

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR  
IMMEDIATE ATTENTION**

The definitions and interpretations commencing on page 5 of this Circular apply *mutatis mutandis* throughout this Circular, including this cover page.

If you are in any doubt as to what action you should take, you should consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.

**Action required**

- This Circular is important and should be read in its entirety, with particular attention to the section entitled “Action required by Grindrod Shareholders” which commences on page 2.
- If you have disposed of all your Grindrod Shares, this Circular should be handed to the purchaser of such Grindrod Shares or to the CSDP, Broker, banker or other agent through whom the disposal was effected.
- **Grindrod does not accept responsibility and will not be held liable for any failure on the part of the CSDP or Broker of any holder of Dematerialised Shares to notify such Shareholder of the action required of them in respect of the Proposed Disposal and ancillary matters set out in this Circular.**



**GRINDROD LIMITED**

(Incorporated in the Republic of South Africa)

(Registration Number: 1966/009846/06)

Ordinary share code: GND and ISIN: ZAE000072328

Preference share code: GNDP and ISIN: ZAE000071106

(“Grindrod” or “the Company”)

**CIRCULAR TO GRINDROD SHAREHOLDERS**

relating to:

- the Proposed Disposal by Grindrod of 100% of the issued ordinary share capital it holds in Grindrod Financial Holdings and of 100% of the preference shares it holds in Grindrod Bank constituting a Category 1 disposal in terms of the Listings Requirements;

and incorporating:

- a notice convening a General Meeting of Grindrod Shareholders;
- a Form of Proxy (*blue*) in respect of the General Meeting (for use by Certificated Shareholders and Dematerialised Shareholders with Own Name Registration only); and
- an Electronic Participation Application Form (*green*) in respect of the General Meeting (for use by Grindrod Shareholders or their proxies who wish to participate in and vote at the General Meeting via electronic communication).

Financial Advisor and Transaction Sponsor	Legal Advisor	Independent Auditor and Reporting Accountant
The logo for RMB (RMB Bank), featuring a stylized horse head and the letters 'RMB' below it.	The logo for ENS africa, featuring the text 'ENS africa' and a stylized map of Africa.	The logo for Deloitte, featuring the word 'Deloitte' in a bold, sans-serif font with a green dot at the end.

**Date of issue: Friday, 22 July 2022**

This Circular is available in English only and copies thereof may be obtained at the Company's Registered Office between 09:00 and 17:00 or from the Company Secretary by emailing [Vicky.Commaile@grindrod.com](mailto:Vicky.Commaile@grindrod.com) or from the Transaction Sponsor, by emailing [sponsorteam@rmb.co.za](mailto:sponsorteam@rmb.co.za) between Friday, 22 July 2022 and Tuesday, 23 August 2022, both days inclusive. The Circular will also be available on Grindrod's website (<https://www.grindrod.com/investor-proposition/shareholder-documents#circulards-and-notices>) from Friday, 22 July 2022.

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## CORPORATE INFORMATION AND ADVISORS

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### **Company Secretary and Registered Office**

Grindrod Limited  
(Registration Number: 1966/009846/06)  
Vicky Commaille  
2<sup>nd</sup> Floor, Grindrod Mews  
106 Margaret Mncadi Avenue  
Durban  
South Africa  
(PO Box 1, Durban, 4000, South Africa)  
(Date of incorporation: 19 October 1966)  
(Place of incorporation: South Africa)

### **Legal advisor to Grindrod**

Edward Nathan Sonnenbergs Incorporated (ENSafrica)  
(Registration Number: 2006/018200/21)  
1 Richefond Circle  
Ridgeside Office Park  
Umhlanga  
Durban, 4320  
South Africa  
(PO Box 3052, Durban, 4000, South Africa)

### **Independent Auditor and Reporting Accountant**

Deloitte & Touche  
Deloitte Place  
2 Pencarrow Crescent  
Pencarrow Park  
La Lucia Ridge Office Estate  
La Lucia, 4051  
South Africa  
(PO Box 243, Durban, 4000, South Africa)

### **Transfer Secretaries**

JSE Investor Services Proprietary Limited  
(Registration Number: 2000/007239/07)  
13th Floor  
19 Ameshoff Street  
Braamfontein, 2001  
South Africa  
(PO Box 4844, Johannesburg, 2000, South Africa)

### **Financial Advisor and Transaction Sponsor**

Rand Merchant Bank  
A division of FirstRand Bank Limited  
(Registration Number: 1929/001225/06)  
1 Merchant Place  
Corner Fredman Drive and Rivonia Road  
Sandown, Sandton, 2196  
South Africa  
(PO Box 786273, Sandton, 2146, South Africa)

### **Scrutineers**

The Meeting Specialist Proprietary Limited  
(Registration Number: 2017/287419/07)  
6<sup>th</sup> Floor, JSE Building, One Exchange Square  
2 Gwen Lane, Sandown, Sandton, 2196  
South Africa  
(PO Box 62043, Marshalltown, 2017, South Africa)

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## **ACTION REQUIRED BY GRINDROD SHAREHOLDERS**

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The definitions and interpretations commencing on page 5 of this Circular apply *mutatis mutandis* throughout this Circular, including this 'Action Required by Grindrod Shareholders' section.

**Please take careful note of the following provisions regarding the action to be taken by Grindrod Shareholders:**

- If you are in any doubt as to what action you should take arising from this Circular, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.
- If you have disposed of all of your Grindrod Shares, please forward this Circular to the purchaser of such Grindrod Shares or the CSDP, Broker, banker or other agent through whom the disposal was effected.
- The General Meeting convened in terms of the Notice of General Meeting will be held entirely electronically at 10:00 on Tuesday, 23 August 2022, for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions set out in the attached Notice of General Meeting.
- Grindrod has appointed TMS to host the General Meeting remotely on an interactive platform, in order to facilitate remote participation and voting by Shareholders. TMS will also act as General Meeting scrutineers.

**IF YOU HAVE DEMATERIALISED YOUR GRINDROD SHARES WITHOUT OWN NAME REGISTRATION**

**ELECTRONIC PARTICIPATION IN, REPRESENTATION AND VOTING AT GENERAL MEETING**

In accordance with the Custody Agreement between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to participate in and/or vote electronically at the General Meeting and your CSDP or Broker will issue the necessary letter of representation. The *green* Electronic Participation Application Form attached will also have to be completed and submitted together with the letter of representation to TMS to enable you to participate in and/or vote electronically at the General Meeting, preferably so as to be received by no later than 10:00 on Friday, 19 August 2022. This cut-off time is for administrative purposes only. Grindrod Shareholders will nonetheless still be able to submit an Electronic Participation Application Form at any time prior to the commencement of the General Meeting. If submissions are made after this cut-off time then it is requested that they be made by way of e-mail.

**IF YOU HAVE NOT DEMATERIALISED YOUR GRINDROD SHARES OR HAVE DEMATERIALISED YOUR GRINDROD SHARES WITH OWN NAME REGISTRATION**

**ELECTRONIC PARTICIPATION AND VOTING AT THE GENERAL MEETING**

You may participate in and/or vote electronically at the General Meeting by completing the attached *green* Electronic Participation Application Form, and submitting it to TMS, preferably so as to be received by no later than 10:00 on Friday, 19 August 2022. This cut-off time is for administrative purposes only. Grindrod Shareholders will nonetheless still be able to submit an Electronic Participation Application Form at any time prior to the commencement of the General Meeting. If submissions are made after this cut-off time then it is requested that they be made by way of e-mail.

**VOTING BY PROXY**

- (a) The minimum percentage of voting rights that is required for the adoption of each ordinary resolution is more than 50% of the voting rights exercised on the resolution by Shareholders, whether voting electronically or represented by proxy.
- (b) A Shareholder entitled to participate in and/or vote electronically at the General Meeting is entitled to appoint a proxy or proxies to participate, speak and vote electronically in his/her stead by completing the attached *blue* Form of Proxy in accordance with the instructions contained therein, and submitting it to the Transfer Secretaries, and copied to TMS, preferably so as to be received by no later than 10:00 on Friday, 19 August 2022. This cut-off time is for administrative purposes only. Grindrod Shareholders will nonetheless still be able to submit a Form of Proxy at any time prior to the commencement of the General Meeting. If submissions are made after this cut-off time then it is requested that they be made by way of e-mail.
- (c) The attached *blue* Form of Proxy is only to be completed by those Shareholders who hold Certificated Shares or are recorded in the sub-register as Dematerialised Shareholders with Own Name Registration.
- (d) A proxy need not be a Shareholder.
- (e) Completing and submitting the Form of Proxy will not preclude a Grindrod Shareholder from electronically participating in the General Meeting.
- (f) Shareholders are reminded that they are still able to submit a Form of Proxy, despite deciding to either participate electronically or not at all in the General Meeting.

## **DETAILS FOR SUBMISSION**

- (a) All documents to be submitted to the Transfer Secretaries can be submitted at any of the following addresses:

Physical address: 13<sup>th</sup> Floor,  
19 Amershoff Street  
Braamfontein, 2001  
South Africa

Postal address: PO Box 4844  
Johannesburg, 2000  
South Africa

Email address: meetfax@jseinvestorservices.co.za

Facsimile: 086 674 2450

- (b) All documents to be submitted to TMS can be submitted at any of the following addresses:

Physical address: 6<sup>th</sup> Floor, JSE Building  
One Exchange Square  
2 Gwen Lane  
Sandown, Sandton, 2196  
South Africa

Postal address: PO Box 62043  
Marshalltown, 2017  
South Africa

Email addresses: michael.wenner@tmsmeetings.co.za  
farhana.adam@tmsmeetings.co.za  
izzy.vanschoor@tmsmeetings.co.za  
proxy@tmsmeetings.co.za

TMS can also be contacted on +27 11 520 7950/1/2

## **TERMS AND CONDITIONS FOR PARTICIPATION AT THE GENERAL MEETING ELECTRONICALLY**

- (a) TMS will assist Shareholders with the requirements for electronic participation in, and/or voting at the General Meeting. TMS is further obliged to validate (in liaison with Grindrod and, in particular, the Transfer Secretaries and CSDPs) each such Shareholder's entitlement to participate in and/or vote electronically at the General Meeting, before providing it with the necessary means to access the General Meeting and/or the associated voting platform.
- (b) The cost of dialling in using a telecommunication line/webcast/web-streaming platform to participate in and/or vote electronically at the General Meeting is for the expense of the Participant and will be billed separately by the Participant's own telecommunications service provider.
- (c) The Participant acknowledges that the telecommunication lines/webcast/web-streaming platforms are provided by a third party and indemnifies Grindrod, the JSE and TMS against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming platforms ("Loss"), whether or not the Loss is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against Grindrod, the JSE and TMS, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming platforms or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming platforms and connections linking the telecommunication lines/webcast/web-streaming platforms to the General Meeting.
- (d) Participants will be able to vote during the General Meeting through an electronic participation platform.
- (e) Such Participants, should they wish to have their vote(s) counted at the General Meeting, must act in accordance with the requirements set out in this 'Action Required by Grindrod Shareholders' section.
- (f) Once the Participant has received the link to the General Meeting, the onus to safeguard this information remains with the Participant.
- (g) The Participant's application to participate in and/or vote electronically will only be deemed successful if the *green* Electronic Participation Application Form attached has been duly completed and signed by the Participant and submitted in accordance with the instructions contained in this Circular.

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## SALIENT DATES AND TIMES

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The definitions and interpretations commencing on page 5 of this Circular apply *mutatis mutandis* throughout this Circular, including this 'Salient Dates and Times' section.

