

26 July 2024

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

Quarterly NAV Announcement, Trading Update and Publication of Factsheet

TMI set to own 100% of Grindrod Shipping Holdings Limited ("Grindrod") following approval of the Selective Capital Reduction

**NAV total return for the quarter of 4.3% with charter rates and asset values remaining firm
Interim dividend of 2 cents per share declared**

Taylor Maritime Investments Limited, the specialist dry bulk shipping investment company, today announces that as at 30 June 2024 its unaudited NAV was \$1.52 per Ordinary Share compared to \$1.48 per Ordinary Share as at 31 March 2024. The Company is pleased to declare an interim dividend in respect of the period to 30 June 2024 of 2 cents per Ordinary Share. The NAV total return for the quarter was 4.3%.

The first 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:

"We continue to take advantage of robust conditions in freight and asset markets. We fixed period charters at higher rates, including a one-year period charter, and increased our coverage for the remainder of the calendar year. We also agreed the sale of two more Handysize vessels, generating strong average returns. TMI is set to gain 100% ownership of Grindrod which will be a major milestone. This effectively completes a fleet renewal exercise that has delivered a larger, overall younger, more efficient fleet (than pre-Grindrod acquisition) and unlocks a further set of corporate synergies on top of those implemented already or which are in progress."

Key Highlights (to 30 June 2024)

Grindrod Selective Capital Reduction approved by shareholders

- Grindrod participating shareholders approved the special resolution to implement a Selective Capital Reduction ("SCR") at an EGM held on 20 June 2024. The SCR is expected to take effect on 16 August 2024. As a result, Grindrod will become a wholly owned subsidiary of TMI through its subsidiary Good Falkirk (MI) Limited. Once implemented, the SCR will be accretive to TMI NAV per share with an estimated positive impact of 7 cents resulting in a post-SCR TMI NAV per share of \$1.60 based on 30 June Fair Market Values

Strong chartering performance

- The combined TMI and Grindrod fleet ("Combined Fleet") generated average time charter equivalent ("TCE") earnings of \$13,264 per day for the quarter (versus \$12,430 per day for the quarter ended 31 March 2024; an increase of c.7%). At quarter end, the combined average TCE was \$14,707 per day (versus \$13,132 at 31 March 2024; an increase of c.12%)
- The Combined Fleet, largely maintained on short period charters, was well-positioned to take advantage of the improving market with a sizeable portion fixed at higher market rates during the period. Earnings improved quarter-on-quarter and the fleet outperformed its benchmark indices by \$835 per day (8%) for the combined Handysize fleet and \$937 per day (6%) for the Supra/Ultramax fleet
- During the period, Grindrod agreed a period charter of 11 to 13 months at a net time charter rate of \$17,100 per day on an Ultramax vessel with a blue-chip counterparty, significantly above the prevailing index rate

Fleet development and market value

- The Company completed the previously announced sale of a 2008 built 33k dwt Handysize vessel, the oldest in the Combined Fleet, for gross proceeds of \$12.3 million, a c.2.4% discount to Fair Market Value
- The Company agreed the sale of a 2012 built 28k dwt Handysize vessel, one of the two smallest vessels in the Combined Fleet, for gross proceeds of \$11.95 million, a c.1.3% discount to Fair Market Value

- Grindrod completed the previously announced sale of a 2014-built c.60k dwt Ultramax vessel for gross proceeds of \$22.4 million, a c.2.0% discount to Fair Market Value, with a charter-back and a purchase option^[1]
- The Market Value of the Combined Fleet increased by approximately 2.3%, on a like for like basis, to \$798.7 million (TMI \$282.3 million and Grindrod \$516.4 million excluding chartered-in ships without purchase options) reflecting an active market for second-hand vessels underpinned by positive sentiment in the quarter
- Following these strategic fleet divestments, the combined owned fleet comprised 38^[2] Japanese-built vessels at quarter end (TMI 18 and Grindrod 20^[3]) with an attractive average age of 10.4 years and a larger average carrying capacity of c.41k dwt, with commensurate increased earnings capacity. The age of the fleet has reduced by three years as a result of the Grindrod acquisition (note the pre-acquisition fleet would now average 13.7 years with an average carrying capacity of c.34k dwt)

Progress with debt reduction

- The Company's debt-to-gross assets ratio improved to 21.7% at 30 June 2024 (versus 23.5% at 31 March 2024) owing to stronger asset values and ongoing debt reduction through repayments. The Company's outstanding debt was \$140.3 million at the quarter end
- TMI and Grindrod ("Combined Group" or "Group") look-through debt-to-gross assets was 35.4%^[4] at 30 June 2024 (versus 35.8% at 31 March 2024). Outstanding debt was \$338.3 million on a look-through basis⁴
- The Group continues to focus on strengthening its 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, supported by a similar strategy at Grindrod, with a look-through Group leverage target of 25-30% of gross assets⁴

