Annual Report and Audited Consolidated Financial Statements

FOR THE YEAR ENDED 31 MARCH 2024

TAYLOR MARITIME INVESTMENTS

Company Definitions

For the purposes of these Financial Statements the following definitions and terms are used:

Company	Taylor Maritime Investments Limited
Group Companies	Subsidiaries of the Company (including Grindrod subsidiaries)
Group or Combined Group	The Company and Group Companies
Grindrod	Grindrod Shipping Holdings Limited, a dual NASDAQ and Johannesburg Stock Exchange listed shipping business (NASDAQ: GRIN, JSE: GSH)[1]
TMI	Refers to the Company and its wholly owned subsidiaries only; excludes Grindrod and its subsidiaries
TMI Fleet	TMI fleet of vessels excluding the Grindrod fleet
Grindrod Fleet	Grindrod fleet of vessels excluding the TMI fleet
Combined Fleet	The combined TMI and Grindrod fleet

Further "Definitions and Glossary" are detailed in the Appendix C accompanying this report.

[1] To be delisted from NASDAQ and JSE, see note 17 in the notes to these Financial Statements for further details.

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for the year ended 31 March 2024

Net Assets/ Net Asset Value
US$485,006,407

31 March 2023
US$566,114,300

Share Price at Year End
US$0.995 / £0.77

31 March 2023
US$1.12 / £0.90

Ongoing Charges[2]
1.6%

31 March 2023
1.1%

Net Asset Value Per Share
US$1.4802

31 March 2023
US$1.7144

Discount to Net Asset Value[1]
(32.8%)

31 March 2023
(34.7%)

Total Net Asset Value Return[1]
(9.0%)

31 March 2023
4.7%

(Loss)/Profit
(US$53,482,934)

31 March 2023
US$26,210,533

Key Highlights

The Company's Net Asset Value ("NAV") return per Ordinary Share was -9.0%[1] for the year ended 31 March 2024 (31 March 2023: +4.7%).

The Company's Ordinary Shares closed at a price of US$0.995 on 31 March 2024 (31 March 2023: US$1.12 per Ordinary Share). The Company's total share price return per Ordinary Share was -4.0%[1] for the year ended 31 March 2024 (31 March 2023: -13.4%).

The average age of the Combined fleet is 10.3 years (31 March 2023: 10.0 years).

At 31 March 2024, the Combined fleet consisted of 39 vessels (31 March 2023: 51 vessels) with a total market value of US$793 million[3] (31 March 2023: US$997 million). Of the 39 vessels, 29 are Handysize[4] vessels and 10 are Supramax/Ultramax[4] vessels including 3 chartered-in vessels with purchase options.

At 31 March 2024, the Grindrod investment amounted to US$325 million held through Good Falkirk (MI) Limited (31 March 2023: US$362 million).

The Company declared dividends of 8.00 US cents per Ordinary Share in the year ended 31 March 2024 (31 March 2023: 10.97 US cents). In addition, the Company declared an interim dividend on 26 April 2024 of 2.00 US cents per Ordinary Share in respect of the quarter ended 31 March 2024, which was paid on 31 May 2024.

For the year ended 31 March 2024, the Company made a loss of US$53.5 million (31 March 2023: profit of US$26.2 million), including losses from revaluation of assets of US$73.6 million (31 March 2023: losses of US$6.4 million).

At 31 March 2024, on a non-IFRS look-through basis, the Group's debt[1] can be summarised as follows:

- TMI outstanding debt was US$151.0 million (31 March 2023: US$222.2 million), representing a debt-to-gross asset ratio of 23.5%[1] (31 March 2023: 27.8%).
- Combined Group outstanding debt was US$330.8 million (31 March 2023: US$404.4 million), representing a debt-to-gross assets ratio of 35.8% (31 March 2023: 37.6%).

[1] See "Alternative Performance Measures" on pages 145-148.

[2] Ongoing Charges Ratio, calculated in accordance with the AIC guidance. See Appendix A – Alternative Performance Measures on pages 145-148.

[3] The total market value of the Combined fleet includes the market value of the Grindrod fleet at 100%, not adjusting for non-controlling interests.

[4] See Appendix C – Definitions and Glossary on pages 155-156.

COMPANY OVERVIEW

Summary Information

Principal Activity

The Company was registered in Guernsey under the Companies (Guernsey) Law, 2008 on 31 March 2021. The Company's registration number is 69031 and it is regulated by the Guernsey Financial Services Commission as a registered closed-ended collective investment scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020, the Registered Collective Investment Scheme Rules 2021 and the Prospectus Rules 2021. The Company's Ordinary Shares were admitted to the premium listing segment of the Official List of the UK Listing Authority and began trading on the Main Market of the London Stock Exchange ("LSE") on 27 May 2021 (ticker TMI (USD). TMIP (GBP)).

At 31 March 2024, the Company has a total of 330,215,878 Ordinary Shares in issue (31 March 2023: 330,215,878 Ordinary Shares), each with equal voting rights. 327,652,420 Ordinary Shares are considered outstanding shares in issue and 2,563,458 shares are held within the TMI Employee Benefit Trust (the "TMI EBT") (31 March 2023: none) and are classified under International Financial Reporting Standards ("IFRS") as "treasury shares". These treasury shares maintain the right to receive dividends and have equal voting rights.

Investment Objective

The Company's investment objective is to provide investors with an attractive level of regular, stable and growing income and the potential for capital growth through investing primarily in Geared Ships (Handysize and Supramax/Ultramax types), usually employed, or to be employed, on fixed period Charters.

The Company will target a Total NAV Return of 10% to 12% per annum (net of expenses and fees but excluding any tax payable by Shareholders) over the medium to long term.

Dividend Policy

The Company intends to pay dividends on a quarterly basis with dividends declared in January, April, July and October. The Company is targeting stable cash flow generation with quarterly dividend payments of 2 US cents (31 March 2023: 2 US cents) per Ordinary Share representing an annual yield of 8 US cents per Ordinary Share per annum (31 March 2023: 8 US cents), with the intention to grow dividends.

Management

The Company is a self-managed investment entity led by a Board of non-executive directors (the "Board" or the "Directors") and a full time Executive Team (whose details appear on pages 56 to 60).

The Executive Team of industry professionals led by Edward Buttery have extensive experience in the dry bulk shipping sector and are based in Guernsey, London and Singapore.

Grindrod Accounting Treatment

TMI's interest in Grindrod is held through the subsidiary Good Falkirk (MI) Limited, and is recognised in the Consolidated Statement of Financial Position as "Financial assets at fair value through profit or loss ("FVTPL")". The fair value movements associated with the Grindrod investment are recognised as "Net gains or losses on financial assets at FVTPL" in the consolidated profit or loss.

Dividend income from Grindrod is either retained at the Good Falkirk (MI) Limited level, or, if required, is paid up through TMI and forms part of Dividend income received by the Company from TMI Holdco Limited, see Note 7. Further details of the accounting and valuation policy for TMI's investment in Grindrod can be found in Notes 2 and 3.

COMPANY OVERVIEW

Investment Policy

In order to achieve its investment objective, TMI will invest in a diversified portfolio of vessels which will primarily be second-hand, have historically demonstrated average income yields in excess of the TMI's target dividend yield and are capable of being acquired at valuations that are expected to be below long-term average prices or depreciated replacement cost ("DRC").

TMI holds its shipping assets through Special Purpose Vehicles ("SPVs") which are owned and controlled by the Company and are held through an intermediate holding company called TMI Holdco Limited ("Holdco"). The Company may acquire vessels through asset purchases (in which case the vessel will be transferred to an SPV) or through the acquisition of the relevant vessel owning SPV. The Company may, in exceptional circumstances, also invest in vessels through joint ventures with other parties or other non-wholly owned structures, although, in such circumstances, the Company will seek, wherever possible, to have a controlling interest.

The Company may also acquire interests (including minority, majority and entire interests) in shipping businesses and companies ("Target Companies") whose business includes the ownership of vessels provided that no single such investment in a Target Company will exceed (i) 30 per cent of Gross Asset Value in the case of a minority investment and (ii) 40 per cent of Gross Asset Value in the case of an investment that confers majority or entire ownership and where such investment exposure shall be reduced to a maximum of 30 per cent of Gross Asset Value within 18 months of completion of an acquisition of an investment interest that takes the Company's total exposure to such investment to more than 30 per cent of Gross Asset Value. No single vessel in the relevant Target Company's portfolio of vessels shall represent more than 20 per cent of Net Asset Value.

TMI pursues a balanced employment strategy, comprising short-term charters (less than 6 months), medium-term charters (more than 6 months) and long-term charters (greater than a year) and benefits from staggered renewals, with a view to flattening the income curve.

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

Investment Policy breach

On 28 October 2022, TMI shareholders approved changes to the Company's investment policy which were primarily made to facilitate the Grindrod acquisition which closed on 20 December 2022. One of the changes was to introduce an investment restriction of up to 40% of TMI's Gross Asset Value for any single investment that confers majority or entire ownership in a shipping business or company, with such limit reducing to 30% within 18 months.

On 19 June 2024, based on 31 March 2024 fair market values, TMI's investment in Grindrod was estimated to represent 50% of TMI's unaudited Gross Asset Value[1].

As the Company has held less than 100% of the issued share capital of Grindrod since the acquisition closed, it has continued to hold its interest in Grindrod as a single investment within TMI. The Company has not been in a position to restructure the investment to fully integrate it into TMI within the 18-month period referred to above, and, accordingly the Company will not immediately be able to comply with the 30% investment limit in respect of its holding in Grindrod.

However, following the approval of the selective capital reduction of Grindrod ("SCR") by a requisite vote of Grindrod's shareholders voting at its extraordinary general meeting on 20 June 2024 and following approval from the High Court of the Republic of Singapore received on 16 July 2024, the Company anticipates that it will indirectly own 100% of the issued share capital of Grindrod (which will subsequently be delisted from each of the Nasdaq Global Select Market and the Johannesburg Stock Exchange) and the Company anticipates that it should be in a position to further integrate Grindrod into TMI.

Following completion of the SCR, and as a part of the above integration process, the Company will assess the steps required to enable it to fully comply with the limits set out in its investment policy. One option that the Company is considering, which would be facilitated by 100% ownership, would be to collapse and reorganise the existing Grindrod corporate structure. Following any such restructuring the specific investment limits relevant to the Company's investment in Grindrod as a corporate entity contained in the Company's investment policy should cease to be applicable, noting that the other investment restrictions contained within the Company's investment policy (such as exposure to any single vessel) would continue to apply and be adhered to.

[1] Based on TMI's Gross Asset Value at 31 March 2024.

COMPANY OVERVIEW

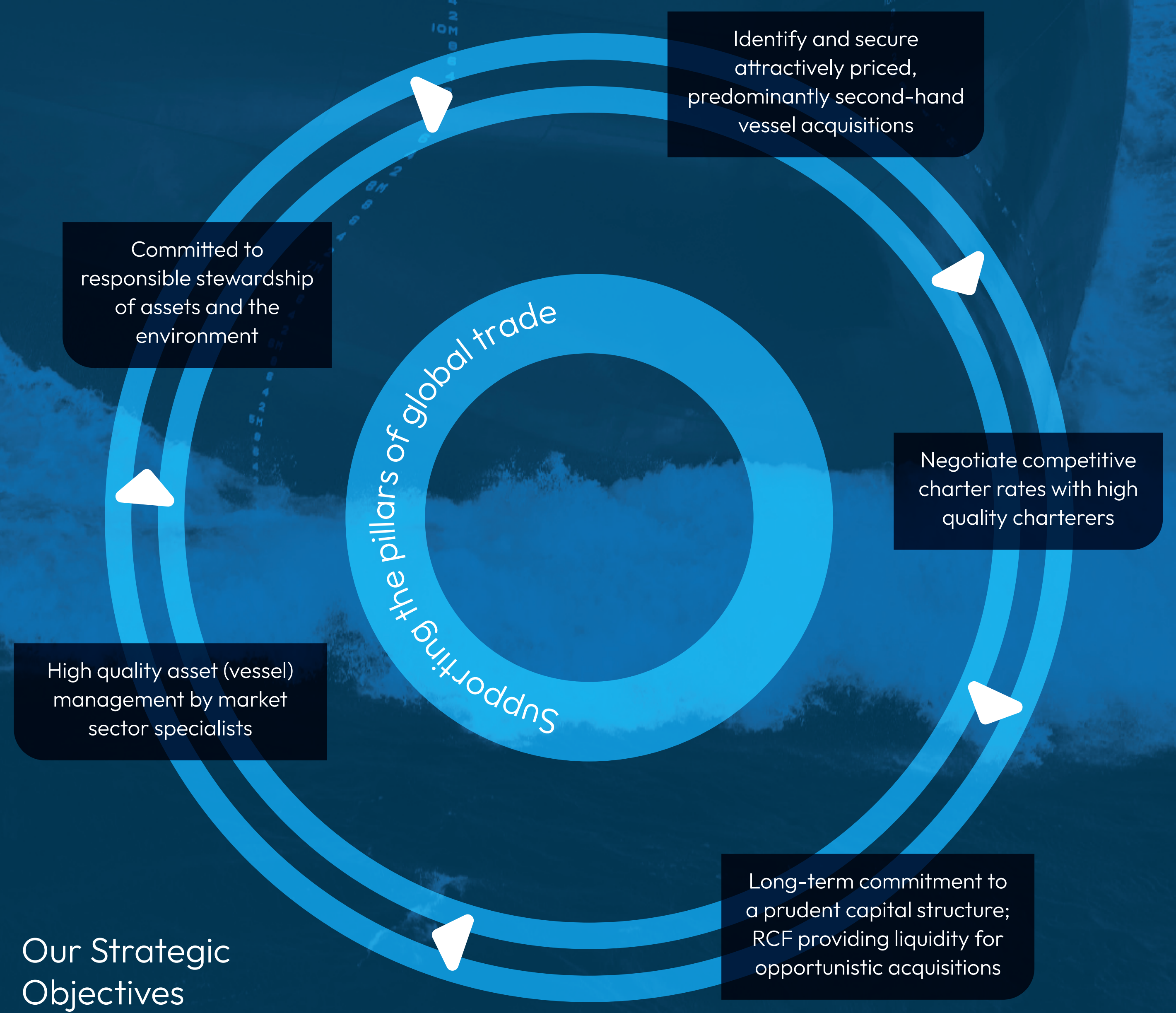
Our Business Model and Key Strategic Objectives

The Company will realise its investment policy by applying its business model and the following strategic objectives.

