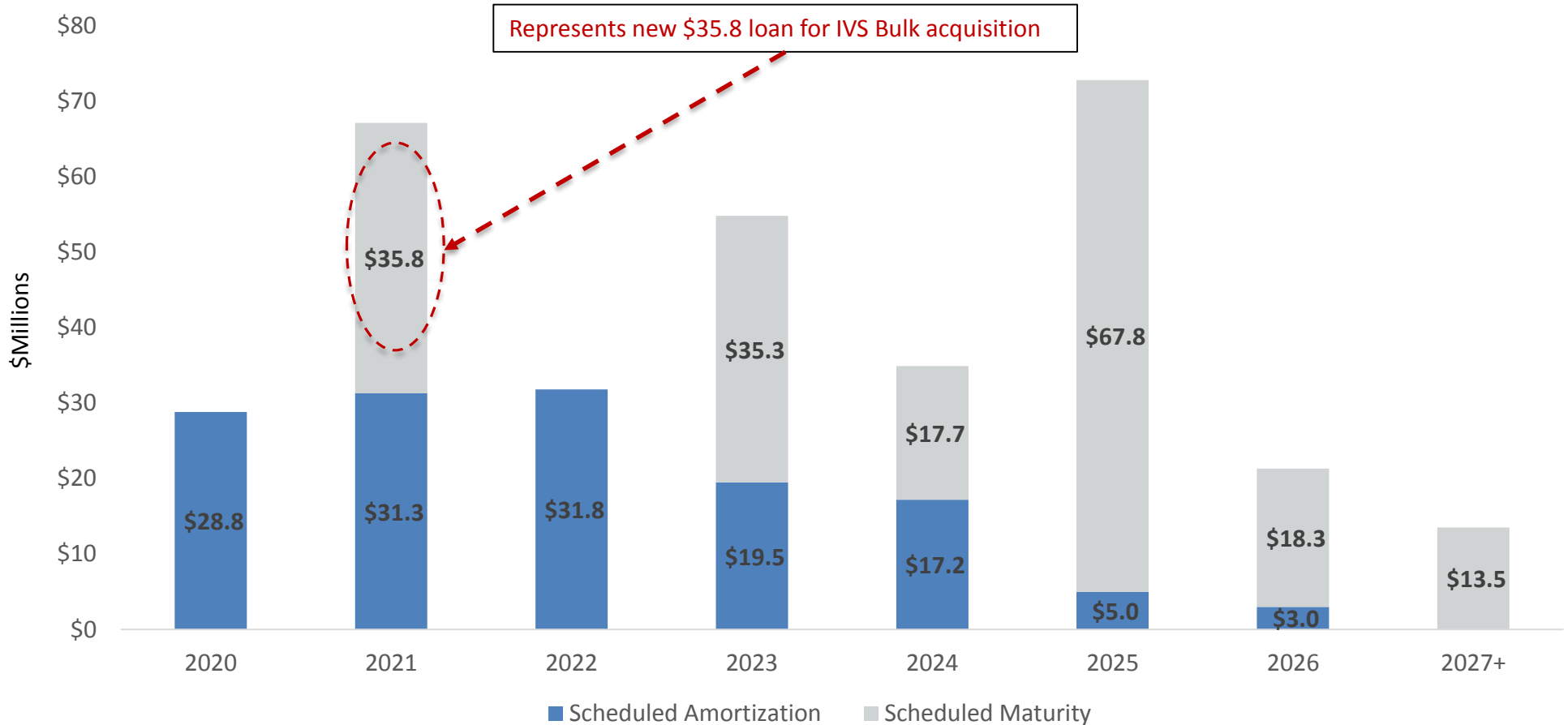
USD Millions

\$Millions	Grindrod Shipping	IVS Bulk Acquisition	Refinancing Adjustments	Pro Forma
Total Revenue	\$ 331.0	\$ 40.9	\$ -	\$ 372.0
Voyage expenses	(149.4)	(0.4)	-	(149.8)
Vessel operating costs	(33.9)	(20.3)	-	(54.2)
Charter hire	(61.7)	-	-	(61.7)
Depreciation and amortization - owned assets	(17.5)	(12.4)	-	(30.0)
Depreciation and amortization - right of use assets	(30.4)	(0.1)	-	(30.6)
Other expenses	(0.7)	(0.1)	-	(0.8)
Cost of ship sale	(16.8)	-	-	(16.8)
Cost of Sales	\$ (310.5)	\$ (33.4)	\$ -	\$ (343.9)
Gross Profit	\$ 20.5	\$ 7.5	\$ -	\$ 28.1
Other operating (expense) / income	(15.4)	-	-	(15.4)
Administrative expense	(28.4)	(0.9)	-	(29.3)
Share of gains / (losses) of joint ventures	(1.4)	1.3	-	(0.2)
Interest income	2.0	(0.8)	-	1.1
Interest expense	(11.9)	(8.2)	(3.2)	(23.3)
Loss before taxation	\$ (34.7)	\$ (1.1)	\$ (3.2)	\$ (38.9)
Income tax expense	(0.7)	(0.0)	-	(0.7)
Loss for the period	\$ (35.4)	\$ (1.1)	\$ (3.2)	\$ (39.6)
2019 EBITDA⁽¹⁾	\$ 25.4	\$ 19.3	\$ -	\$ 44.7
Adjusted For:				
Non-cash impairments	14.3	-	-	14.3
2019 Adjusted EBITDA⁽¹⁾	\$ 39.7	\$ 19.3	\$ -	\$ (59.0)

Pro Forma 2019 Adjusted EBITDA including IVS Bulk would have been \$59 million

ADJUSTED AMORTIZATION AND MATURITY PROFILE

Pro Forma Bank Loans & Other Borrowings Repayment Profile



DRYBULK CORE FLEET (AS OF FEBRUARY 26, 2020)

HANDYSIZE – IVS Handysize Pool / IVS Commercial

Owned

Vessel Name	Built	DWT	Country of Build	Eco	Ownership Percentage
IVS Tembe	2016	37,740	Japan	Yes	66.8%
IVS Sunbird	2015	33,400	Japan	Yes	66.8%
IVS Thanda	2015	37,720	Japan	Yes	66.8%
IVS Kestrel	2014	32,770	Japan	Yes	66.8%
IVS Phinda	2014	37,720	Japan	Yes	66.8%
IVS Sparrowhawk	2014	33,420	Japan	Yes	66.8%
IVS Merlion	2013	32,070	China	No	100.0%
IVS Raffles	2013	32,050	China	No	100.0%
IVS Ibis	2012	28,240	Japan	No	100.0%
IVS Kinglet	2011	33,130	Japan	No	100.0%
IVS Magpie	2011	28,240	Japan	No	100.0%
IVS Orchard	2011	32,530	China	No	100.0%
IVS Knot	2010	33,140	Japan	No	100.0%
IVS Sentosa	2010	32,700	China	No	100.0%
IVS Triview	2009	32,280	Japan	No	51.0%
IVS Kingbird	2007	32,560	Japan	No	100.0%
IVS Nightjar	2004	32,320	Japan	No	100.0%

Owned Handysize: 17 Vessels 562,030 DWT

Denotes IVS Bulk Vessels

SUPRAMAX/ULTRAMAX – IVS Supramax Pool

Owned

Vessel Name	Built	DWT	Country of Build	Eco	Ownership Percentage
IVS Prestwick	2019	61,305	Japan	Yes	100.0%
IVS Okudogo	2019	61,330	Japan	Yes	100.0%
IVS Swinley Forest	2017	60,490	Japan	Yes	66.8%
IVS Gleneagles	2016	58,070	Japan	Yes	66.8%
IVS North Berwick	2016	60,480	Japan	Yes	66.8%
IVS Bosch Hoek	2015	60,270	Japan	Yes	66.8%
IVS Hirono	2015	60,280	Japan	Yes	66.8%
IVS Wentworth	2015	58,090	Japan	Yes	66.8%

