

11 December 2024

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED. ON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.**

For immediate release.

**Taylor Maritime Investments Limited**

**Recommended Proposed Transfer to the Equity Shares (Commercial Companies) Listing Category**

**Publication of Circular and Notice of General Meeting**

The Board of Taylor Maritime Investments Limited ("TMI" or the "Company" and together with its subsidiary undertakings, the "TMI Group"), the listed specialist dry bulk shipping investment company, is pleased to announce that a circular (the "Circular") proposing to transfer the Company's equity shares listing from the closed-ended investment funds category to the equity shares (commercial companies) category of the Official List (the "Proposed Transfer") is expected to be published today and when published will be available on the Company's website at <https://taylormaritimeinvestments.com/investor-centre/shareholder-information/>. The Circular sets out, among other things, a notice of a general meeting (the "General Meeting") to be held on 13 January 2025 at which special resolutions to approve the Proposed Transfer, consequential changes to the Company's Articles of Incorporation and a proposal to change the Company's name to Taylor Maritime Limited will be considered.

The Proposed Transfer is, subject to shareholder approval, expected to become effective on 10 February 2025.

The Board also announces its intention to declare a special dividend of 4 cents per ordinary share in respect of the period to 31 December 2024, to be paid in the first quarter of calendar year 2025, in addition to the regular quarterly dividend of 2 cents per ordinary share.

**Commenting on the Proposed Transfer and the special dividend, Henry Strutt, Independent Chair said:**

"Given the Proposed Transfer, which we consider to be a natural step in the Company's evolution, it seems a timely moment to thank our shareholders. After taking into account future cash requirements and planning, the Board intend to declare a special dividend from excess cash held on the Company's balance sheet - the result of Management's de-gearing strategy and divestment programme over the last 2 years."

**Conference Call**

A conference call will be made available for analysts at 9:00 a.m. Greenwich Mean Time (GMT), and separately for existing shareholders and institutional investors at 10:00 a.m. Greenwich Mean Time (GMT), today. To register your interest, please send an enquiry to [IR@tminvestments.com](mailto:IR@tminvestments.com).

**Proposed transfer of listing to the equity shares (commercial companies) category of the Official List**

- Following completion of the acquisition of Grindrod Shipping Holdings Ltd ("Grindrod") on 16 August 2024, the Board has concluded that the TMI Group's current and future activities are more reflective of a commercial company as compared to an investment entity.
- The Board therefore recommends that now is the appropriate time for the Company to transfer the listing category of its ordinary shares from the closed-ended investment funds category to the equity shares (commercial companies) category of the Official List.
- The Board is of the opinion that the Proposed Transfer is in the Company's best interests to reflect better the nature of the Company's business model and management, and that the Company should benefit from the greater operational flexibility in the Company's strategy that the Proposed Transfer would afford.

**Background and rationale for the Proposed Transfer**

- Following the acquisition of 100% of Grindrod, the TMI Group is merging its two fleets under one single commercial and trading strategy. Under the Company's previous business model, vessels were time-chartered out on a per diem rate with a focus on the acquisition (and where relevant disposal) of vessels. This model will continue to exist but is now being supplemented by the addition of the Grindrod fleet, with Grindrod carrying out a wider range of activities, under which Grindrod (in addition to its owned vessels) also "charters-in" vessels which are then chartered-out at a margin.
- The Company is transitioning from being a pure asset owner and "tonnage provider" to the market to operating a fleet of ships, chartered-in and chartered-out (with multiple different contractual terms, long, short and including purchase options, some under joint ventures) and with contracts of affreightment providing cargo cover. As a result, the Company's business model is now more closely aligned with that of a commercial shipping company.
- Now that the Company owns 100% of Grindrod, commercial and technical management of the combined fleet is fully controlled by the TMI Group for the first time as opposed to the "outsourced model" TMI had at the time of its IPO. The commercial and technical management carried out by Grindrod, including through its Taylor Maritime Management Limited and Tamar Ship Management Limited subsidiaries, employs around 94 personnel for these purposes.
- The acquisition of 100% of Grindrod has therefore brought all such vessel management activities "in-house" and the Company wishes to continue such in-house vessel management, which is less consistent with being a closed-ended investment fund but is more reflective of commercial shipping company activities.

