

# Summarised consolidated financial statements

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# Summarised consolidated financial statements

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Approval of the summarised consolidated financial statements	122
Compliance statement by the group company secretary	122
Preparation of the summarised consolidated financial statements	123
Limited assurance report	124
Independent auditor's report on the summarised consolidated financial statements	125
Summarised consolidated financial statements	126

# Approval of the summarised consolidated financial statements

for the year ended 31 December 2017

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The audited summarised consolidated financial statements have been prepared in accordance with the Framework concepts recognition and measurement criteria of IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and as a minimum, contain the information required by IAS 34 Interim Financial Reporting and the Companies Act of South Africa requirements applicable to summarised financial statements.

The provisional accounting relating to the fair value on acquisition of a prior year business combination has been completed. Consequently the comparative figures have been adjusted retrospectively. The effect of the adjustment resulted in an increase in the value of leasehold land and buildings, intangible assets and related deferred tax liability offset by a decrease in goodwill.

In the prior year, ships held for sale was incorrectly disclosed as held for sale assets under inventory instead of remaining in ships, property, terminals, machinery, vehicles and equipment. This prior period error was due to an incorrect interpretation on the treatment of a change in intention relating to dual purpose assets under IAS 16 Property, plant and equipment. The effect of the adjustment resulted in an increase in value of ships offset by a decrease in inventory. There is no impact on profit or loss.

As a result of the decision to separately list the Group's Shipping business and the decision to exit the Rail operations, the Group's prior year summarised consolidated income statement and summarised segmental analysis have been re-presented to take into account the requirements of IFRS 5 Non-current assets held for sale and discontinued operations. The Group's summarised consolidated statement of other comprehensive income, summarised consolidated statement of financial position and summarised consolidated statement of changes in equity are not required to be re-presented.



The full consolidated annual financial statements from which these summarised consolidated financial statements were derived are electronically available on the group's website [www.grindrod.com](http://www.grindrod.com).

These summarised consolidated financial statements, which appear on pages 126 to 137 and the full set of consolidated annual financial statements have been prepared under the supervision of AG Waller, CA(SA) and were approved by the board of directors on 23 March 2018.

At the board meeting held on 23 March 2018, the board of directors approved the summarised consolidated financial statements and further authorised Mr NL Sowazi and Mr MJ Hankinson in their respective capacities as lead independent non-executive director and executive chairman to sign off the summarised consolidated financial statements. The summarised consolidated financial statements which appear on pages 126 to 137, are therefore signed on its behalf by:

**NL Sowazi**  
Lead independent non-executive director  
Durban  
23 March 2018

**MJ Hankinson**  
Executive Chairman  
Durban  
23 March 2018

# Compliance statement by the group company secretary

for the year ended 31 December 2017

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The group company secretary of Grindrod Limited certifies that, in terms of section 88(2) of the Companies Act No.71 of 2008, as amended, the company has lodged with the Companies and Intellectual Property Commission of South Africa all such returns and notices as are required of a public company in terms of this Act and that all such returns are true, correct and up to date in respect of the financial year ended 31 December 2017.

**Mrs CI Lewis**  
Group company secretary  
Durban  
23 March 2018

# Preparation of the summarised consolidated financial statements

## Basis of preparation

The audited summarised consolidated financial statements have been prepared in accordance with the Framework concepts recognition and measurement criteria of IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and as a minimum, contain the information required by IAS 34 Interim Financial Reporting and the Companies Act of South Africa requirements applicable to summarised financial statements.

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## Accounting policies

The accounting policies applied in the preparation of the full consolidated financial statements from which the summarised consolidated financial statements were derived are in terms of IFRS and are consistent with those of the previous full consolidated financial statements.

## Audit opinion

These summarised consolidated financial statements for the year ended 31 December 2017 have been audited by Deloitte & Touche, who expressed an unmodified opinion thereon. The auditor also expressed an unmodified opinion on the full consolidated annual financial statements for the year ended 31 December 2017, from which these summarised consolidated financial statements were derived. A copy of the auditor's report on the summarised consolidated financial statements is on page 125 and a copy of the auditor's report on the full consolidated annual financial statements is available for inspection at the company's registered office, together with the financial statements identified in the respective auditor's reports.

Deloitte & Touche has not audited future financial performance and expectations expressed by the directors included in the commentary in the summarised consolidated financial statements and accordingly do not express an opinion thereon. The auditor's report does not necessarily report on all of the information contained in the summarised consolidated financial statements. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office.

## Post balance sheet events

There are no material post balance sheet events to report, except for the impact of the separate listing of the shipping business.



**AG Waller CA(SA)**

Group financial director  
Durban

23 March 2018



## Limited assurance report

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Limited assurance report of internal audit on the sustainability performance indicator disclosures as presented in the Grindrod integrated annual report for the year ended 31 December 2017 (the Report).

### Scope of our work

We have performed limited assurance on selected sustainability indicators presented in the Report.

The selected sustainability performance indicators are as follows:

- LTIFR;
- Petrol consumption (ML);
- Diesel consumption (ML);
- Electricity consumption (MW); and
- Total direct and indirect GHG emissions – scope 1 and scope 2 (CO<sub>2</sub>-e tonnes).

### Limitation of audit scope

The limited assurance procedures for the above selected sustainability performance indicators were restricted to the Grindrod Shipping and Freight Services divisions only. As such, this assurance report is applicable only to those selected sustainability performance indicators listed above for these named divisions.

### Internal audit responsibilities and approach

Our responsibility is to express our limited assurance conclusion on the above selected sustainability performance indicators for the year ended 31 December 2017 based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance in a manner which requires that we plan and perform our audit to obtain limited assurance about whether the selected sustainability performance indicators are free from material misstatement.

Our audit approach was as follows:

- Interviewed management to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Inspected documentation to corroborate the statements of management in our interviews;
- Reviewed the process that Grindrod has in place for determining material selected key sustainability performance indicators to be included in the Report;
- Tested the processes and systems to generate, collate, aggregate, monitor and report the selected key sustainability performance indicators;
- Performed control walkthroughs and inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria; and
- Undertook site visits.

### Our independence and quality control

Internal audit functions independently of all other business operations and has free and unrestricted access to all areas within the group, including management, personnel, activities, locations and information.

All internal audit activities are performed in compliance with International Internal Audit Practice and the methodology and standards required by the South African Institute of Internal Auditors.

### Our conclusion

Based on the procedure we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that for the year ended 31 December 2017 the selected sustainability performance indicators set out above, in relation to Grindrod Shipping and Freight Services, are not prepared, in all material respects, in accordance with the GRI G4 Standards supported by Grindrod's internally developed guidelines.

# Independent auditor's report on the summarised consolidated financial statements

To the shareholders of Grindrod Limited

## Opinion

The summarised consolidated financial statements of Grindrod Limited, which comprise the summarised consolidated statement of financial position as at 31 December 2017, the summarised consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Grindrod Limited for the year ended 31 December 2017.

In our opinion, the accompanying summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements of Grindrod Limited, in accordance with IAS 34: Interim Financial Reporting and the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

## Summarised consolidated financial statements

The summarised consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summarised consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements of Grindrod Limited and the auditor's report thereon. The summarised financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

## The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 23 March 2018. That report also includes:

- The communication of other key audit matters as reported in the auditor's report of the audited financial statements.

## Directors' responsibility for the summarised consolidated financial statements

The directors are responsible for the preparation of the summarised consolidated financial statements in accordance with IAS 34: Interim Financial Reporting and the requirements of the Companies Act of South Africa as applicable to summarised financial statements, and for such internal control as the directors determine is necessary to enable the preparation of the summarised consolidated financial statements that are free from material misstatement, whether due to fraud or error.

## Auditors' responsibility

Our responsibility is to express an opinion on whether the summarised consolidated financial statements are consistent, in all material respects, with the consolidated audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

*Deloitte + Touche*

**Deloitte & Touche**  
Registered Auditor  
Per Kim Peddie CA (SA), RA  
Partner

06 April 2018

Deloitte Place  
2 Pencron Crescent  
Pencarron Park  
La Lucia Ridge Office Estate  
La Lucia 4051  
Durban



## Summarised consolidated statement of financial position

as at 31 December 2017

	Audited 31 December 2017 R000	Audited 31 December 2016* R000
Ships, property, terminals, machinery, vehicles and equipment	1 478 003	5 610 562
Intangible assets	710 909	1 030 281
Investments in joint ventures	2 453 230	3 947 765
Investments in associates	867 220	852 225
Deferred taxation	59 313	87 062
Other investments and derivative financial assets	2 389 218	1 948 728
<b>Total non-current assets</b>	<b>7 957 893</b>	<b>13 476 623</b>
Loans and advances to bank customers	7 149 198	5 854 734
Liquid assets and short-term negotiable securities	1 763 875	1 801 065
Bank balances and cash	8 970 274	9 478 073
Other current assets	2 466 331	4 019 600
Non-current assets held for sale	6 641 399	1 549 072
<b>Total assets</b>	<b>34 948 970</b>	<b>36 179 167</b>
Shareholders' equity	14 152 823	15 752 437
Non-controlling interests	44 659	48 919
<b>Total equity</b>	<b>14 197 482</b>	<b>15 801 356</b>
Interest-bearing borrowings	295 429	1 423 339
Financial Services funding instruments	720 137	803 489
Deferred taxation	244 655	264 744
Other non-current liabilities	66 199	121 446
<b>Non-current liabilities</b>	<b>1 326 420</b>	<b>2 613 018</b>
Deposits from bank customers	14 640 363	13 610 140
Current interest-bearing borrowings	349 881	909 037
Financial Services funding instruments	738 953	191 187
Other liabilities	1 300 360	1 831 320
Non-current liabilities associated with assets held for sale	2 395 511	1 223 109
<b>Total equity and liabilities</b>	<b>34 948 970</b>	<b>36 179 167</b>
* Restated in accordance with provisional accounting related to the fair value on prior year acquisition and prior period error for ships held for sale, disclosed under inventory which has been reclassified to ships, property, terminals, machinery, vehicles and equipment in terms of IAS 16 Property, plant and equipment.		
Net worth per ordinary share – at book value (cents)	1 790	2 007
Net debt:equity ratio	0.00:1	0.02:1
Capital expenditure	389 472	676 627