Owned Supra/Ultramax: 8 Vessels 480,315 DWT

Total Owned Drybulk: 25 Vessels 1,042,345 DWT

Long-Term Charter-In

Vessel Name	Built	DWT	Country of Build	Eco	Charter Expiry Range	Purchase Option
IVS Phoenix	2019	60,470	Japan	Yes	2Q 2022-2024	No
IVS Hayakita	2016	60,400	Japan	Yes	3Q 2023-2026	Yes
IVS Windsor	2016	60,280	Japan	Yes	3Q 2023-2026	No
IVS Augusta	2015	57,800	Philippines	Yes	1Q 2020	No
IVS Finehurst	2015	57,810	Philippines	Yes	1Q 2020-2022	Yes
IVS Crimson Creek	2014	57,950	Japan	Yes	4Q 2019-2021	No
IVS Naruo	2014	60,030	Japan	Yes	4Q 2021-2024	Yes

Drybulk Carriers Under Construction

IVS Pebble Beach	3Q 2020	62,000	Japan	Yes	3Q 2022-2024	Yes
IVS Atsugi	3Q 2020	62,000	Japan	Yes	3Q 2022-2024	Yes

Total TC-In Drybulk: 9 Vessels 538,740 DWT

PRODUCT TANKERS CORE FLEET (AS OF FEBRUARY 26, 2020)

MEDIUM RANGE TANKERS FLEET

Owned

Vessel Name	Built	DWT	Country of Build	Eco	IMO Designation	Ownership Percentage	Employment
Matuku	2016	50,140	South Korea	Yes	II, III	100.0%	BB Charter Expires 2Q 2022
Leopard Moon	2013	50,000	South Korea	Yes	III	100.0%	Vitol Management
Leopard Sun	2013	50,000	South Korea	Yes	III	100.0%	Vitol Management
Rhino	2010	39,710	South Korea	No	II, III	100.0%	Handy Tanker Pool
Inyala	2008	40,040	South Korea	No	III	100.0%	Handy Tanker Pool

Owned Medium Range: 5 Vessels 229,890 DWT

Long-Term Charter-In

Vessel Name	Built	DWT	Country of Build	Eco	IMO Designation	Charter Expiry Range	Employment
Doric Pioneer	2013	51,570	South Korea	Yes	II, III	1Q 2020	Vitol Management
Doric Breeze	2013	51,570	South Korea	Yes	II, III	2Q 2020	Vitol Management

TC-In Medium Range: 2 Vessels 103,140 DWT

SMALL TANKERS FLEET

Owned

Vessel Name	Built	DWT	Country of Build	Eco	IMO Designation	Ownership Percentage	Employment
Kowie	2010	16,890	China	No	II, III	100.0%	Spot Market
Breede	2009	16,900	China	No	II, III	100.0%	Spot Market and COA

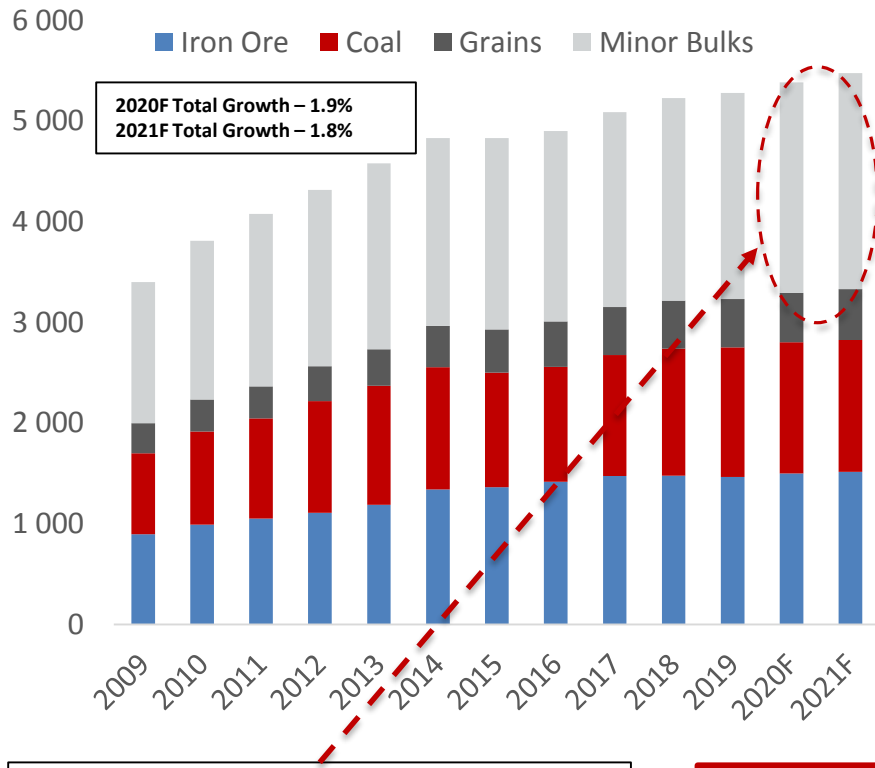
Owned Small Tankers: 2 Vessels 33,790 DWT

DRYBULK AND TANKER MARKET HIGHLIGHTS

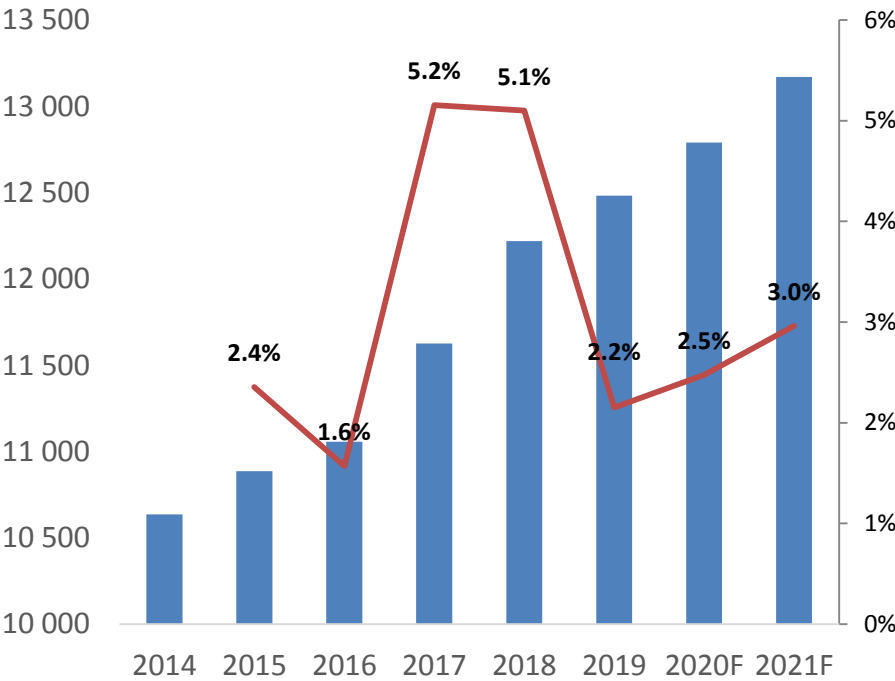


DRYBULK DEMAND

Drybulk Trade Development (MM Tons)



Seaborne Minor Bulk Ton-Mile Demand (Bn. Ton-Miles)