**Changes resulting from the new listing category**

- Following the transition from a closed-ended investment fund to a commercial company, the Company will cease its application of the IFRS 10 investment entity exception and instead fully consolidate all of its subsidiaries which will occur with effect from the commencement of the new financial year of the Company on 1 April 2025, which will change



occur with effect from the commencement of the new financial year of the Company on 1 April 2025, which will change the presentation of the Company's financial statements. The main impacts are as follows:

(i) Consolidation of Subsidiaries and Balance Sheet

Currently, as an investment entity, the Company reports investments, including controlled subsidiary investments, at fair value through profit or loss, focusing on NAV per share and capital appreciation. The Company's consolidated statement of financial position has, historically, reflected the fair value of the underlying investments, in a single line item - financial assets at fair value through profit and loss. Following completion of the Proposed Transfer and cessation of application of the IFRS 10 investment entity exception, all subsidiaries, including Grindrod and all other controlled subsidiary investments, will be consolidated on a line-by-line basis, meaning the assets, liabilities, revenues, and expenses of these subsidiaries will be presented and disclosed in the Company's consolidated financial statements.

(ii) Accounting for Vessels

At present, the Company's vessels are measured at fair value, with changes in their value directly impacting NAV and profit or loss. Following completion of the Proposed Transfer and cessation of application of the IFRS 10 investment entity exception, the Company will recognise, measure and disclose vessels under IAS 16 using the cost model. The initial cost of the vessels will be the fair value on 1 April 2025 which will be subsequently depreciated over the economic useful life of the vessels, leading to less volatility in reported earnings but potentially lower asset values on the Company's consolidated statements of financial position over time.

(iii) Depreciation and Impairments

The Company does not currently depreciate vessels. Following completion of the Proposed Transfer and cessation of application of the IFRS 10 investment entity exception, depreciation of vessels will become a new expense in the consolidated statement of comprehensive income. Additionally, the Company will conduct annual impairment indicators' assessment and, where appropriate, an impairment test on vessels to assess if they are carried at values higher than their recoverable amounts, which could lead to impairments impacting profit and loss.

(iv) Revenue and Expenses

Currently, the Company only recognises investment income, such as dividends, interest, and net gains/losses from the movement in the fair value of investments. Following completion of the Proposed Transfer and cessation of application of the IFRS 10 investment entity exception, the Company will report operational revenues and costs from ship operations, such as charter hire and freight revenue, vessel operating and voyage expenses.

(v) Quarterly and Year-End Reporting

The Company's quarterly reports currently focus on NAV and fair value-based performance. Following completion of the Proposed Transfer and cessation of application of the IFRS 10 investment entity exception, quarterly updates will focus on ship operating earnings and operational metrics. NAV reporting will no longer be required or made. Instead, financial performance will focus on operating results.

**Board of Directors and Board Committees**

- Assuming the Resolutions are approved by Shareholders and the Proposed Transfer occurs, the Company proposes to appoint certain additional members of the key executive team, being Alexander Slee (Deputy Chief Executive Officer), Camilla Pierrepont (Chief Strategy Officer and Head of Investor Relations) and Yam Lay Tan (Chief Financial Officer), to the Board as executive directors with effect from the Proposed Transfer Effective Date.

**The effect of the Proposed Transfer on the Company's obligations under the UK Listing Rules**

*Investment Policy*

- The Proposed Transfer will result in the removal of the published investment policy of the Company, which is required under the UK Listing Rules for closed-ended investment funds. While the Board will have the ability to set the Company strategy at its discretion from time to time, it is intended that the Company's strategy is focused upon providing investors with an attractive level of regular, stable, growing income and the potential for capital growth. The TMI Group will engage in shipping activities whilst optimising earnings from safely operating and trading the fleet under an enhanced strategy, using a mix of time charter, voyage, and contract of affreightment cargo cover. Given the cyclical nature of shipping, the Company will maintain agility, prioritising the timing of single or en-bloc ship acquisitions and divestments depending on its view of the market. It will complement this strategy with selective public and private investment opportunities.
- In addition, following the Proposed Transfer, the Company will no longer be required to comply with the UK Listing Rule requirement applicable to closed-ended investment funds to manage its assets in a way consistent with the objective of spreading investment risk. Whilst the Board is of the view that the activities of the Company will continue to be managed in a way that spreads risk and the Company intends to continue to maintain modest levels of gearing (both with respect to bank debt facilities or vessel leases), the Company would no longer be subject to specific limitations in the Investment Policy (such as the restrictions on gearing, investment size and concentration).

