

26 April 2024

Taylor Maritime Investments Limited (the "Company" or "TMI")

Quarterly NAV Announcement, Trading Update and Publication of Factsheet

10.5% NAV total return driven by improving freight rates and strong appreciation in asset values underpinned by positive forward sentiment

Grindrod Selective Capital Reduction proposed post-period

Interim dividend of 2 cents per share declared

Taylor Maritime Investments Limited, the specialist dry bulk shipping investment company, today announces that as at 31 March 2024 its unaudited NAV was \$1.48 per Ordinary Share compared to \$1.36 per Ordinary Share as at 31 December 2023. The Company is pleased to declare an interim dividend in respect of the period to 31 March 2024 of 2 cents per Ordinary Share. The NAV total return for the quarter was 10.5%.

The fourth quarterly factsheet of the current financial year is also now available on the Company's website, www.taylormaritimeinvestments.com.

Commenting on the trading update Edward Buttery, Chief Executive Officer, said:

"Due to our active chartering strategy we straddled the expected seasonal softening in the market and then took opportunities to fix period charters as rates improved. Asset values strengthened considerably and contributed to our solid performance. With values holding firm post-period driven by positive forward market sentiment, we agreed the sale of a further vessel. Grindrod took advantage of good conditions in the S&P market, selling two vessels and agreeing a third. Grindrod also announced its proposed Selective Capital Reduction. If successful, TMI will gain 100% ownership. This would significantly simplify our structure and pave the way for further efficiencies and cost synergies on top of those already being implemented. While we continue to diligently monitor market and geopolitical developments, we maintain our favourable outlook for our geared dry bulk segment."

Key Highlights (to 31 March 2024)

Strong chartering performance

- The combined TMI and Grindrod Shipping Holdings Limited ("Grindrod") fleet generated average time charter equivalent ("TCE") earnings of \$12,430 per day for the quarter (versus \$11,977 per day for the quarter ended 31 December 2023). At quarter end, the combined average TCE was \$13,132 per day (versus \$11,996 at 31 December 2023; an increase of c.9.5%)
- Period charters fixed in December to straddle the typically softer Chinese New Year holiday period saw the fleet outperform its benchmark indices by US\$1,148 per day (11%) for the combined Handysize fleet and US\$2,116 per day (16%) for the Supra/Ultramax fleet

Fleet development and market value

- Grindrod completed the sale of two Handysize vessels; a 2007-built c.32.5k dwt Handysize vessel, the oldest in the combined fleet, for gross proceeds of \$10.4 million (as previously announced) and a 2012-built c.28k dwt Handysize vessel, the smallest in the combined fleet, for gross proceeds of \$11.7 million. Grindrod also agreed the sale of a 2014-built c.60k dwt Ultramax vessel for gross proceeds of \$22.4 million with a charter-back and a purchase option^[1]
- The three sales achieved an average discount of -2.5% to Fair Market Value^[2]
- Grindrod took delivery of a 40k dwt Handysize newbuild vessel. As previously announced, the vessel was agreed for sale to Grindrod from TMI in July 2023 on an arms-length basis for gross proceeds of \$33.75 million
- The Market Value of the combined fleet increased by approximately 6.7%, on a like for like basis, to \$793.0 million (TMI \$290.0 million and Grindrod \$503.0 million excluding chartered-in ships without purchase options) reflecting positive sentiment with expectations of firm market conditions in 2024 and 2025
- Following Grindrod's strategic fleet divestments, the combined owned fleet comprised 39 Japanese-built vessels at

quarter end (TMI 19 and Grindrod 20^[3]) with an attractive average age of 10.3 years and a larger average carrying capacity of c.41k dwt, with commensurate increased earnings capacity. The fleet renewal, facilitated by Grindrod's fleet of younger and, on average, larger vessels, positions the portfolio well for expected medium-term improvement in the bulker market. Furthermore, it is anticipated that asset values of modern, eco tonnage will outperform and be more resilient than values for older, less efficient designs

- Overall, the nineteen divestments since the Grindrod transaction, including the TMI vessel agreed for sale post period, have averaged a 3.8% discount to fair market value^[4]