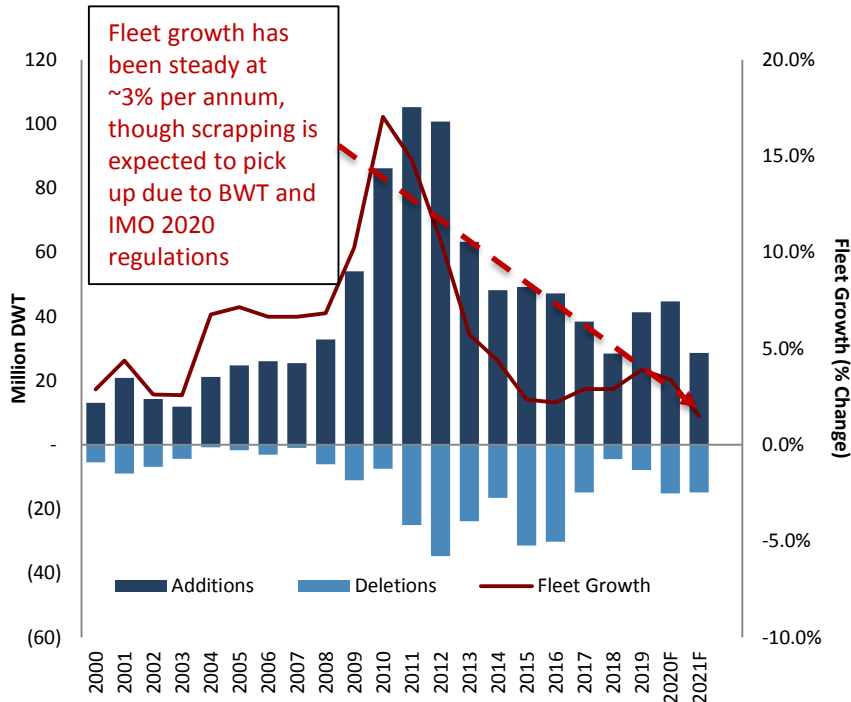
2020F Minor Bulk Demand Growth: 2.0%
2021F Minor Bulk Demand Growth: 2.6%

- Coronavirus creating near-term uncertainty in commodity transportation demand
- The long-term demand fundamentals appear positive as steady demand for minor bulks, the key cargos for Grindrod’s vessels, combined with longer expected cargo distances leading to strong ton-mile demand growth forecasts

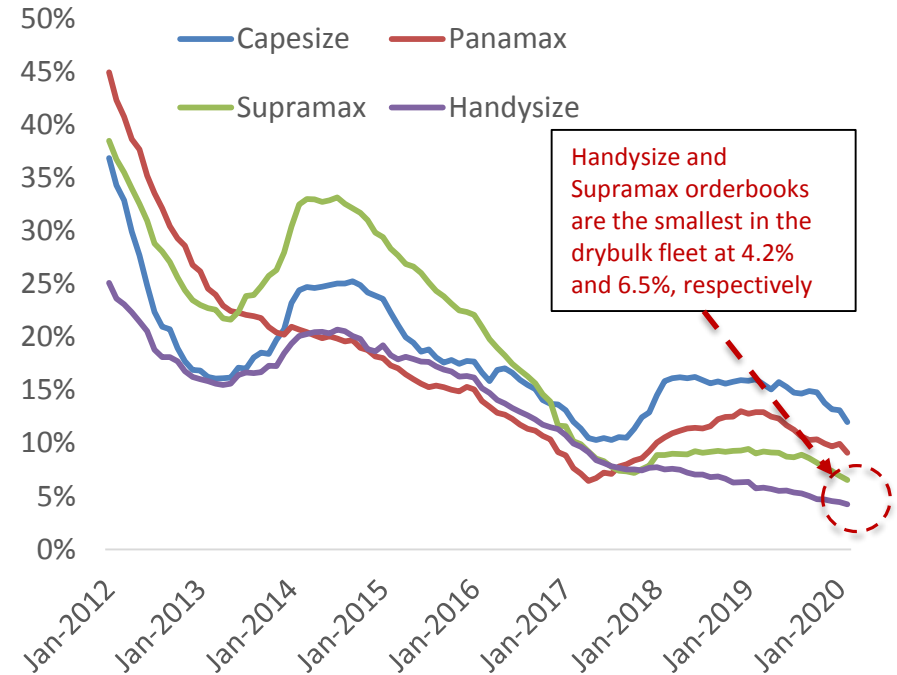


DRYBULK FLEET DYNAMICS

Drybulk Fleet Development



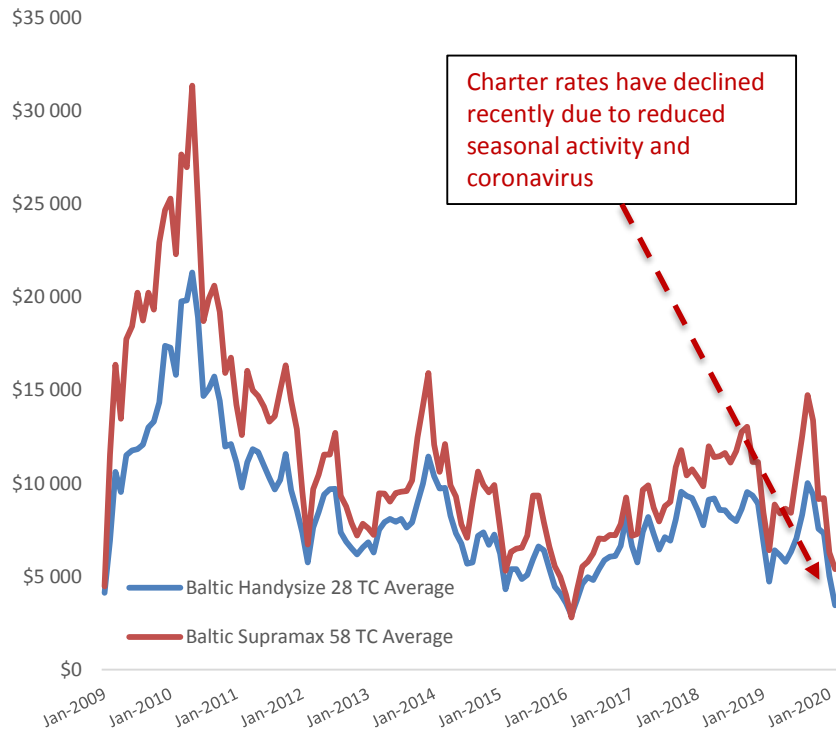
Drybulk Orderbook as % of Fleet (By Vessel Class)