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**2022**

Record date in order to determine which Grindrod Shareholders are eligible to receive the Circular and Notice of General Meeting	Friday, 15 July
Circular and Notice of General Meeting posted to Grindrod Shareholders and notice convening the General Meeting released on SENS on	Friday, 22 July
Notice convening the General Meeting published in the press on	Monday, 25 July
Last day to trade in order to be eligible to participate in and vote at the General Meeting	Monday, 8 August
Record date in order to be eligible to participate in and vote at the General Meeting	Friday, 12 August
Last day to lodge Forms of Proxy and/or Electronic Participation Application Forms and/or letters of representation for the General Meeting with the Transfer Secretaries and/or TMS (as the case may be), for administrative purposes, by 10:00 on (see Note 3 below)	Friday, 19 August
General Meeting held entirely electronically at 10:00 on	Tuesday, 23 August
Results of the General Meeting released on SENS on	Tuesday, 23 August

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**Notes:**

1. All dates and times in this Circular are local dates and times in South Africa and are subject to change. Any changes will be announced through SENS.
2. Grindrod Shareholders are referred to page 2 of this Circular for information on the action required to be taken by them.
3. A Shareholder or its CSDP or Broker may submit a Form of Proxy and/or an Electronic Participation Application Form and/or letter of representation to the Transfer Secretaries and/or TMS (as the case may be), at any time before the commencement of the General Meeting before the appointed proxy exercises any of the relevant shareholder rights at the General Meeting.
4. If the General Meeting is adjourned or postponed, Forms of Proxy and Electronic Participation Application Forms submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.
5. This Circular is available in English only and copies thereof may be obtained at the Company's Registered Office between 09:00 and 17:00 or from the Company Secretary by emailing [Vicky.Commaile@grindrod.com](mailto:Vicky.Commaile@grindrod.com) or from the Transaction Sponsor, by emailing [sponsorteam@rmb.co.za](mailto:sponsorteam@rmb.co.za) between Friday, 22 July 2022 and Tuesday, 23 August 2022, both days inclusive. The Circular will also be available on Grindrod's website (<https://www.grindrod.com/investor-proposition/shareholder-documents#circulards-and-notices>) from Friday, 22 July 2022.

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column have the meanings stated opposite them in the second column, as follows:

“ <b>ABH</b> ”	African Bank Holdings Limited, (registration number 2014/176855/06) a public company duly incorporated and registered in accordance with the laws of South Africa and registered as a Bank Controlling Company in accordance with the Banks Act;
“ <b>Act</b> ” or “ <b>Companies Act</b> ”	the Companies Act, 71 of 2008, as amended;
“ <b>African Bank</b> ”	African Bank Limited, (registration number 2014/176899/06) a public company duly incorporated and registered in accordance with the laws of South Africa and a registered Financial Services (FSP 6317) and Credit Provider (NCRCP25), regulated by the South African Reserve Bank and Financial Services Conduct Authority. African Bank is a wholly-owned subsidiary of ABH;
“ <b>Banks Act</b> ”	the Banks Act (previously known as Deposit-taking Institutions Act) 94 of 1990, as amended;
“ <b>Bank Controlling Company</b> ”	a public company registered in terms of the Banks Act as a controlling company in respect of a deposit-taking institution;
“ <b>Beneficial Owner</b> ”	“a shareholder on whose behalf any Certificated Share is held by a nominee or on whose behalf a Dematerialised Share (not held with Own Name Registration) is held by a CSDP or Broker, or a nominee of a CSDP or Broker, in accordance with a Custody Agreement;
“ <b>Board</b> ” or “ <b>Directors</b> ”	the directors of Grindrod, appointed as such from time to time, the directors of Grindrod as at the date of this Circular being those persons whose names are set out on page 10 of this Circular;
“ <b>Broker</b> ”	any person registered as a “broking member (equities)” in accordance with the provisions of the Financial Markets Act;
“ <b>Business Day</b> ”	any day other than a Saturday, Sunday or an official public holiday in South Africa;
“ <b>Cash Consideration</b> ”	the aggregate cash consideration payable to Grindrod pursuant to the Proposed Disposal in the sum of R1.5 billion less the Permitted Ordinary Dividend, (it being recorded that, on the basis that the dividends referred to in the definition of “ <i>Permitted Ordinary Dividend</i> ” are paid prior to the Closing Date, the Cash Consideration will be R1 463 609 000);
“ <b>Category 1 disposal</b> ”	a disposal in respect of which the consideration receivable constitutes 30% or more of the market capitalisation of a company listed on the JSE, as defined in terms of the Listings Requirements;
“ <b>Certificated Shareholders</b> ”	Grindrod Shareholders who hold Certificated Shares;
“ <b>Certificated Shares</b> ”	Grindrod Shares that have not been Dematerialised and are represented by share certificates or other physical Documents of Title;
“ <b>Circular</b> ”	this bound document to Grindrod Shareholders, dated Friday, 22 July 2022, including the annexures hereto, the Notice of the General Meeting and, where applicable, the Form of Proxy ( <i>blue</i> ) in respect of the General Meeting and the Electronic Participation Application Form;
“ <b>Closing Date</b> ”	the first Business Day of the month after the month in which the last of the Conditions Precedent is duly fulfilled or, if permitted, waived;
“ <b>Company Secretary</b> ”	Vicky Commaille, appointed as company secretary of Grindrod;

<b>“Competition Authorities”</b>	collectively or, if the context is appropriate, any one of the following: the competition commission, competition tribunal and competition appeal court, as established by the Competition Act, 89 of 1998;
<b>“Conditions Precedent”</b>	the conditions precedent to the Proposed Disposal, which remain unfulfilled as at the Last Practicable Date, set out in paragraph 5.3 of this Circular;
<b>“CSDP”</b>	Central Securities Depository Participant, being a “participant” as defined in section 1 of the Financial Markets Act;
<b>“Custody Agreement”</b>	a custody mandate agreement between a Dematerialised Shareholder and a Broker or Participant, regulating their relationship in respect of Dematerialised Shares held on Grindrod’s uncertificated securities register administered by a Broker or Participant on behalf of such Dematerialised Shareholder;
<b>“Dematerialise” or “Dematerialisation”</b>	the process by which securities held by Certificated Shareholders are converted or held in an electronic form as uncertificated securities and recorded in a sub-register of security holders maintained by a CSDP or Broker;
<b>“Dematerialised Shareholders”</b>	Grindrod Shareholders who hold Dematerialised Shares;
<b>“Dematerialised Shares”</b>	Grindrod Shares that have been Dematerialised or have been issued in Dematerialised form;
<b>“DMTN”</b>	domestic medium term note programme of R1 billion listed on the JSE where Grindrod Bank may from time to time issue notes;
<b>“Documents of Title”</b>	share certificates, certified transfer deeds, balance receipts and any other documents of title to shares acceptable to the Board;
<b>“Electronic Participation Application Form”</b>	the <i>green</i> form for use by Grindrod Shareholders or their proxies who wish to participate in and vote at the General Meeting via electronic communication, as attached to and forming part of this Circular;
<b>“Financial Markets Act”</b>	the Financial Markets Act 19 of 2012, as amended;
<b>“First Addendum to Sale of Shares Agreement”</b>	the first addendum to the Sale of Shares Agreement, concluded on 23 June 2022, between Grindrod, African Bank and GFH, to amend the Sale of Shares Agreement;
<b>“Floating Rate Notes”</b>	floating rate notes are bonds that bear a variable rate vs a fixed rate note;
<b>“Form of Proxy”</b>	the <i>blue</i> form of proxy for use by Certificated Shareholders and Dematerialised Shareholders with Own Name Registration, as attached to and forming part of this Circular;
<b>“GBL05”</b>	a R250 million senior unsecured Floating Rate Note issued on 7 November 2019 with a coupon of 3-month JIBAR plus a margin of 225 bps that matures on 7 November 2022;
<b>“GBL06”</b>	a R400 million senior unsecured Floating Rate Note issued on the 21 June 2021 with a coupon of 3-month JIBAR plus a margin of 250 bps that matures on 21 June 2024;
<b>“General Meeting”</b>	the meeting of Grindrod Shareholders to be held electronically at 10:00 on Tuesday, 23 August 2022, or any other adjourned or postponed date and time entirely, on an interactive electronic platform and convened in connection with the Proposed Disposal for the purposes of considering and, if deemed fit, approving, with or without modification, the requisite ordinary resolutions as contained in the Notice of General Meeting attached to and forming part of this Circular;
<b>“GFH Ordinary Shares”</b>	the issued ordinary shares in GFH, which as at the date of this Circular are all held by Grindrod;
<b>“Grindrod” or “the Company”</b>	Grindrod Limited (registration number 1966/009846/06), a public company duly incorporated and registered in accordance with the laws of South Africa, the shares of which are listed on the Main Board of the JSE in the industrials sector of the list;



<b>“Grindrod Bank”</b>	Grindrod Bank Limited (registration number 1994/007994/06) a limited liability, public company duly incorporated and registered in accordance with the laws of South Africa and a registered Financial Services (FSP 6317) and Credit Provider (NCRCP25), regulated by the South African Reserve Bank and Financial Services Conduct Authority and a 100% owned subsidiary of GFH;
<b>“Grindrod Bank Preference Shares”</b>	the issued preference shares in Grindrod Bank, which as at the date of this Circular are all held by Grindrod;
<b>“Grindrod Financial Holdings” or “GFH”</b>	Grindrod Financial Holdings Limited (registration number 2005/019793/06) a limited liability, public company duly incorporated and registered in accordance with the laws of South Africa and a 100% owned subsidiary of Grindrod;
<b>“Grindrod Ordinary Shareholders” or “Ordinary Shareholders”</b>	holders of Grindrod Ordinary Shares;
<b>“Grindrod Ordinary Shares” or “Ordinary Shares”</b>	ordinary shares of 0.002 cents each in the Company;
<b>“Grindrod Preference Dividend”</b>	the preference dividend payable per Grindrod Preference Share in respect of each Preference Dividend Period;
<b>“Grindrod Preference Dividend Dates”</b>	31 December and 30 June of each year;
<b>“Grindrod Preference Dividend Period”</b>	the period between two consecutive Grindrod Preference Dividend Dates, inclusive of the later date;
<b>“Grindrod Preference Share Terms”</b>	the terms applicable to the Grindrod Preference Shares as set out in Annexure A to the Grindrod memorandum of incorporation;
<b>“Grindrod Preference Shareholders”</b>	holders of Grindrod Preference Shares;
<b>“Grindrod Preference Shares”</b>	the issued cumulative, non-redeemable, non-participating, non-convertible preference shares with a par value of 0.031 cents each in the share capital of Grindrod;
<b>“Grindrod Shareholders” or “Shareholders”</b>	collectively or individually as the context indicates, Grindrod Ordinary Shareholders and Grindrod Preference Shareholders;
<b>“Grindrod Shares” or “Shares”</b>	collectively, Grindrod Ordinary Shares and Grindrod Preference Shares;
<b>“Group” or “Grindrod Group”</b>	Grindrod and its subsidiaries;
<b>“IFRS”</b>	International Financial Reporting Standards, as issued by the International Accounting Standards Board;
<b>“Independent Auditor” or “Reporting Accountant” or “Deloitte &amp; Touche” or “Deloitte”</b>	Deloitte & Touche (practice number 902276), a partnership duly incorporated and registered in accordance with the laws of South Africa and the Independent Auditor and Reporting Accountant to the Company;
<b>“ISDA”</b>	the International Swaps and Derivatives Association;
<b>“JIBAR”</b>	the Johannesburg Interbank Average Rate;
<b>“JSE”</b>	the exchange operated by JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated in accordance with the laws of South Africa and listed on the Main Board of the JSE, licensed as an exchange under the Financial Markets Act;
<b>“Last Practicable Date”</b>	Friday, 15 July 2022, being the last practicable date prior to the finalisation of this Circular;
<b>“Listings Requirements”</b>	the Listings Requirements of the JSE, as amended from time to time;
<b>“Minister of Finance”</b>	the Minister of Finance of the Government of South Africa, and includes any person to whom the Minister of Finance has delegated powers and functions;