	31 December 2017 R000	31 December 2017 US\$000	31 December 2016 R000	31 December 2016 US\$000
Capital commitments	29 000	19 000	154 315	17 582
Authorised by directors and contracted for	29 000	19 000	131 278	–
Due within one year	29 000	19 000	131 278	–
Due thereafter	–	–	–	–
Authorised by directors not yet contracted for	–	–	23 037	17 582

The summarised consolidated financial statements have been included in this integrated annual report. The full set of consolidated annual financial statements is available on [www.grindrod.com](http://www.grindrod.com)



## Summarised consolidated income statement

for the year ended 31 December 2017

	Audited 31 December 2017 R000	Audited 31 December 2016 *Re-presented R000
<b>Continuing operations</b>		
<b>Revenue</b>	<b>3 059 422</b>	3 287 820
Earnings before interest, taxation, depreciation and amortisation	621 981	687 849
Depreciation and amortisation	(195 844)	(231 135)
Operating profit before interest and taxation	426 137	456 714
Non-trading items	129 272	(59 672)
Interest received	264 575	283 035
Interest paid	(97 850)	(133 580)
Profit before share of joint venture and associate companies' profit	722 134	546 497
Share of joint venture companies' profit/(loss) after taxation	111 475	(159 058)
Share of associate companies' profit after taxation	60 481	20 604
Profit before taxation	894 090	408 043
Taxation	(172 937)	(195 345)
Profit for the year from continuing operations	721 153	212 698
<b>Discontinued operations</b>		
Loss after tax from discontinued operations	(1 229 023)	(2 052 203)
<b>Loss for the year</b>	<b>(507 870)</b>	(1 839 505)
Attributable to:		
Ordinary shareholders	(582 695)	(1 907 695)
From continuing operations	646 275	144 401
From discontinued operations	(1 228 970)	(2 052 096)
Preference shareholders	67 645	67 970
Owners of the parent	(515 050)	(1 839 725)
Non-controlling interest	7 180	220
From continuing operations	7 233	327
From discontinued operations	(53)	(107)
	<b>(507 870)</b>	(1 839 505)

\* Re-presented for discontinued operations as detailed in the basis of preparation.



## Earnings per share information

for the year ended 31 December 2017

	<b>Audited 31 December 2017</b>	Audited 31 December 2016
	<b>R000</b>	*Re-presented R000
<b>Reconciliation of headline earnings from continuing operations</b>		
Profit attributable to ordinary shareholders	<b>646 275</b>	144 401
<i>Adjusted for:</i>	<b>(75 474)</b>	64 378
Impairment of goodwill	-	7 632
Impairment of other investments	<b>126 479</b>	155 932
Impairment of intangibles, vehicles and equipment	<b>8 503</b>	2 946
Net (profit)/loss on disposal of investments	<b>(1 226)</b>	18 425
Net profit on disposal of plant and equipment	<b>(17 372)</b>	(5 002)
Foreign currency translation reserve release	<b>(245 656)</b>	(120 261)
Joint ventures and associates:		
Net profit on disposal of investments	-	(216)
Net loss/(profit) on disposal of plant and equipment	<b>121</b>	(72)
Impairment of ships, intangibles, vehicles and equipment	<b>16 735</b>	15 896
Impairment /(reversal of impairment) of other investments	<b>31 748</b>	(12 175)
Total non-controlling interest effects of adjustments	-	(2 962)
Total taxation effects of adjustments	<b>5 194</b>	4 235
<b>Headline earnings from continuing operations</b>	<b>570 801</b>	208 779
<b>Ordinary share performance</b>		
Number of shares in issue less treasury shares	(000s) <b>751 640</b>	750 548
Weighted average number of shares (basic)	(000s) <b>751 164</b>	750 539
Diluted weighted average number of shares	(000s) <b>755 810</b>	753 712
Basic earnings/(loss) per share:	(cents)	
From continuing operations	<b>86.0</b>	19.2
From discontinued operations	<b>(163.6)</b>	(273.4)
Total	<b>(77.6)</b>	(254.2)
Diluted earnings/(loss) per share:	(cents)	
From continuing operations	<b>85.5</b>	19.2
From discontinued operations**	<b>(163.6)</b>	(273.4)
Total	<b>(78.1)</b>	(254.2)
Headline earnings per share from continuing operations	(cents)	
Basic	<b>76.0</b>	27.8
Diluted	<b>75.5</b>	27.7
Dividends per share	(cents)	-
Dividend cover (headline)	(times)	-

\* Re-presented for discontinued operations as detailed in the basis of preparation.

\*\* Diluted loss per share from discontinued operations was calculated on weighted average number of shares due to the anti-dilutive effect of the long-term incentive scheme shares.

## Summarised consolidated statement of other comprehensive income

for the year ended 31 December 2017

	Audited 31 December 2017 R000	Audited 31 December 2016 R000
<b>Loss for the year</b>	<b>(507 870)</b>	(1 839 505)
<b>Other comprehensive (loss)/income:</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Exchange differences on translating foreign operations	<b>(799 595)</b>	(1 387 904)
Net movement in cash flow hedges	<b>760</b>	54 636
Business combinations	<b>1 946</b>	3 469
<b>Items that will not be reclassified subsequently to profit or loss</b>		
Actuarial gains/(losses)	<b>7 102</b>	(2 184)
Fair value loss arising on available-for-sale instruments	<b>(1 901)</b>	(2 420)
<b>Total comprehensive loss for the year</b>	<b>(1 299 558)</b>	(3 173 908)
Total comprehensive loss attributable to:		
Owners of the parent	<b>(1 304 522)</b>	(3 182 753)
Non-controlling interest	<b>4 964</b>	8 845
	<b>(1 299 558)</b>	(3 173 908)

## Summarised consolidated statement of cash flows

for the year ended 31 December 2017

	Audited 31 December 2017 R000	Audited 31 December 2016 R000
Operating profit before working capital changes	461 652	425 960
Working capital changes	97 566	65 749
Cash generated from operations	559 218	491 709
Net interest received	38 335	16 888
Net dividends received	55 570	29 451
Taxation paid	(169 616)	(110 343)
	483 507	427 705
Net (advances to)/deposits from customers and other short-term negotiables	(227 051)	1 956 186
Deposits – Retail Banking	120 876	2 288 800
Other	(347 927)	(332 614)
Net cash flows generated from operating activities before ship sales and purchases	256 456	2 383 891
Proceeds on disposal of ships	238 097	180 843
Capital expenditure on ships	(69 753)	(368 145)
<b>Net cash flows generated from operating activities</b>	<b>424 800</b>	<b>2 196 589</b>
Acquisition of investments, subsidiaries, property, terminals, vehicles and equipment	(368 457)	(339 257)
Net proceeds from disposal of property, terminals, vehicles, equipment and investments	169 900	266 482
Net receipt from finance lease receivables	–	11 160
Intangible assets acquired	(4 110)	(25 253)
Proceeds from disposal of intangible assets	7 948	602
Funds advanced to joint ventures and associate companies	(22 144)	(644 288)
Acquisition of preference share investment	–	(5 367)
Acquisition of additional investments in subsidiaries, joint ventures and associates	(82 448)	(44 240)
<b>Net cash flows utilised in investing activities</b>	<b>(299 311)</b>	<b>(780 161)</b>
Acquisition of treasury shares	(1 386)	(8 671)
Proceeds from disposal of treasury shares	–	914
Long-term interest-bearing debt raised	1 277 549	821 780
Payment of capital portion of long-term interest-bearing debt	(1 030 371)	(952 600)
Short-term interest-bearing debt repaid	–	(132 726)
<b>Net cash flows raised from/(utilised in) financing activities</b>	<b>245 792</b>	<b>(271 303)</b>
Net increase in cash and cash equivalents	371 281	1 145 125
Cash and cash equivalents at beginning of the year	9 294 457	8 340 917
Difference arising on translation	(107 356)	(191 585)
<b>Cash and cash equivalents at end of the year</b>	<b>9 558 382</b>	<b>9 294 457</b>