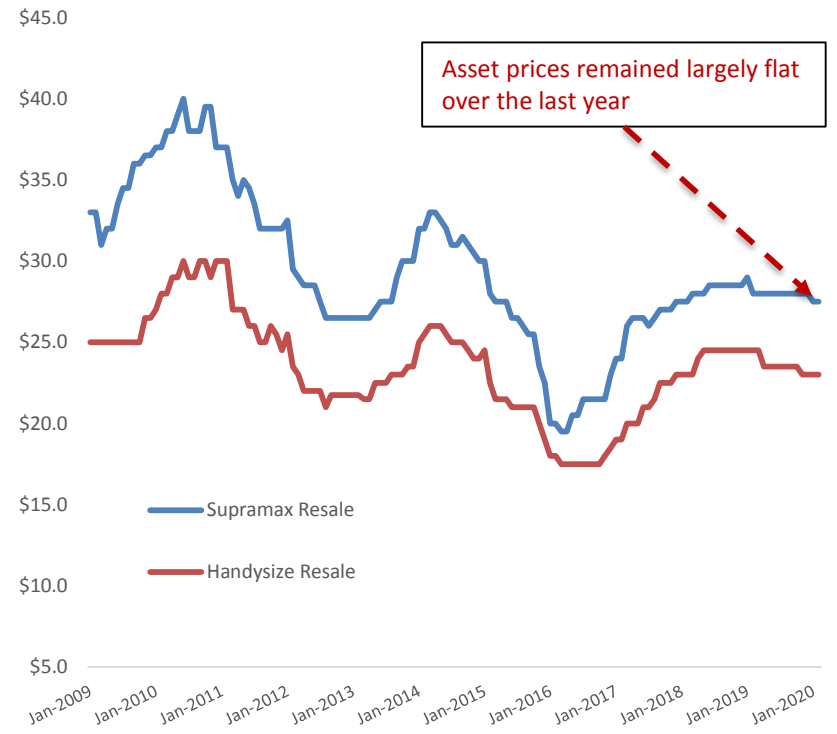
- Drybulk orderbook is estimated at only 9% of the fleet with deliveries (net of expected scrapping) estimated at ~30 million dwt for 2020
- Fleet profile and orderbook of the Handysize/Supramax are more favorable than the larger vessel sizes
- 19% of the drybulk fleet is 15 years or older (10% of the drybulk fleet is 20 years or older), which combined with new environmental regulations such as IMO 2020 and ballast water treatment systems, should encourage increased scrapping

DRYBULK FLEET DYNAMICS

Handysize / Supramax TC Rates (\$/Day)

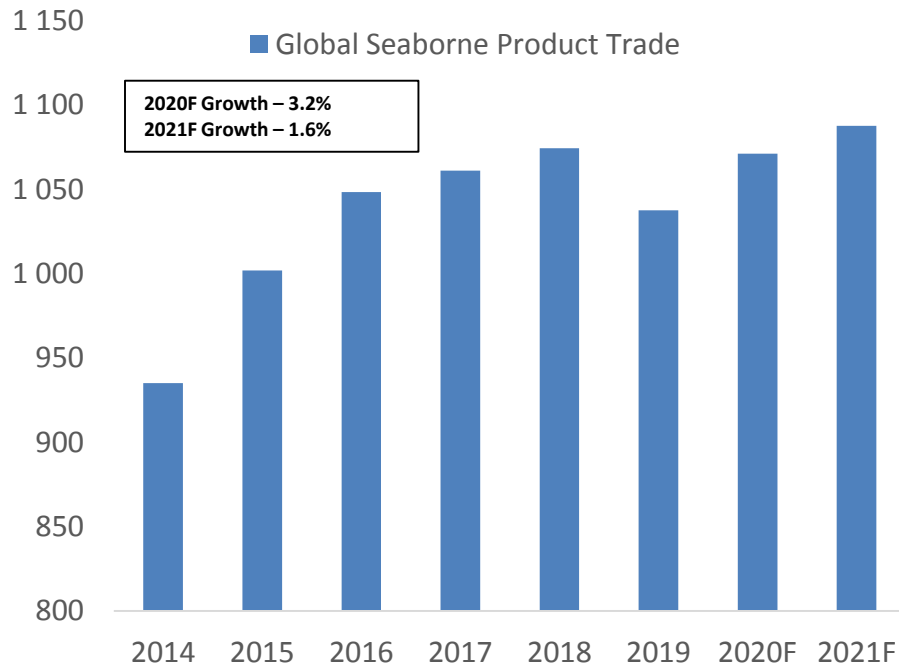


Handysize / Supramax Asset Prices (\$Millions)

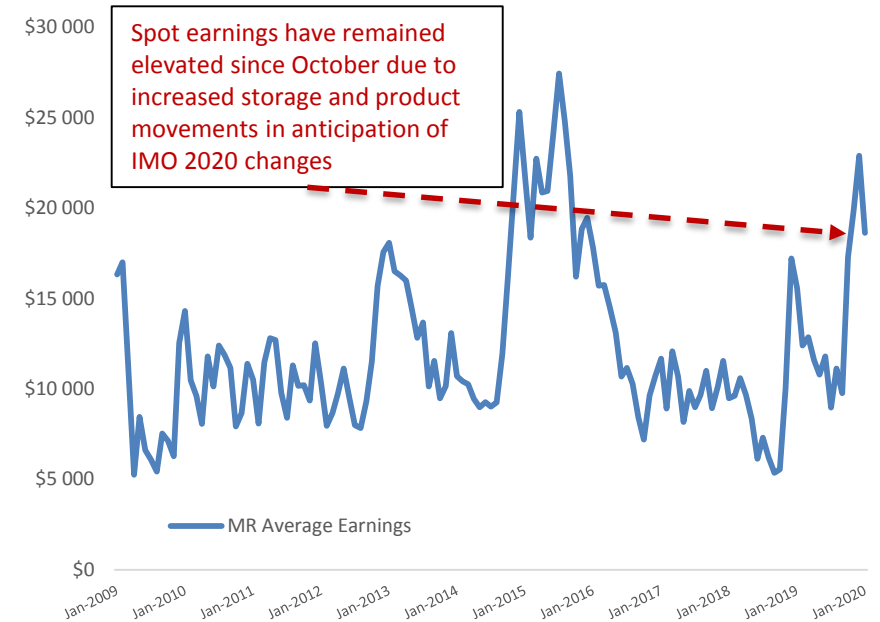


PRODUCT TANKER DEMAND

Global Seaborne Product Trade (MM Tons)



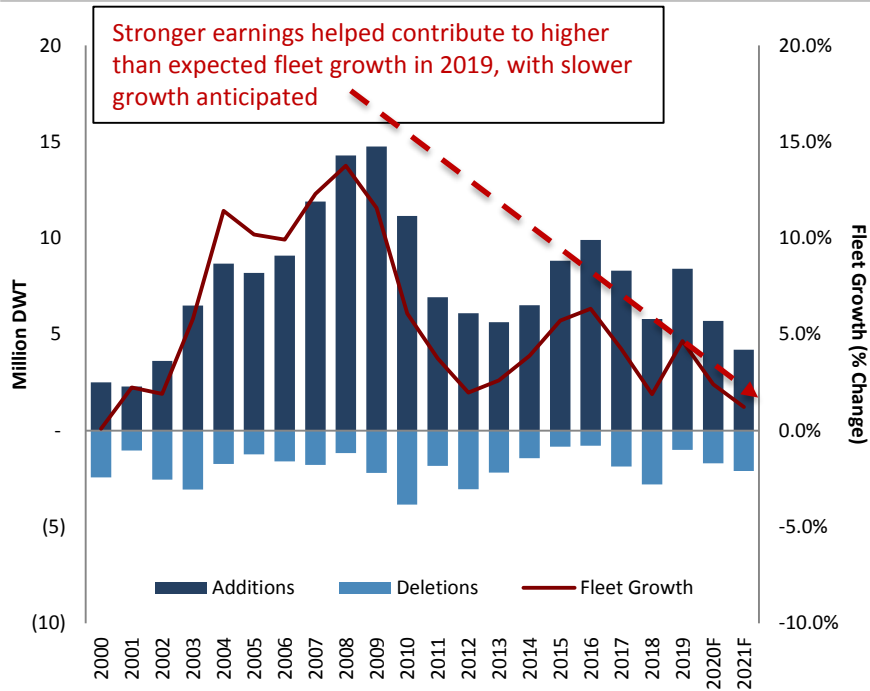
Medium Range Tanker Spot Earnings (\$/Day)