<b>“National Credit Regulator”</b> or <b>“NCR”</b>	means the authority established in terms of section 12 of the National Credit Act, 2005;
<b>“Notice of General Meeting”</b>	the notice of the General Meeting attached to and forming part of this Circular;
<b>“Own Name Registration”</b>	the status of Dematerialised Shareholders who have instructed their CSDP to hold their Dematerialised Shares in their own name on the sub-register (the list of Grindrod Shareholders maintained by the CSDP and forming part of the Register);
<b>“Participant”</b>	Grindrod Shareholders or their proxies, guests, non-voting Grindrod Shareholders or panellists who wish to participate in and/or vote at the General Meeting via electronic communication;
<b>“Permitted Ordinary Dividend”</b>	an ordinary share dividend in respect of the 2021 financial year by Grindrod Bank to GFH representing a 3 (three) times dividend cover ratio, and a corresponding ordinary share dividend by GFH to the Company (to the extent declared and paid prior to the Closing Date), it being recorded that dividends were declared in that regard on 24 May 2022 in the amount of R36 391 000 and are expected to be paid on or about 1 August 2022;
<b>“Press”</b>	the Business Day newspaper;
<b>“Prime Rate”</b>	the prime rate of interest as publicly quoted from time to time by The Standard Bank of South Africa Limited, as evidenced by a certificate issued by any manager or assistant manager of The Standard Bank of South Africa Limited (whose appointment and authority it shall not be necessary to prove), calculated daily and compounded monthly in arrears;
<b>“Proposed Disposal”</b>	the proposed disposal by Grindrod of all of the GFH Ordinary Shares and all of the Grindrod Bank Preference Shares, to African Bank, for the Cash Consideration and with effect from the Closing Date;
<b>“Prudential Authority”</b>	the authority established in terms of section 32 of the Financial Sector Regulation Act, 9 of 2017;
<b>“Rand”</b> or <b>“R”</b>	South African rand, the official currency of South Africa;
<b>“Register”</b>	Grindrod’s securities register maintained by the Transfer Secretaries in accordance with section 50(1) and section 50(3) of the Companies Act, including Grindrod’s Dematerialised sub-registers maintained by the CSDPs;
<b>“RMB”</b>	Rand Merchant Bank (a division of FirstRand Bank Limited) (registration number 1929/001225/06), a public company duly incorporated and registered in accordance with the laws of South Africa and the financial advisor and Transaction Sponsor to the Company;
<b>“SAICA”</b>	the South African Institute of Chartered Accountants;
<b>“Sale of Shares Agreement”</b>	the sale of shares agreement concluded on 26 May 2022, as amended by the First Addendum to the Sale of Shares Agreement and the Second Addendum to the Sale of Shares Agreement, between Grindrod, African Bank and GFH in relation to the Proposed Disposal, the salient terms of which are set out in paragraph 5 of this Circular;
<b>“Second Addendum to Sale of Shares Agreement”</b>	the second addendum to the Sale of Shares Agreement, concluded on 13 July 2022, between Grindrod, African Bank and GFH to amend the Sale of Shares Agreement;
<b>“SENS”</b>	the Stock Exchange News Service of the JSE;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“Strate”</b>	Strate Proprietary Limited (registration number 1998/022242/07), a private company duly incorporated and registered in accordance with the laws of South Africa and a registered central securities depository responsible for the electronic clearing and settlement of trades on the JSE, in terms of the Financial Markets Act;
<b>“Takeover Regulations”</b>	the regulations set out in Chapter 5 of the Companies Regulations, 2011;

<b>“TMS”</b>	The Meeting Specialist Proprietary Limited (registration number 2017/287419/07), a private company duly incorporated and registered in accordance with the laws of South Africa and the appointed scrutineers for the General Meeting;
<b>“Transfer Secretaries” or “JSE Investor Services”</b>	JSE Investor Services Proprietary Limited (registration number 2000/007239/07), a private company duly incorporated and registered in accordance with the laws of South Africa and the transfer secretaries to the Company;
<b>“TRP”</b>	the Takeover Regulation Panel established in terms of section 196 of the Companies Act;
<b>“VAT”</b>	value-added tax, levied in terms of the provisions of the Value-Added Tax Act 89 of 1991, as amended; and
<b>“Voting Record Date”</b>	the date on which Grindrod Shareholders must be recorded in the register in order to participate in and vote at the General Meeting, being Friday, 12 August 2022.



**GRINDROD LIMITED**

(Incorporated in the Republic of South Africa)

(Registration Number: 1966/009846/06)

Ordinary share code: GND and ISIN: ZAE000072328

Preference share code: GNPD and ISIN: ZAE000071106

("Grindrod" or "the Company")

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**Directors**

**Executive directors**

Andrew Geard Waller (*Chief Executive Officer, Grindrod Limited*)

Fathima Bibi Ally (*Chief Financial Officer, Grindrod Limited*)

Xolani Frederick Mbambo (*Chief Executive Officer, Grindrod Freight Services*)

David Andrew Polkinghorne (*Chief Executive Officer, Grindrod Bank Limited*)

**Non-executive directors**

Cheryl Ann Carolus (*Chair of the Board*)

Grant Glenn Gelink (*Independent Director*)

Walter James Grindrod (*Director*)

Bennetor Magara (*Independent Director*)

Deepak Malik (*Independent Director*)

Zimkhitha Phaphama Zatu Moloi (*Independent Director*)

Nkululeko Leonard Sowazi (*Lead Independent Director*)

Petrus Johannes Uys (*Director*)

Willem Ockert van Wyk (*Alternate Director*)

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**SECTION ONE – OVERVIEW OF THE PROPOSED DISPOSAL**

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**1. INTRODUCTION AND BACKGROUND**

As announced on SENS, on 26 May 2022, Grindrod has entered into the Sale of Shares Agreement with African Bank and GFH in terms of which Grindrod will sell all of the GFH Ordinary Shares and all of the Grindrod Bank Preference Shares, to African Bank for the Cash Consideration (collectively constituting the Proposed Disposal).

The Proposed Disposal is subject to certain Conditions Precedent (which are set out in paragraph 5.3).

African Bank is registered as a bank in terms of the Banks Act. African Bank is a wholly-owned subsidiary of ABH. ABH's shareholders are the South African Reserve Bank (50%), the Government Employees Pension Fund (25%) and a consortium of South African banks (25%), including FirstRand Bank Limited, The Standard Bank of South Africa Limited, Absa Trading and Investment Solutions Limited, Nedbank Limited, Investec Bank Limited and Capitec Bank Limited.

**2. PURPOSE OF THIS CIRCULAR**

2.1 The Proposed Disposal constitutes a Category 1 disposal in terms of section 9.5(b) and 9.20(a) of the Listings Requirements, requiring the approval of Grindrod Shareholders in a general meeting, by way of an ordinary resolution.

2.2 The purpose of this Circular is to:

2.2.1 provide Grindrod Shareholders with information relating to the terms and conditions of the Proposed Disposal; and

2.2.2 give notice convening the General Meeting at which Grindrod Shareholders will be requested to consider and, if deemed fit, approve, with or without modification, the requisite ordinary resolutions contained in the Notice of General Meeting, being necessary to approve and implement the Proposed Disposal.

### 3. RATIONALE AND PROSPECTS

- 3.1 The Proposed Disposal is in line with Grindrod's stated strategic intent to separate its freight services and banking businesses. Following conclusion of the Proposed Disposal, Grindrod will focus on its growth strategy within the freight services business.
- 3.2 African Bank is currently mainly a consumer-focused bank. African Bank's strategy is to build a sustainable diversified offering across the consumer and business banking segments. Grindrod Bank will provide an entry into the business banking market which will be grown off African Bank's larger balance sheet and additional allocation of capital.
- 3.3 Grindrod believes that African Bank, with its corporate strategy of building a scalable and sustainable diversified offering across the consumer and business banking segments, is the appropriate shareholder to support Grindrod Bank, its employees and clients in fulfilling its growth strategy.
- 3.4 Grindrod Bank has a stated strategy to also expand its business banking and SME market penetration which is aligned to that of African Bank.
- 3.5 The additional capital to be provided by the strong African Bank balance sheet will unlock the growth potential in Grindrod Bank's people skills and liquid balance sheet.
- 3.6 The Grindrod Board will consider the use of the after tax cash proceeds with specific reference to the restructuring of the group balance sheet and the expansion projects being undertaken in the freight services business.

### 4. DESCRIPTION OF GFH

- 4.1 GFH is an investment holding company that has an investment in the entire issued ordinary share capital of Grindrod Bank as well as in the entire issued ordinary share capital of GFH Investments Proprietary Limited, which is a dormant entity. Grindrod Bank is an investment bank established in 1995, which specialises in managing cash deposits, corporate and investment banking and platform banking services. Grindrod Bank is a niche financier in the South African property market known for its specialised expertise in commercial and industrial property finance. Grindrod Bank provides bespoke financial services to private, corporate and institutional clients.
- 4.2 The net asset value attributable to GFH as at 31 December 2021 was R1 672 million. The net profit after taxation for the year ended 31 December 2021 attributable to GFH was R109.4 million as per the annual financial statements of GFH prepared in accordance with IFRS.
- 4.3 GFH was incorporated in South Africa on 9 June 2005. The GFH registered offices are at 5 Arundel Close, Kingsmead Office Park, Durban, 4001, South Africa.

### 5. SALIENT TERMS OF THE PROPOSED DISPOSAL

#### 5.1 Closing Date

The Closing Date of the Proposed Disposal will be the first business day of the month after the month in which the last of the Conditions Precedent are fulfilled or waived, where capable of being waived. The longstop date for the last of the Conditions Precedent is 30 June 2023 (or such later date as the parties to the Sale of Shares Agreement may agree in writing).

#### 5.2 Proposed Disposal consideration

5.2.1 The Cash Consideration is to be allocated as follows:

5.2.1.1 R285 million to the Grindrod Bank Preference Shares; and

5.2.1.2 the balance to the GFH Ordinary Shares (it being recorded that, on the basis that the dividends referred to in the definition of "Permitted Ordinary Dividend" are paid prior to the Closing Date, such balance will be R1 178 609 000).

The balance of the Cash Consideration referred to in paragraph 5.2.1.2 will bear interest at the Prime Rate, from 1 January 2022 until the date of full payment.

5.2.2 Following the Proposed Disposal, Grindrod's freight services business will remain focused on growth and delivering efficient and cost-effective logistics solutions to its existing and new customers.

### 5.3 **Conditions Precedent**

The Proposed Disposal is subject to the fulfilment or waiver, where capable of waiver, of the following Conditions Precedent, summarised below, in each case by no later than 30 June 2023 (unless specified otherwise below):

- 5.3.1 by no later than 60 Business Days from the signature date of the Sale of Shares Agreement, African Bank has made a line of credit available to Grindrod Bank in the amount of R500 million, on arm's length terms acceptable to Grindrod in writing;
- 5.3.2 the approval of the Proposed Disposal by ordinary resolution of Grindrod Shareholders in General Meeting as required for a Category 1 disposal in terms of the Listings Requirements;
- 5.3.3 the approval of the Proposed Disposal by and / or notification of the Proposed Disposal to (in each case to the extent applicable) the Prudential Authority, the National Credit Regulator, the Competition Authorities and the Minister of Finance; and
- 5.3.4 confirmation that consent has been obtained from counterparties to specified contracts where change of control provisions are in place.

### 5.4 **Warranties and indemnities**

In terms of the Sale of Shares Agreement Grindrod gives African Bank:

- 5.4.1 a specific indemnity, up to a maximum aggregate amount of R300 million, with reference to certain loans that Grindrod Bank has advanced to the owners of properties on the KwaZulu-Natal north coast; and
- 5.4.2 warranties considered standard for a transaction of the nature up to a maximum aggregate amount of R100 million.

### 5.5 **Voting rights**

All of the 698 031 586 issued Ordinary Shares rank *pari passu* with each other and carry voting rights.

In accordance with the Grindrod Preference Share Terms, the Grindrod Preference Shareholders will have voting rights on the Proposed Disposal in proportion to the nominal value of their Grindrod Preference Shares, as against the aggregate nominal value of all the Shares in Grindrod, which currently equates to the Grindrod Preference Shareholders in aggregate being entitled to exercise 14.6% of the total voting rights in Grindrod. It is, however, further provided that the total votes exercisable by Grindrod Preference Shareholders at a general meeting shall not exceed 25% less one vote, of the votes exercisable by all Shareholders present or represented by proxy at such General Meeting. If the aggregate votes exercisable by Grindrod Preference Shareholders would otherwise exceed that limit, each Grindrod Preference Shareholder shall be entitled to the aforesaid proportional voting rights in respect of one-quarter only of his Grindrod Preference Shares and, in respect of the other three-quarters, such lower proportion as will result in the total voting rights exercisable by all Grindrod Preference Shareholders at such General Meeting not exceeding such limit. (Refer to paragraphs 11 and 12 of this Circular on Grindrod Preference Shares and Grindrod Preference Shareholders for additional detail on the Preference Share Terms).