## Summarised consolidated statement of changes in equity

for the year ended 31 December 2017

	Audited 31 December 2017 R000	Audited 31 December 2016 R000
<b>Share capital and share premium</b>	<b>5 992 754</b>	5 971 719
Balance at beginning of the year	5 971 719	5 970 727
Share options vested	22 421	6 892
Treasury shares acquired	(1 386)	(8 671)
Treasury shares sold	-	2 771
<b>Preference share capital</b>	<b>2</b>	2
Balance at beginning of the year	2	2
<b>Equity compensation reserve</b>	<b>58 364</b>	68 513
Balance at beginning of the year	68 513	63 643
Share-based payments	12 272	11 762
Share options vested	(22 421)	(6 892)
<b>Foreign currency translation reserve</b>	<b>3 505 281</b>	4 546 313
Balance at beginning of the year	4 546 313	6 063 103
Foreign currency translation realised	(243 653)	(120 261)
Foreign currency translation adjustments	(797 379)	(1 396 529)
<b>Other non-distributable statutory reserves</b>	<b>(43 566)</b>	(51 592)
Balance at beginning of the year	(51 592)	(126 302)
Financial instrument hedge settlement	3 005	53 873
Foreign currency translation adjustments	2 035	6 006
Fair value adjustment on hedging reserve	(202)	4 641
Deferred tax effect on cash flow hedge	(2 132)	(6 415)
Net business combination acquisition	5 320	16 605
<b>Accumulated profit</b>	<b>4 639 988</b>	5 217 482
Balance at beginning of the year	5 217 482	7 174 992
Fair value gain arising on available-for-sale financial instruments	(1 901)	(2 420)
Actuarial gains/(losses) recognised	7 102	(2 184)
Loss for the year	(515 050)	(1 839 725)
Ordinary dividends paid	-	(45 211)
Preference dividends paid	(67 645)	(67 970)
<b>Total interest of shareholders of the company</b>	<b>14 152 823</b>	15 752 437
<b>Equity attributable to non-controlling interests of the company</b>	<b>44 659</b>	48 919
Balance at beginning of the year	48 919	(6 274)
Foreign currency translation adjustments	(2 216)	8 625
Non-controlling interest disposed	244	49 860
Profit for the year	7 180	220
Dividends paid	(9 468)	(3 512)
<b>Total equity attributable to shareholders of the company</b>	<b>14 197 482</b>	15 801 356

## Segmental analysis for continuing operations

for the year ended 31 December 2017

	Audited 31 December 2017 R000	Audited 31 December 2016 **Re-presented R000
<b>Revenue</b>		
Port and Terminals	874 607	768 671
Logistics	2 336 408	2 540 740
Financial Services	467 039	492 216
Marine Fuel and Agricultural Logistics	17 585 797	14 806 358
Group	12 045	52 074
	<b>21 275 896</b>	18 660 059
<i>Segmental adjustments*</i>	<b>(18 216 474)</b>	(15 372 239)
	<b>3 059 422</b>	3 287 820
<b>Earnings/(loss) before interest, taxation, depreciation and amortisation</b>		
Port and Terminals	309 247	168 909
Logistics	339 738	331 525
Financial Services	362 952	337 720
Marine Fuel and Agricultural Logistics	65 061	(176 812)
Group	(123 392)	(2 449)
	<b>953 606</b>	658 893
<i>Segmental adjustments*</i>	<b>(331 625)</b>	28 956
	<b>621 981</b>	687 849
<b>Operating profit/(loss) before interest and taxation</b>		
Port and Terminals	204 313	49 981
Logistics	165 275	143 070
Financial Services	357 707	331 819
Marine Fuel and Agricultural Logistics	50 740	(196 724)
Group	(124 525)	(4 070)
	<b>653 510</b>	324 076
<i>Segmental adjustments*</i>	<b>(227 373)</b>	132 638
	<b>426 137</b>	456 714
<b>Share of associate companies' profit/(loss) after taxation</b>		
Port and Terminals	54 077	71 526
Logistics	(10 130)	(18 899)
Marine Fuel and Agricultural Logistics	55 093	6 988
	<b>99 040</b>	59 615
<i>Segmental adjustments*</i>	<b>(38 559)</b>	(39 011)
	<b>60 481</b>	20 604
<b>Profit/(loss) attributable to ordinary shareholders (continuing operations)</b>		
Port and Terminals	182 137	225 231
Logistics	221 809	(91 288)
Financial Services	188 958	171 006
Marine Fuel and Agricultural Logistics	57 777	(189 835)
Group	23 032	110 770
	<b>673 713</b>	225 884
<i>Segmental adjustments*</i>	<b>(27 438)</b>	(81 483)
	<b>646 275</b>	144 401

\* Joint venture earnings are reviewed together with subsidiaries by the key decision-makers. Segmental adjustments relate to joint ventures and are necessary to reconcile to IFRS presentation.

\*\* Re-presented for discontinued operations as detailed in the basis of preparation.

## Income statement – discontinued operations

for the year ended 31 December 2017

	Audited 31 December 2017 R000	Audited 31 December 2016 *Re-presented R000
<b>Revenue</b>	<b>5 432 486</b>	5 743 891
Loss before interest, taxation, depreciation and amortisation	<b>(606 721)</b>	(218 527)
Shipping	<b>25 309</b>	(157 581)
Rail	<b>(632 030)</b>	(60 946)
Depreciation and amortisation	<b>(218 564)</b>	(352 926)
Shipping	<b>204 450</b>	(320 754)
Rail	<b>(14 114)</b>	(32 172)
Operating loss before interest and taxation	<b>(825 285)</b>	(571 453)
Non-trading items	<b>(587 770)</b>	(708 884)
Gain/(loss) on re-measurement of fair value less costs to sell	<b>483 180</b>	(650 686)
Interest received	<b>71 646</b>	70 127
Interest paid	<b>(117 382)</b>	(128 918)
Loss before share of joint venture and associate companies' loss	<b>(975 611)</b>	(1 989 814)
Share of joint venture companies' loss after taxation	<b>(162 356)</b>	(65 816)
Loss before taxation	<b>(1 137 967)</b>	(2 055 630)
Taxation (expense)/credit	<b>(91 056)</b>	3 247
<b>Loss for the year</b>	<b>(1 229 023)</b>	(2 052 203)
Attributable to:		
Owners of the parent	<b>(1 228 970)</b>	(2 052 096)
Non-controlling interests	<b>(53)</b>	(107)
	<b>(1 229 023)</b>	(2 052 203)

\* Re-presented for discontinued operations as detailed in the basis of preparation.

## Summarised consolidated notes

for the year ended 31 December 2017

### BUSINESS COMBINATIONS

for the year ended 31 December 2017

#### Acquisition of subsidiary

During the year the group acquired the following interest:

Company acquired	Nature of business	Percentage acquired	Interest acquired 2017	Purchase consideration R'000
New Limpopo Bridge Projects Ltd	Rail operations	50%	1 May 2017	33 400
<b>Total purchase consideration</b>				<b>33 400</b>

#### Reason for acquisition

The reason for the acquisition was to increase the group's shareholding in the North South corridor.

#### Impact of acquisition on the results of the group

From the date of acquisition, the acquired business contributed additional losses of R4.9 million.

Net assets acquired in the transaction and goodwill/intangible assets arising are as follows:

Net assets acquired	Acquirees' carrying amount before combination at fair value R'000
Investment in joint venture	33 400
Total purchasing consideration	33 400
Cash acquired	-
<b>Net assets acquired</b>	<b>33 400</b>
The above transaction has the following impact on the summarised consolidated income statement:	139 965
Impairment of investment	(123 275)
Foreign currency translation reserve release	263 240

### RELATED PARTY TRANSACTIONS

for the year ended 31 December 2017

During each year, the group, in the ordinary course of business, enters into various transactions with related parties. Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial and operating decisions. These transactions occurred under terms that are no more or less favourable than those arranged with third parties.

Below is a list of significant related party transactions and balances for each year:

	Nature of relationship	Audited 31 December 2017 R000	Audited 31 December 2016 R000
<b>Goods and services sold to</b>			
Vitol Shipping Singapore Pte Ltd	Joint venture	111 163	331 705
<b>Goods and services purchased from</b>			
Cockett Marine Oil Pte Ltd	Joint venture	(702 945)	(584 201)
<b>Amounts due from related party</b>			
Terminal De Carvo da Matola Ltda	Joint venture	313 132	354 677
Cockett Marine Oil Pte Ltd	Joint venture	420 203	655 174
GPR Leasing Africa	Joint venture	146 896	178 053
Newshelf 1279 (Pty) Ltd	Influence holder of the group	548 954	492 855
IVS Bulk Pte Ltd	Joint venture	283 632	279 098

**LEASES AND SHIP CHARTERS**  
for the year ended 31 December 2017

	<b>Audited 31 December 2017 R000</b>	Audited 31 December 2016 R000
<b>Operating leases and ship charters</b>		
<b>Continuing operations</b>		
Income*	116 234	117 118
Expenditure	(1 183 952)	(1 295 481)
<b>Discontinued operations</b>		
Income*	1 205 939	1 251 519
Expenditure	(1 918 015)	(2 825 594)

\* Relates only to future committed income under non-cancellable operating leases and will not include revenue earned through the spot market.

**FOREIGN CURRENCY DENOMINATED ITEMS**  
as at 31 December 2017

<b>Exchange rates (ZAR/US\$)</b>		
Opening exchange rate	13.69	15.60
Closing exchange rate	12.39	13.69
Average exchange rate	13.36	14.73



## Summarised consolidated notes (continued)

for the year ended 31 December 2017

### FAIR VALUE OF FINANCIAL INSTRUMENTS

as at 31 December 2017

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

**Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Levels 2 and 3 fair values were determined by applying either a combination of, or one of the following, valuation techniques:

- market-related interest rate yield curves to discount expected future cash flows; and/or
- projected unit method; and/or
- market value; and/or
- the net asset value of the underlying investments; and/or
- a price earnings multiple or a discounted projected income/present value approach.

The fair value measurement for income approach valuation is based on significant inputs that are not observable in the market. Key inputs used in the valuation include discount rates and future profit assumptions based on historical performance but adjusted for expected growth. Management reassesses the earnings or yield multiples at least annually based on their assessment of the macro- and micro-economic environment.