Our Unique Strengths ('Inputs')

- **World-class, shipping industry knowledge**
- **Proven track-record and competitive advantage through extensive market network**
- **Specialist in geared dry bulk sector benefiting from diverse cargoes, wide range of ports**
- **Strong relationships with blue-chip charterers including trading houses and operators**
- **Structural alignment with shareholders through significant investment and internalised management**

Our Business Model



The Value We Create ('Outputs')

- **Opportunity to invest in shipping, an essential pillar of global trade**
- **A high-quality portfolio of operational, income producing assets**
- **Stable income and potential for capital appreciation**
- **Ability to crystallise profits through a highly liquid sale and purchase market**
- **Investment management which integrates ESG into all aspects of the investment process**

Our Strategic Objectives

Acquisition Strategy | **Income Strategy** | **Sustainability Strategy** | **Dividend Strategy** | **Gearing Strategy**

COMPANY OVERVIEW

Our Business Model and Key Strategic Objectives

continued

Our strategic objectives and how we achieve them:

	Acquisition Strategy	Income Strategy	Sustainability Strategy	Dividend Strategy	Gearing Strategy
Strategic Objective	→ Using long standing industry relationships invest in second hand vessels at below long term average prices or other target shipping investments/businesses	→ Stabilising long-term income stream by diversifying charter contracts over different periods depending on market conditions	→ Ensure long term sustainability of the Combined fleet by incorporating ESG factors into our Combined fleet maintenance and renewal strategy	→ The Company plans to pay regular quarterly dividends, with the intention to increase the dividend over time, subject to market conditions	→ Commitment to a long term ungeared / low-geared approach to investing
What We Monitor	→ Multiple on Invested Capital ("MOIC") and Internal rate of return ("IRR") on ships sold → Underlying profitability of other target shipping investments/ businesses	→ Average charter rates versus benchmark → Daily breakeven rates → Number of covered days → Spread of charter counterparties and ratings	→ Average age of the Combined fleet → Annual Efficiency Ratio ("AER") Ratings → Safety Statistics	→ Available liquidity → Resale value of vessels → Term Charter rates → Dividend cover	→ Debt as a percentage of gross assets → Compliance with debt covenants → Stress scenario modelling to ensure repayment plans can be met

Strategic Review

STRATEGIC REVIEW

Chairman's Statement

"Having secured a controlling stake in Grindrod towards the end of the previous year, our priorities this financial year have been to integrate the investment and deleverage the balance sheet through asset sales. Substantial progress has been made in the face of macro-economic headwinds."

Dear Shareholders,

On behalf of the Board I present the Company's Annual Report and Audited Consolidated Financial Statements for the financial year from 1 April 2023 to 31 March 2024 (the "year").

Having secured a controlling stake in Grindrod towards the end of the previous year, our priorities this financial year have been to integrate the investment and deleverage the balance sheet through asset sales. Substantial progress has been made in the face of macro-economic headwinds. In April 2024, Grindrod announced its proposal to carry out a Selective Capital Reduction ("SCR"). We are pleased that shareholder approval and approval from the High Court of the Republic of Singapore have been received, and the SCR is expected to become effective by the end of the summer, increasing TMI ownership to 100%. This paves the way for a return to a more simplified corporate structure, which will enable the Group to reduce costs by further integration and through the removal of some corporate overheads such as listing expenses.

Macro Environment

It has been a challenging year from a macro perspective, with high inflation and interest rates resulting in slower global economic growth and weaker demand. China's exit from COVID was positive but not as strong as anticipated. These factors contributed to a weaker freight market, further impacted by unwinding congestion in China. While interest rates are generally seen to have peaked, it is not expected that there will be any significant reduction in the short term. There is still considerable uncertainty in the global economy and a further deterioration in the Middle East situation could destabilise markets.

Performance

Against this negative macro backdrop, TMI continued its proactive strategy to protect the balance sheet through reductions in debt and finance costs. This necessitated the sale of a number of revenue generating assets, leading to a drop in corresponding charter revenue income. During the first half of the year, the effect was compounded by a softening of market charter rates and asset values. This trend reversed in the second half with charter rates and values improving more or less consistently from August. Notwithstanding the above, the Combined Group's charter performance was superior to the relevant indices for the duration of year, as explained further in the CEO's Statement.

At 31 March 2024, the Company's NAV was US$485.0 million and US$1.48 per Ordinary Share (31 March 2023: US$566.1 million or US$1.71 per Ordinary Share). For the year ended 31 March 2024, the Company made a loss of US$53.5 million (31 March 2023: profit of US$26.2 million), including losses from revaluation of assets of US$73.6 million (31 March 2023: losses of US$6.4 million). On a look-through basis, the Group generated a gross operating profit of US$12.6 million before accounting for losses from the revaluation of vessels amounting to US$64.6 million, resulting in a total comprehensive loss of US$52.9 million[1]. The Total NAV Return per Ordinary Share for the year was –9.0% versus 4.7% for the year ended 31 March 2023.

The Company declared and paid four quarterly dividends of 2.00 US cents per Ordinary Share to shareholders, maintaining its dividend policy. The Board acknowledges the importance of maintaining this commitment, even though weaker charter rates caused by slowing global economic growth have resulted in the dividend being uncovered for this year. The Board has a positive outlook on future cashflows and closely monitors cashflow projections and is committed to maintaining the dividend policy.

During the year, the Company's share price decreased from US$1.12 per Ordinary Share at 31 March 2023 to US$0.995 per Ordinary Share at 31 March 2024.

[1] See the "Financial Review" and "Appendix B" for further details.

Chairman's Statement

continued

Discount to NAV

At 31 March 2024, the Company's shares traded at a 33% discount to NAV. Over the last 12 months, deleveraging the balance sheet and acquiring the remaining shares in Grindrod have been priorities. The Board believes that these actions will help to improve the rating and will look carefully at further steps which might be taken to reduce the discount. As at 19 July 2024, the Company's shares traded at a slightly narrower 30% discount to the ex-dividend 31 March 2024 NAV.

Portfolio and Leverage

Since acquiring control of Grindrod, there have been a total of twenty one external disposals across the Combined fleet (including post-period sales and excluding two vessels sold to Grindrod). TMI has continued to pay down debt with US$108 million repaid since the Grindrod transaction and US$71 million repaid during the year. This has brought TMI leverage back within its investment policy of below 25% debt to gross assets. As a result of the divestments, in which the disposal of older, less efficient and generally smaller vessels was prioritised, the asset portfolio is now more attractive as the Combined Group maintains a core, modern fleet of Japanese-built geared bulk carriers.

Corporate Governance

During the year, I was appointed Chairman of the Company which was confirmed by shareholders at the Annual General Meeting ("AGM") in September 2023. Frank Dunne, who acted as Interim Chair, remains on the Board as Senior Independent Director. I'm delighted to welcome Charles Maltby, an experienced shipping chief executive and former independent non-executive director of Grindrod, who has joined the Board as an independent non-executive director. In turn, I am grateful to Helen Tveitan who stepped down from the Board at the end of the year for sharing her expertise and for her commitment while she served on the Board and as Chair of the ESG and Engagement committee.

The Grindrod selective capital reduction was approved by Grindrod's minority shareholders on 20 June 2024 and by the High Court of the Republic of Singapore on 16 July 2024, and Grindrod is due to become a wholly-owned subsidiary of the Company. The Directors of Grindrod have therefore determined that the Boards of TMI and Grindrod should be merged. Accordingly, Chris Buttery and Frank Dunne have agreed that they will not stand for re-election by shareholders at the 2024 AGM. On behalf of the Board, we are grateful for the exceptional contributions that both individuals have provided the Board during their tenure, notably Chris as one of the Company's founding directors and Frank for his service as Interim Chair during an incredibly active period for the Company and as Senior Independent Director. We wish Chris and Frank the very best for their future endeavours.

As part of our integration and following a thorough vetting process, I am pleased to confirm that the current Grindrod directors, Rebecca Brosnan and Gordon French, have each confirmed their willingness to be appointed to the TMI Board as independent non-executive Directors. Their election will be proposed to shareholders at the 2024 AGM and, if approved, will take effect from that date. Biographical details of Rebecca and Gordon are below, with further details to accompany our notice of AGM to be published in early August.

Rebecca Brosnan has over 20 years' experience in investment banking, financial markets and commodities and is currently an IFC nominated director of City Bank, a listed commercial bank in Bangladesh. She previously served as CFO and Head of Strategy of Diginex, an ESG and sustainability business and as Head of Asia Commodities and Head of Strategy at the Hong Kong Stock Exchange. She was appointed a non-executive director of Grindrod in 2022.

Gordon French has extensive experience in investment banking, having worked for the HSBC group for 33 years and on his retirement in 2020 he was Head of Global Banking and Markets for Asia-Pacific, based in Hong Kong. He was appointed a non-executive director of Grindrod in 2023.

Sustainability and Decarbonisation

This year we began the process of aligning Grindrod's ESG strategy with TMI's to ensure a unified approach to both the challenges and opportunities we face in the dry bulk industry. Key priorities have been the energy efficiency of our vessel assets and seafarer wellbeing. The Board has continued to work with the management team to ensure the integration of ESG policies and climate-related risks into investment decisions and core business strategy. Our investment in Grindrod, combined with select vessel divestments, has resulted in an overall younger and relatively more energy-efficient fleet.

In July 2023, the International Marine Organization ("IMO") revised the industry's Greenhouse Gas ("GHG") strategy, setting a goal for international shipping to achieve a net-zero target by 2050. This is a positive change and is in line with TMI's own target. With the industry now focused on net zero, it is evident now, more than ever, that addressing ESG-related risks and opportunities is crucial for long-term business success. I am confident that we are positioned to pursue an even more robust ESG agenda going forward.

Outlook

The financial year has seen the Combined Group face considerable headwinds and we've continued to deleverage on the back of these challenging market conditions. It is likely that the next move in interest rates will be downward and should this happen, we believe it will be positive for charter rates and asset values.

I would like to thank all of our stakeholders and my fellow Directors for their support during this period, and also to the Executive Team and to all the personnel onboard and onshore who support our fleet for their commitment.

Henry Strutt
Chairman

22 July 2024

STRATEGIC REVIEW

Chief Executive Officer's Statement

"Overall, we are pleased that we have made solid progress towards deleveraging the balance sheet, completing integration of fleet management and gaining 100% ownership of Grindrod. The latter will simplify the structure and management of the Group, enabling us to further reduce costs and streamline operations ... It opens a clear new chapter for the Company, one which I am enthusiastic about, given our positive view of the medium-term prospects for geared dry bulk."

Dear Shareholders,

I am pleased to present to you the Company's Annual Financial Statements for the financial year from 1 April 2023 to 31 March 2024 (the "year").

Overall, a challenging, unfavourable economic backdrop has contributed to a difficult set of results. In this context, we focused on defending the balance sheet by repaying debt, improving the fleet profile through an ambitious, disciplined, and successful vessel sales strategy and by integrating our investment in Grindrod. Post year end, Grindrod also announced its proposed SCR and I am pleased that following Grindrod shareholder and approval from the High Court of the Republic of Singapore, TMI is now set to own 100% of Grindrod.

Market

It was a year of two halves. The first saw a softening of freight rates and asset values, unwinding of port congestion in China, with ongoing inflation and higher interest rates weakening global demand. From late summer, there was an improvement in the supply demand balance. The market has been relatively stable post-year end albeit with asset values catching up with freight rates. High newbuild prices, buyer liquidity and positive forward sentiment continue to sustain firm asset values. In the medium term, we see the possibility of a return of more steady demand and ongoing low supply growth. Existing and new environmental regulations may further slow the fleet and continue to act as a suppressant on new ordering. Despite some increase in ordering this calendar year, slots at relevant shipyards are largely unavailable until 2027-2028.

The freight market environment was weaker than the previous year and the Company had fewer vessel revenue days as a result of asset disposals over the year. That said, the Combined Handysize fleet and Supra/Ultramax fleet convincingly outperformed their benchmark indices[1] during the year by US$1,416 (15%) and US$2,549 (21%) per day respectively.

As we look forward, we expect our revenue to improve as supply and demand for dry bulk vessels remains tightly balanced. The Combined fleet is 36% covered for the balance of the 2024 calendar year and will benefit from any increase in charter rates. On the supply side, new vessel deliveries are expected to peak in 2024 before tapering off in 2025 and 2026, supporting a healthy market. On the upside, there is potential for existing and new environmental regulations to result in higher fleet utilisation and accelerated fleet deletions.

We also remain very much focused on costs. This coming financial year, we expect to benefit more fully from past debt loan repayments efforts via a lower interest burden and reduced amortisation. Taken together with integration projects which have already been implemented or which are in process, we are optimistic that we will achieve competitive break-evens enhancing future cashflow generation.

Debt

We see a strong balance sheet as critical to the Combined Group's resilience. We are pleased with the progress made to reduce leverage and managing the ongoing cost of debt[3] remains a priority. We repaid a total of US$71.2 million of debt at TMI, ending the year with a balance of US$151.0 million (31 March 2023: US$222.2 million). On a Combined Group basis, (i.e. including Grindrod's debt) the balance was US$330.8 million (31 March 2023: US$404.4 million). During the year, we refinanced both TMI and Grindrod's debt. This resulted in reduced costs and extended repayment terms, also increasing available liquidity.