- After a weaker period during the third quarter, rates increased materially in the fourth quarter in the lead-up to IMO 2020 despite an overall contraction in the seaborne product tanker demand due to market disruptions such as the attacks on the Saudi oil facilities
- Due to increasing ton-miles of worldwide product movements, product tanker demand projected to increase even more than base cargo demand with growth of **4.8%** and **2.5%**, respectively, in 2020 and 2021
- Growth in refining capacity and dislocation between refiners and end users expected to boost demand in 2020
- The IMO 2020 regulations are disrupting trading patterns and causing an increase in vessels used for storage and cargo repositioning

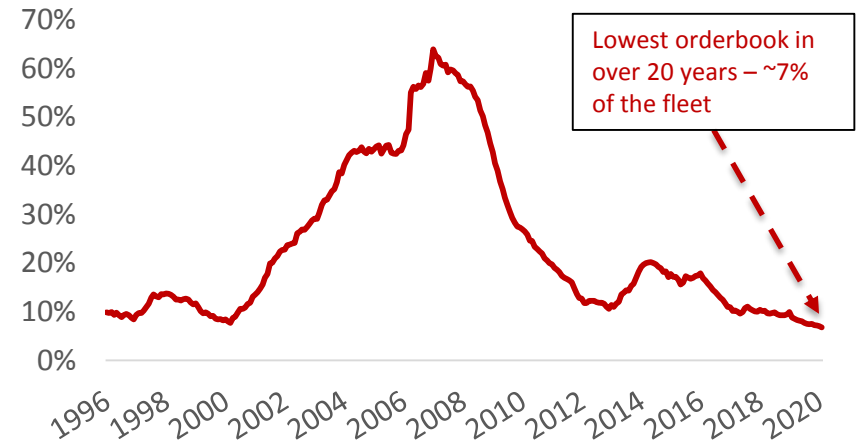
PRODUCT TANKER FLEET DYNAMICS

Product Tanker Fleet Development (10K DWT+)

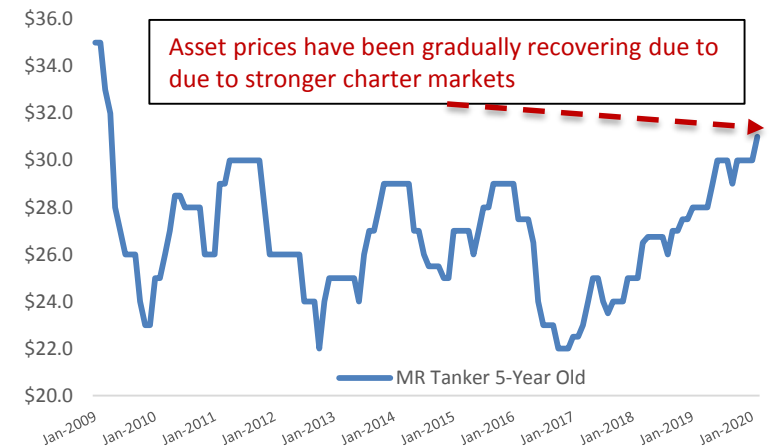


- Product tanker orderbook estimated at 7% of the fleet is the lowest in over 20 years
- Product tanker (10K DWT+) fleet growth estimated at 2.4% in 2020
- 24% of product tankers (10K DWT+) are 15 years or older

Product Tanker Orderbook as % of Fleet



Medium Ranger Tanker Asset Prices (\$Millions)



CONCLUSIONS & STRATEGY



CONCLUSIONS & STRATEGY

Simplify the Grindrod Shipping “Story”

- Core focus since listing has been to simplify the Grindrod Shipping “story” with investors by reducing the number of unconsolidated joint ventures
- To that end, we have wrapped up the Leopard Tankers and Petrochemical Shipping joint ventures and acquired control of the IVS Bulk JV, leaving us with only one unconsolidated JV vessel
- IVS Bulk acquisition represents material growth potential for the Company, as 12 modern, Japanese built Eco vessels will be fully consolidated into our financial statements
- Capital structure and operations easier for investors to track and understand

IMO 2020 Strategy

- While some shipping companies have chosen to outfit their vessels with exhaust gas scrubbers, we have elected not to do so and instead are using compliant fuel
- We believe that there are potential negative environmental effects that are emerging with increased scrutiny on the scrubber technology
- We are not convinced that the economic return on the scrubber installation cost will be sufficiently attractive in the vessel categories in which we operate due to the high quality and fuel-efficient characteristics of our vessels and their trading patterns
- Fuel spreads between high and low Sulphur fuel have already contracted materially since the start of the year

Market Recovery

- Product tanker market has remained strong thus far in 2020, helping to mitigate the negative effect of coronavirus on the drybulk charter market
- Despite the near-term negative drybulk demand impact coronavirus has caused, market expectations suggest a strong recovery later in the year as China restarts manufacturing and commodity demand

APPENDICES



NON-GAAP FINANCIAL MEASURES

The financial information included in this presentation includes certain “non-GAAP financial measures” as such term is defined in SEC regulations governing the use of non-GAAP financial measures. Generally, a non-GAAP financial measure is a numerical measure of a company’s operating performance, financial position or cash flows that excludes or includes amounts that are included in, or excluded from, the most directly comparable measure calculated and presented in accordance with IFRS. For example, non-GAAP financial measures may exclude the impact of certain unique and/or non-operating items such as acquisitions, divestitures, restructuring charges, large write-offs or items outside of management’s control. Management believes that the non-GAAP financial measures described below provide investors and analysts useful insight into our financial position and operating performance.

TCE Revenue and TCE per day

TCE revenue is defined as vessel revenues less voyage expenses. Such TCE revenue, divided by the number of our operating days during the period, is TCE per day. Vessel revenues and voyage expenses as reported for our operating segments include a proportionate share of vessel revenues and voyage expenses attributable to our joint ventures based on our proportionate ownership of the joint ventures. The number of operating days used to calculate TCE revenue per day also includes the proportionate share of our joint ventures’ operating days and also includes charter-in days.

TCE per day is a common shipping industry performance measure used primarily to compare daily earnings generated by vessels on time charters with daily earnings generated by vessels on voyage charters, because charter hire rates for vessels on voyage charters have to cover voyage costs and are generally not expressed in per-day amounts while charter hire rates for vessels on time charters do not cover voyage costs and generally are expressed in per day amounts.

Below is a reconciliation from TCE revenue to revenue:

(In thousands of U.S. dollars)	Six months ended December 31,						(In thousands of U.S. dollars)	Year ended December 31,						
	2019			2018				2019			2018			
	Revenue	Voyage Expenses	TCE Revenue	Revenue	Voyage Expenses	TCE Revenue		Revenue	Voyage Expenses	TCE Revenue	Revenue	Voyage Expenses	TCE Revenue	
Vessel Revenue							Vessel Revenue							
Handysize.....	52,577	(26,153)	26,424	63,417	(32,902)	30,515	Handysize.....	102,805	(53,449)	49,356	116,372	(57,707)	58,665	
Supramax/ultramax	82,536	(37,168)	45,368	73,015	(35,743)	37,272	Supramax/ultramax	153,937	(74,286)	79,651	146,097	(71,087)	75,010	
Medium Range Tankers	17,519	(1,611)	15,908	18,965	(4,193)	14,772	Medium Range Tankers	37,813	(5,502)	32,311	37,911	(7,966)	29,945	
Small Tankers.....	5,982	(1,416)	4,566	8,429	(1,294)	7,135	Small Tankers.....	13,419	(2,497)	10,922	17,395	(3,463)	13,932	
Other drybulk carriers	-			3			Other drybulk carriers	-			1,218			
Other tankers	2,613			2,613			Other tankers	5,182			5,183			
Other revenue.....	2,993			11,739			Other revenue.....	22,535			15,163			
Adjustments ⁽¹⁾	(394)			(10,004)			Adjustments ⁽¹⁾	(4,645)			(20,321)			
Revenue.....	163,826			168,177			Revenue.....	331,046			319,018			

(*) Vessel revenue earned and voyage expenses incurred by the joint ventures are included within the operating segment information on a proportionate consolidation basis. Accordingly, joint ventures proportionate financial information are adjusted out to reconcile to the unaudited condensed consolidated financial statements.