	Audited 31 December 2017 R000 Level 1	Audited 31 December 2017 R000 Level 2	Audited 31 December 2017 R000 Level 3	Audited 31 December 2017 R000 Total
<b>Financial assets</b>				
Derivative financial assets	-	1 617	-	1 617
Financial assets designated at fair value through profit or loss	-	811 417	1 426 302	2 237 719
<b>Total</b>	-	813 034	1 426 302	2 239 336
<b>Financial liabilities</b>				
Derivative financial instruments	-	(20 744)	-	(20 744)
Other liabilities*	-	(92 132)	-	(92 132)
<b>Total</b>	-	(112 876)	-	(112 876)

\* Other liabilities include provisions for post-retirement medical aid and cash settled share based payment scheme.

	Audited 31 December 2016 R000 Level 1	Audited 31 December 2016 R000 Level 2	Audited 31 December 2016 R000 Level 3	Audited 31 December 2016 R000 Total
<b>Financial assets</b>				
Derivative financial assets	-	3 255	-	3 255
Financial assets designated at fair value through profit or loss	-	753 752	1 084 948	1 838 700
<b>Total</b>	-	757 007	1 084 948	1 841 955
<b>Financial liabilities</b>				
Derivative financial instruments	-	(26 365)	-	(26 365)
Other liabilities*	-	(100 200)	-	(100 200)
<b>Total</b>	-	(126 565)	-	(126 565)

\* Other liabilities include provisions for post-retirement medical aid and cash settled share based payment scheme.

Fair value gains recognised in the summarised consolidated income statement and summarised consolidated statement of other comprehensive income for Level 3 financial instruments were R125.6 million (2016: R39.3 million).

### Reconciliation of Level 3 fair value measurements of financial assets

	<b>Audited 31 December 2017 R000</b>	Audited 31 December 2016 R000
Opening balance	<b>1 084 948</b>	888 133
Additions	<b>236 750</b>	158 499
Disposals	<b>(21 018)</b>	(993)
Losses recognised – in summarised consolidated statements of other comprehensive income	<b>(1 221)</b>	(3 770)
Gains recognised – in summarised consolidated income statement	<b>126 843</b>	43 079
<b>Closing balance</b>	<b>1 426 302</b>	1 084 948

### CONTINGENT ASSETS/LIABILITIES as at 31 December 2017

The company guaranteed loans and facilities of subsidiaries and joint ventures amounting to R4 739.8 million (December 2016: R4 833.3 million) of which R1 731.7 million (December 2016: R1 841.6 million) had been utilised at the end of the year.

Grindrod placed R190.6 million (December 2016: R190.6 million) on deposit as security with the funders of the BEE consortium and provided a guarantee of R130.0 million to secure the structure. Grindrod continues to have the ability, but no obligation, to increase its funding with the structure should the current lenders wish to exit.

Within discontinued operations, the company guaranteed loans and facilities of subsidiaries and joint ventures amounting to R404.7 million (December 2016: R196.8 million) of which R404.4 million (December 2016: R191.3 million) had been utilised at the end of the year.

Within discontinued operations, the company guaranteed charter-hire payments of subsidiaries amounting to R403.5 million (December 2016: R665.8 million). The charter-hire payments are due by the subsidiaries in varying amounts from 2018 to 2022.

Due to significant restructuring, sale and disposal processes over the last few years, there are legal and compliance risks, which may result in potential exposures.

# Shareholders' information

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Share analysis of ordinary shareholders	139
Share analysis of cumulative, non-redeemable, non-participating, non-convertible preference shares	140
Notice of the annual general meeting	141
Form of proxy	146
Notes to the form of proxy	147
List of abbreviations	148
Terms and expressions	150
Company information	153

## Share analysis of ordinary shareholders

	Number of shareholdings	Percentage of shareholdings	Number of shares	Percentage of shares
<b>Shareholder spread</b>				
1 to 5 000 shares	6 581	70.73	10 497 251	1.38
5 001 to 10 000 shares	1 156	12.42	8 453 415	1.11
10 001 to 50 000 shares	1 116	11.99	23 482 192	3.08
50 001 to 100 000 shares	164	1.76	11 614 214	1.52
100 001 shares and over	288	3.10	708 506 242	92.91
	<b>9 305</b>	<b>100.00</b>	<b>762 553 314</b>	<b>100.00</b>
<b>Non-public shareholders</b>				
Directors of the company	8	0.09	536 015	0.07
Treasury stock	27	0.29	10 203 061	1.34
Strategic holdings	2	0.02	250 092 869	32.80
<b>Public shareholders</b>	<b>9 268</b>	<b>99.60</b>	<b>501 721 369</b>	<b>65.79</b>
	<b>9 305</b>	<b>100.00</b>	<b>762 553 314</b>	<b>100.00</b>
<b>Investor profile</b>				
Banks and brokers	97	1.04	79 656 450	10.45
Close corporations	116	1.25	2 389 539	0.31
Empowerment	1	0.01	64 000 000	8.39
Endowment funds	36	0.39	998 273	0.13
Individuals	7 331	78.79	51 194 954	6.71
Insurance companies	29	0.31	14 418 917	1.89
Investment companies	3	0.03	178 226	0.02
Medical schemes	13	0.14	508 181	0.07
Mutual funds	140	1.50	140 093 616	18.37
Other corporations	54	0.58	261 391	0.03
Own holdings	27	0.29	10 203 061	1.34
Private companies	218	2.34	86 123 749	11.30
Public companies	10	0.11	5 075 162	0.67
Retirement funds	106	1.14	113 578 232	14.90
Strategic investor	1	0.01	173 183 235	22.71
Trusts	1 123	12.07	20 690 328	2.71
	<b>9 305</b>	<b>100.00</b>	<b>762 553 314</b>	<b>100.00</b>
<b>Geographical breakdown</b>				
South Africa	9 089	97.68	663 354 460	86.99
United States of America and Canada	35	0.38	49 946 486	6.55
United Kingdom	62	0.67	27 248 529	3.57
Rest of Europe	24	0.26	12 228 749	1.60
Rest of the World	95	1.02	9 775 090	1.28
	<b>9 305</b>	<b>100.00</b>	<b>762 553 314</b>	<b>100.00</b>
<b>Beneficial shareholders holding 5% or more</b>				
Remgro			173 183 235	22.71
Grindrod Investments Proprietary Limited (Grindrod family)			76 909 634	10.08
Government Employees Pension Fund			75 447 442	9.50
Newshelf 1279 (RF) Proprietary Limited			64 000 000	8.39
PSG Konsult			51 795 817	6.15
			<b>441 336 128</b>	<b>56.83</b>
<b>Top 10 Fund Managers</b>				
Public Investment Corporation			59 534 306	7.81
PSG Asset Management			55 867 970	7.33
Investec Asset Management			41 196 444	5.40
Sanlam Investment Management			25 078 884	3.29
Dimensional Fund Advisors			23 344 347	3.06
Steyn Capital Management			17 908 464	2.35
First State Investments			15 513 118	2.03
Vanguard			14 747 912	1.93
BlackRock			6 979 449	0.92
Oasis Asset Management			6 043 130	0.79
			<b>266 214 024</b>	<b>34.91</b>

## Share analysis of cumulative, non-redeemable, non-participating, non-convertible preference shares

	Number of shareholdings	Percentage of shareholdings	Number of shares	Percentage of shares
<b>Shareholder spread</b>				
1 to 5 000 shares	1 662	84.54	2 170 002	29.32
5 001 to 10 000 shares	153	7.78	1 120 853	15.15
10 001 to 50 000 shares	133	6.77	2 417 007	32.66
50 001 to 100 000 shares	12	0.61	845 931	11.43
100 001 shares and over	6	0.31	846 207	11.44
	<b>1 966</b>	<b>100.00</b>	<b>7 400 000</b>	<b>100.00</b>
Non-public shareholders	1	0.05	1 609	0.02
Public shareholders	1 965	99.95	7 398 391	99.98
	<b>1 966</b>	<b>100.00</b>	<b>7 400 000</b>	<b>100.00</b>
<b>Investor profile</b>				
Banks and brokers	9	0.46	145 288	1.96
Close corporations	20	1.02	81 560	1.10
Endowment funds	14	0.71	99 309	1.34
Individuals	1 441	73.30	3 890 683	52.58
Insurance companies	7	0.36	147 421	1.99
Investment company	1	0.05	1 633	0.02
Medical schemes	31	1.58	960 637	12.98
Mutual funds	4	0.20	5 846	0.08
Nominees and trusts	7	0.36	39 613	0.54
Other corporations	79	4.02	676 781	9.15
Private companies	2	0.10	178 436	2.41
Public companies	8	0.41	43 306	0.59
Retirement funds	343	17.45	1 129 487	15.26
Trusts	9	0.46	145 288	1.96
	<b>1 966</b>	<b>100.00</b>	<b>7 400 000</b>	<b>100.00</b>
<b>Geographical breakdown</b>				
South Africa	1 947	99.03	7 360 111	99.46
United States of America and Canada	2	0.10	3 150	0.04
United Kingdom	3	0.15	23 627	0.32
Rest of Europe	7	0.36	7 805	0.11
Rest of the World	7	0.36	5 307	0.07
	<b>1 966</b>	<b>100.00</b>	<b>7 400 000</b>	<b>100.00</b>

# Notice of the annual general meeting

Notice is hereby given that the fifty-first annual general meeting of Grindrod Limited (the company) will be held in the boardroom, 8<sup>th</sup> Floor, Grindrod House, 108 Margaret Mncadi Avenue, Durban on Thursday, 31 May 2018 at 14:00 for the purpose of considering and if deemed fit, passing with or without modification, according to the requirements of the Companies Act (the Act), as read with the JSE Listings Requirements, the ordinary and special resolutions as set out below.