In the third and fourth quarters of the year, asset values increased supporting an improved leverage profile. The TMI debt-to-gross assets ratio was 23.5% at 31 March 2024 (31 March 2023: 27.8%) and on a Combined Group basis it stood at 35.8% (31 March 2023: 37.6%). TMI's debt-to-gross assets ratio was below 25% at the year-end in line with its investment policy. We continue to focus on reducing the Combined Group's leverage.

[1] Since the Baltic Handysize Index (BHSI) is based on a 38k dwt type and the Baltic Supramax Index (BSI) is based on a 58k dwt type, the Company uses adjusted BHSI and BSI Time Charter Average (TCA) figures net of commissions and weighted according to average dwt of the Group's combined Handysize and Supra/Ultramax fleets, respectively.

[2] Cover refers to the number of fixed (i.e. contracted) days expressed as a percentage of gross days for a specified period. Gross days calculated by multiplying the number of calendar days by the number of vessels in the combined fleet.

[3] See Appendix A – Alternative Performance Measures on pages 145-148.

STRATEGIC REVIEW

Chief Executive Officer's Statement

continued

Fleet

Our investment in Grindrod has allowed TMI to renew its fleet, effectively replacing older, less-efficient Handysize vessels with younger, larger Handysize or Supra/Ultramax vessels. Since the Grindrod acquisition in December 2022, TMI has been a disciplined seller of ships and, across TMI and Grindrod, a total of twenty one ships (including post period sales) have been divested. The sizeable number of transactions is testament to the liquidity of the second-hand market and also demonstrates the robustness of the Group's NAV given an average 3.2% discount to carrying value across all of the disposals.

The Combined fleet stood at 39 vessels at the end of the period (including one vessel held for sale and three vessels with purchase options) with a market value of US$793 million. The Combined fleet is homogenous, exclusively Japanese built and of a high quality with an average age of c.10 years and an average carrying capacity of 41,000 deadweight tonnage ("dwt") with commensurate higher earnings power.

Grindrod

Throughout the year, we worked on realising efficiencies and synergies through integration efforts in various areas: creating dual roles across the Executive Teams and through combining some central functions. In the third quarter, as previously announced, Grindrod acquired the external technical and commercial managers for the TMI fleet, unifying fleet management under one roof. This brought direct cost savings and benefits of economies of scale.

In April 2024, Grindrod announced its proposal to implement a Selective Capital Reduction which would result in its minority shareholders receiving US$14.25 per share in cash and enabling Grindrod to cancel all shares not held by TMI, conferring 100% ownership to TMI. On 20 June 2024, the proposal was approved at Grindrod's EGM. Once effective, this will simplify TMI's corporate structure, and unlock a final set of corporate synergies including Grindrod's delisting from NASDAQ and JSE.

Environmental Performance and Regulatory Compliance

The shipping industry is coming under increasing pressure to decarbonise. This year we saw the announcement of new regional decarbonisation regulations with the inclusion of shipping in the EU Emissions Trading System ("EU ETS") from 1 January 2024, in addition to the IMO's Energy Efficient Existing Ship Index ("EEXI") and Carbon Intensity Index ("CII") regulations introduced in 2023. The Combined Group was well prepared to deal with the new wave of regulation. Looking beyond regulatory compliance, I am pleased with the progress we have made on reducing our fleet carbon intensity, with a year-on-year reduction of 4% on a TMI fleet basis and 7% on a Combined fleet basis (measured by Annual Efficiency Ratio ("AER")). We will continue to invest in fleet efficiency initiatives and keep abreast of the ever-evolving technological landscape of our sector.

Our commitment to ESG is broader than the challenges of emissions reduction. We have seen increasing geopolitical tension with the Red Sea conflict and direct attacks on cargo vessels. We monitor these situations closely, with safety and operational excellence remaining our top priority for seafarers employed aboard our vessels, and colleagues ashore.

Outlook

We are optimistic about the long-term prospects for our segment as geared ships fulfill an important role in the global economy, carrying a diverse range of necessity goods via a wide range of ports in emerging and developed countries. In the short to medium term, we are encouraged that freight rates started the 2024 calendar year higher than in 2023; typically, we expect commodity demand to strengthen in the second half (notwithstanding a softer summer period). Indeed, the demand growth forecast for 2024 is strong at 5.2%. Current projections for 2025 suggest an easing of demand (assuming Red Sea disruption has receded by the end of this year). Given the uncertainty around the Red Sea situation, we could see continued strong bulker demand. If expected interest rate reductions materialise this should have positive impact on market sentiment and increased demand for inventory rebuilding as business confidence returns.

Overall market downside is expected to be limited given a prolonged period of slow fleet growth (around or below 3% for the last seven years), the still relatively modest orderbook (9% of fleet capacity) stretching out to 2027 and 2028, elevated newbuilding prices discouraging new orders and the potential for scrapping with 10% of the Handy fleet and 5% of the Supra/Ultra fleet now 25 years or older. As the industry focuses on cutting its emissions, environmental policies will cap effective supply with operating speeds continuing to reduce and time taken to retrofit energy saving devices removing older less efficient units from the active fleet.

Overall, we are pleased that we have made solid progress towards deleveraging the balance sheet, completing integration of fleet management and gaining 100% ownership of Grindrod. The latter will simplify the structure and management of the Group, enabling us to further reduce costs and streamline operations. This represents a logical conclusion to the acquisition of the controlling stake in Grindrod in December 2022. It opens a clear new chapter for the Company, one which I am enthusiastic about, given our positive view of the medium-term prospects for geared dry bulk. I believe that our exceptional fleet of Japanese-built Handy and Ultra/Supra dry bulk carriers, enhanced by our ownership of Grindrod, is well-positioned for the future given its strong earnings potential, a competitive cost base and reducing leverage with the opportunity for capital growth.

I would like to thank our Board, the Executive Team and wider personnel including the seafarers who support our Group's activities. As ever, we are very grateful to our shareholders who have continued to support the Company this year. Having navigated a difficult period, we expect to move forward as a fully integrated group, delivering value to shareholders by maximising profits through cost efficiencies and increased revenues. Our focus is on creating long-term value for shareholders and to set the stage for the Group to generate strong investment returns in due course.

Edward Buttery
Chief Executive Officer

22 July 2024

STRATEGIC REVIEW

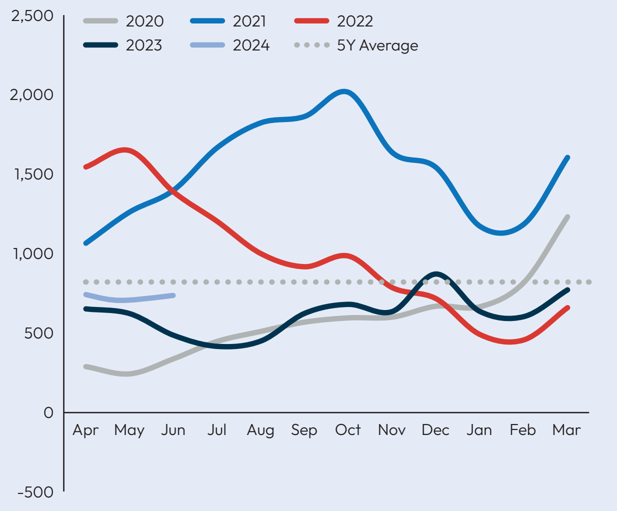
Market Review

Market Summary

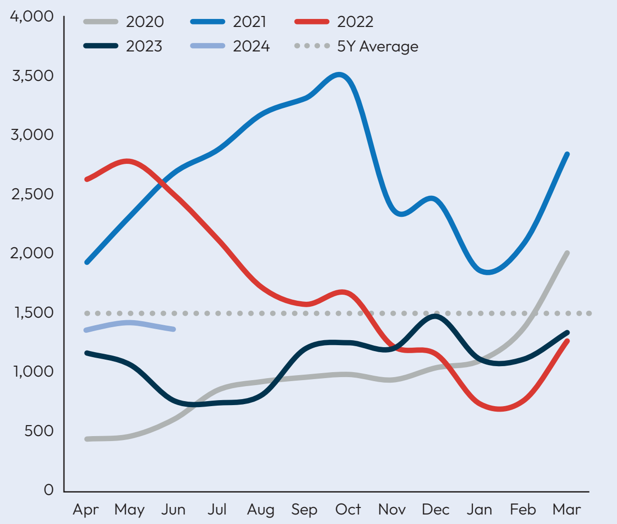
Port congestion continued to unwind through the first half of the period and in August congestion levels reached their lowest levels since September 2016. This gradual releasing of previously constrained supply coincided with lingering demand headwinds in key regions and softer-than-expected industrial activity in China, placing significant pressure on charter rates. This pressure began to release from early August with strong corn and soybean exports from Brazil and drought-related restrictions in the Panama Canal driving a swift and sustained recovery in rates. From late November, rates strengthened further as attacks targeting Red Sea shipping and continued restrictions in the Panama Canal forced some trade via longer, alternative routes tying up ships for longer durations, increasing fleet utilisation. Charter rates softened through the Chinese New Year period but remained more stable than usual, relative to previous years, owing to steady flows of grains from Atlantic load areas and the disruptions in the Panama Canal and the Red Sea which continue to provide support for rates. The BHSI TCA and BSI TCA ended the period at US$13,898 per day and US$14,638 per day, respectively; c.98% and c.94% above their respective low points for the period.

Asset values, while lagging charter rates, followed a similar trajectory through the period, reaching a low point in August, but improved significantly as market conditions improved and forward sentiment remained positive. By period end, the Clarksons' benchmark for a 10-year-old 37k dwt Handysize vessel had increased by c.21% and a 5-year-old 63.5k dwt Supra/Ultramax vessel had increased by c.24% from their respective low points in August, albeit with a portion of the uplifts attributable to a redefinition of Clarksons' new 'eco' ship design and an increased vessel size for the Supra/Ultramax benchmark[1].

Baltic Handysize Index (BHSI)



Baltic Supramax Index (BSI)

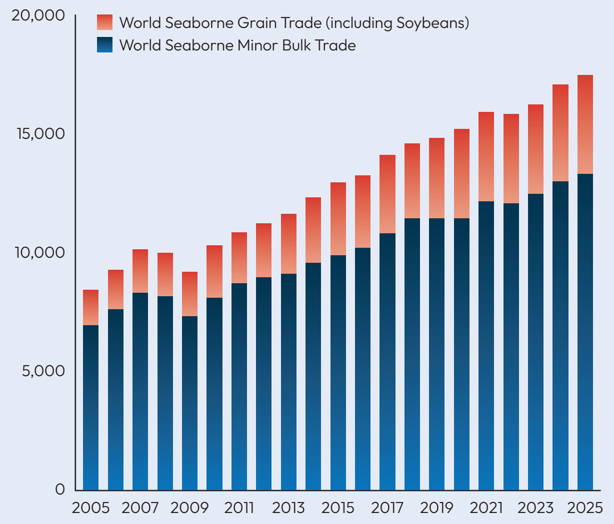


[1] Clarksons reclassified their 5-year-old 63.5k dwt Supra/Ultramax (from 61k dwt) and 10-year-old 37k dwt Handysize benchmarks to 'eco' design basis in January 2024.

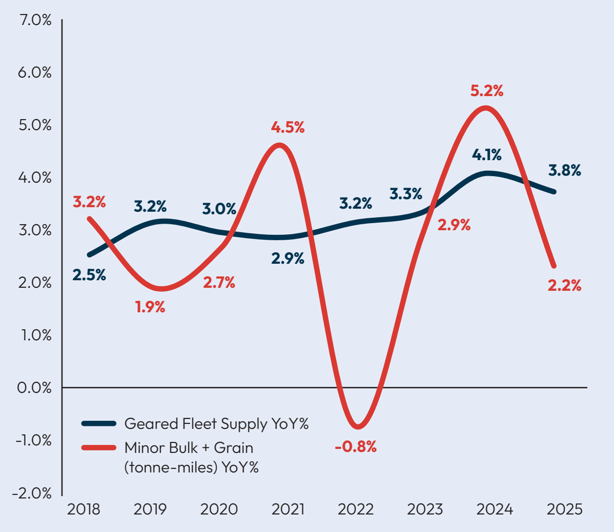
Demand[1]

- Global GDP growth slowed slightly from 3.4% in 2022 to 3.2% in 2023, according to the IMF, and is expected to grow at the same pace of 3.2% in both 2024 and 2025 with global inflation forecast to decline steadily from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025;
- Dry bulk tonne-mile demand grew by 4.5% in 2023, according to Clarksons, driven by a strong rebound in coal and iron ore imports particularly into China. Dry bulk tonne-mile demand is expected to slow in 2024, albeit remain firm with 3.9% growth forecast and 0.9% growth forecast in 2025;
- The combined minor bulk and grain trade, the principal cargoes of Handysize and Ultramax vessels, grew by 2.9% in 2023 in tonne-mile terms according to Clarksons, and is expected to accelerate in 2024 to 5.2% with support from firm grain volumes and global macroeconomic improvements, although clear risks remain;
- Global seaborne grain trade has started 2024 on an encouraging note, with Clarksons grain trade indicator up by 8% y-o-y in the first quarter of 2024 amid firm Ukrainian and US exports. Overall, Clarksons expect seaborne grain trade tonne-miles to grow by 6.5% this year, supported by a rebound in US exports after a soft end to 2023, though headwind risks need monitoring;
- Global seaborne minor bulk trade is projected to grow by 4.9% in 2024 amid a rebound in industrial trends as macroeconomic headwinds ease in key economies (e.g. Europe, Japan), though clear risks remain around elevated interest rates and uncertainty around the Chinese property sector.

Grain and minor bulk trade development (billion tonne miles)



Minor bulk and grain tonne-mile demand vs geared bulker supply growth



[1] Source: Clarksons Research July 2024.