Note: “Other Revenue” includes ship sale revenue and other revenue.

NON-GAAP FINANCIAL MEASURES (CONT'D)

EBITDA and Adjusted EBITDA

EBITDA is defined as earnings before interest income, interest expense, income tax expense or credit, depreciation and amortization, and share of loss in joint ventures. Adjusted EBITDA is EBITDA adjusted to exclude the items set forth in the table below, which represent certain non-recurring, non-operating or other items that we believe are not indicative of the ongoing performance of our core operations.

EBITDA and Adjusted EBITDA are used by analysts in the shipping industry as common performance measures to compare results across peers. EBITDA and Adjusted EBITDA are not items recognized by IFRS, and should not be considered in isolation or used as alternatives to loss for the period or any other indicator of our operating performance.

Our presentation of EBITDA and Adjusted EBITDA is intended to supplement investors' understanding of our operating performance by providing information regarding our ongoing performance that exclude items we believe do not directly affect our core operations and enhancing the comparability of our ongoing performance across periods. Our management considers EBITDA and Adjusted EBITDA to be useful to investors because such performance measures provide information regarding the profitability of our core operations and facilitate comparison of our operating performance to the operating performance of our peers. Additionally, our management uses EBITDA and Adjusted EBITDA as measures when reviewing our operating performance. While we believe these measures are useful to investors, the definitions of EBITDA and Adjusted EBITDA used by us may not be comparable to similar measures used by other companies.

The table below presents the reconciliation between loss for the period to EBITDA and Adjusted EBITDA for the six month period ended December 31, 2019 and the comparative period ended December 31, 2018; and for the 12 month period ended December 31, 2019 and the comparative period ended December 31, 2018:

(In thousands of U.S. dollars)	Six months ended December 31,		Year ended December 31,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Loss for the Period	\$ (16,409)	\$ (7,187)	\$ (35,363)	\$ (20,640)
Adjusted for:				
Income tax expense	52	(758)	685	1,389
Interest income	(764)	(1,842)	(1,979)	(3,787)
Interest expense	6,101	3,556	11,916	6,517
Impairment loss recognized on financial assets	-	1,583	-	1,583
Share of (income)/losses of joint ventures	(118)	(918)	1,420	454
Depreciation and amortization	<u>26,153</u>	<u>7,529</u>	<u>48,763</u>	<u>14,292</u>
EBITDA	<u>15,015</u>	<u>1,963</u>	<u>25,442</u>	<u>(192)</u>
Adjusted for.....				
Listing costs	\$ -	\$ (497)	\$ -	\$ 3,582
Impairment loss on ships.....	4,568	-	8,872	-
Impairment loss on right of use assets	2,250	-	2,250	-
Impairment loss on goodwill and intangibles.....	3,179	-	3,179	-
Gain on disposals of businesses	-	-	-	(3,255)
Loss (gain) on deemed disposal of previously held joint venture	-	111	-	(213)
ADJUSTED EBITDA	<u>25,012</u>	<u>1,577</u>	<u>39,743</u>	<u>(78)</u>

Note: Depreciation and amortization for the six months ended June 30, 2019 includes depreciation and amortization of owned assets and depreciation of right of use assets.



CHARTER HIRE EXPENSE

Long-term charter-in costs is defined as the charter costs relating to chartered-in vessels included in our Fleet from time to time, which are vessels for which the period of the charter that we initially commit to is 12 months or more, even if at a given time the remaining period of their charter may be less than 12 months ("long-term charter-in vessels"). Such long-term charter-in costs, divided by the number of operating days for the relevant vessels during the period, is long-term charter-in costs per day.

Before the application of IFRS 16 on January 1, 2019, long-term charter-in costs were included in charter hire costs in the statement of profit and loss. From January 1, 2019, charter hire costs in the statement of profit and loss only includes charter costs that meet the definition of short-term leases in terms of IFRS 16 which, due to practical expedients allowed under IFRS 16, for the period from January 1, 2019 to December 31, 2019 includes charter costs relating to some but not all of our long-term charter-in vessels, with the charter costs relating to the remainder of our long-term charter-in vessels presented as lease payments on ships. Accordingly, charter hire costs and lease payments on ships together comprise "adjusted charter hire costs".

Long-term charter-in costs and long-term charter-in costs per day are non-GAAP performance measures used primarily to provide an understanding of the total costs and total costs per day relating to the charter-in of the company's long-term chartered-in vessels.

The tables below presents the breakdown of charter hire expense into long-term charter hire expense and short-term charter hire expense for the six months to December 31, 2019 and 2018 and twelve months to December 31, 2019 and 2018:

(In thousands of U.S. dollars)	Six Months ended December 31, 2019						(In thousands of U.S. dollars)	Year ended December 31, 2019					
	Charter hire costs	Lease payments on Ships	Adjusted charter hire costs	Long-term charter-in costs	Short-term charter-in costs	Adjusted charter hire costs		Charter hire costs	Lease payments on Ships	Adjusted charter hire costs	Long-term charter-in costs	Short-term charter-in costs	Adjusted charter hire costs
Handysize.....	8,009	-	8,009	-	8,009	8,009	Handysize.....	15,162	-	15,162	-	15,162	15,162
Supramax/ultramax	20,064	15,015	35,079	15,697	19,382	35,079	Supramax/ultramax	41,393	26,953	68,346	29,738	38,608	68,346
Medium Range Tankers	2,812	2,816	5,628	5,628	-	5,628	Medium Range Tankers	5,581	5,585	11,166	11,166	-	11,166
Small Tankers.....	-	-	-	-	-	-	Small Tankers.....	-	-	-	-	-	-
Others	-	-	-	-	-	-	Others	-	-	-	-	-	-
Adjustments ^(*)	34	-	34	-	-	34	Adjustments ^(*)	(468)	-	(468)	-	-	(468)
	30,919	17,831	48,750			48,750		61,668	32,538	94,206			94,206
(In thousands of U.S. dollars)	Six Months ended December 31, 2018						(In thousands of U.S. dollars)	Year ended December 31, 2018					
	Charter hire costs	Lease payments on Ships	Adjusted charter hire costs	Long-term charter-in costs	Short-term charter-in costs	Adjusted charter hire costs		Charter hire costs	Lease payments on Ships	Adjusted charter hire costs	Long-term charter-in costs	Short-term charter-in costs	Adjusted charter hire costs
Handysize.....	7,673	-	7,673	348	7,325	7,673	Handysize.....	16,091	-	16,091	1,904	14,187	16,091
Supramax/ultramax	32,748	-	32,748	13,973	18,775	32,748	Supramax/ultramax	69,428	-	69,428	29,580	39,848	69,428
Medium Range Tankers	8,100	-	8,100	8,100	-	8,100	Medium Range Tankers	16,090	-	16,090	16,090	-	16,090
Small Tankers.....	-	-	-	-	-	-	Small Tankers.....	-	-	-	-	-	-
Others	-	-	-	-	-	-	Others	1,468	-	1,468	-	-	1,468
Adjustments ^(*)	(2,153)	-	(2,153)	-	-	(2,153)	Adjustments ^(*)	(2,429)	-	(2,429)	-	-	(2,429)
	46,368	-	46,368			46,368		100,648	-	100,648			100,648

(*) Charter hire, Lease payments on Ships, Long-term charter-in costs and Short-term charter-in costs incurred by the joint ventures are included within the operating segment information on a proportionate consolidation basis. Accordingly, joint ventures' proportionate financial information are adjusted out to reconcile to the unaudited interim condensed consolidated and combined financial statements.