The minutes of the meeting held on 24 May 2017 are available for inspection at the registered office of the company until 16:00 on 29 May 2018.

## 1. Presentation of annual financial statements and reports

- 1.1 To present the audited annual financial statements for the financial year ended 31 December 2017, together with the reports of the audit committee, the directors and the auditors.

The summarised consolidated financial statements for 2017 are set out on pages 126 to 137 of the integrated annual report. A copy of the full audited consolidated financial statements is available on the company's website at [www.grindrod.com](http://www.grindrod.com).

- 1.2 To present the report of the social and ethics committee, set out on pages 98 and 99 of the integrated annual report.

## 2. Ordinary resolutions

### 2.1 Ordinary resolution 2.1: Re-election of non-executive directors retiring by rotation

To vote on the re-election, each by way of a separate vote, of the following directors who are required to retire by rotation in accordance with article 5.1(8) of the memorandum of incorporation (MOI) and being eligible, offer themselves for re-election:

- 2.1.1 G Kotze
- 2.1.2 ZN Malinga
- 2.1.3 RSM Ndlovu

The nomination committee of the company has conducted an assessment of the performance of each of the retiring candidates and the board accepted the results of the assessments. Accordingly, the board recommends their re-election to shareholders.

Brief CVs of the directors are provided on pages 84 to 88 of the integrated annual report.

### 2.2 Ordinary resolution 2.2: Election of member and appointment of chairman of the audit committee

To vote on the election of GG Gelink, an independent non-executive director of the company, as a member of the audit committee and his appointment as the chairman of the committee, until the end of the next annual general meeting of the company.

A brief CV of the director is provided on page 85 of the integrated annual report.

### 2.3 Ordinary resolution 2.3: Election of members of the audit committee

To vote on the re-election in terms of section 94 of the Act, each by way of a separate vote, the following independent non-executive directors of the company, as members of the audit committee to hold office until the end of the next annual general meeting of the company:

- 2.3.1 WD Geach
- 2.3.2 RSM Ndlovu

Brief CVs of the audit committee members are provided on pages 85 and 86 of the integrated annual report.

### 2.4 Ordinary resolution 2.4: Re-appointment of independent auditors and re-appointment of designated audit partner

To vote, each by way of a separate vote, on:

- 2.4.1 The re-appointment of Deloitte & Touche as independent auditors of the company, to hold office until the next annual general meeting.
- 2.4.2 The re-appointment of K Peddie as designated audit partner, to hold office until the next annual general meeting.



## Notice of the annual general meeting continued

### 2. Ordinary resolutions (continued)

#### 2.4 Ordinary resolution 2.4: Re-appointment of independent auditors and re-appointment of designated audit partner (continued)

The audit committee nominated Deloitte & Touche to be independent auditors of the company and K Peddie to be designated audit partner and accordingly recommends that Deloitte & Touche and K Peddie be appointed as independent auditors and designated audit partner, respectively.

#### 2.5 Ordinary resolution 2.5: General authority to directors to allot and issue ordinary shares

That, as an ordinary resolution, and subject to the provisions of the Act and the JSE Listings Requirements, from time to time, that the directors of the company be and are hereby authorised, as a general authority and approval, to allot and issue, for such purposes and on such terms as they may in their discretion determine, ordinary shares in the authorised but unissued share capital of the company up to a maximum of ten percent of the number of ordinary shares in issue on the date of passing this resolution.

##### *Explanatory Note*

The reason for proposing ordinary resolution number 2.5 above is to seek a general authority and approval for the directors to allot and issue ordinary shares in the authorised but unissued share capital of the company, up to ten percent of the number of ordinary shares of the company in issue at the date of passing this resolution, in order to enable the company to take advantage of business opportunities which might arise in the future.

In order for ordinary resolution number 2.5 above to be approved, it must be supported by more than fifty percent of the voting rights exercised.

#### 2.6 Ordinary resolution 2.6 of 75 percent: General authority to issue shares for cash

That, as an ordinary resolution, and subject to ordinary resolution number 2.5 above being passed, the directors of the company be and are hereby authorised, in accordance with the Act and the JSE Listings Requirements, to allot and issue for cash, on such terms and conditions as they may deem fit, all or any of the ordinary shares in the authorised but unissued share capital of the company, which they shall have been authorised to allot and issue in terms of ordinary resolution number 2.5 above, subject to the following conditions:

- This authority is valid until the company's next annual general meeting, provided that it will not extend beyond fifteen months from the date that this authority is given;
- The ordinary shares, which are the subject of the issue for cash, must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into or represent options in respect of a class already in issue;
- Any such issue will be made only to 'public shareholders' as defined in the JSE Listings Requirements and not to related parties, unless the JSE otherwise agrees;
- The number of shares issued for cash will not in aggregate exceed ten percent of the company's listed ordinary shares (excluding treasury shares) as at the date of the notice of AGM, such number being 751 934 919 ordinary shares in the company's issued share capital;
- Any ordinary shares issued under this authority during the period of its validity must be deducted from the above number of ordinary shares and the authority shall be adjusted accordingly to represent the same allocation ratio on the event of a sub-division or consolidation of equity securities during the same period;
- The maximum discount permitted at which ordinary shares may be issued is ten percent of the weighted average traded price on the JSE of those shares over the thirty business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the securities; and
- An announcement giving full details, including the number of shares issued, the average discount to the weighted average traded price of the shares over the thirty business days prior to the date the company agrees to issue the shares and the impact on net asset value, net tangible asset value, earnings and (if applicable) diluted earnings and headline earnings per share, will be published at the time of any issue representing, on a cumulative basis within one financial year, five percent or more of the number of shares in issue prior to such issue.

##### *Explanatory Note*

The reason for proposing ordinary resolution number 2.6 is that the directors consider it advantageous to have the authority to issue ordinary shares for cash in order to enable the company to take advantage of any business opportunity which might arise in the future. At present, the directors have no specific intention to use this authority, and the authority will thus only be used if circumstances are appropriate.

In order for ordinary resolution 2.6 to be approved, it must be supported by more than seventy-five percent of the voting rights exercised.

### 3. Special resolutions

#### 3.1 Special resolution 3.1: Approval of non-executive directors' fees

That the fees payable to the non-executive directors of the company, members and chairmen of board committees for the year 1 July 2018 to 30 June 2019, as set out below, be approved.

	Member/Directors/Chairman	Present	Proposed
<b>Board of directors</b>	Chairman	R902 000	R956 000
	Lead independent director	R580 000	R700 000
	Non-executive director	R290 000	R350 000
<b>Audit committee</b>	Chairman	R232 500	R246 000
	Member	R129 000	R136 000
<b>Investment committee</b>	Chairman	Nil	Nil
	Standing member	R86 000	R91 000
	Ad-hoc member (per meeting)	R21 500	R22 000
<b>Nomination committee</b>	Chairman	R129 000	R136 000
	Member	R71 000	R75 000
<b>Remuneration committee</b>	Chairman	R129 000	R136 000
	Member	R71 000	R75 000
<b>Risk committee</b>	Chairman	R155 000	R164 000
	Member	R86 000	R91 160
<b>Social and ethics committee</b>	Chairman	R108 500	R115 500
	Member	R65 500	R69 000

The remuneration committee evaluated the fees for non-executive directors of the company, and members and chairmen of board committees. Factors such as the increased responsibilities of non-executive directors as a result of more stringent legal and corporate governance requirements, benchmarking against industry peers and market trends were taken into consideration when the remuneration committee recommended the above fees to the board. The board accepted the recommendations of the committee and accordingly recommends the above fees for approval by the shareholders in terms of section 66(9) of the Act.

#### 3.2 Special resolution 3.2: General authority to provide financial assistance in terms of section 44 of the Act

That, as a general approval, the directors of the company be and are hereby authorised, to the extent required by the Act, and subject to compliance with the requirements of the company's MOI and the JSE Listings Requirements (each as presently constituted and as amended from time to time), to provide direct or indirect financial assistance, including by way of loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or entity that is or becomes related or inter-related to the company or any of its subsidiaries, and/or to any member of such subsidiary or related or inter-related company or entity, for the specific purpose of or in connection with, the subscription of any option or securities issued or to be issued by the company or a related entity, provided that the board has applied the solvency and liquidity tests as set out in section 4 of the Act and the terms of the proposed financial assistance is fair and reasonable to the company.

#### 3.3 Special resolution 3.3: General authority to provide financial assistance in terms of section 45 of the Act

That, as a general approval, the directors of the company be and are hereby authorised, subject to the provisions of section 45 of the Act, compliance with the requirements of the company's MOI, the JSE Listings Requirements (each as presently constituted and as amended from time to time) and any other applicable laws that may exist from time to time, to provide direct or indirect financial assistance ('financial assistance' will herein have the meaning attributed to it in section 45(1) of the Act) that the board of directors of the company may deem fit, to any related or inter-related company or to any juristic person who is a member of or related to any such companies ('related' and 'inter-related' will herein have the meaning so attributed in section 2 of the Act) on the terms and conditions that the board of directors of the company may determine from time to time.