*Dividend Policy*

- The Company intends to continue to maintain its existing dividend policy, which currently targets 8 cents per annum per ordinary share, although shareholders should note that the targeted annualised dividend yield is a target only and not a profit forecast and there can be no assurance that the target will be met or that any dividend will be declared.

*Gearing Policy*

- The Company intends to continue to have a prudent gearing policy in place following the Proposed Transfer. While levels of borrowings may fluctuate from time to time, the Company's objective remains over the medium term to limit borrowing to 25 to 30 per cent of gross assets and currently it has no plans to increase leverage in the near term.

**Special Dividend**

- The Company intends to declare a special dividend of 4 cents per ordinary share in respect of the period to 31 December 2024, to be paid in the first quarter of calendar year 2025. This special dividend would be in addition to, but paid on the same date as, the regular quarterly dividend of 2 cents per ordinary share to be paid in the first quarter of calendar year 2025. The Board has evaluated future cash requirements and capital allocation planning. The special dividend therefore reflects excess cash held on its balance sheet, generated from vessel sales which have been completed at or close to NAV. The Board considers that returning a portion of surplus cash to shareholders by this means is an efficient, timely way to reward all shareholders. Following the payment of the special dividend and the regular quarterly dividend in the first quarter of calendar year 2025, the Company will have paid 14 consecutive quarterly dividends including two special dividends since IPO amounting to 113.8 million returned to shareholders. Further details of the special dividend and the related timetable will be announced in due course.

**Change of Name**

- To reflect TMI Group's current and future activities are more reflective of a commercial company, the Company will propose to shareholders that its name is changed to Taylor Maritime Limited.



- The Company does not propose changing its TMI and TMIP tickers and the change of name will not result in a change of the ISIN or SEDOL identifiers for the Company's ordinary shares.

#### Shareholder Approval

- The Proposed Transfer, the amendments to the Articles of Incorporation and the change of the Company's name are subject to the approval of shareholders by way of special resolutions. Subject to approval of the Proposed Transfer by the FCA, the first resolution set out in the notice of General Meeting, if approved by the shareholders in the General Meeting, will result in the Company transferring its equity listing from the closed-ended investment funds category to the equity shares (commercial companies) category of the Official List.
- The Company has also made an application to surrender its current registration with the Guernsey Financial Services Commission (the "GFSC"), and if consented to by the GFSC, it is expected the Company will cease to be treated as an investment fund in its jurisdiction of establishment on or around the time of the Proposed Transfer Effective Date.

#### Expected Timetable

Date of publication of the Circular	11 December 2024
Latest time and date for receipt of Forms of Proxy or transmission of CREST Proxy Instructions (as applicable)	10:00 a.m. on 9 January 2025
General Meeting	10:00 a.m. on 13 January 2025
Results of General Meeting announced	13 January 2025
Proposed Transfer effective date	10 February 2025

*Note: Each of the times and dates in the expected timetable of events may be extended or brought forward without further notice. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to shareholders by an announcement through a RIS provider. All times are London times.*

ENDS

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The person responsible for arranging for the release of this announcement on behalf of the Company is Matt Falla of Sanne Fund Services (Guernsey) Limited.

#### IMPORTANT NOTICES

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##### Information regarding forward-looking statements

This announcement and the Circular contains forward-looking statements, including, without limitation, statements containing the words "believes", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or similar expressions. Such forward-looking statements involve unknown risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Given these uncertainties, shareholders are cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as at the date of this Circular. Subject to its legal and regulatory obligations, the Company expressly disclaims any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based unless required to do so by law or any appropriate regulatory authority, including FSMA, the UK Listing Rules and the Disclosure Guidance and Transparency Rules.

##### No profit forecast or estimate

No statement in this announcement is intended as a profit forecast or profit estimate for any period and no statement in this announcement should be interpreted to mean that earnings, earnings per ordinary share or income, cash flow from operations or free cash flow for the Company or its group, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per ordinary share or income, cash flow from operations or free cash flow for the Company or its group, as appropriate.

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