IVS BULK TRANSACTION PRO FORMA NOTES

Subsequent to December 31, 2019, our subsidiary Grindrod Shipping Pte. Ltd., or GSPL, acquired the 33.25% interest in both the ordinary shares and preference shares held by Regiment Capital Ltd., or Regiment, one of the shareholders of IVS Bulk, in IVS Bulk taking GSPL's interest to 66.75%. The acquisition with consideration of \$44,087,000 was financed through a combination of cash, proceeds received following a refinancing of loans at IVS Bulk of \$5,197,000 and net proceeds from a new loan entered by GSPL of \$34,400,000. In connection with the transaction, IVS Bulk refinanced its existing debt and it repaid loans from certain of its shareholders and redeemed a portion of its preference shares on a pro rata basis.

GSPL entered into a new shareholders' agreement with Sankaty European Investments III S.A.R.L., or Sankaty, the remaining shareholder in IVS Bulk, in terms of which GSPL controls key aspects of the corporate governance of IVS Bulk and as a result of which the financial statements of the IVS Bulk Group will be consolidated into our results going forward. Prior to the transaction, GSPL had significant influence over IVS Bulk and hence it accounted for its investment in IVS Bulk under the equity method.

The following unaudited pro forma condensed consolidated financial statements are based on our historical consolidated financial statements adjusted to give effect to GSPL's acquisition of the additional equity interest in IVS Bulk and the related financing transactions.

The unaudited pro forma condensed consolidated statement of profit or loss for the year ended December 31, 2019 gives effect to these transactions as if they had occurred on January 1, 2019. The unaudited pro forma condensed consolidated statement of financial position as at December 31, 2019 gives effect to these transactions as though they had occurred on December 31, 2019.

The unaudited pro forma condensed consolidated financial information included in this earnings release have been derived from the unaudited consolidated financial statements of GSHL, which are included elsewhere in this press release.

The unaudited pro forma condensed consolidated financial information does not purport to represent what our consolidated financial position and results of operations would have been had the transaction occurred on the dates indicated or to project our financial performance for any future period. In addition, the unaudited pro forma condensed consolidated financial information is provided for illustrative and informational purposes only and is not necessarily indicative of our future results of operations or financial condition. The pro forma adjustments are based upon available information and certain assumptions that we believe are reasonable, but actual results may differ from the pro forma adjustments. These adjustments are subject to change.

The assumptions and estimates underlying the unaudited adjustments to the pro forma financial statements are described in the accompanying notes, which should be read together with the pro forma financial statements.

IVS BULK TRANSACTION PRO FORMA NOTES (CONT'D)

	Grindrod Shipping	Acquisition of additional equity interest in IVS Bulk ⁽⁵⁾	Refinancing	Pro Forma
	Historical		Adjustments	
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Current assets				
Cash and bank balances	35,553	8,550	(1,599) ⁽¹²⁾	42,504
Trade receivables	13,173	-	-	13,173
Contract assets	3,844	-	-	3,844
Other receivables and prepayments	16,951	1,323	-	18,274
Due from related parties	3,855	4,491	-	8,346
Loans to joint ventures	1,037	-	-	1,037
Derivative financial instruments	173	-	-	173
Inventories	12,236	477	-	12,713
	86,822	14,841	(1,599)	100,064
Assets classified as held for sale	4,677	-	-	4,677
Total current assets	91,499	14,841	(1,599)	104,741
Non-current assets				
Restricted cash	9,611	12,000	(7,724) ⁽⁶⁾	13,887
Loans to joint ventures	2,627	(2,627)	-	-
Ships, property, plant and equipment	313,321	242,181 ⁽⁴⁾	-	555,502
Right of use assets	55,238	108	-	55,346
Interest in joint ventures	52,475	(50,480)	-	1,995
Intangible assets	177	-	-	177
Goodwill	944	-	-	944
Deferred tax assets	1,299	-	-	1,299
Total non-current assets	435,692	201,182	(7,724)	629,150
Total assets	527,191	216,023	(9,323)	733,891

LIABILITIES AND EQUITY

	Grindrod Shipping	Acquisition of additional equity interest in IVS Bulk ⁽⁵⁾	Refinancing	Pro Forma
	Historical		Adjustments	
	US\$'000	US\$'000	US\$'000	US\$'000
Current liabilities				
Trade and other payables	28,326	2,611	-	30,937
	-	44,087 ⁽¹²⁾	(44,087) ⁽¹²⁾	-
Contract liabilities	4,080	-	-	4,080
Due to related parties	4,796	8,226	(8,226) ⁽¹⁰⁾	4,796
Lease liabilities	24,300	112	-	24,412
Bank loans and other borrowings	20,696	67,542	(55,030) ⁽⁵⁾	33,208
Provisions	959	-	-	959
Income tax payable	3,096	-	-	3,096
Total current liabilities	86,253	122,578	(107,343)	101,488
Liabilities directly associated with assets classified as held for sale	538	-	-	538
Total current liabilities	86,791	122,578	(107,343)	102,026
Non-current liabilities				
Trade and other payables	221	-	-	221
Lease liabilities	33,646	-	-	33,646
Bank loans and other borrowings	144,548	49,358	63,620 ⁽⁵⁾	291,926
			34,400 ⁽⁸⁾⁽¹²⁾	
Retirement benefit obligation	1,922	-	-	1,922
Total non-current liabilities	180,337	49,358	98,020	327,715
Capital and reserves				
Share capital	320,683	-	-	320,683
Other equity and reserves	(18,218)	-	-	(18,218)
Accumulated losses	(42,402)	-	-	(42,402)
Equity attributable to owners of the Company	260,063	-	-	260,063
Non-controlling interests	-	44,087	-	44,087
Total equity	260,063	44,087	-	304,150
Total equity and liabilities	527,191	216,023	(9,323)	733,891

IVS BULK TRANSACTION PRO FORMA NOTES (CONT'D)

	Grindrod Shipping Historical	Acquisition of additional equity interest in IVS Bulk ⁽²⁾	Refinancing Adjustments	Pro Forma
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue	331,046	40,929	-	371,975
Cost of sales				
Voyage expenses	(149,444)	(374)	-	(149,818)
Vessel operating costs	(33,889)	(20,292)	-	(54,181)
Charter hire costs	(61,668)	-	-	(61,668)
Depreciation and amortization – owned assets	(17,529)	(12,441) ⁽⁴⁾	-	(29,970)
Depreciation and amortization – right of use assets	(30,449)	(140)	-	(30,589)
Other expenses	(697)	(141)	-	(838)
Cost of ship sale	(16,844)	-	-	(16,844)
Gross profit	20,526	7,541	-	28,067
Other operating expense	(15,435)	-	-	(15,436)
Administrative expenses	(28,412)	(870)	-	(29,282)
Share of losses of joint ventures	(1,420)	1,261 ⁽²⁾	-	(159)
Interest income	1,979	(840)	-	1,139
Interest expense	(11,916)	(8,156)	(24) ⁽⁷⁾	(23,267)
			(3,801) ⁽⁹⁾	
			630 ⁽¹¹⁾	
Loss before taxation	(34,678)	(1,064)	(3,195)	(38,938)
Income tax expense	(685)	(1)	-	(686)
Loss for the period	(35,363)	(1,065)	(3,195)	(39,624)
Loss is attributable to:				
Owners of Grindrod Shipping Holdings	(35,363)			(38,851)
Non-controlling interests	-			(774)
	(35,363)			(39,624)
Loss per share:	US\$			US\$
Basic and diluted earnings per share	(1.86)			(2.04)
Weighted-average shares	19,022,665			19,022,665

IVS BULK TRANSACTION PRO FORMA NOTES (CONT'D)

Pro forma EBITDA and Pro forma Adjusted EBITDA.