#### 3.4 Special resolution 3.4: Repurchase of the company's ordinary shares

That, as a general approval, the directors of the company be and they are hereby authorised, subject to the provisions of section 48, read with section 46 of the Act and of the JSE Listings Requirements, to approve the purchase by the company of its own ordinary shares, and the purchase of ordinary shares in the company by any of its subsidiaries, upon such terms and conditions and in such amounts as the board may from time to time determine, provided that:

- (i) the acquisition of the ordinary shares must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty;
- (ii) this general authority shall only be valid until the earlier of the company's next annual general meeting or the expiry of a period of fifteen months from the date of passing of this special resolution;
- (iii) in determining the price at which the company's ordinary shares are acquired in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be ten percent of the weighted average of the market value at which such ordinary shares are traded on the JSE, as determined over the five trading days immediately preceding the date on which the transaction is effected;





## Notice of the annual general meeting continued

### 3. Special resolutions (continued)

#### 3.4 Special resolution 3.4: Repurchase of the company's ordinary shares (continued)

- (iv) the acquisitions of ordinary shares in the aggregate in any one financial year may not exceed twenty percent of the company's issued ordinary share capital;
- (v) the company may only effect the repurchase once a resolution has been passed by the board confirming that the board has authorised the repurchase, that immediately after the repurchase the company would satisfy the solvency and liquidity tests, and that since this was done there have been no material changes to the financial position of the group;
- (vi) the company or its subsidiaries may not acquire ordinary shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements, unless a repurchase programme is in place where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period;
- (vii) an announcement, containing full details of acquisitions in accordance with section 5.79 of the JSE Listings Requirements, will be published once the company has cumulatively repurchased three percent of the number of the ordinary shares in issue at the time this general authority is granted (initial number), and for each three percent in aggregate of the initial number acquired thereafter; and
- (viii) at any point in time, the company may only appoint one agent to effect any acquisition/s on its behalf.

#### **Adequacy of working capital**

At any time that the repurchase contemplated in this resolution is to take place, the board will ensure that, after considering the effect of the maximum repurchase and for a period of twelve months thereafter:

- (i) the company and the group will be able to pay their debts as they become due in the ordinary course of business for the period of twelve months after the date of notice of the annual general meeting;
- (ii) the consolidated assets of the company and the group, fairly valued in accordance with International Financial Reporting Standards (IFRS), will be in excess of the consolidated liabilities of the company and the group for the period of twelve months after the date of notice of the annual general meeting;
- (iii) the issued share capital and reserves of the company and the group will be adequate for the purpose of the ordinary business of the company and the group for the period of twelve months after the date of notice of the annual general meeting; and
- (iv) the working capital available to the company and the group will be adequate for the purposes of the business of the company and the group for the period of twelve months after the date of notice of the annual general meeting.

#### **Disclosure**

The directors of the company has no specific intention at present for the company or its subsidiaries to repurchase any of the shares of the company as contemplated in this special resolution number 3.4 but considers that such a general authority should be put in place should an opportunity present itself to do so during the year, which is in the best interests of the company and its shareholders.

The directors, whose names are set out on pages 84 to 88 of the integrated annual report, collectively and individually accept full responsibility for the accuracy of information pertaining to this special resolution number 3.4 and certify that to the best of their knowledge and belief there are no other facts, the omission of which would make any statement false or misleading, and that they have made all reasonable enquiries in this regard, and that this resolution contains all information required by law and the JSE Listings Requirements.

The following additional information, some of which appears elsewhere in the integrated annual report of which this notice forms part, is provided in terms of section 11.26 of the JSE Listings Requirements for purposes of the general authority contemplated above:

- Major beneficial shareholders – page 139 of the integrated annual report;
- Directors' interests in shares – page 105 of the integrated annual report;
- Share capital of the company – page 131 of the integrated annual report.

Other than the facts and developments reported on in the integrated annual report, there have been no material changes to the financial or trading position of the company and its subsidiaries since 31 December 2017 and the issuing of this notice to shareholders (see page 123 of this report).

### 4. Non-binding advisory vote

#### 4.1 Confirmation of the group remuneration policy

That, as a non-binding advisory vote, the company's remuneration policy as set out in the remuneration report on page 107 of the integrated annual report be and is hereby confirmed.

In terms of the King Report on Governance for South Africa, 2016 (King IV), an advisory vote should be put to the shareholders relating to the group remuneration policy. The vote allows the shareholders to express their views on the remuneration policy adopted and implemented, but is not binding on the company.

## Other business

To transact such other business as may be required at this annual general meeting.

## Record dates

The record date for purposes of determining which shareholders are entitled to receive this notice is Friday, 6 April 2018.

The record date for shareholders to be recorded in the securities register of the company in order to be able to attend, participate and vote at the annual general meeting is Friday, 25 May 2018. Accordingly, the last date to trade in order to be eligible to attend and vote at the annual general meeting is Tuesday, 22 May 2018. It is recommended that Forms of proxy for the annual general meeting are to be lodged with the Transfer Secretaries, Link Market Services (South Africa) (Pty) Ltd, 13<sup>th</sup> Floor, Rennie House, 19 Amershoff Street, Braamfontein, email [meetfax@linkmarketservices.co.za](mailto:meetfax@linkmarketservices.co.za) of facsimile 086 674 2450 by no later than 14:00 on Tuesday, 29 May 2018.

## Preference shareholders

Preference shareholders are entitled to receive copies of correspondence related to all shareholder meetings. In respect of the annual general meeting to be held on Thursday, 31 May 2018, preference shareholders are entitled to attend the meeting and to vote together with ordinary shareholders in respect of special resolution number 3.4 regarding renewal of the authority of directors to repurchase ordinary shares.

## Voting and proxies

The minimum percentage of voting rights that is required for the adoption of each ordinary resolution is more than fifty percent of the voting rights exercised on the resolution by shareholders present or represented by proxy at the annual general meeting, except for ordinary resolution 2.6, which requires seventy-five percent.

The minimum percentage of voting rights that is required for the adoption of each special resolution is at least seventy-five percent of the voting rights exercised on the resolution by shareholders present or represented by proxy at the annual general meeting.

A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company. The attached form of proxy is only to be completed by those ordinary shareholders who hold ordinary shares in certificated form or are recorded in the sub-register in "own-name" dematerialised form.

Ordinary shareholders who have dematerialised their ordinary shares through a CSDP or broker without "own-name" registration and who wish to attend the annual general meeting, must instruct their CSDP or broker to provide them with the necessary letter of representation to attend the annual general meeting in person or proxy and vote. If they do not wish to attend the annual general meeting in person or by proxy and vote, they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.

A form of proxy must be lodged with the share transfer secretaries of the company, Link Market Services South Africa (Proprietary) Limited, not less than forty-eight hours before the time set for the meeting. Completion of a form of proxy will not preclude a member from attending the meeting.

## Electronic participation by shareholders

In terms of section 61(10) of the Companies Act every shareholders' meeting of a public company must be reasonably accessible within South Africa for electronic participation by shareholders. Grindrod shareholders wishing to participate electronically in the annual general meeting are required to deliver written notice to the company at Grindrod Mews, 2nd Floor, 106 Margaret Mncadi Avenue, Durban, 4001 (marked for the attention of Mrs Cl Lewis) by no later than 16:00 on 30 May 2018 that they wish to participate via electronic communication at the annual general meeting (the "electronic notice"). In order for the electronic notice to be valid it must contain: (a) if the shareholder is an individual, a certified copy of his identity document and/or passport; (b) if the shareholder is not an individual, a certified copy of a resolution by the relevant entity and certified copy of the identity documents and/or passports of the persons who passed the relevant resolution. The relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the annual general meeting via electronic communication; and (c) a valid email address and/or facsimile number (the "contact address/number"). By no later than twenty-four hours before the time for the annual general meeting the company shall use its reasonable endeavours to notify a shareholder at its contact address/number who has delivered a valid electronic notice of the relevant details through which the shareholder can participate via electronic communication.

In terms of section 63(1) of the Act, meeting participants need to provide satisfactory identification.

By order of the board



**Grindrod Limited**

**Mrs Cl Lewis**

Group company secretary  
Durban

10 April 2018



## Grindrod Limited

(Incorporated in the Republic of South Africa)  
Registration number 1966/009846/06  
Share code: GND and GNDP  
ISIN: ZAE000072328 and ZAE000071106  
(the company)

### For use in respect of the fifty-first annual general meeting of the company by certificated shareholders or of dematerialised shareholders with own-name registration.

Holders of dematerialised ordinary shares, other than those with own-name registration, must inform their CSDP or broker of their intention to attend the annual general meeting and request their CSDP to issue them with the necessary letter of representation. If they do not wish to attend the annual general meeting in person, they should provide their CSDP with their voting instructions.

I / We \_\_\_\_\_ (full name in block letters)

of \_\_\_\_\_ (address in block letters)

being the registered holder/s of \_\_\_\_\_ ordinary shares and \_\_\_\_\_ preference shares in the capital of the company

do hereby appoint

**1.** \_\_\_\_\_ of \_\_\_\_\_ or failing him/her,

**2.** \_\_\_\_\_ of \_\_\_\_\_ or failing him/her,

the chairman of the meeting as my/our proxy to attend, speak and vote on my/our behalf at the annual general meeting of the company to be held on Thursday, 31 May 2018 at 14:00 in the boardroom, 8<sup>th</sup> Floor, Grindrod House, 108 Margaret Mncadi Avenue, Durban, South Africa and at any adjournment thereof, and to vote or abstain from voting as follows on the resolutions to be proposed at such meeting.