Progress with debt reduction

- The Company's debt-to-gross assets ratio decreased to 23.5% at the end of March (versus 24.9% at 31 December 2023) owing to a strengthening in asset values and further reduction in debt through repayment. The Company's outstanding debt was \$149.4 million net of loan financing fees at the quarter end including interest bearing debt only
- Look-through group (TMI & GRIN) debt-to-gross assets was 35.8%^[5] at 31 March 2024 (versus 35.0% at 31 December 2023) with newbuild financing and Grindrod's refinancing (ensuring liquidity in the event of a successful Selective Capital Reduction) offsetting increased asset values. Outstanding debt was \$328.1 million net of loan financing fees (TMI & GRIN) on a look-through basis
- While look-through group debt increased quarter-on-quarter, the Company remains focused on ensuring a strong balance sheet consistent with a long-term commitment to be free of significant structural leverage. TMI will continue to reduce Company debt from planned vessel sales, which is supported by a similar strategy at Grindrod, with a look-through group leverage target of 25-30% of gross assets^[6]

Board changes

- As previously announced, Helen Tveitan retired as a non-executive Director and Chair of the Company's ESG & Engagement Committee on 31 March 2024, in order to devote greater time to her other business and personal commitments

Post-Period Trading Update (since 31 March 2024)

- Grindrod announced its proposal to implement a Selective Capital Reduction. If successful, Grindrod minority shareholders will be given cash in return for their shares, enabling Grindrod to cancel those shares (3,479,225) not held by TMI. This would result in TMI owning 100% of the shares in Grindrod. The Selective Capital Reduction must be approved by way of a Special Resolution at an Extraordinary General Meeting of Grindrod. TMI and its respective concert parties will abstain and not vote on the Special Resolution. Further details of the Selective Capital Reduction can be found in the announcement released by Grindrod on 4 April 2024
- The Company agreed the sale of a 2008 built 33k dwt Handysize vessel, the oldest in the combined fleet after Grindrod's completed sales during the period, for gross proceeds of \$12.3 million, a c.2.4% discount to Fair Market Value^[7]
- The number of combined fleet ship days remaining for the 2024 calendar year which are covered stands at 34% at an average TCE rate of \$13,484 per day

Dry bulk market review and outlook

Charter rates for the geared dry bulk segment remained more stable than usual through the typically softer Chinese New Year period, relative to previous years, with a steady flow of grains from Atlantic load areas and continued rerouting of some trade via longer alternative routes owing to disruptions in the Panama Canal and events in the Red Sea. The BHSI TCA^[8] and BSI TCA^[9] climbed swiftly following the holiday period before settling at \$13,898 per day and \$14,638 per day, respectively, at the end of March; c.36% and c.30% above their respective low points for the quarter.

Sentiment remains positive for the months ahead with East Coast South American grain shipments accelerating and industrial metal prices rising, suggesting firming global activity.

Asset values strengthened during the quarter, reflective of positive forward sentiment, with the Clarkson's' benchmark for a 10-year-old 37k dwt Handysize vessel increasing c.18% and for a 5-year-old 63.5k dwt Supra/Ultramax vessel increasing by c.11%, albeit with a portion of the uplifts attributable to a redefinition of Clarkson's' new 'eco' ship design and an increased vessel size for the Supra/Ultramax benchmark^[10].

Current projections suggest minor bulk and grain tonne-mile demand growth of c.4.2% in 2024 with support from firm grain volumes and global macroeconomic improvements, although clear risks remain. Nonetheless, global disruption from the ongoing impact of Panama Canal transit restrictions and events in the Red Sea should continue to positively affect tonne-mile demand, soaking up tonnage on longer duration voyages. Analysts at Clarkson's suggest there is potential for additional support for bulker markets from slower speeds (down 2% year-on-year so far in 2024) and greater energy saving

device retrofit time, while a modest delivery schedule and potential for increased demolition activity are expected to keep fleet growth fairly limited by historical standards.

While there has been an uptick in new ordering activity (Handysize and Supra/Ultramax orderbooks currently c.9% and c.10% of the fleet in dwt terms, respectively), the medium-term outlook remains favourable with new orders not available for delivery until 2027 and early 2028. Meanwhile, greater environmental regulatory pressures are expected to lead to lower operating speeds and increased recycling of older, less efficient units, particularly for the geared dry bulk segment where c.14% of the current fleet is over 20 years old. These supply factors, combined with a diverse and resilient demand base, provide grounds for a positive outlook on earnings and values over the coming years.