STRATEGIC REVIEW

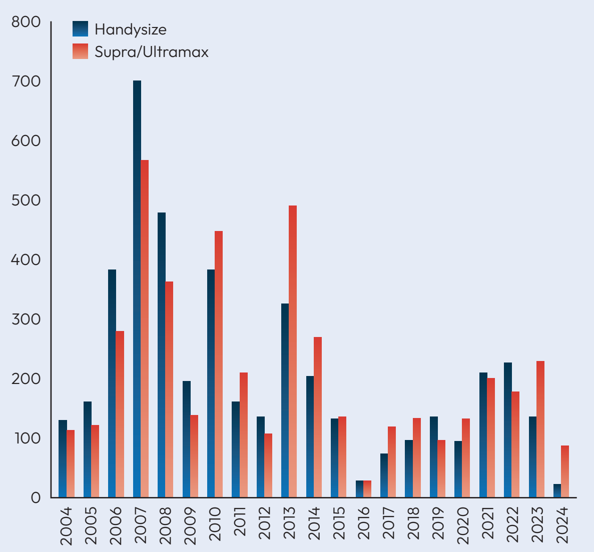
Market Review

continued

Fleet Supply[1]

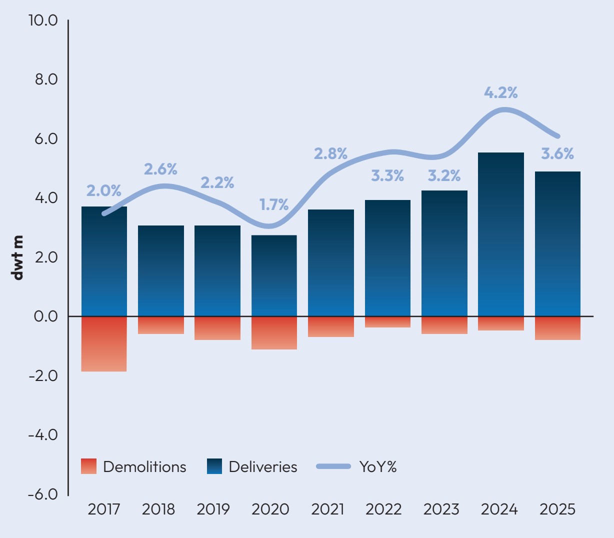
- The combined geared dry bulk fleet was estimated to have grown by 3.3% net in 2023 with the Handysize segment growing by c.3.79m dwt net (3.2%) and the Supra/Ultramax segment growing by c.7.77m dwt net (3.4%); Recycling activity in 2023 and early 2024 remained limited, with firming market conditions during the period and positive forward sentiment so far offsetting the effects of new environmental regulations on fleet renewal;
- Global disruption from the impact of Panama Canal transit restrictions and events in the Red Sea contributed to positive tonne-mile demand growth as significant tonnage was diverted on longer duration voyages;
- While there was an uptick in new ordering activity during the period (Handysize and Supra/Ultramax orderbooks currently c.9% and c.11% of the combined fleet in dwt terms, respectively), these new orders are not available for delivery until 2027 and early 2028;
- Operating speeds of dry bulk vessels trended slower during the period, down c.0.8% year on year, owing to increased environmental regulatory pressures, reducing effective supply.

Geared Dry Bulk New Orders Per Year

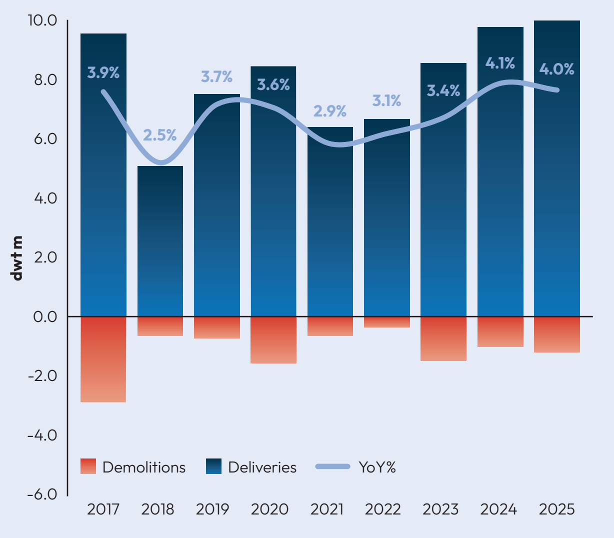


[1] Source: Clarksons Research July 2024.

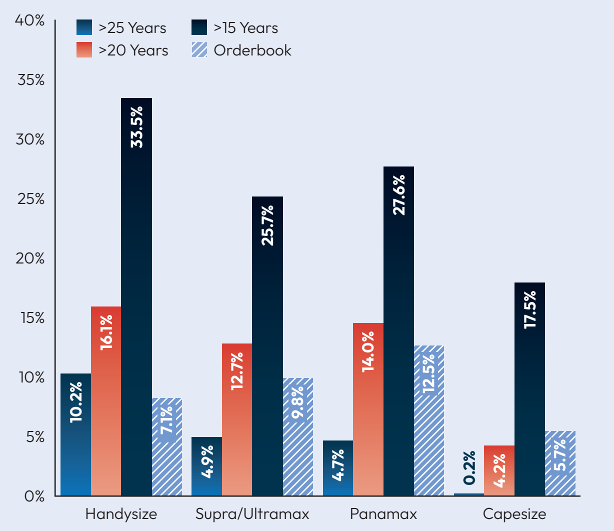
Handysize Supply Development



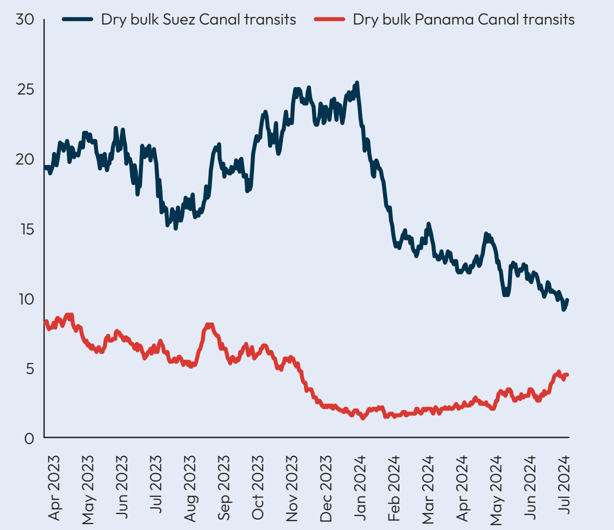
Supra/Ultramax Supply Development



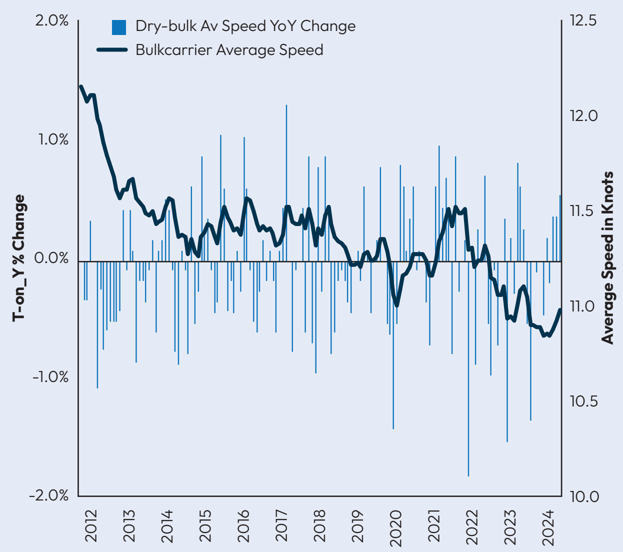
Age Profile by Segment (No.)



Daily Dry Bulk Transits - Panama and Suez Canals (14 Day Moving Average)



Average Dry Bulk Speed[1]



Outlook

The strong conditions that prevailed in the lead up to 2024 demonstrate the tight supply-demand fundamentals facing the dry bulk market, particularly for the geared dry bulk segment. Atlantic exports of key commodities, notably grain, and the ongoing disruption in the Red Sea and Panama Canal, which continues to divert significant volumes to longer routes, have provided significant support for both charter rates and asset values. While the duration of Red Sea and Panama Canal disruptions remains uncertain, Clarksons anticipates that the increase in tonne-miles resulting from rerouting will contribute to an overall stronger year for bulk carrier markets. Additional support is likely to be provided from slower operating speeds (down c.1% year-on-year so far in 2024[2]) and downtime for the combined fleet to retrofit energy saving devices. Meanwhile, a modest delivery schedule and potential for increased demolition activity, particularly for the aged geared dry bulk segment, are expected to keep fleet growth fairly limited by historical standards. These supply factors, when combined with a diverse and resilient demand base, provide grounds for a positive outlook on earnings and values over the coming years.

[1] Source: Clarksons Research July 2024.

[2] Relates to 1 January 2024 to 27 June 2024 (Source: Clarksons Dry Bulk Trade Outlook - Volume 30, No. 6, June 2024)

STRATEGIC REVIEW

Portfolio and Operational Review

Portfolio Summary

- Through the period, TMI completed the sale of three of the oldest vessels in the TMI fleet; a 2004 built 34k dwt Handysize vessel, a 2007 built 33k dwt Handysize vessel and a 2008 built 32k dwt Handysize vessel for combined gross proceeds of US$28.7 million;
- TMI also completed the sale of two ships to Grindrod: a 2011 built 38k dwt Handysize vessel for gross proceeds of US$15.0 million, which delivered in July 2023, and a 40k dwt Handysize newbuild vessel, which delivered in February 2024, for gross proceeds of US$33.75 million;
- Post period, TMI agreed the sale of a 2008 built 33k dwt Handysize vessel for gross proceeds of US$12.3 million, a 2012 built 28k dwt Handysize vessel for gross proceeds of US$11.95 million and a 2024 built 40k dwt Handysize vessel for gross proceeds of US$35.35 million;
- At Grindrod, ten vessel sales completed during the period which included the four remaining Chinese-built vessels as well as the smallest vessel and one of the oldest vessels of the Combined fleet. The ten sales completed for combined proceeds of US$154.0 million;
- The total disposals across the Combined fleet since the Grindrod transaction in December 2022 amount to twenty one vessels averaging a discount of 3.2% to carrying value (including the sales agreed post period). The Combined fleet comprised 39 Japanese-built vessels at 31 March 2024, including 29 Handysize vessels[1] and 7 Supra/Ultramax vessels plus 3 chartered-in Supra/Ultramax vessels with purchase options, with an attractive average age of 10.3 years and a larger average carrying capacity of c.40k dwt, with commensurate increased earnings capacity.

The Combined Fleet List – Delivered Vessels as at 31 March 2024

Ship type	Number of Vessels	Average Age	DWT	Portfolio Weighting (dwt)	Portfolio Weighting (at fair value)
TMI Handysize	19	12.8 years	635,800	40%	36%
Grindrod Handysize	10	9.7 years	352,500	22%	25%
Grindrod Supra/Ultra	7	6.5 years	420,300	26%	27%
Grindrod Chartered-in[2]	3	5.4 years	185,700	12%	12%
Total	**39**	**10.3 years**	**1,594,300**	**100%**	**100%**

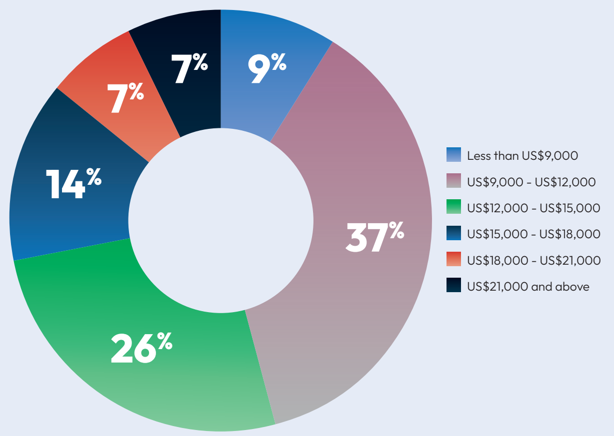
[1] Including one vessel held for sale.

[2] Excludes four chartered-in vessels without purchase options.

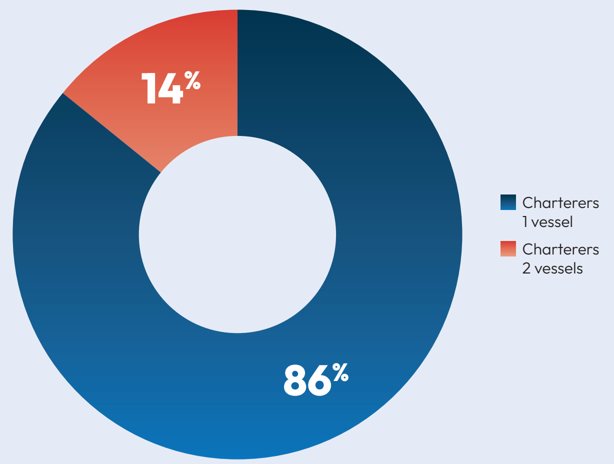
Employment and Operations[1]

- The Combined fleet's time charter equivalent ("TCE") was US$11,864 per day for the year ended 31 March 2024 with the Handysize fleet and the Supramax/Ultramax fleet outperforming their respective indices[2] by c.US$1,416 per day (15%) and c.US$2,549 per day (21%), respectively;
- The average time charter rate net of commissions for the Combined fleet was US$13,132 per day at 31 March 2024, compared to US$15,296 per day at 31 March 2023.
- At the time of writing, the Combined fleet has 36% of remaining fleet days covered for the 2024 calendar year at an average TCE of US$14,124 per day.