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

	For	Against	Abstain
Ordinary resolution no. <b>2.1</b> : Re-election of directors retiring by rotation			
<b>2.1.1.</b> G Kotze			
<b>2.1.2.</b> ZN Malinga			
<b>2.1.3.</b> RSM Ndlovu			
Ordinary resolution no. <b>2.2</b> : Election of member and appointment of chairman of the audit committee – GG Gelink			
Ordinary resolution no. <b>2.3</b> : Election of members of the audit committee			
<b>2.3.1.</b> WD Geach			
<b>2.3.2.</b> RSM Ndlovu			
Ordinary resolution no. <b>2.4</b> : Re-appointment of independent auditors and re-appointment of designated audit partner			
<b>2.4.1.</b> Re-appointment of Deloitte & Touche as independent auditors			
<b>2.4.2.</b> Re-appointment of K Peddie as designated audit partner			
Ordinary resolution no. <b>2.5</b> : General authority to directors to allot and issue ordinary shares			
Ordinary resolution no. <b>2.6</b> of 75 percent: General authority to issue shares for cash			
Special resolution no. <b>3.1</b> : Approval of non-executive directors' fees			
Special resolution no. <b>3.2</b> : General authority to provide financial assistance in terms of section 44 of the Act			
Special resolution no. <b>3.3</b> : General authority to provide financial assistance in terms of section 45 of the Act			
Special resolution no. <b>3.4</b> : Repurchase of the company's ordinary shares			
Non-binding advisory vote <b>4.1</b> : Confirmation of the group remuneration policy			

Date:

Signature:

Please read the notes and instructions overleaf.

## Notes to the form of proxy

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company.
2. In accordance with the company's MOI, voting shall be by poll only.
3. Please indicate with an "X" in the appropriate spaces overleaf 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 chairman of the meeting shall be entitled to decline to accept the authority of a person signing the proxy form:
  - (a) under a power of attorney; or
  - (b) on behalf of a company;  
unless that person's power of attorney or authority is deposited at the offices of the company's share transfer secretaries not less than forty-eight hours before the meeting together with the form of proxy.
5. The completion and lodging of this form of proxy will not preclude the member who grants this proxy from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.
6. Completed forms of proxy should be lodged at or posted to the company's share transfer secretaries, Link Market Services South Africa (Proprietary) Limited, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000), South Africa, so as to reach them not later than forty-eight hours before the time set for the holding of the meeting.

## List of abbreviations

Abbreviation	Definition
AGM	Annual General Meeting
ATM	Automated Teller Machine
B-BBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
Board	Grindrod board of directors
CO <sub>2</sub>	Carbon dioxide
CO <sub>2</sub> -e	Carbon dioxide equivalent
CDP	Carbon Disclosure Project
CEO	Chief executive officer
CFO	Chief financial officer
CFM	Ports and Railway Company of Mozambique
Company	Grindrod Limited
CoBIT	Control Objectives for Information and Related Technology
CSDP	Central Securities Depository Participant
CSI	Corporate Social Investment
CV	Curriculum Vitae
DOL	Department of Labour
DPW	Dubai Ports World
dti	Department of Trade and Industry
DWT	Deadweight Tonne
EBITDA	Earnings Before Interests, Tax, Depreciation and Amortisation
EE	Employment Equity
ESG	Environmental, Social and Governance
ETF	Exchange Traded Fund
EV/EBITDA	Enterprise Value/EBITDA
FSB	Financial Services Board
FTE	Full Time Equivalent
FTSE	Financial Times Stock Exchange
GBP	British Pound
GFS	GFS Holdings Proprietary Limited
GHG	Greenhouse Gas
GML	Grindrod Mozambique Limitada
GRI	Global Reporting Initiative
Grindrod	Grindrod Limited
Group	Grindrod, its subsidiaries, associates and joint ventures
HDSA	Historically Disadvantaged South African
HEPS	Headline Earnings Per Share
HIV	Human immunodeficiency virus

Abbreviation	Definition
HR	Human Resources
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IMO	International Maritime Organisation
IRBA	Independent Regulatory Board for Auditors
IRR	Internal Rate of Return
<IR>	Integrated Reporting
ISO	International Standards Organisation
IT	Information Technology
IVS	Island View Shipping
JSE	Johannesburg Securities Exchange Limited
KING IV	The King IV Report on Corporate Governance for South Africa, 2016
km	Kilometre
KPI	Key Performance Indicator
kWh	Kilowatt hour
l	Litre/s
LTIFR	Lost-time Injury Frequency Rate
m	Metre
m <sup>2</sup>	Square metre
m <sup>3</sup>	Cubic metre
MARPOL	International Convention for the Prevention of Pollution from Ships
MCTL	Grindrod Maputo car terminal
ML	Megalitre
MOI	Memorandum of Incorporation
MPA	Maritime and Port Authority of Singapore
MPDC	Maputo Port Development Company
MR	Medium-range
mt	Million tons
mtpa	Million tons per annum
MW	Megawatt
MWh	Megawatt-hours
N/A	Not Applicable
NAMPORT	Namibian Ports Authority
NERSA	National Energy Regulator of South Africa

Abbreviation	Definition
NGO	Non-Governmental Organisation
NLPI	NLPI Limited
NM	Nautical Mile
NO <sub>x</sub>	Nitrous Oxide
OACL	Ocean Africa Container Lines
OHSAS	Occupational Health and Safety Advisory Services
OTGC	Oiltanking Grindrod Calulo
POPI	Protection Of Personal Information
PMBOK	Project Management Body of Knowledge
PMO	Project Management Office
PRINCE II	Projects In Controlled Environments II
RBTG	RBT Grindrod
SAICA	South African Institute of Chartered Accountants
SAMTRA	South African Maritime Training Academy
SAPREF	SA Petroleum Refineries
SARB	South African Reserve Bank
SASSA	South African Social Security Agency
SDGs	Sustainable Development Goals
SENS	Stock Exchange News Service
SGD	Singapore Dollar

Abbreviation	Definition
SGM	Sturrock Grindrod Maritime
SHERQ	Safety, Health, Environment, Risk and Quality
SO <sub>x</sub>	Sulphur Oxide
SMME	Small, Medium and Micro-sized Enterprises
TASK	Tuned Assessment of Skills and Knowledge
TCM	Terminal de Carvão da Matola
TCOE	Total Cost of Employment
TEU	Twenty Foot Equivalent Unit
TFCFD	Task Force on Climate-related Financial Disclosures
The Companies Act	The Companies Act, No 71 of 2008 (South Africa)
TNPA	Transnet National Ports Authority
TRACE	TRACE International, Inc.
UK	United Kingdom
UN	United Nations
UNICORN	Unicorn Shipping
US\$	United States Dollar
WACC	Weighted Average Cost of Capital
WBBT	Walvis Bay Bulk Terminal
WWF	World Wildlife Fund
ZAR	South African Rand

# Terms and expressions

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## **Backhaul**

Routes which are against the standard flow of traffic, i.e. loading in a port situated in what is usually a discharge area and discharging in a port situated in what is usually a loading area.

## **Ballast**

The period of time during which a ship performs a voyage without cargo on board.

## **Baltic capesize index (BCI)**

The BCI is published every London working day by the Baltic Exchange, which collates information on fixtures for a number of routes in relation to a standard 172 000 dwt vessel and maximum 10 years of age. The index is also published on the basis of a time charter return and is used to determine the value of the trading routes and settlement prices for forward freight agreements (FFAs).

## **Baltic dry index (BDI)**

The BDI is published every London working day by the Baltic Exchange, which collates information for handysize, supramax, panamax and capesize vessels to create this lead freight market indicator.

## **Baltic handysize index (BHSI)**

The BHSI is published every London working day by the Baltic Exchange, which collates information on fixtures for a number of routes in relation to a standard 28 000 dwt vessel with 30 MT cranes and maximum 15 years of age. The index is also published on the basis of a time charter return and is used to determine the value of the trading routes and settlement prices for FFAs.

## **Baltic panamax index (BPI)**

The BPI is published every London working day by the Baltic Exchange, which collates information on fixtures for a number of routes in relation to a standard 74 000 dwt vessel and maximum seven years of age. This index is also published on the basis of a time charter return and is used to determine the value of trading routes and settlement prices for FFAs.

## **Baltic supramax index (BSI)**

The BSI is published every London working day by the Baltic Exchange, which collates information on fixtures for a number of routes in relation to a standard Tess 52 type vessel. This vessel is 52 454 dwt, with 4 x 30 MT cranes and grabs and maximum 10 years of age. This index is also published on the basis of a time charter return and is used to determine the value of trading routes and settlement prices for FFAs.

## **Bareboat charter**

Charter for an agreed period of time during which the shipowner provides only the ship, while the charterer provides the crew, together with all stores and bunkers and pays all vessel operating costs.

## **Barging**

Transfer of cargo between a ship and the shore using a barge.

## **Beam**

The greatest width of a vessel.

## **Breakbulk**

Dry, loose cargo.

## **Bulk carrier**

Ship designed to carry dry, loose cargoes in bulk.

## **Bunker(s)**

Fuel, consisting of fuel oil and diesel, burned in the vessel's engines.

## **Bunker tanker**

A small tanker used to refuel ships with bunkers.

## **Capesize bulk carrier**

Dry-bulk carrier with a capacity of about 130 000 to 200 000 dwt which, due to its size, must transit when loaded the Atlantic to the Pacific via Cape Horn or the Cape of Good Hope and is typically used for long voyages in the coal and iron ore trades.