Every Shareholder present or represented by proxy at the General Meeting shall be entitled to vote on a poll, and such person's voting rights will be determined separately in respect of the Ordinary Shares and/or Grindrod Preference Shares held by that Shareholder in accordance with the voting rights attaching to each class of share.

**6. OPINION AND RECOMMENDATION**

- 6.1 The Board is of the opinion that the Proposed Disposal is in line with the strategic priority of separating Grindrod's freight services and banking businesses to focus on its growth strategy within the freight services business and should be supported and recommends that Grindrod Shareholders vote in favour of the resolutions necessary to approve and implement the Proposed Disposal.
- 6.2 Those Directors that hold a beneficial interest in Grindrod Shares intend to vote their Grindrod Shares in favour of the resolutions necessary to approve and implement the Proposed Disposal.

**7. THE GENERAL MEETING**

- 7.1 A General Meeting of Grindrod Shareholders will be held entirely electronically at 10:00 on Tuesday, 23 August 2022, for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions required to be approved by Shareholders in order to approve and implement the Proposed Disposal. The Notice of General Meeting is attached to and forms part of this Circular.
- 7.2 Details of the action required by Grindrod Shareholders in relation to the General Meeting are set out on page 2 of this Circular.

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## SECTION TWO – FINANCIAL INFORMATION

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### 8. **PRO FORMA FINANCIAL INFORMATION**

The *pro forma* financial statements have been included as Annexure 1 to this Circular and have been prepared for illustrative purposes only to provide information about how the Proposed Disposal may have affected the financial position and results of Grindrod assuming that the Proposed Disposal had been implemented on 31 December 2021, for purposes of the statement of financial position, net assets per share and tangible net assets per share, and implemented on 1 January 2021, for purposes of the statement of comprehensive income, earnings per share and headline earnings per share.

The *pro forma* financial effects and the *pro forma* financial statements of Grindrod set out in Annexure 1 of this Circular, including the assumptions on which they are based and the financial information from which they have been prepared, are the responsibility of the Board.

The *pro forma* financial effects and the *pro forma* financial statements have been prepared in compliance with IFRS, the SAICA guide on *pro forma* financial information and in accordance with Grindrod's accounting policies, which are consistent with those accounting policies adopted in preparing Grindrod's annual financial statements.

Due to their nature, they may not fairly represent Grindrod's financial position, changes in equity, results of operations or cash flows after the Proposed Disposal.

The Reporting Accountants' assurance report on the *pro forma* financial effects and the *pro forma* financial statements is set out in Annexure 2 of this Circular.



## SECTION THREE – ADDITIONAL SALIENT INFORMATION

### 9. DIRECTORS' INTERESTS

#### 9.1 Directors' interest in Grindrod Ordinary Shares and Grindrod Preference Shares

9.1.1 As at the Last Practicable Date, the direct and indirect beneficial interests of the Directors and their associates, including a Director who has resigned and/or retired in the last 18 months, in the Ordinary Shares of Grindrod, are set out in the table below:

<b>Grindrod Ordinary Shares</b>	<b>Direct beneficial</b>	<b>Indirect beneficial</b>	<b>Total Shares held</b>	<b>Share-holding (%)</b>
Fathima Bibi Ally	300 000	–	300 000	0.042
Walter James Grindrod	–	21 610	21 610	0.003
Michael John Hankinson*	27 000	8 000	35 000	0.005
Xolani Frederick Mbambo	759 685	–	759 685	0.108
David Andrew Polkinghorne	394 076	–	394 076	0.056
Andrew Geard Waller	1 488 991	–	1 488 991	0.213
<b>Total</b>	<b>2 969 752</b>	<b>29 610</b>	<b>2 999 362</b>	<b>0.429</b>

\* Retired 03 June 2022

9.1.2 There were no changes to the interests of Directors and their associates, including any Director who has resigned in the last 18 months, in the Shares between 31 December 2021, being the end of the preceding financial year, and the Last Practicable Date, save in the case of an on-market disposal of 331 883 Ordinary Shares by XF Mbambo, as announced on SENS on 6 May 2022. On 26 June 2022, XF Mbambo had 120 685 Ordinary shares vested in terms of the forfeitable share scheme, which was disposed on 27 June 2022.

9.1.3 As at the Last Practicable Date, the direct and indirect beneficial interests of the Directors and their associates, including a Director who has resigned in the last 18 months, in the Grindrod Preference Shares of Grindrod, are set out in the table below:

<b>Grindrod Preference Shares</b>	<b>Direct beneficial</b>	<b>Indirect beneficial</b>	<b>Total Shares held</b>	<b>Share-holding (%)</b>
Petrus Johannes Uys	1 609	–	1 609	0.02
<b>Total</b>	<b>1 609</b>	<b>–</b>	<b>1 609</b>	<b>0.02</b>

#### 9.2 Directors' interests in transactions

Other than the disclosure included in the section 10 below, none of the Directors of Grindrod or the Group, including any Director who has resigned in the last 18 months, has any material beneficial interest, whether direct or indirect, in the Proposed Disposal or in transactions that were affected by the Company during the current or immediately preceding financial year, or during an earlier financial year, and remain in any respect outstanding or unperformed.

### 10. DIRECTORS' EMOLUMENTS AND SERVICE CONTRACTS

The Proposed Disposal does not result in any changes to the remuneration and benefits payable to the Directors, other than in the case of Andrew Waller who will receive an incentive of R10.5 million relating to the Proposed Disposal, payable by Grindrod.

#### 10.1 Retention payment

Grindrod Bank has entered into an agreement with David Polkinghorne, on 1 June 2022, to retain his skills for a period of 12 months following the Closing Date resulting in a payment of R6.5 million by Grindrod Bank.

## 10.2 Treatment of unvested awards held under the Grindrod share plans

### Ordinary Share price linked option scheme

The share price linked options are linked to the Ordinary Share price and are cash settled and therefore not classified as equity-settled in terms of the Listings Requirements. The options relating to David Polkinghorne will be valued at the Last Practicable Date and will be cash settled. Based on the valuation determined at the 31 December 2021, an amount of R0.4 million in aggregate would be payable to him by Grindrod Bank.

- 10.3 The service contracts of the Directors contain terms and conditions that are standard for agreements of that nature as well as pay-out provisions for termination without proper cause. No service contract has been entered into with a Director or amended during the six-months preceding the Last Practicable Date.

## 11. MAJOR SHAREHOLDERS

### 11.1 Grindrod Ordinary Shares

Set out below are the names of Grindrod Ordinary Shareholders, other than Directors, that were, directly or indirectly, beneficially interested in 5% or more of the issued Grindrod Ordinary Shares as at the Last Practicable Date.

<b>Grindrod Ordinary Shareholder</b>	<b>Number of Grindrod Ordinary Shares</b>	<b>%</b>
Industrial Partnership Investments (Pty) Ltd	173 183 235	24.81
Grindrod Investments (Pty) Ltd	76 909 634	11.02
PSG Konsult Ltd	71 848 073	10.29
Government Employees Pension Fund	67 933 013	9.76
<b>Total</b>	<b>389 732 145</b>	<b>55.88</b>

The Company does not have a controlling shareholder, nor has it had a controlling shareholder in the five years preceding the Last Practicable Date. There has been no change in the trading objects of the Company or its major subsidiaries during the five years preceding the Last Practicable Date.

The Proposed Disposal will not result in a change in the major shareholders of the Company set out in paragraph 11.1 above.

### 11.2 Grindrod Preference Shares

Set out below are the names of Grindrod Preference Shareholders, other than Directors, that were, directly or indirectly, beneficially interested in 5% or more of the issued Grindrod Preference Shares as at the Last Practicable Date.

<b>Grindrod Preference Shareholder</b>	<b>Number of Grindrod Preference Shares</b>	<b>%</b>
36ONE Asset Management (Pty) Ltd	528 485	7.14
36ONE Asset Management (Pty) Ltd (on behalf of clients)	154 952	2.09
<b>Total</b>	<b>683 437</b>	<b>9.23</b>

## 12. GRINDROD PREFERENCE SHARES AND GRINDROD PREFERENCE SHAREHOLDERS

Each Grindrod Preference Share confers upon the relevant Grindrod Preference Shareholder the right to receive out of the profits of Grindrod which it determines to distribute, the Grindrod Preference Dividends, in priority to any payment of dividends or other distributions to the Ordinary Shareholders.

The Grindrod Preference Dividend payable per Grindrod Preference Share in respect of each Grindrod Preference Dividend Period shall be calculated in accordance with the methodology set out in the Grindrod Preference Share Terms.

### 13. IRREVOCABLE UNDERTAKINGS

13.1 As at the Last Practicable Date, the following Grindrod Ordinary Shareholders have provided irrevocable undertakings to vote the recorded number of Grindrod Shares, which are either held as principle or on behalf of clients including such additional number of Shares as they may hold at the time of the General Meeting, in favour of the ordinary resolutions required to be approved by Ordinary Shareholders in order to approve and implement the Proposed Disposal.

<b>Grindrod Ordinary Shareholder</b>	<b>Number of Grindrod Ordinary Shares</b>	<b>%</b>
Industrial Partnership Investments (Pty) Ltd	173 183 235	24.81
Grindrod Investments (Pty) Ltd	76 909 634	11.02
PSG Konsult Ltd	71 618 073	10.26
<b>Total</b>	<b>321 870 942</b>	<b>46.09</b>

13.2 The irrevocable undertakings from Grindrod Ordinary Shareholders represents 46.09% of all Ordinary Shares eligible to vote on the Proposed Disposal.

13.3 Copies of the irrevocable undertakings are available for inspection in accordance with paragraph 24.

### 14. MATERIAL CONTRACTS

Other than the Sale of Shares Agreement, the First Addendum to Sale of Shares Agreement and the Second Addendum to Sale of Shares Agreement, the terms of which are disclosed in paragraph 5 of this Circular, there are no material contracts entered by Grindrod, GFH or Grindrod Bank, being:

- contracts entered into otherwise than in the ordinary course of business, either within the two years prior to the Last Practicable Date or at any other time and containing an obligation or settlement that is or may be material to Grindrod, GFH or Grindrod Bank at the Last Practicable Date; and
- contracts that are otherwise considered material to Grindrod, GFH or Grindrod Bank.

### 15. MATERIAL LOAN AGREEMENTS

15.1 The Proposed Disposal will have no impact on the material loans of Grindrod;

15.2 The Proposed Disposal will have no impact on the material loans of GFH or Grindrod Bank.

15.3 The salient terms of the material loan of Grindrod Bank, the DMTN programme, are detailed below:

#### 15.3.1 Grindrod Bank JSE-listed DMTN programme

Grindrod Bank currently has two senior unsecured floating rate notes in issue in terms of its R1 billion JSE-listed DMTN programme. GBL05 (R250 million with a coupon of 3-month JIBAR plus 225 bps) matures on 7 November 2022 and GBL06 (R400 million with a coupon of 3-month JIBAR + 250 bps) matures on 21 June 2024. The transaction will not have an impact on the DMTN programme or the notes currently in issue in terms thereof.

### 16. STATEMENT AS TO WORKING CAPITAL

16.1 Having made due and careful enquiry as to the working capital requirements of the Company and the Group for the 12 months following the date of issue of this Circular, and having considered the effects of the Proposed Disposal, the Board is of the opinion that the working capital available to the Company and the Group are sufficient for the Group's present requirements, that is, for at least the next 12 months from the date of issue of this Circular.

### 17. MATERIAL CHANGES

17.1 Save for the Proposed Disposal, there has been no material change in the financial or trading position of GFH, Grindrod Bank or the Grindrod Group since the year ended 31 December 2021, being the last financial period in respect of which Grindrod has published its audited year-end financial report prior to the Last Practicable Date.

## 18. LITIGATION STATEMENT

18.1 There are no legal or arbitration proceedings, including any proceedings that are pending or threatened, of which Grindrod, GFH and Grindrod Bank are aware, that may have or have had, in the 12-month period prior to the Last Practicable Date, a material effect on the financial positions of GFH, Grindrod Bank or the Grindrod Group.