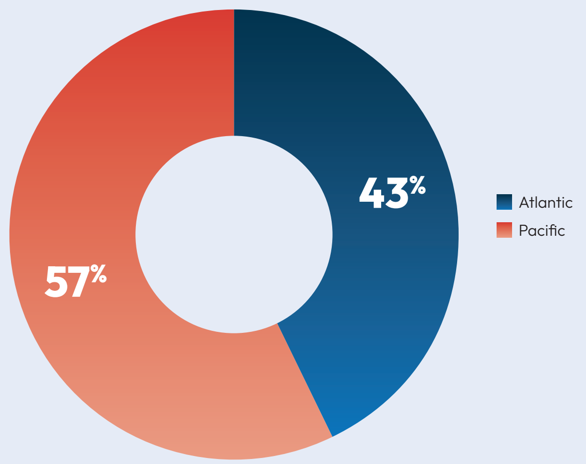
Actual TCE per day at 31 March 2024



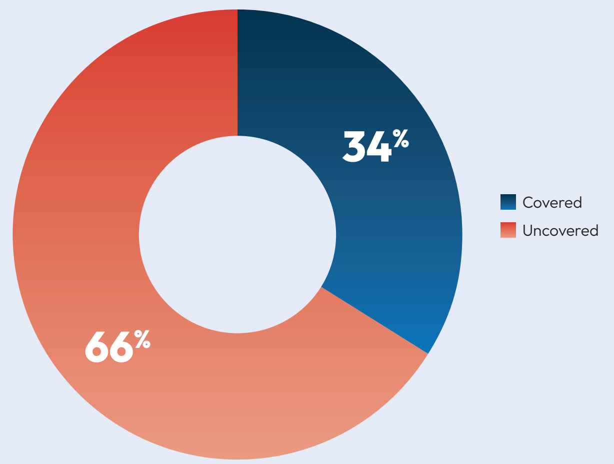
Vessels by Charterer



Trading Location



Forward Coverage year ending 31 March 2025



[1] All chart data at 31 March 2024.

[2] Since the Baltic Handysize Index (BHSI) is based on a 38k dwt type and the Baltic Supramax Index (BSI) is based on a 58k dwt type, the Company uses adjusted BHSI and BSI Time Charter Average (TCA) figures net of commissions and weighted according to average dwt of the Group's combined Handysize and Supra/Ultramax fleets, respectively.

Financial Review

Investment Performance

Net Asset Value ("NAV") performance

NAV per ordinary share decreased by c.14% from US$1.7144 at 31 March 2023 to US$1.4802 at 31 March 2024, after dividends paid of US$26.4 million. The main driver of NAV performance, accounting for c.68% of the decrease in NAV, was a decrease in fair value of the underlying investments of approximately US$54.9 million, resulting from softer asset values given a weaker charter market during the first half of the year.

In terms of underlying assets, the Combined fleet consisted of the following:

	31 March 2024		31 March 2023	
	Number of Vessels	Market value (US$m)	Number of Vessels	Market value (US$m)
TMI fleet	19	290	23	373
Grindrod fleet[1]	20	503	28	624
Total combined fleet	**39**	**793**	**51**	**997**

Dividends

Total dividends paid were as follows:

Year ended	Dividends paid (US$m)	Dividend per Share (US cents)	Dividend cover[2]
31 March 2024	26.4	8.00	-0.1x
31 March 2023	36.2	10.97	2.6x

For the year ended 31 March 2024, the Company paid dividends on a quarterly basis declared in January, April, July and October, at a rate of 2 US cents per Ordinary Share in line with our dividend policy and annual dividend yield target of 8 US cents per Ordinary Share. For the year ended 31 March 2023, in the first quarter of the financial year the Company paid a dividend of 4.97 US cents per Ordinary Share, which incorporated a special dividend of 3.22 US cents per Ordinary Share. Subsequently, the Company paid quarterly dividends of 2 US cent per Ordinary Share for the final three quarters in line with our dividend policy.

On 26 April 2024, the Company declared an interim dividend of 2 US cents per Ordinary Share for the quarter ended 31 March 2024, the total dividend of US$6.6 million was paid on 31 May 2024.

This year, our dividend cover ratio experienced a reduction, decreasing from 2.6x the previous year to -0.1x. This decline can primarily be attributed to the turbulent conditions in the global shipping market during the year, see the "Market Review" section, which have adversely impacted our charter rates and overall financial performance. Looking ahead, we anticipate an improvement in our dividend cover ratio in the coming year. This optimism is supported by forecasts of market recovery and bolstered by our ongoing commitment to reducing debt and maximising cost synergies across the Combined Group.

[1] Inclusive of total market value of Grindrod fleet (including three chartered in vessels with purchase options), not just the Group's 82.3% (31 March 2023: 83.2%) stake.

[2] See Appendix A – Alternative Performance Measures on pages 145 to 148.

Ongoing Charges Ratio ("OCR")[1]

The Company's annualised OCR for the year ended 31 March 2024 was 1.6% (31 March 2023: 1.1%). The increase in OCR from 1.1% for the year ended 31 March 2023 to 1.6% for the year ended 31 March 2024 was primarily due to a decrease in NAV during the year, as well as a 15% increase in recurring expenses.

Financial Performance

For the year ended 31 March 2024, the Company made a loss of US$53.5 million (31 March 2023: profit of US$26.2 million). The financial results of the Company for the year prepared in accordance with IFRS are presented in its Consolidated Statement of Comprehensive Income on page 108 of this report.

On a non-IFRS look-through basis, the Combined Group generated a gross operating profit of US$12.6 million before accounting for losses from the revaluation vessels amounting to US$64.6 million, resulting in a total comprehensive loss of US$52.9 million. To assist users of the accounts in understanding the performance of the Company for the year ended 31 March 2024 in more detail, additional financial information for the Combined Group has been presented in Appendix B on page 151 on a non-IFRS look-through basis.

Financing

We remain committed to a financially prudent approach to gearing, maintaining credit facilities ("RCF") of US$167.6 million, which includes an accordion facility that may increase the amount by up to US$60 million, to support downside risk and selective growth investment opportunities. The Combined Group's financing activities during the financial year can be summarised as follows:

- On 21 September 2023, TMI entered into an agreement to replace its existing RCF and Acquisition Facility (in relation to the Grindrod transaction) with a new secured senior RCF for US$167.6 million (that may be increased by up to US$60 million) with Nordea Bank Abp, Filial i Norge and Skandinaviska Enskilda Banken AB. Additionally, Good Falkirk (MI) Limited entered into a separate RCF for up to US$25 million with Nordea Bank Abp, Filial i Norge, intended for general corporate and working capital purposes. This additional facility remained undrawn at the year-end.
- During the year ended 31 March 2024, TMI repaid a total of US$71.2 million of debt .
- TMI's debt-to-gross assets ratio[1] as at 31 March 2024 was 23.5%[1] (31 March 2023: 27.8%). TMI's outstanding debt was US$151.0 million as at 31 March 2024.
- The Combined Group debt-to-gross assets ratio was 35.8%[1] at 31 March 2024 (31 March 2023: 37.6%). Outstanding Combined Group debt at 31 March 2024 was US$330.8 million (31 March 2023: 404.4 million).

NAV Valuation

NAV per Ordinary Share decreased from US$1.71 at 31 March 2023 to US$1.48 at 31 March 2024 with US$0.01 contributed from TMI's operating profit for the year ended 31 March 2024, in addition to (US$0.16) from TMI's fair value loss and (US$0.08) of dividend paid during the year. Total NAV return was -9.0% for the year, mainly due to decrease in vessel values. Breakdowns of the key elements of the NAV performance are as follows:

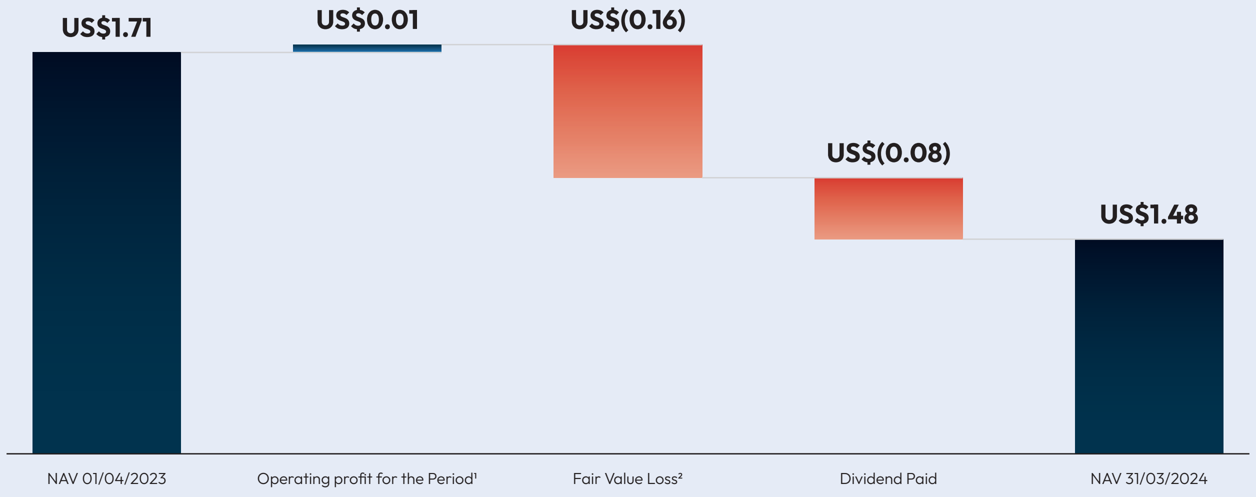
[1] See Appendix A – Alternative Performance Measures on pages 145 - 148.

STRATEGIC REVIEW

Financial Review

continued

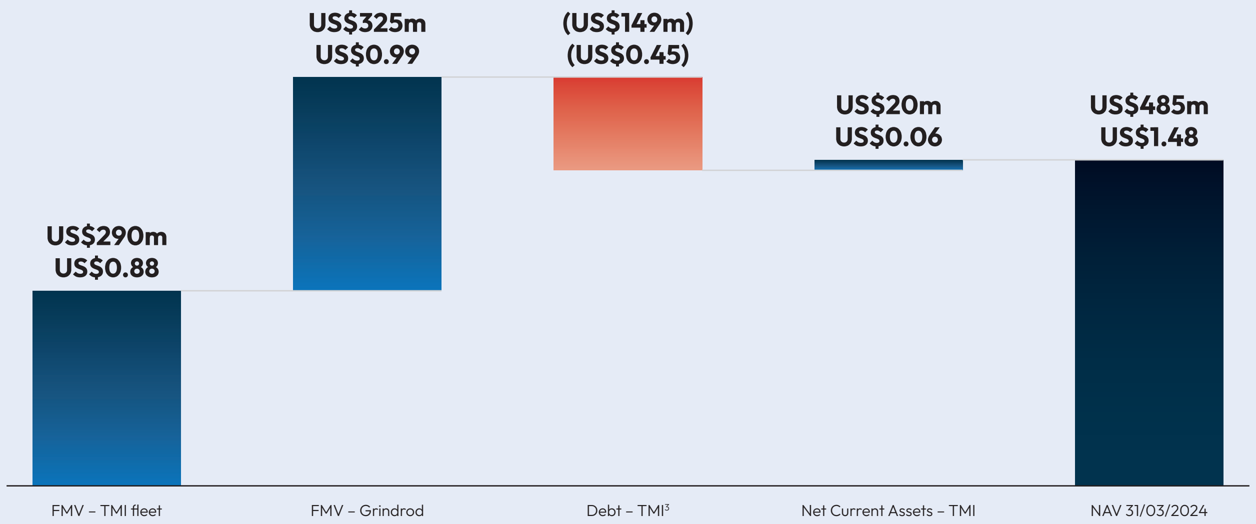
NAV per Ordinary Share bridge from 1 April 2023 to 31 March 2024



The TMI NAV is made up of the following key components:

- The fair market value of the TMI fleet amounted to US$290.0 million as at 31 March 2024 (31 March 2023 US$372.8 million).
- The fair market value of TMI's investment in Grindrod amounted to US$324.7 million as at 31 March 2024 (31 March 2023 US$362.4 million).
- The carrying value of the TMI's debt[3] amounted to US$149.4 million as at 31 March 2024 (31 March 2023 US$217.9 million).

TMI NAV Components at 31 March 2024



1 Operating Profit for the Period comprises operating profit of TMI, TMI Holdco & SPVs (excluding Grindrod subsidiaries) and excluding Fair Value Loss.
2 Fair Value Loss comprises changes in fair value of TMI fleet and TMI's investment in Grindrod.
3 Debt - TMI is net of loan financing fee.

STRATEGIC REVIEW

Environmental, Social and Governance Review

Introduction

During the year, the TMI's Environmental Social and Governance ("ESG") strategy and objectives were set and monitored by the ESG and Engagement Committee which reported to the Board. Following Helen Tveitan's retirement from the Board on 31 March 2024, it was decided that the ESG and Engagement Committee would be discontinued and a new management-led ESG Steering Group has been established, with Charles Maltby acting as the Board's nominated individual for ESG matters and to continue the oversight function previously performed by the ESG and Engagement Committee. Changes also included the re-allocation of duties to, and the renaming of, the Risk and Audit Committee, now the Audit, Risk and Engagement Committee. Further details are contained in the Governance Report on pages 62-68.

The Executive Team works with the Technical Manager, Commercial Manager, Grindrod and other key stakeholders to progress the TMI's decarbonisation priorities and other critical environmental, social and governance objectives.

Whilst TMI works proactively throughout the year on all elements of its ESG strategy, TMI's approach is underpinned by six key priorities, against which KPIs are measured and progress tracked.

Further details of TMI's ESG initiatives and progress can be found in the annual ESG report, available on the Company's website: **www.taylormaritimeinvestments.com**. This report includes disclosure of TMI's scope 1, 2 and 3 greenhouse gas emissions and broader ESG disclosure which considers the guidance from the Task Force on Climate-related Disclosure ("TCFD"), the Sustainability Accounting Standard Board ("SASB") and the Global Reporting Initiative ("GRI").