Pro forma EBITDA is defined as earnings before income tax expense or credit, interest income, interest expense, share of losses of joint ventures and depreciation and amortization, giving effect to these transactions as if they had occurred on January 1, 2019. Pro forma Adjusted EBITDA is Pro forma EBITDA adjusted to exclude the items set forth in the table below, which represent certain non-recurring, non-operating or other items that we believe are not indicative of the ongoing performance of our core operations. Pro forma EBITDA and Pro forma Adjusted EBITDA are not items recognized by IFRS, and should not be considered in isolation or used as alternatives to loss for the period or any other indicator of our operating performance.

Our presentation of Pro forma EBITDA and Pro forma Adjusted EBITDA is intended to supplement investors' understanding of our operating performance by providing information regarding our ongoing performance that exclude items we believe do not directly affect our core operations and enhancing the comparability of our ongoing performance across periods. Our management considers Pro forma EBITDA and Pro forma Adjusted EBITDA to be useful to investors because such performance measures provide information regarding the profitability of our core operations and facilitate comparison of our operating performance to the operating performance of our peers. Additionally, our management uses Pro forma EBITDA and Pro forma Adjusted EBITDA as measures when reviewing our operating performance. While we believe these measures are useful to investors, the definitions of Pro forma EBITDA and Pro forma Adjusted EBITDA used by us may not be comparable to similar measures used by other companies.

The table below presents the reconciliation between loss for the period to Pro forma EBITDA and Pro forma Adjusted EBITDA for the 12 month period ended December 31, 2019.

Year ended December 31, 2019 (In thousands of U.S. dollars)	Grindrod Shipping Historical	Acquisition of additional equity interest in IVS Bulk	Refinancing Adjustments	Pro Forma
Loss for the period	(35,363)	(2,504)	(2,545)	(40,412)
Adjusted for:				
Income tax expense	685	1	-	686
Interest income	(1,979)	(33)	873	(1,139)
Interest expense	11,916	9,029	1,672	22,617
Share of losses of joint ventures	1,420	(1,261)	-	159
Depreciation and amortization	48,763	14,020	-	62,783
EBITDA	25,442	19,252	0	44,694
Adjusted for:				
Impairment loss on ships	8,872	-	-	8,872
Impairment loss on right of use assets	2,250	-	-	2,250
Impairment loss on goodwill and intangibles	3,179	-	-	3,179
Adjusted EBITDA	39,743	-	-	58,995

IVS BULK TRANSACTION PRO FORMA NOTES (CONT'D)

Basis of presentation

(1) Our unaudited pro forma financial information has been prepared to reflect adjustments to our historical consolidated financial statements that are (1) directly attributable to the transactions described at the beginning of this section; (2) factually supportable; and (3) with respect to the unaudited pro forma condensed consolidated statement of profit or loss, expected to have a continuing impact on our results of operations.

Acquisition of additional equity interest in IVS Bulk

(2) The adjustments reflect the acquisition of the additional 33.25% of ordinary and preferred equity shares in IVS Bulk for a total consideration of \$44,087,000, after taking into consideration the elimination of intercompany transactions and reversal of the equity accounting for share of profits in IVS Bulk of \$2,161,000 as if they had occurred on January 1, 2019.

(3) The adjustments reflect the acquisition of the additional 33.25% of ordinary and preferred equity shares in IVS Bulk for a total consideration of \$44,087,000, after taking into consideration the elimination of intercompany balances, historical equity of IVS Bulk and the investment in joint ventures as if they had occurred on December 31, 2019.

(4) Includes a fair value adjustment of \$15,380,000 to decrease the basis in the acquired ships to their deemed fair value. The estimated useful life for ships is 15 years. The effect from the fair value adjustment in depreciation for the year ended 31 December 2019 is \$1,438,000.

Refinancing Adjustments

On February 10, 2020, IVS Bulk entered into two facility agreements to refinance the existing loans of its subsidiaries. The aggregate drawdown of the loans is \$125,490,000, net of \$1,765,000 facilities fees. The two facilities bear interest at LIBOR plus 3.1% and 2.75% per annum respectively and repayment commences on May 13, 2020. The net proceeds from the new loans of \$125,490,000 was used to repay the existing loans of \$116,900,000.

(5) The adjustment reflects the net proceeds from the settlement of existing loans and the issuance of new loans as if they had occurred on December 31, 2019. The adjustment to current liabilities and non-current liabilities is analyzed in the table below.

	Year ended 31 December 2019		
	Current	Non-current	Total
Settlement of existing loans, net of facility fees	(67,542)	(49,358)	(116,900)
Increase for issuance of new loans, net of facility fees	12,512	112,978	100,466
Pro Forma adjustment to bank loans and other borrowings	(55,030)	63,620	8,590

(6) The adjustment reflects the net change of \$7,724,000 in restricted cash upon repayment of existing loans (release of \$12,000,000 net of new cash placed as restricted cash of \$4,276,000).

(7) The adjustment reflects the additional interest expense of \$24,000 arising from the difference between the interest expense on the new and existing loans as if they had occurred on January 1, 2019. The unamortized facility fee of \$1,072,000 of the existing loan is a nonrecurring item, and hence it has not been considered in the pro forma condensed consolidated income statement.

On February 6, 2020, to finance the transaction, GSPL entered into a facility agreement for a loan of \$35,833,000 subject to \$1,433,000 facility fees representing net proceeds of \$34,400,000. The facility bears interest at a fixed rate of 7.5% per annum and is repayable on the maturity date on June 6, 2021.

(8) The adjustment reflects the additional loan of \$34,400,000 net as if the transaction had occurred on December 31, 2019.

(9) The adjustment reflects the additional interest expense of \$3,801,000 arising from this new loan as if the transaction had occurred on January 1, 2019.

On February 13, 2020, IVS Bulk repaid loans, together with accrued interest, of \$10,853,000 to the two shareholders who had provided loans, Sankaty and GSPL, amounting to \$8,226,000 and \$2,627,000, respectively.

(10) The adjustment only reflects the repayment of \$8,226,000 paid to Sankaty as the balance sheet of IVS Bulk Group has been consolidated into our consolidated financial position as if the transactions had occurred on December 31, 2019. No adjustment was made in relation to the demand loan owing to GSPL as it was eliminated upon consolidation at December 31, 2019.

(11) The adjustment reflects the saving of \$630,000 on interest expense on the basis that the loan from Sankaty was repaid on January 1, 2019.

(12) Represents the purchase consideration of the acquisition which is settled by cash of \$9,687,000 and the funds received from \$35,833,000 facility.

QUESTIONS?

Company Contact:

Martyn Wade / Stephen Griffiths
CEO / CFO
Grindrod Shipping Holdings Ltd.
200 Cantonment Road, #03-01 Southpoint
Singapore, 089763
Email: ir@grindrodshipping.com
Website: www.grinshipping.com

Investor Relations / Media Contact:

Nicolas Bornozis / Judit Csepregi
Capital Link, Inc.
230 Park Avenue, Suite 1536
New York, N.Y. 10169
Tel.: (212) 661-7566
Fax: (212) 661-7526
E-Mail: grindrod@capitallink.com