## 19. DIRECTORS' RESPONSIBILITY STATEMENT

19.1 The Directors, whose names are given on page 10 of this Circular, collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that this Circular contains all information required by the Listings Requirements.

## 20. CONSENTS

20.1 The advisors whose details appear in the 'Corporate Information and Advisors' section of this Circular, have each consented in writing to act in the capacities stated and to their names appearing in this Circular, which consent has not been withdrawn prior to the issue of this Circular.

20.2 In addition, Deloitte has consented to the inclusion of its reports in the Circular in the form and context in which they appear, which consent has not been withdrawn prior to the issue of this Circular. Deloitte has confirmed that nothing within the Circular has come to their attention that contradicts the information contained in its reports.

## 21. PROPOSED DISPOSAL EXPENSES

21.1 There have been no preliminary expenses relating to the Proposed Disposal and incurred by Grindrod in the three years immediately preceding the date of issue of this Circular.

21.2 The estimated total expenses (excluding VAT) incurred, or to be incurred, by the Company in relation to the Proposed Disposal are set out below:

<b>Expense</b>	<b>Recipient</b>	<b>ZAR</b>
Financial Advisor and Transaction Sponsor	RMB (acting under one mandate)	20 000 000
Reporting Accountant	Deloitte	120 000
JSE documentation Inspection fees	JSE	410 087
Printing, publication and distribution	INCE	89 913
Legal Advisor	ENSAfrica	1 017 000
<b>Total</b>		<b>21 637 000</b>

## 22. INFORMATION INCORPORATED BY REFERENCE

The following information is incorporated in this Circular by reference, can be obtained from the Company and will be available for inspection as set out in paragraph 24. The information is accessible as follows:

<b>Description</b>	<b>Website link</b>
Grindrod Annual Financial Statements for the year ended 31 December 2021	<a href="https://grindrod.com/share_holder_documents/document_2441/Grindrod_Limited%202021%20Final%20Results.pdf">https://grindrod.com/share_holder_documents/document_2441/Grindrod_Limited%202021%20Final%20Results.pdf</a>
Grindrod Annual Financial Statements for the year ended 31 December 2020	<a href="https://grindrod.com/dbfiles/Grindrod_Limited%202020%20reviewed%20final%20results.pdf">https://grindrod.com/dbfiles/Grindrod_Limited%202020%20reviewed%20final%20results.pdf</a>
Grindrod Annual Financial Statements for the year ended 31 December 2019	<a href="https://grindrod.com/dbfiles/2019%20Financial%20Results.pdf">https://grindrod.com/dbfiles/2019%20Financial%20Results.pdf</a>
GFH Annual Financial Statements for the year ended 31 December 2021	<a href="https://www.grindrodbank.co.za/DBFile/Files/eabebee0-8978-4543-ae9-fc9a383953b4/Document">https://www.grindrodbank.co.za/DBFile/Files/eabebee0-8978-4543-ae9-fc9a383953b4/Document</a>

<b>Description</b>	<b>Website link</b>
GFH Annual Financial Statements for the year ended 31 December 2020	<a href="https://www.grindrodbank.co.za/DBFile/Files/5a5679a5-4f89-46cf-9be5-23273f44873c/Document">https://www.grindrodbank.co.za/DBFile/Files/5a5679a5-4f89-46cf-9be5-23273f44873c/Document</a>
GFH Annual Financial Statements for the year ended 31 December 2019	<a href="https://www.grindrodbank.co.za/DBFile/Files/3863df32-48c6-4e04-a6db-0e15b1a99ca9/Document">https://www.grindrodbank.co.za/DBFile/Files/3863df32-48c6-4e04-a6db-0e15b1a99ca9/Document</a>
Grindrod Bank Annual Financial Statements for the year ended 31 December 2021	<a href="https://www.grindrodbank.co.za/DBFile/Files/5b9d3478-da64-438e-9e86-5da75949d095/Document">https://www.grindrodbank.co.za/DBFile/Files/5b9d3478-da64-438e-9e86-5da75949d095/Document</a>
Grindrod Bank Annual Financial Statements for the year ended 31 December 2020	<a href="https://www.grindrodbank.co.za/DBFile/Files/855dd14e-640f-4312-a576-88a0d31bfdeb/Document">https://www.grindrodbank.co.za/DBFile/Files/855dd14e-640f-4312-a576-88a0d31bfdeb/Document</a>
Grindrod Bank Annual Financial Statements for the year ended 31 December 2019	<a href="https://www.grindrodbank.co.za/DBFile/Files/a8fda021-9006-42c5-ae90-7bddba56b82b/Document">https://www.grindrodbank.co.za/DBFile/Files/a8fda021-9006-42c5-ae90-7bddba56b82b/Document</a>

### 23. TRP EXEMPTION

- 23.1 GFH is a public company and therefore constitutes a “regulated company” as defined in section 117(1)(i) read with in terms of section 118(1)(a) of the Companies Act. The Proposed Disposal then constitutes an “affected transaction” as defined in section 117(1)(c)(v) of the Companies Act. The provisions of Part B and Part C of Chapter 5 of the Companies Act and the Takeover Regulations would therefore apply to the Proposed Disposal.
- 23.2 The TRP has, however, granted an exemption in terms of section 119(6) of the Companies Act to exempt Grindrod, GFH and African Bank from compliance with the applicable provisions of Part B and Part C of Chapter 5 of the Companies Act and the Takeover Regulations.
- 23.3 Grindrod Shareholders should take note that the TRP does not consider the commercial advantages or disadvantages of “affected transactions” when it grants such exemptions.

### 24. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection by Shareholders during normal office hours, from 08h00 to 17h00, from the date of issue of this Circular on Friday, 22 July 2022 up to and including the date of the General Meeting on Tuesday, 23 August 2022, at the registered offices of the Company and at the offices of the Transfer Secretaries and/or through a secure electronic manner at the election of the person requesting inspection from the Company Secretary by emailing Vicky.Commaile@grindrod.com or from the Transaction Sponsor, by emailing sponsorteam@rmb.co.za:

- the published, audited annual financial statements of Grindrod for each of the three years ended 31 December 2019, 31 December 2020 and 31 December 2021;
- the published, audited annual financial statements of GFH for each of the three years ended 31 December 2019, 31 December 2020 and 31 December 2021;
- the published, audited annual financial statements of Grindrod Bank for each of the three years ended 31 December 2019, 31 December 2020 and 31 December 2021;
- summaries of the Directors’ service contracts referred to in paragraph 10 above;
- the signed consent letters referred to in paragraph 20 above;
- a signed copy of this Circular;
- the signed Sale of Shares Agreement;
- the signed First Addendum to Sale of Shares Agreement;
- the signed Second Addendum to Sale of Shares Agreement;
- the signed irrevocable undertakings as set out in paragraph 13 of this Circular;
- exemption application made by Grindrod to the TRP in respect of the Proposed Disposal;
- exemption letter received from the TRP in respect of the Proposed Disposal; and
- the signed Reporting Accountant’s assurance report on the *pro forma* financial information.

### Signed on behalf of the Board

**Cheryl Ann Carolus**

*Chair*

Friday, 22 July 2022

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## **PRO FORMA FINANCIAL INFORMATION**

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The definitions and interpretations commencing on page 5 of the Circular to which this Annexure is attached, apply to this Annexure, unless a word or a term is otherwise defined herein.

### **Basis of preparation**

The *pro forma* Consolidated Financial information of Grindrod Group has been prepared for illustrative purposes only and, because of its nature, may not fairly present the Grindrod Group's financial position, changes in equity, and results of operations or cash flows.

The *pro forma* Consolidated Financial information of the Grindrod Group is based on the audited consolidated final results for Grindrod Group for the year ended 31 December 2021 prior to the Proposed Disposal.

The *pro forma* Consolidated Financial information of the Grindrod Group has been prepared to illustrate the impact of the Proposed Disposal on the historical financial information of the Grindrod Group and will include the following *pro forma* adjustments:

- Disposal of GFH; and
- The Proposed Disposal and other costs.

The *pro forma* Consolidated Financial information of the Grindrod Group has been prepared on the assumption that the sale occurred on 1 January 2021 for the consolidated income statement purposes and 31 December 2021 for the statement of financial position purposes.

The *pro forma* adjustments in respect of the *pro forma* consolidated statement of comprehensive income and *pro forma* consolidated statement of financial position are set out below:

- financial information relating to GFH;
- estimated loss on disposal of GFH is based on the difference between the contractually agreed selling price and Grindrod's carrying value of GFH as at 31 December 2021;
- proceeds on sale of GFH; and
- adjustments relating to other *pro forma* entries.

The *pro forma* Consolidated Financial information of the Grindrod Group has been prepared using the accounting policies of the Grindrod Group as at 31 December 2021 which comply with IFRS prior to the Proposed Disposal, and in accordance with the applicable criteria of the Listings Requirements and in terms of the SAICA Guide on *pro forma* Consolidated Financial information. The *pro forma* consolidated Information of the Grindrod Group is the responsibility of the directors.

	1	2	3	4	5	6	7	8
	Published and audited	Exclude GFH	Grindrod mapping and consolidation adjustments	Loss on Proposed Disposal	Proposed Disposal cost	Interest	Other <i>pro forma</i> entries	Grindrod excl GFH
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>Revenue</b>	3 904 984	(505 684)	18 050					3 417 350
Earnings before interest, taxation, depreciation and amortisation	1 073 778	(193 505)	10 633	-	(21 637)		(11 580)	857 689
Expected credit loss	(12 060)	51 913	(9 303)					30 550
Depreciation and amortisation	(488 109)	15 446	(2 514)	-			-	(475 177)
Operating profit/(loss) before interest and taxation	573 609	(126 146)	(1 184)	-	(21 637)	-	(11 580)	413 062
Non-trading items	(401 134)		(22)	(141 299)			-	(542 455)
Interest received	99 933		(9 291)	-			-	90 642
Interest paid	(226 432)		638	-		(15 973)	-	(241 767)
Profit/(loss) before share of joint venture and associate companies' profit/(loss)	45 976	(126 146)	(9 859)	(141 299)	(21 637)	(15 973)	(11 580)	(280 518)
Share of joint venture companies' profit after taxation	287 719	-		-			-	287 719
Share of associate companies' profit after taxation	19 169	-		-			-	19 169
Profit/(loss) before taxation	352 864	(126 146)	(9 859)	(141 299)	(21 637)	(15 973)	(11 580)	26 370
Taxation	(101 711)	16 972	2 605	-		2 768	302	(79 064)
<b>Profit/(loss) for the year</b>	251 153	(109 174)	(7 254)	(141 299)	(21 637)	(13 205)	(11 278)	(52 694)
Attributable to:								
Ordinary shareholders	175 578	(91 542)	(5 145)	(141 299)	(21 637)	(13 205)	(28 910)	(126 160)
- continuing operations	45 780	(17 632)					17 632	45 780
Preference shareholders	221 358	(109 174)	(5 145)	(141 299)	(21 637)	(13 205)	(11 278)	(80 380)
Owners of the parent	29 795	-	(2 109)	-	-	-	-	27 686
Non-controlling interests	<b>251 153</b>	<b>(109 174)</b>	<b>(7 254)</b>	<b>(141 299)</b>	<b>(21 637)</b>	<b>(13 205)</b>	<b>(11 278)</b>	<b>(52 694)</b>

**Earnings per share information for the year ended 31 December 2021**

	1	2	3	4	5	6	7	8
	Published and audited	Exclude GFH	Grindrod mapping and consolidation adjustments	Loss Proposed Disposal	Proposed Disposal cost	Interest	Other <i>pro forma</i> entries	Grindrod excl GFH
<b>Ordinary share performance</b>								
Number of shares in issue less treasury shares (000s)	666 528							666 528
Weighted average number of shares (basic) (000s)	670 933							670 933
Diluted weighted average number of shares (000s)	670 933							670 933
Basic earnings/(loss) per share: (cents)	26.2	(13.6)	(0.8)	(21.1)	(3.2)	(2.0)	(4.3)	(18.8)
Diluted earnings/(loss) per share: (cents)	26.2	(13.6)	(0.8)	(21.1)	(3.2)	(2.0)	(4.3)	(18.8)
Headline earnings per share: (cents)	92.2	(13.6)	(0.8)	-	(3.2)	(2.0)	(4.3)	68.3
Basic	92.2	(13.6)	(0.8)	-	(3.2)	(2.0)	(4.3)	68.3
Diluted								