1 **Responsible Investment** 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 13 CLIMATE ACTION	**2** **Climate Change and Environmental Management** 13 CLIMATE ACTION; 14 LIFE BELOW WATER	**3** **Onshore and at Sea Safety** 8 DECENT WORK AND ECONOMIC GROWTH
4 **Compliance and Conduct** 13 CLIMATE ACTION; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	**5** **Community and Employee Engagement** 8 DECENT WORK AND ECONOMIC GROWTH	**6** **Strong Corporate Governance** 16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS

STRATEGIC REVIEW

Environmental, Social and Governance Review

continued

ESG Policy Alignment and Governance with Grindrod

After securing a controlling stake in Grindrod in December 2022, TMI has been working closely with the Grindrod Board to align the ESG strategies and approaches of both companies. This includes alignment on company policies, climate risk management, decarbonisation initiatives, seafarer and employee wellbeing, as well as the formation of an internal joint steering committee with representatives from both TMI and Grindrod.

Revised IMO GHG Strategy 2023

In July 2023, the IMO adopted a more ambitious GHG strategy for the international shipping industry. This was a significant milestone whereby the industry's absolute emissions target was adjusted to net-zero by 2050. The IMO also released interim targets for 2030 and 2040. These new targets are now fully aligned with the TMI's own net-zero target by 2050.

It is expected that the IMO will release a basket of short-term and medium-term measures (both technical and financial) by the end of 2025, in order to achieve these targets. These are expected to enter into force by 2027.

	IMO 2018 Strategy		IMO 2023 Strategy	
	Carbon intensity	Absolute emissions	Carbon intensity	Absolute emissions
2030	40% reduction	–	40% reduction	20% reduction (striving for 30%)
2040	–	–	–	70% reduction (striving for 80%)
2050	70% reduction	50% reduction	–	Net-zero
2100 Latest	–	Full fleet decarbonisation	–	–

Progress on the Combined Group's ESG Priorities Throughout the Period:

1. Responsible Investment:

Investment in Grindrod

Grindrod owns and operates a modern, diversified fleet of dry-bulk vessels, entirely Japanese-built and of relatively energy efficient design. The Grindrod fleet is highly complementary to TMI's fleet and improves the overall environmental performance of the Combined Group. Grindrod's larger Supramax and Ultramax vessels have lower carbon intensities, on both an Energy Efficiency Operating Indicator ("EEOI") and Annual Efficiency Ratio ("AER") basis, due to their larger carrying capacity. This has improved the overall emissions profile (as measured by fuel consumption per dwt) of the Combined fleet.

Divestment of Less Efficient Vessels in the Portfolio

During the period, the Combined Group completed thirteen asset disposals, selected primarily based on their age profile and less favourable environmental credentials. These divestments, alongside investment in fleet efficiency measures, contributed to the overall improvement year-on-year in the carbon intensity of the Combined fleet by 7%, as per the AER metric.

2. Climate Change and Environmental Management:

The Combined Group aims to achieve a long-term target of running a zero-emission fleet by 2050 and is a signatory to the Getting to Zero Coalition's "Call to Action for Shipping Decarbonisation". Whilst the Combined Group evaluates low-carbon fuels and their commercial viability, it is simultaneously looking at the existing fleet; how to improve fuel efficiency and lower carbon intensity.

Progress on Carbon Intensity Targets

The Combined Group has a medium-term target of reducing carbon intensity by 40% by 2030, compared to a 2008 baseline, in line with IMO targets. The emissions intensity of the TMI fleet, as measured by AER, for the year ended 31 March 2024 improved by 4%. This was primarily driven by the divestment of less-efficient vessels, installation of energy saving devices and other operational efficiency initiatives. EEOI is more of an operational metric and is heavily influenced by the utilisation of cargo carrying capacity of each vessel. For both the EEOI and AER TMI has limited influence over the voyage parameters or cargo carriage element, as the TMI's vessels are operated under a time-charter model. Therefore, TMI is only able to influence the EEOI and AER metrics from a technical point of view e.g. vessel/engine selection and fitting of energy saving devices ("ESDs").

	TMI Year ended 31 March 2022	TMI Year ended 31 March 2023	TMI Year ended 31 March 2024	TMI Y-o-Y improvement	Combined fleet Year ended 31 March 2023	Combined fleet Year ended 31 March 2024	Combined fleet Y-o-Y improvement
EEOI	11.96	12.25[1]	12.16	+1%	10.90[2]	10.12	+7%
AER	7.23	7.08	6.79	+4%	6.35	5.92	+7%

AER is measured as per the CII ("Carbon Intensity Index") regulation which came into effect on 1st January 2023, whereby vessels are given a rating between A-E, on an annual basis, as a measure of their efficiency. In the 2023 calendar year, 97% of the Combined fleet performed within the compliance range (A-C). Vessels with a "D" and an" E" rating for three consecutive years must submit a corrective plan to demonstrate how the required index (C or above) can be achieved. The Combined Group aims to achieve at least a "C" average fleet CII rating every year.

	TMI fleet	Grindrod fleet[3]	Combined fleet %
A	3	9	34%
B	12	5	49%
C	3	2	14%
D	1	0	3%
E	0	0	0%

*Table displays number of vessels (vessels which have been sold prior to 31 March 2024 have been excluded).

Fleet-wide Energy Efficiency Initiatives

Together with the Combined Group's commercial and technical managers, the Combined Group continues to roll out a comprehensive fleet efficiency programme to improve vessel fuel efficiency, primarily focused on retrofits at scheduled maintenance events. These technical enhancements will increase the fuel efficiency of the fleet and improve EEXI and CII overall performance.

At the year end, 85% of the total TMI fleet have at least three ESDs installed, with a combined annual fuel saving potential of ~10% per vessel. These ESDs include propeller boss cap fins, high performance paints, LED lighting, pre-swirl ducts and fuel efficiency monitoring systems.

Grindrod has also adopted the use of energy-efficiency technologies, fitting ESDs across the Grindrod fleet to increase fuel consumption efficiency, including the installation of variable frequency drives, fins, rudder bulbs and ducts.

Recently, the Combined Group has evaluated the use of propeller graphene paint which has the potential saving impact of 3-4% (according to manufacturer estimates) and intends to roll this out on select vessels.

1 The 2023 EEOI figure has been re-stated due to an error in cargo data recorded.
2 Combined EEOI figure restated to reflect change in the 2023 TMI figure.
3 New build excluded from data as only delivered in February 2024 and annual data not available. Also excludes the 3 chartered-in vessels.

STRATEGIC REVIEW

Environmental, Social and Governance Review

continued

Use of Biofuels Onboard

The use of biofuel is one of the interim steps identified by the Combined Group in achieving a long-term target of operating a net-zero fleet by 2050.

One biofuel trial has been completed onboard a Group vessel so far, in collaboration with a key customer. The positive results of the biofuel powered voyage are promising in terms of biofuel serving as a viable interim fuel.

The Combined Group actively looks to perform further trials and increase the use of biofuel on voyages where possible.

Other Environmental Initiatives

- Slow steaming: installation of Engine Power Limiters on certain vessels, as well as self-prescribed speed capping.
- Phasing out of single use plastics onboard: a 'Plastics Free' campaign has been rolled out across the Combined fleet, with mineralised water fountains and reusable water bottles successfully installed and distributed fleet-wide, saving 15,000 plastic bottles from being used and disposed of onboard monthly.
- Ballast Water Management: at the end of the period, 100% of the Combined fleet featured Ballast Water Treatment Systems fitted, in compliance with the International Ballast Water Management Convention, aimed at conserving marine biodiversity.
- Vessel emissions measurements: daily monitoring of fleet emissions including CO_2, NO_x and SO_x emissions.

Engagement with Decarbonisation Technology Providers

The Combined Group continues to engage with industry technology developers of promising low/zero carbon technologies and fuels, such as charterers utilising biofuels, carbon capture technology and wind propulsion technology providers.

3. Onshore and at Sea Safety:

Safety Procedures

In collaboration with the Combined Group's technical managers, the Combined Group has created a strong safety culture both onshore and offshore. The Combined Group's technical managers have implemented a collection of safety procedures, policies, and protocols on-board vessels, helping the crew mitigate the daily risks faced during vessel operations. Vessel safety performance is monitored by collecting and tracking performance against a comprehensive list of industry KPIs and ensuring that any significant incidents are reported upon with follow-up actions taken.

Security at Sea

Seafarers of the dry bulk shipping industry are required to call a wide-range of ports around the globe, some of which are located remotely, as they deliver much-needed cargoes to support the livelihood of local communities. Alongside the Combined Group's commercial and technical managers, vessel positions are closely monitored to ensure the necessary security steps are taken if vessels enter high-risk waters or ports (e.g. due to the increased threat of piracy, thieves or similar hostile activity that places the safety of our vessels or risk disrupting operations). In higher risk jurisdictions, the Combined Group's managers take extra precautions when a vessel is in transit, such as crew safety briefings before entering high-risk ports, enhanced around-the-clock deck inspections, anti-piracy equipment, and war risk insurance cover.

4. Community and Employee Engagement

Seafarer Welfare and Mental Health

The Combined Group is focused on the physical and mental wellbeing of seafarers onboard Combined Group vessels. The Combined Group offers seafarers 24/7 access to a remote/telephone medical assistance for seafarers at sea, providing immediate independent and professional medical advice. This service is widely used across the Combined fleet and is free to all seafarers onboard Combined Group's vessels. The Combined Group has an ongoing programme of upgrading and enhancing accommodation and welfare facilities onboard. Furthermore, the Combined Group's technical manager has recently trialled a new remote medical service provider, assessing seafarers' mental and physical health on an ongoing basis, giving options to receive medical and psychological support.

Cadet Training Programmes

In collaboration with the Combined Group's technical manager, the Combined Group has sponsored trainee cadets onboard the Combined Group's vessels as part of their cadet training programmes, giving junior seafarers the opportunity to gain valuable experience and training onboard. Throughout the period, 18 cadets joined Combined Group vessels, with more expected to join in the following year.

Community Support

The Combined Group has allocated an annual welfare budget per annum, dedicated towards supporting causes that align with the Combined Group's values and operations. This includes supporting local welfare initiatives, seafarer wellbeing and maritime ecosystem conservation. During the period, the Combined Group and certain key service providers engaged in several meaningful initiatives such as a beach clean-up in Durban, support to the Durban Girls College, the National Sea Rescue Institute in South Africa, as well as support to a local Vietnamese community, an area from which several of the seafarers onboard Combined Group vessels come from.

5. Compliance and Conduct

Environmental Regulations Compliance

2023 brought a new phase of environmental regulations designed to deliver the industry's decarbonisation targets. Together with the Combined Group's Commercial and Technical managers, the Combined Group has analysed the impact of the new EEXI and CII regulations on the fleet, shore-side teams and existing internal systems and processes. The Combined Group proactively took the necessary steps to meet or exceed compliance through a combination of technical enhancements and operations measures across the Combined fleet. Both the TMI and Grindrod fleets are now 100% compliant with the EEXI regulation and in the first year of the CII regulation, achieved a Combined fleet average of a "C" and above.

From 1 January 2024, the European Union Emissions Trading System ("EU ETS") came into force; a regional compliance cap and trade carbon emissions scheme. Under the EU ETS, Combined Group vessels are liable to surrender allowances in line with carbon emissions emitted within EU waters. The Combined Group's Technical and Commercial Managers made the necessary preparations, including insertion of relevant clauses into Charter Parties outlining Charterers responsibilities, preparation of independently verified voyage emission statements, as well as the purchase of European Union Allowances ("EUA") on applicable voyages.

The Combined Group is now preparing for the upcoming Fuel EU Maritime regulation, coming into force on 1 January 2025. This regulation is aimed at driving the gradual uptake of low-carbon fuels for all vessels trading in and out of the EU.

STRATEGIC REVIEW

Environmental, Social and Governance Review

continued

Sanctions Compliance

The Combined Group monitors the sanction regimes enacted by the UK, EU, US and the UN. Both the Combined Group and its service providers adhere to strict policies, ensuring that no business is conducted with sanctioned parties. The Combined Group works closely with its Commercial Manager to ensure charter counterparties exclude sanctioned parties.

6. Strong Corporate Governance

Robust governance is embedded in the Company's constitution as a Guernsey investment company listed on the Premium Segment of the London Stock Exchange. ESG is integral to the Combined Group's central governance framework. The TMI's ESG strategy is overseen by the Board, together with the ESG Steering Group (previously by the ESG and Engagement Committee).

Further details on the TMI's governance can be found in the Governance section of this report (pages 62-68) and TMI's latest ESG report.

The Combined Group takes a zero-tolerance approach to bribery and corruption, in adherence to the UK Anti-Bribery Act 2010. A key component of this approach is the Combined Group's Commercial Manager's membership of the Maritime Anti-Corruption Network, leading industry efforts to enforce zero tolerance for facilitation payments and corrupt practices. The network of over 165 shipping companies works collectively towards ending maritime corruption and fostering fair trade.

During the period, the Combined Group revised its AML and Sanctions policy and standard operating procedure, including the full integration of the procedure between TMI and Grindrod. 92% of the workforce have now completed training on the procedure.

Group Policies

The Board has established a comprehensive set of policies concerning the Company's governance, to ensure strong corporate ethics and sensible business values. TMI conducts a substantial part of its business through key service providers; hence these service providers have been requested to confirm their own policies and procedures, which are then crosschecked with the TMI's. Policies include anti-bribery and corruption, code of ethics, modern slavery, whistleblowing, sanctioned and high-risk jurisdictions, conflict of interest, prevention of tax evasion, diversity and inclusion and end-of-life vessel recycling policy.