## **Charter hire**

The revenue earned by a vessel pursuant to a bareboat charter or a time charter (see Freight for voyage charter revenue).

## **Charterer**

A person, firm or company hiring a vessel for the carriage of goods or other purposes.

## **Charter party**

Document containing all the terms and conditions of the contract between the owner of a vessel and a charterer for the use of a vessel, signed by both parties or their agents, for the hire of a ship or the space in a ship.

## **Chemical tanker**

A tanker, usually not larger than 40 000 dwt, designed to carry numerous bulk liquid chemical products, often in stainless steel tanks, in isolated compartments (also termed "parcels").

## **Commercial management**

Management of those aspects of ship owning and operation that relate to obtaining economic value from the vessel, which includes ship financing, sale and purchase, chartering or vessel, employment, voyage execution, insurance and claims handling, accounting and corporate administration.

## **Container ship**

Ship designed to carry containerised cargo.

**Contract of affreightment (COA)**

Similar to a voyage charter, but covers two or more shipments over an agreed period of time (this could be over a number of months or years) and no particular vessel is specified.

**Deadweight tonne (DWT)**

Deadweight tonnes, the unit of measurement of weight capacity of vessels, which is the total weight (usually in metric tonnes) the ship can carry, including cargo, bunkers, water, stores, spares, crew, etc. at a specified draft.

**Demurrage**

An agreed amount payable to the shipowner by the charterer when the agreed time allowed for loading or unloading cargo has been exceeded through no fault of the owner.

**Double hull**

A ship which has an inner and an outer hull. The distance between these two can be up to two metres. Such construction increases the safety during a possible grounding or collision and in this way leakage may be avoided.

**Draft**

Vertical distance between the waterline and the bottom of the vessel's keel (i.e. the depth of the ship in the water).

**Drydocking**

The removal of a vessel from the water for inspection, maintenance and/or repair of parts that are normally submerged.

**Flag state**

The country where the vessel is registered.

**Forward freight agreement (FFA)**

A derivative instrument that is a means of hedging exposure to freight market risk through the purchase or sale of specified time charter rates for forward positions. Settlement is in cash, against a daily market index published by the Baltic Exchange.

**Freight**

The revenue earned by a vessel pursuant to a voyage charter or a contract of affreightment.

**Front haul**

Routes which follow the typical flow of the transportation of cargoes from the main loading areas to the main discharging areas.

**Handysize bulk carrier**

Dry-bulk carrier of about 10 000 to 40 000 dwt which is commonly equipped with cargo gear such as cranes. This type of vessel carries principally minor bulk cargoes and limited quantities of major bulk cargoes. It is well suited for transporting cargoes to ports that may have draft restrictions or are not equipped with gear for loading or discharging cargoes.

**Handymax bulk carrier**

Dry-bulk carriers of about 40 000 to 50 000 dwt which is commonly equipped with cargo gear such as cranes. This type of vessel carries a wide variety of cargoes including major bulk and minor bulk cargoes.

**IMO**

International Maritime Organisation, the international United Nations advisory body on transport by sea.

**ISM Code**

The international management code for the safe operation of ships and for pollution prevention, adopted by the International Maritime Organisation.

**Joint services agreement/pool**

An organised group of shipowners and/or charterers where there is a pooling of resources for the purpose of the flexible and commercial operation of ships. A pool manager is responsible for the commercial operation of the joint service.

**Liner shipping operations**

Operators who trade ships according to a schedule between specified ports.

**Locomotive**

Self-propelled engine used for hauling a train.

**Major bulk**

Dry-bulk cargoes such as iron ore, coal and grain.

**MARPOL**

The international convention governing marine pollution prevention. It is part of the IMO.

**Minor bulk**

Dry-bulk cargoes such as forest products, iron and steel products, fertilisers, agricultural products, minerals and petcoke, bauxite and alumina, cement, other construction materials and salt.

**Newbuilding**

A vessel under construction or on order.

**Off-hire**

Period during which a vessel is temporarily unable to operate under the terms of its charter, resulting in loss of income under the charter.

**Operator**

A person/company who trades in ships and cargo.

**P&I**

Protection and indemnity insurance coverage taken by a shipowner or charterer against third party liabilities such as oil pollution, cargo damage, crew injury or loss of life, etc.



## Terms and expressions continued

### **Panamax bulk carrier**

Dry-bulk carrier of about 60 000 to 80 000 dwt with beam not exceeding 32,2 metres which permits it to transit, when fully loaded, through the Panama Canal. Panamax vessels are primarily used to transport major bulks, although they can be used to transport certain minor bulks such as fertilisers, ores, petcoke and salt.

### **Period market**

The time charter market where a ship (or space on a ship) is chartered for a period of time (see Time Charter).

### **Petrochemicals**

Chemicals containing carbon, often referred to as petrochemicals when derived from hydrocarbon sources such as oil, gas and coal.

### **Products tanker**

A tanker designed to carry refined petroleum products in bulk, on occasion in multiple tanks.

### **Spot market**

The market for immediate chartering of a vessel, usually for a single cargo or short-term trading.

### **Spot rate**

Freight rate for a voyage agreed on the basis of current market level.

### **Supramax bulk carrier**

Dry-bulk carrier within the handymax sector of about 50 000 dwt to 63 000 dwt, which is usually grab fitted and carries a wide variety of cargoes including major bulk and minor bulk cargoes.

### **Take-or-pay agreement**

A contractual agreement in which one party agrees to utilise specific capacity of another party's total available capacity or to pay the equivalent cost even if the contacted capacity is not utilised.

### **Technical management**

Management of those aspects of ship owning and operation that relate to the physical operation of a vessel, including the provision of crew, routine maintenance, repairs, dry-docking, supplies of stores and spares, compliance with all applicable international regulations, safety and quality management, environment protection, newbuilding plan approval and newbuilding supervision and related technical and financial reporting.

### **Time charter**

Charter for an agreed period of time where the shipowner is paid on a per-day basis and is responsible for operating the vessel and paying the vessel operating costs while the charterer is responsible for paying the voyage costs and bears the risk of filling the vessel with cargo and any delays at port or during the voyage, except where caused by a defect of the ship.

### **Time charter equivalent or TCE**

Freight and charter-hire less voyage costs incurred expressed as a daily rate over the duration of the voyage.

### **Tonnage**

A generic term referring to any kind of ocean-going cargo vessel or vessels.

### **Twenty-foot equivalent unit or TEU**

The standard length of a container and the measurement used to determine the container carrying capacity of a container ship.

### **Vessel operating costs**

These consist of crew expenses, insurance, spare parts, stores and lubricating oils, vessel repairs and surveys, commissions and other miscellaneous running costs.

### **Voyage charter**

Charter under which a shipowner is paid freight on the basis of transporting cargo from a load port to a discharge port and is responsible for paying both vessel operating costs and voyage costs.

### **Voyage costs**

Bunker costs, port charges and canal dues (or tolls) incurred during the course of a voyage.

# Company information

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## **Grindrod Limited**

Registration number 1966/009846/06  
Share code: GND & GNDP  
ISIN: ZAE000072328 and ZAE000071106

## **Registered office and business address**

Grindrod Mews  
106 Margaret Mncadi Avenue  
Durban  
4001

## **Postal address**

PO Box 1  
Durban  
4000

## **Contact details**

Telephone +27 31 304 1451  
Facsimile +27 31 305 2848

## **Website details**

[www.grindrod.com](http://www.grindrod.com)

## **E-mail address**

[grindrod@grindrod.com](mailto:grindrod@grindrod.com)

## **Group company secretary**

Mrs Cl Lewis  
Telephone +27 31 365 9116

## **Grindrod ethics officer**

Mrs Cl Lewis  
Telephone +27 31 365 9116

## **Tip-offs Anonymous**

FreePost KZN138, Umhlanga Rocks, 4320

Telephone – Freecall:  
SA and Namibia 0800 213 118  
Maputo 800 359 359 (Mozambique)  
Singapore 1800 530 5541

Email: [grindrodethics@tip-offs.com](mailto:grindrodethics@tip-offs.com)

Free facsimile: 0800 00 77 88 (only from SA and Namibia)  
International facsimile: +27 31 560 7395

[www.tip-offs.com](http://www.tip-offs.com)

## **Principal attorneys and legal advisors**

ENS Attorneys  
1 Richefond Circle  
Ridgeside Office Park  
Umhlanga, Durban

Telephone +27 31 536 8600

## **Bankers**

The group maintains relationships with various registered national and international financial institutions

## **Registered auditors**

Deloitte & Touche  
2 Pencarrow Crescent  
Pencarrow Park  
La Lucia Ridge Office Estate  
La Lucia, 4051, Durban

Telephone +27 31 560 7000

## **Share transfer secretaries**

Link Market Services South Africa (Proprietary) Limited  
13<sup>th</sup> floor  
19 Ameshoff Street  
Braamfontein, 2001

PO Box 4844  
Johannesburg, 2000

Telephone +27 86 154 6572  
Facsimile +27 86 674 4381

## **Sponsor**

Grindrod Bank Limited  
Fourth Floor, Grindrod Tower  
8A Protea Place  
Sandton, 2196

PO Box 78011  
Sandton, 2146

Telephone +27 11 459 1860  
Facsimile +27 11 459 1872

## **Integrated annual report**

Mrs Cl Lewis  
[cathie.lewis@grindrod.com](mailto:cathie.lewis@grindrod.com)  
[www.grindrod.com](http://www.grindrod.com)



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