	1	2	3	4	5	6	7	8
	Published and audited	Exclude GFH	Grindrod mapping and consolidation adjustments	Loss Proposed Disposal	Proposed Disposal cost	Interest	Other pro forma entries	Grindrod excl GFH
<b>Earnings per share information for the year ended 31 December 2021</b>								
<b>Reconciliation of headline earnings/(loss)</b>								
Loss attributable to ordinary shareholders	26.2	(13.6)	(0.8)	(21.1)	(3.2)	(2.0)	(4.3)	(18.8)
Adjusted for:	66.0	-		21.1	-	-	-	87.1
Impairment of goodwill	3.7	-	-	-	-	-	-	3.7
Loss on re-measurement to fair value less costs to sell	35.8	-	-	-	-	-	-	35.8
Impairment of ships, intangibles, vehicles, terminals and equipment	8.6	-	-	-	-	-	-	8.6
Net loss on disposal of investments	20.3	-	-	21.1	-	-	-	41.4
Net loss/(profit) on disposal of plant and equipment	(0.1)	-	-	-	-	-	-	(0.1)
Gain on bargain purchase	(1.0)	-	-	-	-	-	-	(1.0)
Foreign currency translation reserve release	(7.5)	-	-	-	-	-	-	(7.5)
Joint ventures and associates: Impairment of ships, intangibles, vehicles and equipment	-	-	-	-	-	-	-	-
Impairment/(reversal of impairment) of other investments	7.2	-	-	-	-	-	-	7.2
Total non-controlling interest effects of adjustments	-	-	-	-	-	-	-	-
Total taxation effects of adjustments	(1.0)	-	-	-	-	-	-	(1.0)
<b>Headline earnings</b>	92.2	(13.6)	(0.8)	-	(3.2)	(2.0)	(4.3)	68.3

**Notes to pro forma consolidated income statement of Grindrod Group for the year ended 31 December 2021**

1. Column 1 presents the historical financial information relating to Grindrod Group prior to the sale of GFH, which was extracted from the audited final results for the year ended 31 December 2021.
2. Column 2 presents the consolidated financial information of GFH audited by Sizwe Ntsaluba Gobodo Grant Thornton Inc., prior to sale for the year ended 31 December 2021.
3. Column 3 presents the following:
  - a. Adjustment to match Grindrod account mapping for reporting purposes. Differences are primarily due to reallocation of fair value gains and losses on financial instruments and internal interest received/paid from revenue to trading profit and interest received/paid respectively;
  - b. Elimination of the IFRS 16 Lease adjustment of R0.6 million post tax raised on an internal lease between a Grindrod group company and GFH; and
  - c. Reversal of an Expected Credit Loss of R4.5 million raised in the prior year net of tax and non-controlling interest raised in the current year.
4. Column 4 presents the once off loss on sale that will be recognised on disposal of GFH based on proceeds on sale of R1.5 billion less Grindrod Ltd's carrying value of GFH of R1.7 billion. The proceeds and the carrying value exclude the dividend declared by GFH in 2022 of R36.4 million as this will have a nil impact on the loss on sale.
5. Column 5 presents the financial effects of expensing the transaction costs amounting to R21.6 million, which relate directly to sale of GFH. This will not have a continuing effect on the Grindrod Group statement of comprehensive income.
6. Column 6 presents the following:
  - a. Interest expense on internal funding of R240.8 million provided by GFH to Grindrod companies, that will externalise on deconsolidation and sale of GFH. The interest expense is calculated on borrowings of R141.2 million (tax deductible) using the prime interest rate as at 1 January 2021 and on preference share funding of R99.6 million based on a coupon rate of 90% of the prime interest rate (not tax deductible).
  - b. Both of the above will have a continuing effect on the Grindrod Group statement of comprehensive income.
7. Column 7 presents the financial effects of other *pro forma* adjustments as follows:
  - a. The administration fee income of R1.1 million from GFH which will no longer be payable to Grindrod Group subsequent to the sale. The related tax on the administration fee has been included in the Grindrod Group statement of comprehensive income. This adjustment will have a continuing effect on the Grindrod Group statement of comprehensive income.
  - b. The value realisation incentive estimated at R10.5 million, payable to Andrew Waller, on the successful implementation of the Proposed Disposal which is disclosed in the directors' remuneration section of the circular. The retention payments detailed in 10.1 of this circular have not been included as these will be paid by Grindrod Bank, a subsidiary of GFH. This will have no continuing effect on the Grindrod Group statement of comprehensive income and have no tax effects as these are capital in nature.
8. Column 8 presents the *pro formas* statement of comprehensive income of the Grindrod Group subsequent to the adjustments detailed in points 2 to 7 above.

**Consolidated statement of financial position as at 31 December 2021**

	1	2	3	4	5	6	7
	Published and audited	Exclude GFH	Grindrod mapping, eliminations, consolidation adjustments	Proposed Disposal cost	Cash proceeds	Other <i>pro forma</i> entries	Grindrod excl GFH
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>ASSETS</b>							
<b>Non-current assets</b>	<b>15 420 749</b>	(8 656 166)	2 449 955	-	-	-	<b>9 214 538</b>
Property, terminals, vehicles and equipment	1 738 159	(6 615)					1 731 544
Right of use assets	1 054 609	(18 132)	15 004				1 051 481
Goodwill and intangible assets	507 793	-					507 793
Investments in joint ventures	3 058 527	-					3 058 527
Investments in associates	145 941	-					145 941
Investment properties	86 168	-					86 168
Other investments	1 097 668	(9 118)					1 088 550
Deferred taxation assets	186 978	(61 046)					125 932
Long-term negotiable securities	312 958	-	(312 958)				-
Loans and advances	7 029 849	(8 561 255)	2 747 909				1 216 503
Long-term receivable	202 099	-					202 099
<b>Current assets</b>	<b>9 730 771</b>	(5 075 788)	(2 182 279)	(21 637)	1 500 000	(10 500)	<b>3 940 567</b>
Liquid assets and short-term negotiables	3 623 026	(3 935 984)	312 958				-
Current portion of loans and advances	2 507 462	-	(2 507 462)				-
Current portion of long-term receivable	43 115	-					43 115
Inventories	66 639	-					66 639
Trade and other receivables	1 347 191	(20 826)					1 326 365
Taxation	20 696	(1 315)					19 381
Current portion of financial assets	-	-					-
Non-current assets held for sale	65 000	-					65 000
Cash and cash equivalents	2 057 642	(1 117 663)	12 225	(21 637)	1 500 000	(10 500)	2 420 067
<b>Total assets</b>	<b>25 151 520</b>	<b>(13 731 954)</b>	<b>267 676</b>	<b>(21 637)</b>	<b>1 500 000</b>	<b>(10 500)</b>	<b>13 155 105</b>

Consolidated statement of financial position as at 31 December 2021 (continued)

	1	2	3	4	5	6	7
	Published and audited	Exclude GFH	Grindrod mapping, eliminations, consolidation adjustments	Proposed Disposal cost	Cash proceeds	Other <i>pro forma</i> entries	Grindrod excl GFH
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>EQUITY AND LIABILITIES</b>							
<b>Capital and reserves</b>	<b>8 577 948</b>	(1 672 749)	2 876	(21 637)	1 500 000	(10 500)	<b>8 375 938</b>
Share capital and premium	3 928 711	(665 278)	665 278	-	-	-	3 928 711
Equity compensation reserve	43 597	-	-	-	-	-	43 597
Non-distributable reserves	1 841 950	(1 841 950)	(28 574)	-	-	-	1 813 376
Retained income	2 808 394	(1 007 471)	(633 828)	(21 637)	1 500 000	(10 500)	2 634 958
Non-controlling interests	(44 704)	-	-	-	-	-	(44 704)
<b>Non-current liabilities</b>	<b>2 306 173</b>	<b>(479 879)</b>	<b>24 775</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 851 069</b>
Interest bearing borrowings	610 853	-	240 456	-	-	-	851 309
Lease liabilities	797 026	(19 277)	18 345	-	-	-	796 094
Financial Services funding instruments	543 361	(436 325)	5 039	-	-	-	112 075
Post-retirement medical aid	21 816	-	-	-	-	-	21 816
Provisions	11 670	-	-	-	-	-	11 670
Derivative financial liabilities	24 277	(24 277)	-	-	-	-	-
Deposits from GFH customers	239 720	-	(239 720)	-	-	-	-
Deferred taxation liabilities	57 450	-	655	-	-	-	58 105
<b>Current liabilities</b>	<b>14 267 399</b>	(11 579 326)	240 025	-	-	-	<b>2 928 098</b>
Trade and other payables	1 310 696	(93 019)	(1 828)	-	-	-	1 215 849
Short-term borrowings and overdraft	603 491	-	-	-	-	-	603 491
Taxation	67 371	-	-	-	-	-	67 371
Current portion of interest-bearing borrowings	146 366	-	-	-	-	-	146 366
Current portion of lease liabilities	249 284	-	(5 125)	-	-	-	244 159
Current portion of Financial Services funding instruments	908 778	(250 000)	(7 916)	-	-	-	650 862
Current portion of deposits from GFH customers	10 981 413	(11 236 307)	254 894	-	-	-	-
<b>Total Equity and Liabilities</b>	<b>25 151 520</b>	<b>(13 731 954)</b>	<b>267 676</b>	<b>(21 637)</b>	<b>1 500 000</b>	<b>(10 500)</b>	<b>13 155 105</b>
Net asset value per share (cents)	1 176	-	-	-	-	-	1 144
Net tangible asset value per share (cents)	1 081	-	-	-	-	-	1 050

**Notes to pro forma summarised statement of financial position of Grindrod Group for the year ended 31 December 2021**

1. Column 1 presents the historical financial information relating to the Grindrod Group prior to the sale of GFH, which was extracted from the audited annual financial statement for the year ended 31 December 2021.
2. Column 2 presents the consolidated financial information of GFH for the year end 31 December 2021 audited by Sizwe Ntshaluba Gobodo Grant Thornton Inc.
3. Column 3 presents the following:
  - a. Adjustment to match Grindrod account mapping for reporting purposes. Differences are primarily due to GFH presenting its Statement of Financial Position on the liquidity basis which is normal for financial institutions;
  - b. Elimination of the IFRS 16 Lease adjustment and other consolidation entries of R5.7 million against retained income. This was raised on an internal lease between a Grindrod group company and GFH.
  - c. Adjustment to retained income of R628.1 million being the GFH investment value. The aggregate of retained income columns 2, 3 and 5 results in the loss on sale of GFH as disclosed in column 4 in the income statement.
4. Column 4 presents the financial effects of expensing the transaction costs amounting to R21.6 million, which relate directly to the sale of GFH.
5. Column 5 presents the cash proceeds of R1.5 billion to be received on sale of GFH and the Grindrod Bank Preference Shares. The proceeds are gross of the dividend declared by GFH subsequent to 31 December 2021 of R36.4 million. The allocation of proceeds will be subject to Board approval and is therefore retained in cash and cash equivalents.
6. Column 6 presents the financial effects of other *pro forma* adjustments is the value realisation incentive estimated at R10.5 million on the successful completion of the sale which is disclosed in the directors' remuneration section of the circular. This transaction will have no continuing effect on the Grindrod Group statement of financial position and have no tax effects on as these are capital in nature. The retention payments detailed in 10.1 of this circular have not been included as these will be paid by Grindrod Bank, a subsidiary of GFH.
7. Column 7 presents the *pro forma's* statement of financial position of the Grindrod Group subsequent to the adjustments detailed in points 2 to 6 above.
8. There are no material post balance sheet events which require adjustment to the *pro forma* consolidated financial information.

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## REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION

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To the Directors of Grindrod Limited  
2nd Floor, Grindrod Mews,  
106 Margaret Mncadi Avenue,  
Durban,  
South Africa

Dear Directors

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION INCLUDED IN A CIRCULAR**

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Grindrod Limited ("the group") by the directors. The *pro forma* financial information, as set out in paragraph 8 and Annexure 1 of the circular ("the circular"), to be dated on or about 22 July 2022, consists of the consolidated statement of financial position and the consolidated income statement and related notes. The *pro forma* financial information has been compiled on the basis of the applicable criteria specified in the JSE Limited (JSE) Listings Requirements and described in paragraph 8 and Annexure 1 of the circular.

