

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

## **UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS AND YEAR ENDED DECEMBER 31, 2019**

Grindrod Shipping Holdings Ltd. issued a press release announcing its unaudited second half and full year 2019 results for the period ended December 31, 2019 and included such press release as an exhibit to its Form 6-K (the "Report on Form 6-K") furnished to the United States Securities and Exchange Commission ("SEC") dated February 26, 2020.

### Financial Highlights for the Second Half of the Year Ended December 31, 2019<sup>(1)</sup>

- Revenue of \$163.8 million.
- Gross profit of \$14.6 million.
- Adjusted EBITDA of \$25.0 million<sup>(2)</sup>.
- Loss for the period of \$16.4 million or \$0.86 per ordinary share.
- Loss impacted by \$10.1 million of non-cash impairment charges.
- Handysize and supramax/ultramax TCE per day of \$8,551 and \$13,624, respectively, outperformed the Baltic Handysize TC Index ("BHSI") and Baltic Supramax-58 TC Index ("BSI-58") benchmarks by approximately 8.4% and 22.9%, respectively, in the second half of 2019<sup>(2)(3)</sup>.
- Medium range ("MR") product tanker TCE per day of \$14,409 underperformed Clarkson's Average MR Clean Earnings per day assessment of \$15,033 by approximately 4.2%, and small tanker TCE per day of \$12,441 in the second half of 2019<sup>(2)</sup>.
- Period end cash, bank balances and restricted cash of \$45.2 million.
- The Company acquired a combined total of 299,641 ordinary shares on NASDAQ and the JSE over the period from the end of the second fiscal quarter 2019 through and including December 11, 2019 at an average price per share over such period of \$6.62, or ZAR 97.13, based on an indicative ZAR/USD exchange rate of 14.68, before costs.

### Financial Highlights for the Full Year Ended December 31, 2019<sup>(1)</sup>

- Revenue of \$331.0 million.
- Gross profit of \$20.5 million.
- Adjusted EBITDA of \$39.7 million<sup>(2)</sup>.
- Loss for the period of \$35.4 million or \$1.86 per ordinary share.
- Loss impacted by \$14.3 million of non-cash impairment charges.
- Handysize and supramax/ultramax TCE per day of \$7,770 and \$12,067, respectively, outperformed the BHSI and BSI-58 TC benchmarks by approximately 13.8% and 27.7%, respectively<sup>(2)(3)</sup>.
- MR product tanker TCE per day of \$14,341 outperformed Clarkson's Average MR Clean Earnings per day assessment of \$13,740 by approximately 4.4%, and small tanker TCE per day of \$12,190 in the full year of 2019<sup>(2)</sup>.

<sup>(1)</sup> Our segment results include the proportionate share of our joint ventures, which differs from the statements of profit or loss in our condensed consolidated and combined financial statements which account for our investments in joint ventures under the equity method.

<sup>(2)</sup> Adjusted EBITDA 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 measures 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.

<sup>(3)</sup> BHSI and BSI-58 adjusted for 5% commissions to be comparable to Grindrod Shipping's TCE per day.

The table below presents a reconciliation between Loss for the period to Headline Loss for the six month period ended December 31, 2019 and 2018, and the 12 month period ended December 31, 2019 and 2018:

(In thousands of U.S. dollars, other than per share data)	Six months ended December 31,		Year ended December 31,	
	2019	2018	2019	2018
Reconciliation between loss for the period and headline loss:				
Loss for the period	\$ (16,409)	\$ (7,187)	\$ (35,363)	\$ (20,640)
Adjusted for:				
- Impairment loss on joint venture's ships	-	1,439	-	2,862
- 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 plant and equipment	(193)	-	-	(63)
- Gain on disposals of businesses	-	-	-	(3,255)
- Loss (gain) on deemed disposal of previously held joint venture	-	111	-	(213)
- Capital gains (credit) tax on sale of businesses	-	(12)	-	1,797
Headline Loss	<u>(6,605)</u>	<u>(5,649)</u>	<u>(21,062)</u>	<u>(19,512)</u>
Number of shares on which the per share figures have been calculated	18,982,168	19,063,833	19,022,665	19,063,833
Basic and diluted loss per share	\$ (0.86)	\$ (0.38)	\$ (1.86)	\$ (1.08)
Basic and diluted headline loss per share	\$ (0.35)	\$ (0.30)	\$ (1.11)	\$ (1.02)

### Short-form announcement

The full announcement includes the contents of the Report on Form 6-K as furnished to the SEC dated February 26, 2020, being the press release incorporating the unaudited condensed consolidated and combined financial statements of Grindrod Shipping Holdings Ltd. for the six months and full year ended December 31, 2019.

This short-form announcement is the responsibility of the directors of 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 February 26, 2020 and is available for viewing on the Company's website ([www.grinshipping.com](http://www.grinshipping.com)) and at the following address: <https://senspdf.jse.co.za/documents/2020/jse/isse/GSHE/Grinship19.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 February 26, 2020.

26 February 2020

Sponsor: Grindrod Bank Limited