All TMI policies have been approved by the Board and are reviewed on an annual basis to ensure they remain relevant in the context of TMI and the regulatory environments in which it operates.

Stakeholders Report

Section 172

Whilst directly applicable to companies incorporated in the UK, the Board recognises the intention of the AIC Code that matters set out in section 172 of the UK Companies Act, 2006 are reported. The Board strives to understand the views of the Combined Group's key stakeholders and to take these into consideration as part of its discussions and decision-making process.

Whilst the primary duty of the Directors is owed to the Company as a whole, all Board discussions involve careful consideration of the longer-term consequences of any decisions and their implications for stakeholders. Particular consideration is given to the continued alignment of interests between the activities of the Company and those that contribute to delivering the Board's strategy, which include the Executive Team, Combined Group employees, the Company Secretary, recipients of the Company's capital and providers of long-term debt finance.

Engagement with Stakeholders

The Board of Directors recognise their individual and collective duty to act in good faith and in a way that is most likely to promote the success of the Company for the benefit of its members as a whole, whilst also having regard, amongst other matters, to the Company's key stakeholders and the likely consequences of any decisions taken during the year.

Below we have identified our principal stakeholder groups, how we engage with these stakeholders, the outcome of these engagements and how this impacts our Combined Group strategy and performance, operational matters, financing strategy, dividend policy and our ESG strategy.

Stakeholder Group	Engagement and Key Outputs	Engagement Channel
Shareholders/ Investors	Representatives of the Board, the Corporate Broker and the Executive Team hold meetings and regularly engage with our investors on the robustness of our strategy, our ESG priorities and other aspects of our performance. Two-way communication with investors provides an opportunity for the Board and Management to understand investor sentiment and priorities and, in turn, provides investors with comfort over the Board's stewardship of their capital. Maintaining close engagement with our investors is of paramount importance to us. Their feedback regarding performance expectations, dividend policies and ESG strategies are all carefully considered as part of the Board's decision-making process. Shareholders also have the opportunity to engage with the Board directly the Annual General Meeting ("AGM") each year, or through the Corporate Broker as part of the Board's ongoing investor engagement programme.	→ Annual, Interim and Quarterly reporting → Annual General Meetings ("AGM") → Individual investor and analyst meeting/calls → Press releases and quarterly factsheets → Website updates → Corporate Broker, Senior Independent Director, Company Secretary

Stakeholder Group	Engagement and Key Outputs	Engagement Channel
Service Providers	We work closely with our service providers, including our commercial and technical managers, inputting into ESG projects, vessel decarbonisation strategy and environmental policy compliance and overall smooth operations of the Combined fleet. Our joint 'ESG Taskforce' provides a collaborative touch point for us to work on these initiatives, driving our collective ESG agenda and implementation and tracking of KPIs under the oversight of our ESG Steering Group. For more detail on the activities of the Taskforce, please refer to the Company's ESG Report, which can be found on the Company website, Taylor Maritime (**taylormaritimeinvestments.com**). The FY24 ESG Report is expected to be published by October 2024.	→ Daily contact regarding the commercial and technical management of Combined Group vessels → Bi-weekly joint 'ESG Taskforce'
Customers	Together with our service providers we maintain close relationships with our customers, ensuring our vessels are leading in terms of performance, service and sustainability. We seek regular feedback from our customers to ensure we are constantly improving our customer offer.	→ Day-to-day chartering enquiries and fixing → Informal meetings → Customer events → Service feedback
Seafarers	Supported by our Technical managers, we prioritise the well-being, safety, and development of our seafarers through regular engagement. This two-way communication helps us address their needs, enhance safety standards, and improve operational efficiency. Feedback from seafarers directly influences our operational practices and ESG strategy, ensuring high morale and productivity, which are crucial for our performance and retention rates.	→ Regular crew meetings → Onboard visits by senior management → Training sessions and workshops → Health and wellness programs → Digital communication platforms

STRATEGIC REVIEW

Stakeholders Report

continued

Stakeholder Group	Engagement and Key Outputs	Engagement Channel
Administrator, Professional Advisors	Close engagement with our Administrator and our professional advisors allows us to keep abreast of anticipated governance, regulatory or industry developments relevant to the Company's sphere of activity and advise on the appropriate ways in which the Board should respond.	→ Ongoing communication and weekly touch-points → Bi-weekly administration update calls
Corporate broker	Our corporate broker provides us with key advice on capital markets strategy, investor relations strategy, investor sentiment and priorities including around ESG. The Corporate Broker maintains contact with key investors and, supported by their team of analysts, reports directly to the Board on sector developments, key themes, macroeconomic considerations and peer group activity. Feedback from the Corporate Broker aids the Board's assessment of the balance of supply and demand for the Company's shares, and supports the Board's decision making on matters including capital allocation and discount control.	→ Ongoing communication and weekly touch-points → Quarterly Board Reporting
Communities	TMI and its service providers recognise the need to provide a positive social impact to communities and operate in a responsible and ethical way. We continually look for organisations to support and local initiatives which align with our values.	→ Active participation in seafarer communities through training programmes and a dedicated, Board approved, welfare budget → Supporting charitable initiatives that align with our values

Stakeholder Group	Engagement and Key Outputs	Engagement Channel
Regulators and Authorities	The Combined Group and its service providers are active participants in matters affecting the wider shipping community and play a role in engaging with international bodies and legislators and other industry bodies on matters relevant to the sector and to the Company as a whole. We ensure the Combined Group is compliant with all existing regulations, and ensure recognised best practise is applied, where relevant, to all areas of the Combined Group's activities. Through engagement with professional advisers with regards to any future regulations impacting the Combined Group we ensure we are well-placed to maintain the highest standards of regulatory compliance.	→ Formal meetings → Regular dialogue with leading industry experts
Industry Associations and Bodies	The Combined Group and its Service Providers actively participate in several industry associations bodies, spanning seafarer welfare efforts, decarbonisation alignment and general shipping forums.	→ Industry coalitions → Industry association membership
TMI Employees	The Executive Team and their support teams are key to our success and we want them to succeed both as individuals and as a team. The Executive Team strive to maintain a fair and equal workplace, as well as providing the opportunity for employees to grow and develop. The Executive Team maintain an open-door policy with all employees.	→ Town hall meetings → Daily interactions between colleagues and management → Training programs → Open-door policy

STRATEGIC REVIEW

Statement of Principal and Emerging Risks and Uncertainties

Risks and Uncertainties

The Board is responsible for and has in place a rigorous risk management framework and risk matrix to identify, assess, mitigate, manage and review and monitor those risks. This is all reviewed at least twice a year by the Board, in conjunction with the Audit, Risk and Engagement Committee, and on a much more frequent basis by the Executive Team. The Board has also adopted a risk appetite statement which details the Board's assessment of the risk profile of the Company and the level or risk it is willing to accept in the pursuit of its investment objective.

The Board has categorised the risks that TMI faces into five broad areas:

1. Risks associated with Financial Crime
2. Market Risks
3. Operational Risks
4. ESG Risks
5. Financial Risks

The Board have carried out a robust assessment of each risk area and its potential impact on the performance of the TMI including risks that would threaten its business model, future performance, solvency and liquidity.

The Board pays regard to any emerging risks on an ongoing basis and keeps under review the effectiveness of the mechanisms for their identification in discussion with the Executive Team. The Board and the Executive Team continuously monitor these emerging risks, assessing their likelihood and impact, and will agree appropriate strategies to mitigate and/or manage the identified risks. Emerging risks are formally managed through discussion of their likelihood and impact at Board meetings at least twice a year, or as otherwise required based on the magnitude of the risk. Should an emerging risk be determined to have any potential impact on the Combined Group, appropriate mitigating measures and controls are agreed.

The Board considers the main emerging risks facing TMI are:

- The increasing world geopolitical instability with the potential macro-economic impact increasing financial risks as well as the specific operational impact on global shipping.
- Increased cyber threats which effect all companies but where shipping is particularly exposed to threats from national bad actors.

In respect of the TMI's system of internal controls and reviewing its effectiveness, the Directors:

- are satisfied that they have carried out a robust assessment of the emerging and principal risks facing the Company and TMI, including those that would threaten its business model, future performance, solvency or liquidity; and
- have reviewed the effectiveness of the risk management and internal control systems including material financial, operational and compliance controls (including those relating to the financial reporting process) and did not find any significant failings.

Principal Risks

The table on the following page shows a summary of the key underlying risks with the key areas of risk identified by the Board. The status below shows whether the principal risks are increasing, decreasing or not changing compared with the previous year.

Financial Crime Risk

Key Risk	Potential Impact	Key Controls	Trend
Cyber Risk – Actions of malicious actors exposing TMI to cyber threats which can compromise shipping operations.	TMI becomes exposed to terrorist activity damaging its reputation, interrupting operations, or becomes unwittingly party to an illegal act leading to sanction and financial penalty.	→ Regular cyber penetration testing by external third party. → Staff training on cyber threats. → Screening of all key counterparties.	Increasing

Market Risk

Key Risk	Potential Impact	Key Controls	Trend
Downturn in global demand for shipping due to reduction of international trade arising from high inflation and political instability.	Downturn in the charter rates achievable for the Combined Group's ships leading to lower profitability and liquidity. Market value of shipping assets declines impacting the financial position of the Combined Group.	→ Careful management of charter income by both quality of charterer and duration of fixed term charters. → Financial modelling of stress scenarios to ensure sufficient cash reserves are maintained. → Highly experienced management team.	Stable
Share Price Discount – The Company's Ordinary shares trade on the LSE at a discount to NAV.	The Company's ordinary shares trading at a persistent discount may lead the Company not being attractive to investors and restricting the ability of the Company to raise funds through the issuance of new shares. Persistent Discounts could lead the Company exposed to a hostile takeover bid.	→ Reducing and maintaining low leverage in line with our strategic objective. → Strategic investor relations programme. → If required, adapting corporate strategy. → Conduct regular assessments, in consultation with the Company advisers, whether to actively pursue a share buyback strategy.	Stable

STRATEGIC REVIEW

Statement of Principal and Emerging Risks and Uncertainties

continued

Market Risk, continued

Key Risk	Potential Impact	Key Controls	Trend
Global Monetary policy – Instability in global monetary policy may lead to high interest rates and turbulent foreign exchange rates.	High interest rates impact the cost of gearing and the profitability of the Combined Group. Instability in global monetary policy may lead to recession and a downturn in demand for shipping. Could increase the potential financial failure of a key counterparty.	→ Foreign Exchange minimised by dealing predominately in US dollars. → TMI has targeted modest gearing limits. → The Combined Group maintains a cash reserves to fund its operations during downturns in global demand. → The Combined Group undertakes credit checks on charterers and sets limits on exposure to any one charterer.	Decreasing
Global Political Instability – Increased political tensions around the world leading to movement restriction on sea routes and ports.	Countries to/from which the Combined fleet carries cargo can undergo political turmoil and become war zones. This may lead to: → The Combined Group's vessels being confined to certain ports with crew safety threatened → Vessels being "off hire" for extended periods → Vessels being re-routed and consequential extension to voyage times	→ Appropriate route planning and monitoring to avoid risk areas and if necessary obtain appropriate navy and security escort. → Charter party clauses to restrict and avoid vessel exposure to risk areas. → Appropriate and comprehensive vessel insurance.	Increasing

Financial Risk

Key Risk	Potential Impact	Key Controls	Trend
Interest Rate Risk – A rising interest rate environment.	High interest rates impact the cost of gearing and the profitability of the Combined Group. Combined Group might not be able to meet covenant tests	→ Cash flow modelling under base and stress cases to ensure liquidity demands are met. → Ongoing monitoring of covenant tests. → Corporate policy of low gearing.	Decreasing

ESG Risks

Key Risk	Potential Impact	Key Controls	Trend
Move towards net zero – Global changes to regulations within the shipping industry.	Potentially, if there is a sudden acceleration in regulation some of the fleet may be rendered less competitive or obsolete over time. Leading to: → Potential impact on vessel valuations. → Potentially impact on earnings as some vessels become difficult to charter out.	→ Sale of the older vessels in the Combined fleet. → Upgrading the existing fleet at its scheduled dry docking for fuel efficient solutions. → Engagement with the industry to ensure new regulations introduced in an appropriate way. → Working with commercial and technical managers to reduce GHG intensity of existing fleet via technical and operational measures.	Stable

STRATEGIC REVIEW

Statement of Principal and Emerging Risks and Uncertainties

continued

ESG Risks, continued			
Key Risk	**Potential Impact**	**Key Controls**	**Trend**
Pollution Damage – A Combined Group vessel becomes involved in an incident of environmental damage, contamination or pollution.	Loss to reputation and potential heavy financial impact on the Combined Group.	→ All Combined Group's vessels comply with regulations set by the International Maritime Organisation. → Combined Group ensures a proactive safety culture is promoted by its technical manager, including regular training. → Ensuring the Combined Group is adequately insured for environmental loss.	Stable
Operational Risks			
Key Risk	**Potential Impact**	**Key Controls**	**Trend**
Integration of Grindrod – Ability of TMI to improve efficiency and hence profitability by streamlining TMI and Grindrod's operations.	→ If for legal reasons obtaining 100% ownership of Grindrod was delayed or not achievable, this could result in efficiency measures being delayed which would impact profitability of the Combined Group. → If integration projects fail, this could lead to a change of direction/ strategy with substantial financial impacts.	→ Detailed planning by the senior management with a phased integration over the medium term – progress regularly reviewed and overseen by the Board. → Third party advice is taken at all stages to the integration to ensure in particular there are no legal barriers to TMI's plans. → Experienced management team.	Decreasing
Cyber Attacks on Third Party Providers	→ TMI outsources many of its activities to third parties, a cyber attack on one of these providers could disrupt the routine operations of TMI and impact profitability.	→ On an annual basis the Audit, Risk and Engagement Committee requests confirmation what cyber security systems are in place and that cyber penetration tests have been undertaken.	Stable

STRATEGIC REVIEW

Going Concern and Viability Statement

Going Concern

The Company has considerable financial resources, and after making enquiries, the Directors, at the time of approving the Consolidated Financial Statements, are satisfied that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these Consolidated Financial Statements. Accordingly, the Company's financial statements have been prepared on a going concern basis.