The *pro forma* financial information has been compiled by the directors to illustrate the impact of the corporate action or event, described in paragraph 1 of the circular, on the group's financial position as at 31 December 2021, and the group's financial performance for the period then ended, as if the corporate action or event had taken place at 1 January 2021 and for the period then ended. As part of this process, information about the group's financial position and financial performance has been extracted by the directors from the group's audited financial statements for the period ended 31 December 2021, on which an unmodified auditor's report was issued on 8 April 2022.

### **Directors' Responsibility for the *pro forma* Financial Information**

The directors are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the Listings Requirements and described in paragraph 8 and Annexure 1 of the circular.

### **Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

The firm applies the International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Reporting Accountant's Responsibility**

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the directors on the basis specified in the Listings Requirements based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of *pro forma* Financial Information Included in a Prospectus, which is applicable to an engagement of this nature. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

The purpose of *pro forma* financial information included in a circular is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2021 would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *pro forma* financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the group, the corporate action or event in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the Listings Requirements and described in paragraph 8 and Annexure 1 of the circular.

### **Deloitte & Touche**

Registered Auditor  
Per: MH Holme  
Partner

13 July 2022

Deloitte & Touche  
Deloitte Place  
2 Pencarrow Crescent  
Pencarrow Park  
La Lucia Ridge Office Estate  
La Lucia  
4051  
South Africa



**GRINDROD LIMITED**

(Incorporated in the Republic of South Africa)

(Registration Number: 1966/009846/06)

Ordinary share code: GND and ISIN: ZAE000072328

Preference share code: GNPD and ISIN: ZAE000071106

("Grindrod" or "the Company")

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**NOTICE OF GENERAL MEETING**

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The definitions and interpretations commencing on page 5 of the Circular have been used in this Notice of General Meeting unless a word or a term is otherwise defined herein.

Grindrod Shareholders are referred to the Circular, which sets out the information or explanatory material that they may require in order to determine whether to participate in and/or to vote electronically at the General Meeting.

Notice is hereby given that a General Meeting of the Grindrod Shareholders will be held entirely electronically at 10:00 on Tuesday, 23 August 2022 in order to consider and, if deemed fit, to pass, with or without modification, the resolutions set out below.

Grindrod has appointed TMS to host the General Meeting remotely on an interactive electronic platform, in order to facilitate electronic participation and voting by Shareholders. TMS will also act as General Meeting scrutineers.

Shareholders are referred to the Circular, which sets out the information and explanatory material that they may require in order to determine whether to electronically participate in and/or vote at the General Meeting and vote on the resolutions set out below.

In terms of section 62(3)(e) of the Companies Act:

- a Grindrod Shareholder who is entitled to attend and vote at the General Meeting is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the General Meeting in the place of the Grindrod Shareholder;
- a proxy need not be a Shareholder; and
- Grindrod Shareholders recorded in the Register of the Company on the Voting Record Date (including Grindrod Shareholders and their proxies) are required to provide reasonably satisfactory identification before being entitled to participate in and/or vote at the General Meeting. In this regard, all Grindrod Shareholders recorded in the Register on the Voting Record Date, and who wish to participate in and/or to vote electronically at the General Meeting, will be required to provide satisfactory identification to the Transfer Secretaries or TMS. Acceptable forms of identification include valid identity documents, drivers' licenses and passports.

The resolutions set out in this Notice of General Meeting are subject to the fulfilment or, if applicable, waiver of the Conditions Precedent to the Proposed Disposal, as contained in the Sale of Shares Agreement and as summarised in paragraph 5.3 of the Circular, save for any such condition precedent relating to the passing of such resolutions.



## Salient dates and times

2022

Record date to determine which Shareholders are eligible to receive the Circular and the Notice of General Meeting	Friday, 15 July
Circular and Notice of General Meeting posted to Grindrod Shareholders and notice convening the General Meeting released on SENS	Friday, 22 July
Notice convening the General Meeting published in the press	Monday, 25 July
Last date to trade in order to be eligible to participate in and vote at the General Meeting	Monday, 8 August
Record date in order to be eligible to participate in and vote at the General Meeting	Friday, 12 August
Last day to lodge Forms of Proxy and/or Electronic Participation Application Forms and/or letters of representation for the General Meeting with the Transfer Secretaries, and/or TMS (as the case may be), for administrative purposes, by 10:00 on (see Note 3 below)	Friday, 19 August
General Meeting to be held electronically at 10:00	Tuesday, 23 August
Results of General Meeting released on SENS	Tuesday, 23 August

### Notes:

1. All dates and times in this Notice of General Meeting are local dates and times in South Africa and are subject to change. Any changes will be announced through SENS.
2. Grindrod Shareholders are referred to page 2 of the Circular for information on the action required to be taken by them.
3. A Shareholder or its CSDP or Broker may submit a Form of Proxy and/or an Electronic Participation Application Form and/or letter of representation to the Transfer Secretaries and/or TMS (as the case may be), at any time before the commencement of the General Meeting before the appointed proxy exercises any of the relevant shareholder rights at the General Meeting.
4. If the General Meeting is adjourned or postponed, Forms of Proxy and Electronic Participation Application Forms submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.

### ORDINARY RESOLUTION NUMBER 1: APPROVAL OF THE PROPOSED DISPOSAL

“RESOLVED AS AN ORDINARY RESOLUTION that (subject to the fulfilment or waiver (where capable of waiver) of the Conditions Precedent as set out in paragraph 5.3 of Section One – Overview of the Proposed Disposal of the Circular, save for any such condition precedent relating to the passing of this resolution, the Proposed Disposal be and is hereby approved by the Shareholders and that the Company be and is hereby authorised to implement and to procure the implementation of the Proposed Disposal materially on the terms more fully set out in the Sale of Shares Agreement, the detail of which has been included in the Circular and a copy of which has been made available for inspection by the Shareholders.”

#### Reason for and effect of Ordinary Resolution Number 1

In terms of the Listings Requirements, the Proposed Disposal is a Category 1 disposal and requires the approval of the Shareholders by way of an ordinary resolution.

The effect of Ordinary Resolution Number 1, if passed by the Shareholders, will be that the Company will have the necessary authority in terms of the Listings Requirements to implement, and procure the implementation of, the Proposed Disposal in accordance with its terms.

### ORDINARY RESOLUTION NUMBER 2: RATIFICATION OF BOARD APPROVAL

“RESOLVED AS AN ORDINARY RESOLUTION that the decision of the Board to proceed with the Proposed Disposal and authorising the conclusion of the Sale of Shares Agreement, taken at a meeting of the Board on 20 May 2022, is hereby approved and ratified in terms of section 75(7)(b)(i) of the Companies Act.”

#### Reason for and effect of Ordinary Resolution Number 2

The abovementioned decision of the Board was approved by all the Directors in attendance and voting, including Andrew Waller. The incentive of R10.5 million that he is to receive relating to the Proposed Disposal and referenced in paragraph 10 of the Circular, may be regarded as a personal financial interest for purposes of section 75 of the Companies Act. The process that would then be applicable in terms of section 75 of the Companies Act was not followed. In the interests of good corporate governance, Ordinary Resolution Number 2 is consequently being put to the Shareholders.

The effect of Ordinary Resolution Number 2, if passed by the Shareholders, will be to ensure that the decision of the Board to proceed with the Proposed Disposal and authorising the conclusion of the Sale of Shares Agreement is valid as contemplated in section 75(7)(b)(i) of the Companies Act.

### **ORDINARY RESOLUTION NUMBER 3: AUTHORITY TO GIVE EFFECT TO RESOLUTIONS**

“RESOLVED AS AN ORDINARY RESOLUTION that any Director of the Company and/or the Company Secretary be and is hereby authorised to do all such things and sign all such documentation as are necessary to give effect to Ordinary Resolution Number 1, hereby ratifying and confirming all such things already done and documentation already signed.”

#### **Reason for and effect of Ordinary Resolution Number 3**

The reason for Ordinary Resolution Number 3 is for the Shareholders to authorise the parties referred to in Ordinary Resolution Number 3 to do all things and sign all documentation as is required to give effect to and implement the approvals granted by the Shareholders at the General Meeting.

The effect of Ordinary Resolution Number 3 if passed by the requisite majority of the Shareholders will be that the aforementioned parties will be granted the aforementioned authority to act on behalf of the Company and, to the extent that they may have already acted on behalf of the Company in any manner as contemplated by Ordinary Resolution Number 3, any such actions will be ratified.

#### **QUORUM, VOTING AND PROXIES**

The quorum requirement for the General Meeting to begin or for a matter to be considered at the General Meeting is at least three Grindrod Shareholders electronically participating in person. In addition:

- the General Meeting may not begin until sufficient persons are present through electronic participation or represented by proxy to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the General Meeting; and
- a matter to be decided at the General Meeting may not begin to be considered unless sufficient persons are present through electronic participation or represented by proxy to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of that matter at the time the matter is called on the agenda.

Each Grindrod Shareholder who, whether present at the General Meeting by electronic participation, proxy or representation (as the case may be) is entitled to one vote on a show of hands. On a poll, each Grindrod Shareholder, whether present at the General Meeting by electronic participation, proxy, or representation (as the case may be), is entitled to one vote for each Share held. The maximum percentage voting rights that may be exercised by the Preference Shareholders is 25% less one vote, of the votes exercisable by all Shareholders present or represented by proxy at the General Meeting.

A *blue* Form of Proxy is attached for use by Certificated Shareholders or Own Name Registration Dematerialised Shareholders who are unable to attend the General Meeting but wish to be represented thereat. They are required to complete and submit the blue Form of Proxy in accordance with the instructions in the Circular.

A summary of the rights established by section 58 of the Companies Act, as required by subsection 58(8)(b)(i), is attached as Annexure A to this Notice of General Meeting.

In terms of the Custody Agreements entered into by Dematerialised Shareholders and their CSDP's or stockbrokers:

- i. Dematerialised Shareholders other than Own Name Registration Dematerialised Shareholders who wish to participate in and/or vote electronically at the General Meeting must instruct their CSDP, or Broker to issue them with the necessary letter of representation to participate electronically in the General Meeting;
- ii. Dematerialised Shareholders other than Own Name Registration Dematerialised Shareholders who wish to be represented at the General Meeting by way of proxy must provide their CSDP or Broker with their voting instructions by the cut-off time or date advised by their CSDP or Broker for transactions of this nature. These Shareholders must not use a Form of Proxy.

Each Certificated or Own Name Registration Dematerialised Shareholder entitled to participate in and/or vote electronically at the General Meeting may appoint one or more proxies (none of whom need be a Grindrod Shareholder) to participate, speak and vote electronically in his/her stead. The completion and lodging of a Form of Proxy and/or Electronic Participation Application Form will not preclude a Grindrod Shareholder from attending the General Meeting and participating in and/or voting thereat to the exclusion of the proxy so appointed.

## **ELECTRONIC PARTICIPATION**

### **IF YOU HAVE DEMATERIALISED YOUR GRINDROD SHARES WITHOUT OWN NAME REGISTRATION**

In accordance with the Custody Agreement between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to participate in and/or vote electronically at the General Meeting and your CSDP or Broker will issue the necessary letter of representation. The *green* Electronic Participation Application Form attached will also have to be completed and submitted together with the letter of representation to TMS to enable you to participate in and/or vote electronically at the General Meeting, preferably so as to be received by no later than 10:00 on Friday, 19 August 2022. This cut-off time is for administrative purposes only. Grindrod Shareholders will nonetheless still be able to submit an Electronic Participation Application Form at any time prior to the commencement of the General Meeting. If submissions are made after this cut-off time then it is requested that they be made by way of email.

### **IF YOU HAVE NOT DEMATERIALISED YOUR GRINDROD SHARES OR HAVE DEMATERIALISED YOUR GRINDROD SHARES WITH OWN NAME REGISTRATION**

You may participate in and/or vote electronically at the General Meeting by completing the attached *green* Electronic Participation Application Form, and submitting it to TMS, preferably so as to be received by no later than 10:00 on Friday, 19 August 2022. This cut-off time is for administrative purposes only. Grindrod Shareholders will nonetheless still be able to submit an Electronic Participation Application Form at any time prior to the commencement of the General Meeting. If submissions are made after this cut-off time then it is requested that they be made by way of email.