Post-Period Trading Update (since 30 June 2024)

- On 16 July 2024, the SCR was approved by the High Court of the Republic of Singapore. The SCR will take effect upon lodgement of the Court Order with the Singapore Registrar expected on 16 August 2024. There are no other outstanding conditions to the SCR. As a result, Grindrod will become a wholly owned subsidiary of TMI through its subsidiary Good Falkirk (MI) Limited "GF", (which will own 100% of the shares in Grindrod Shipping - up from 82.33%). Grindrod will subsequently be delisted from each of Nasdaq and the JSE. Further details can be found in the announcement released by Grindrod on 19 July 2024
- Two additional sales were agreed across the Combined Group; a 2009 built 32k dwt TMI Handysize vessel for gross proceeds of \$13.0 million, representing a c.0.6% discount to Fair Market Value, and a 2024 built 40k dwt Grindrod Handysize vessel for gross proceeds of \$35.35 million, a c.0.3% premium to Fair Market Value
- Overall, the 22 divestments since the Grindrod transaction, including the two vessels agreed for sale post period, have averaged a 3.1% discount to Fair Market Value^[5]
- The number of covered Combined Fleet ship days remaining for the 2024 calendar year stands at 42% with an average TCE rate of \$14,010 per day

Dry bulk market review and outlook

Following the post-holiday strengthening of market conditions late last quarter, charter rates remained at elevated levels through the period, with the BSI TCA^[6] and BHSI TCA^[7] at levels c.43% and c.27% higher, on average, when compared to the same period last year. Red Sea and Panama Canal disruptions continued to impact positively, with rerouting of vessels on longer voyages reducing available supply while strong US East Coast and Brazilian grain exports have supported long-haul geared bulker demand.

Despite transit volumes beginning to normalise in the Panama Canal, charter rates for the geared bulker segment are expected to remain relatively healthy for the remainder of 2024, excluding the summer holiday lull. Bulk carrier transits through the Suez Canal remain at 50% of their December 2023 levels which, if sustained, will continue to support tonne-mile demand and coincide with seasonal commodity demand strength that is typical of calendar Q4. Slower bulk carrier operating speeds (down c.1% year-on-year in 2024 so far) and a gradual rise in port congestion from last year's lows are also likely to lend support according to Clarksons.

Although risks remain, the market remains buoyed by favourable supply-side dynamics, as indicated by healthy S&P activity, firm secondhand values and high newbuild prices. Several years of limited ordering and newbuilding activity have resulted in modest supply growth in the geared bulker segment; a trend which is set to continue over the medium-term, despite a recent uptick in contracting activity, with newbuild orders from top shipyards not available for delivery until end 2027 and early 2028 due to limited capacity. Tightening environmental regulations are expected to lead to increased recycling of older, less efficient units, particularly for the aged, geared bulker segment (10% of the Handysize fleet is over 25 years old), while lower operating speeds and time taken to retrofit energy saving devices are expected to restrict

effective supply.

ESG

The Combined Group's ESG agenda and implementation are overseen by the ESG Steering Group.

The Group has begun to trial a sustainable graphene-based propeller coating, XGIT-PROP, across a number of vessels undergoing dry dockings during this financial year, including one completed application on a Handysize vessel in May.

This innovative coating has the potential to improve vessel efficiency by 3-5% and to make a positive impact on CII (Carbon Intensity Indicator) ratings.

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

Crew wellbeing remains a key focus area. A digital platform has recently been introduced across all Group vessels acting as a preventative and supportive tool for the wellbeing of seafarers, addressing diet, nutrition, and lifestyle management, as well as direct access to mental health support.

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 18 vessels, including two vessels 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. Following the approval of a Selective Capital Reduction ("SCR") by Grindrod shareholders and the High Court of the Republic of Singapore, due to take effect on 16 August 2024, Grindrod is set to become a wholly owned subsidiary of the Company through its subsidiary Good Falkirk (MI) Limited "GF". Grindrod will subsequently be delisted from each of Nasdaq and the JSE. Grindrod has an owned fleet of 17 dry bulk vessels, including one vessel held for sale, 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 38vessels (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 cargo 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] Including vessels held for sale

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

[4] Excluding lease liabilities

[5] Includes completed and agreed sales but excludes two vessel sales within the Group

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

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

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