ESG

From 1 January 2024, the European Union included the shipping industry in its Emissions Trading System. The Company has been working closely with its Commercial and Technical Managers to prepare to comply with this carbon pricing mechanism, through the preparation of verified voyage-level emissions statements and collection of European Union Allowances from Charterers where applicable.

The Company continues to roll out its fleet efficiency programme, fitting energy saving devices at scheduled maintenance events including boss-cap fins, high performance paints, pre-swirl ducts and fuel efficiency monitoring systems.

The Company continues to work closely with Grindrod on ESG strategy and alignment.

ENDS

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Notes to Editors

About the Company

Taylor Maritime Investments Limited is an internally managed investment company listed on the Premium Segment of the Official List, its shares trading on the Main Market of the London Stock Exchange since May 2021. The Company specializes in the acquisition and chartering of vessels in the Handysize and Supra/Ultramax bulk carrier segments of the global shipping sector. The Company invests in a diversified portfolio of vessels which are primarily second-hand. TMI's fleet portfolio currently numbers 19 vessels, including one vessel held for sale, in the geared dry bulk segment. The ships are employed utilising a variety of employment/charter strategies.

On 20 December 2022, the Company announced it acquired a controlling majority interest in Grindrod Shipping Holdings Ltd ("Grindrod") (NASDAQ:GRIN, JSE:GSH), a Singapore incorporated, dual listed company on NASDAQ and the Johannesburg Stock Exchange. Grindrod has an owned fleet of 17 dry bulk vessels complementary to the Company's fleet. They are Japanese built, including 10 Handysize vessels and 7 Supra/Ultramax vessels. Grindrod has seven vessels in its chartered in fleet with purchase options on three.

The combined TMI and Grindrod fleet numbers 39vessels (including vessels held for sale and chartered in vessels with purchase options).

The Company's target dividend policy is 8 cents p.a. paid on a quarterly basis, with a targeted total NAV return of 10-12% per annum over the medium to long-term.

The Company has the benefit of an experienced Executive Team led by Edward Buttery and who previously worked closely together at Taylor Maritime. Taylor Maritime was established in 2014 as a privately owned ship-owning and management business with a seasoned team including the founders of dry bulk shipping company Pacific Basin Shipping (listed in Hong Kong 2343.HK) and gas shipping company BW Epic Kosan (formerly Epic Shipping). The commercial and technical management arms of Taylor Maritime were acquired by Grindrod in October 2023.

For more information, please visit www.taylormaritimeinvestments.com.

About Geared Vessels

Geared vessels are characterised by their own loading equipment. The Handysize and Supra/Ultramax market segments are particularly attractive, given the flexibility, versatility and port accessibility of these vessels which carry necessity goods - principally food and products related to infrastructure building - ensuring broad diversification of fleet activity and

stability of earnings through the cycle.

IMPORTANT NOTICE

The information in this announcement may include forward-looking statements, which are based on the current expectations and projections about future events and in certain cases can be identified by the use of terms such as "may", "will", "should", "expect", "anticipate", "project", "estimate", "intend", "continue", "target", "believe" (or the negatives thereon) or other variations thereon or comparable terminology. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company, including, among other things, the development of its business, trends in its operating industry, and future capital expenditures and acquisitions. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur.

References to target dividend yields and returns are targets only and not profit forecasts and there can be no assurance that these will be achieved.

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[1] Grindrod has agreed to Time Charter-in the vessel for 11 to 13 months at an attractive rate with the option to extend for two years. There is a Purchase Option available at the end of the second year

[2] As at 31 December 2023

[3] Including three chartered-in vessels with purchase options

[4] Includes completed and agreed sales

[5] Excluding lease liabilities

[6] Excluding lease liabilities

[7] As at 31 March 2024

[8] Average of the 7 T/C Routes for BHSI-38 dwt vessel (gross)

[9] Average of the 10 T/C Routes for BSI-58 dwt vessel (gross)

[10] Clarksons reclassified their 5-year-old 63.5k dwt Supra/Ultramax (from 61k dwt) and 10-year-old 37k dwt Handysize benchmarks to 'eco' design basis in January 2024

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