### **DETAILS FOR SUBMISSION**

All documents to be submitted to TMS can be submitted at any of the following addresses:

Physical address: 6th Floor, JSE Building  
One Exchange Square  
2 Gwen Lane  
Sandown, Sandton, 2196  
South Africa

Postal address: PO Box 62043  
Marshalltown, 2017  
South Africa

Email addresses: michael.wenner@tmsmeetings.co.za  
farhana.adam@tmsmeetings.co.za  
izzy.vanschoor@tmsmeetings.co.za  
proxy@tmsmeetings.co.za

TMS can also be contacted on +27 11 520 7950/1/2

### **TERMS AND CONDITIONS FOR PARTICIPATION AT THE GENERAL MEETING ELECTRONICALLY**

- a) TMS will assist Participants with the requirements for electronic participation in, and/or voting at the General Meeting.
- b) The cost of dialling in using a telecommunication line/webcast/web-streaming platform to participate in and/or vote electronically at the General Meeting is for the expense of the Participant and will be billed separately by the Participant's own telecommunications service provider.
- c) The Participant acknowledges that the telecommunication lines/webcast/web-streaming platforms are provided by a third party and indemnifies Grindrod, the JSE and TMS against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming platforms ("Loss"), whether or not the Loss is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against Grindrod, the JSE and TMS, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming platforms or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming platforms and connections linking the telecommunication lines/webcast/web-streaming platforms to the General Meeting.
- d) Participants will be able to vote during the General Meeting through an electronic participation platform.
- e) Once the Participant has received the link to the General Meeting, the onus to safeguard this information remains with the Participant.
- f) The Participant application to participate in and/or vote electronically will only be deemed successful if the *green* Electronic Participation Application Form attached has been duly completed and signed by the Participant and submitted in accordance with the instructions contained in this Notice of General Meeting.

**GENERAL NOTES**

Grindrod Shareholders who are companies or other bodies corporate may, by resolution of their directors or other governing body, authorise any person to act as their representative at the General Meeting.

The Chair of the General Meeting will be making a demand that all resolutions put to the vote shall be decided by way of a poll.

By order of the Board of Grindrod Limited

Friday, 22 July 2022

**Registered Office**

2nd Floor, Grindrod Mews  
106 Margaret Mncadi Avenue  
Durban

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**SUMMARY OF RIGHTS ESTABLISHED BY SECTION 58 OF THE  
COMPANIES ACT, 71 OF 2008 (“ACT”), AS REQUIRED IN TERMS OF  
SUBSECTION 58(8)(b)(I)**

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1. A Grindrod Shareholder may at any time appoint any individual, including a non-Grindrod Shareholder of the Company, as a proxy to electronically participate in, speak and vote at a Grindrod Shareholders’ meeting on his or her behalf (section 58(1)(a)), or to give or withhold consent on behalf of the Grindrod Shareholder to a decision in terms of section 60 (shareholders acting other than at a meeting) (section 58(1)(b)).
2. A proxy appointment must be in writing, dated and signed by the Grindrod Shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.iii or expires earlier in terms of paragraph 10.iv (section 58(2)).
3. A Grindrod Shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the Grindrod Shareholder (section 58(3)(a)).
4. A proxy may delegate his or her authority to act on behalf of the Grindrod Shareholder to another person, subject to any restriction set out in the instrument appointing the proxy (“proxy instrument”) (section 58(3)(b)).
5. A copy of the proxy instrument must be delivered to the Company, or to any other person acting on behalf of the Company, before the proxy exercises any rights of the Grindrod Shareholder at a Grindrod Shareholders’ meeting (section 58(3)(c)).
6. Irrespective of the form of instrument used to appoint a proxy –
  - i. the appointment is suspended at any time and to the extent that the Grindrod Shareholder chooses to act directly and in person in the exercise of any rights as a shareholder (section 58(4)(a));
  - ii. the appointment is revocable unless the proxy appointment expressly states otherwise (section 58(4)(b)); and
  - iii. if the appointment is revocable, a Grindrod Shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company (section 58(4)(c)).
7. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy’s authority to act on behalf of the Grindrod Shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.iii (section 58(5)).
8. If the proxy instrument has been delivered to the Company, as long as that appointment remains in effect, any notice required by the Act or the Company’s Memorandum of Incorporation to be delivered by the Company to the Grindrod Shareholder must be delivered by the Company to the Grindrod Shareholder (section 58(6)(a)), or the proxy or proxies, if the Grindrod Shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so (section 58(6)(b)).
9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the Grindrod Shareholder without direction, except to the extent that the Memorandum of Incorporation or proxy instrument provides otherwise (section 58(7)).

10. If the Company issues an invitation to Grindrod Shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of proxy instrument:
  - i. the invitation must be sent to every Grindrod Shareholder entitled to notice of the General Meeting at which the proxy is intended to be exercised (section 58(8)(a));
  - ii. the invitation or form of proxy instrument supplied by the Company must:
    - a. bear a reasonably prominent summary of the rights established in section 58 of the Act (section 58(8)(b)(i));
    - b. contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a Grindrod Shareholder to write the name, and if desired, an alternative name of a proxy chosen by the Grindrod Shareholder (section 58(8)(b)(ii)); and
    - c. provide adequate space for the Grindrod Shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the General Meeting, or is to abstain from voting (section 58(8)(b)(iii));
  - iii. the Company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and
  - iv. the proxy appointment remains valid only until the end of the General Meeting at which it was intended to be used, subject to paragraph 7 (section 58(8)(d)).



**GRINDROD LIMITED**

(Incorporated in the Republic of South Africa)

(Registration Number: 1966/009846/06)

Ordinary share code: GND and ISIN: ZAE000072328

Preference share code: GNDP and ISIN: ZAE000071106

("Grindrod" or "the Company")

**FORM OF PROXY  
FOR USE IN RESPECT OF THE GENERAL MEETING OF GRINDROD BY  
CERTIFICATED SHAREHOLDERS AND  
OWN NAME REGISTRATION DEMATERIALIZED SHAREHOLDERS ONLY**

The definitions and interpretations commencing on page 5 of the Circular apply, *mutatis mutandis*, to the information in this Form of Proxy. A Certificated or Own Name Registration Dematerialised Shareholders entitled to electronically participate in and vote at the General Meeting to be held electronically at 10:00 on Tuesday, 23 August 2022 is entitled to appoint a proxy, or proxies, to electronically participate, speak and vote thereat in his/her stead. A proxy need not be a shareholder of the Company.

Holders of Dematerialised Shares, other than those with Own-Name Registration Dematerialised Shares, must inform their CSDP or Broker of their intention to electronically participate in and/or vote at the General Meeting and request their CSDP to issue them with the necessary letter of representation, complete the green Electronic Participation Application Form and submit same to TMS in accordance with the instructions in the Circular. If they do not wish to electronically participate in and/or vote at the General Meeting, they should provide their CSDP with their voting instructions.

**Please read the notes on the reverse hereof (if printed), or below (if electronic) carefully, which, amongst other things, set out the rights of Grindrod Shareholders with regard to the appointment of proxies.**

For the General Meeting

I/We

(Name/s in block letters)

of

(Address in block letters)

being a Shareholder of Grindrod and holding  Grindrod Ordinary Shares and/or  Grindrod Preference Shares, and entitled to vote, do hereby appoint (refer to note 1 at the end of this Form of Proxy):

1 \_\_\_\_\_ or failing him/her,

2 \_\_\_\_\_ or failing him/her,

3 the Chair of the General Meeting as my/our proxy(ies),

to electronically participate, speak and vote on my/our behalf at the General Meeting to be held electronically on Tuesday, 23 August 2022 at 10:00, and at any postponement or adjournment thereof and to vote or abstain from voting as follows on the resolutions to be proposed at such General Meeting:

Please indicate how you wish your proxy to vote in respect of Ordinary Shares held by placing a cross ("X") in the box which applies:

Ordinary Shares	For	Against	Abstain
Ordinary resolution 1: Approval of the Proposed Disposal			
Ordinary resolution 2: Ratification of Board approval			
Ordinary resolution 3: Authority to give effect to resolutions			

Please indicate how you wish your proxy to vote in respect of Grindrod Preference Shares held by placing a cross ("X") in the box which applies:

Grindrod Preference Shares	For	Against	Abstain
Ordinary resolution 1: Approval of the Proposed Disposal			
Ordinary resolution 2: Ratification of Board approval			
Ordinary resolution 3: Authority to give effect to resolutions			

Date:

Signature:

**NOTES TO THE FORM OF PROXY:**

1. A Grindrod Shareholder entitled to electronically participate in and vote at the General Meeting is entitled to appoint a proxy or proxies to participate, speak and vote in his/her stead. A proxy need not be a shareholder of Grindrod.
2. In accordance with Grindrod's memorandum of incorporation, voting shall be by poll only.
3. Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If you return this form duly signed without any specific directions, the proxy will vote or abstain at his/her discretion.

**Instructions on signing and lodging the form of proxy**

1. You may insert the name of any person(s) whom you wish to appoint as your proxy in the blank space(s) provided for that purpose.
2. A deletion of any printed matter and the completion of any blank spaces need not be signed or initialled. Any alteration or correction must be initialled by the signatory/ies.
3. When there are joint holders of Shares, any one holder may sign the Form of Proxy. In the event of any dispute, the first name appearing in the register shall be taken as the Shareholder.
4. The completion and lodging of this Form of Proxy and/or the Electronic Participation Application Form below will not preclude the Grindrod Shareholder who grants this Form of Proxy from participating electronically in the General Meeting and speaking and voting thereat to the exclusion of any proxy appointed in terms hereof should such Grindrod Shareholder wish to do so.
5. Completed Forms of Proxy should be submitted in accordance with the instructions in the Circular.



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## **ELECTRONIC PARTICIPATION APPLICATION FORM**

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### **ELECTRONIC PARTICIPATION IN THE GRINDROD GENERAL MEETING**

1. Shareholders or their proxies who wish to participate in the General Meeting via electronic communication (Participants), must submit the Electronic Participation Application Form below to TMS in accordance with the instructions in the Circular. Participants will be able to vote during the General Meeting through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the General Meeting, must provide TMS with the information requested below.
2. Each Grindrod Shareholder, who has complied with the requirements below, will be contacted between Friday, 19 August 2022 and Tuesday, 23 August 2022 via email/mobile with a unique link to allow them to participate in the virtual General Meeting.
3. The Participant's unique link will be forwarded to the email/cell number provided in this Electronic Participation Application Form below.
4. The cut-off time, for administrative purposes, to participate in the meeting will be 10:00 am on Friday, 19 August 2022. Notwithstanding this cut-off time, Participants will nonetheless still be able to submit their Electronic Participation Application Forms at any time prior to the commencement of the General Meeting.

### **ELECTRONIC PARTICIPATION APPLICATION FORM**

Name & surname of Grindrod Shareholder	
Name & surname of Grindrod Shareholder proxy or representative (if applicable)	
ID Number	
Email Address	
Cell Number	
Telephone Number	
Name of CSDP or Broker (If Shares are held in dematerialised format)	
SCA Number or Broker Account Number	
Number of Ordinary Shares	
Number of Grindrod Preference Shares	
Signature	
Date	

### **TERMS AND CONDITIONS FOR PARTICIPATION AT THE GRINDROD GENERAL MEETING VIA ELECTRONIC COMMUNICATION**

1. The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the General Meeting is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.
2. The Participant acknowledges that the telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies Grindrod, the JSE and TMS against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against Grindrod, the JSE and TMS, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the General Meeting.
3. Participants will be able to vote during the General Meeting through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the General Meeting, must act in accordance with the requirements set out above.

4. Once the Participant has received the link, the onus to safeguard this information remains with the Participant.
5. The application will only be deemed successful if the Electronic Participation Application Form has been completed and fully signed by the Participant and submitted in accordance with the instructions contained in the Circular.

Shareholder name:

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Signature:

Date:

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