The Combined Group maintains a portfolio of vessels which are expected to generate enough cash flows to pay ongoing expenses and returns to Shareholders. As part of their consideration of the appropriateness of adopting the going concern basis, the Directors have considered the cash position and the performance of the portfolio. They have also carried out a robust assessment of the Company's solvency and liquidity position using scenario analysis that considers various economic conditions, including in a stressed environment.

Within the stressed scenario analysis, the Directors assessed the volatility of the average charter rates by modelling a significant drop of 30% to 33% for the next 12 months from those experienced in the fourth quarter of the financial year, comparable to recent periods of extreme stress such as the COVID-19 pandemic. Fleet valuations were similarly adjusted, with a decline of 30% to 33%, putting stress on the Group's financial covenant compliance. In this scenario, the strategy for vessel sales becomes more aggressive, targeting older ships to generate proceeds for deleveraging, with average selling prices reduced proportionally to the decrease in charter rates and fleet value. These stress case assumptions provide a rigorous assessment of the Company's ability to maintain financial stability under adverse economic conditions for the 12-month period.

In assessing future viability, the Board has also considered factors that may impact performance, including the potential effects on global trade of increases in inflation and interest rates as well as disruption to markets and supply chains from geopolitical risks and increased political tensions around the world, leading to movement restrictions on sea routes and ports. This is evident from ongoing conflicts in Russia/Ukraine and the Middle East. The latter conflict raises additional security concerns for navigation through the Red Sea and the Suez Canal, critical routes for international shipping, leading to vessels being re-routed and consequential extensions to voyage times. The Board views the impact of global inflation and interest rates as stabilising compared to the last 12 months and current disruption of trade routes through the Red Sea as having a overall positive impact on the Combined Group's financial performance by supporting charter rate demand. The Board will, however, continue to monitor these events and assess any potential impact on the Company on an ongoing basis.

Viability Statement

The Board has evaluated the long-term prospects of the Company, beyond the 12-month time horizon assumption within the going concern framework.

Although the Board has no reason to believe that the Company will not be viable over a longer time frame, the period over which the Directors have assessed TMI's viability is the three-year period to 31 March 2027.

The Directors have selected a three-year window for evaluating the potential impact to the Company on the following basis:

1. A key risk facing the Company is a downturn in the global demand for shipping, this in turn will be driven by global macro-economic factors which are difficult to model beyond the medium term. Changes in the economic landscape would impact the value of the Combined fleet as well as the likely charter income.
2. Changes in regulation to meet the demands of climate change are evolving rapidly, making longer term predictions difficult.
3. The Company will propose a continuation resolution at the annual general meeting to be held in 2027. If the continuation resolution is not passed, the Directors will put forward proposals for the reconstruction or reorganization of the Company to the Shareholders for their approval. Any reconstruction or reorganization of the Company would likely occur after the three-year period.

Going Concern and Viability Statement

continued

4. TMI's current RCF facility, see note 13 to the financial statements for further details, is set to mature 42 months from initial drawdown, in March 2027. TMI has the option to request an extension to the maturity date by up to one year, subject to the lender's approval.
5. The Combined Group's charter contracts usually span less than three years.
6. The integration of Grindrod is a crucial process. The Company has an orderly plan to create synergies in Grindrod's fleet and operations with the wider group. While we may encounter unexpected legal or regulatory obstacles leading to delays, the realisation of cost savings and efficiency improvements is expected within the three-year period.

On a quarterly basis the Board routinely reviews the future financial position of the Company including daily cash breakeven, liquidity and debt positions under both a base and a stress case scenario, the results of which are to establish any obvious stress points on the key metrics of cash breakeven, liquidity and debt.

The following table provides a detailed overview of the financial model and strategic assumptions used to assess the viability and risk management of our operations under a stressed scenario. It includes key variables such as charter rates, fleet value, along with considerations of market conditions, inflation, and strategic initiatives such as fleet integration and targeted vessel sales. The assumptions are formulated to help the Company navigate potential stressed market conditions over the next three years, ensuring strategic resilience and continued operational effectiveness. The below table outlines the assumptions for each variable and the specifics of our approach, including the expected impacts and the strategic responses planned to mitigate these challenges.

Category	Stress assumption details
Charter Rate Assumptions	In line with Clarksons data from periods of extreme stress, such as the COVID-19 period, average charter rates are modelled to drop by 30% to 33% from those experienced in the fourth quarter of the financial year, persisting throughout the three year period.
Off-Hire Days	In addition to planned off-hire days due to scheduled dry docking and other maintenance programmes, commercial off-hire days have been assumed. In the stress scenario, the commercial off-hire days are assumed to be double when compared to the base case.
Fleet Valuation	In line with the assumed drop in average charter rates, fleet value of vessels are assumed to decrease by 30% to 33%.
Vessel Sales	Strategy to sell older ships continues; a more aggressive sales approach is adopted during stress scenario to generate proceeds for deleveraging and achieving strategic targets. Average selling prices are reduced proportionally to the decrease in charter rates and fleet value as detailed above.
Inflation	An annual inflation rate in operating expenditure of 5%.
Interest Rates	c.8.0% has been assumed for all three years.

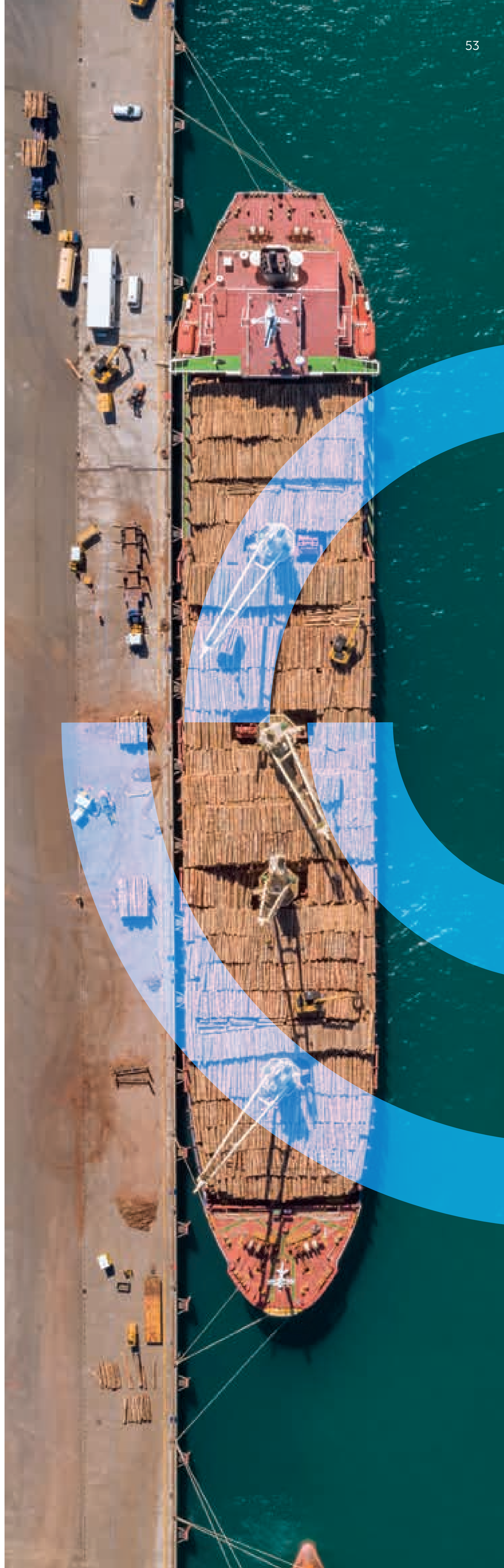
The assumptions outlined above consider a stressed case scenario where the market remains depressed for the entire three-year viability period. During this period, interest rates stay high and inflation remains elevated. Under these stressed conditions, the Company has a credible strategy. By integrating TMI and Grindrod fleets, implementing strategic fleet management, with restructured loan facilities and targeted vessel sales, our model shows that the Company can navigate a period of prolonged and high volatility in the shipping market. A key mitigating factor is the Group's vessels being readily realisable in the market. The Directors believe that the Group would be able to sell vessels from the fleet to repay the loan facility if required, ensuring financial stability. With mitigations such as increased vessel sales and integration cost savings, put in place under the stressed case the Group does not breach its financial covenants in any of the three years.

Finally, the Company continually reviews its cash reserving policy in respect of dry-docking costs and replacement reserves and ring fences such reserves to ensure that it maintains adequate cash levels to maintain the future operations of the Group. The shifting focus towards lowering emissions and improving the efficiency of existing vessels requires increased capex investment in retrofitting the Combined fleet with new technology. These additional costs have been factored into the Group's dry-docking costs and vessel budgets.

Based on the assessments made and in the context of the Company's business model, strategy and operational arrangements set out above, the Directors have a reasonable expectation that the Combined Group will be able to continue in operation and meet its liabilities as they fall due over the three years to March 2027.

The Strategic Review taken as a whole was approved by the Board of Directors on 22 July 2024:

Henry Strutt
Chairman



Governance

GOVERNANCE

Board of Directors and Executive Team

Henry Strutt, Independent Chair
appointed 1 June 2023

Henry Strutt has extensive experience in the investment banking, fund management and financial advisory sectors. After qualifying as a Chartered Accountant, he spent over twenty years with the Robert Fleming Group, working in the fund management, corporate finance and broking divisions. He spent seventeen years in the Far East, in Hong Kong and Tokyo, working for Jardine Fleming, the Robert Fleming Group's Asian/Australasian joint venture with Jardine Matheson. He became Executive Chairman of the Jardine Fleming Group in 1996, subsequently returning to London where he was appointed joint Chief Executive of the Robert Fleming Group's Investment Banking Division, responsible for global broking, securities trading, capital markets, corporate finance and banking. Following the sale of the Robert Fleming group to Chase Manhattan, he worked in an executive and non-executive capacity in various fund management and financial advisory businesses. He was a non-executive Director of Smith & Williamson Holdings (now Evelyn Partners), for over ten years and a non-executive Director of Harrods Bank (now Tandem Bank) for two years and served as Chairman of Edinburgh Worldwide Investment Trust plc, a listed investment trust, until his resignation on 5 March 2024. Currently, he is a non-executive Director of New Waves Solutions, part of the Belgian DEME group (dredging and offshore marine services). In addition, he was appointed a Deputy Lieutenant of Suffolk in 2012.

Other listed Directorships: Chairman of Edinburgh Worldwide Investment Trust plc – *resigned 5 March 2024*.

Frank Dunne, Senior Independent Director
appointed 31 October 2022. Served as Interim Chair for the period 6 January 2023 to 1 June 2023

Frank Dunne has over 40 years' legal experience, specialising in maritime law and transactions involving major international shipping finance lenders, commercial shipping transactions for major international shipowners, joint ventures, charter structures, new building contracts, and ship (and corporate) acquisitions. Mr Dunne was a Partner of Watson Farley & Williams from 1982 and served as Chairman from 2004 to 2017 during a major period of global expansion for the firm. He established Watson Farley & Williams presence in Greece and remains a prominent figure in Greek shipping and finance circles. In 2011 he was named "Maritime Lawyer of the Year" by leading sector publication Lloyd's List, and has been described by Chambers UK as providing "great support in dealing with syndicates of banks" and "...good at advising on complex issues with high interests at stake and is highly respected." He is a qualified solicitor and holds an MA from Cambridge University.

Other listed Directorships: Okeanis Eco Tankers Corp (listed on the NYSE and Oslo Stock Exchanges) – *Appointed 31 May 2024*.

Edward Buttery, Chief Executive Officer

Edward Buttery joined the Supramax trading desk at Clarksons shipbrokers in 2005 after attending Oxford University. He went on to be a chartering manager at Pacific Basin between 2006 and 2008. He served as the Deputy COO of dry bulk shipping operator Asia Maritime Pacific from 2008 to 2010. During this time he sat the Institute of Chartered Ship broker's examinations for which he was awarded prizes including the President's prize for best overall results globally. Having gained a foundation in chartering he embarked on a Masters degree in Shipping, Trade and Finance at CASS Business school in London where he graduated with Merit. From there he joined the shipping team at Nordea Bank, lending senior debt to global shipping companies with a presence in Asia. He left Nordea to begin the work to set up what would become Taylor Maritime. Mr Buttery was winner of the Seatrade Asia Young Person of the Year award in 2017.

Other listed Directorships: Mr Buttery was appointed Chief Executive Officer and Executive Director of Grindrod with effect from 1 April 2023.

Christopher Buttery, Non-Executive Director

Christopher Buttery has over 40 years of experience in the shipping industry. He graduated from University College, Oxford, with a honours degree in Modern History and began his shipping career with Jardine, Matheson & Company Limited followed by Continental Grain. Chris later co-founded the original Pacific Basin business in 1987 with Belgian Shipping Partners which he listed on NASDAQ in 1994, and he re-established the current Pacific Basin in 1998 with Paul Over, which Goldman Sachs listed on the HKSE in 2004. He held various Executive positions at Pacific Basin including CEO, Deputy Chairman and Chairman until June 2007.

Mr Buttery has been Non-Executive Director of Fleming Japanese Smaller Companies Ltd, Ton Poh Emerging Companies Thailand, Senhouse Asia (now Waverton Asset Management) and firstly Chairman and then Non-Executive Director of Epic Gas Pte; also Non-Executive Director of The China Navigation Company and Swire Bulk Shipping Pte. He is currently Chairman of Taylor Maritime Company, and a Director of the Hong Kong Maritime Museum. He was a Trustee of the Hong Kong WWF for ten years.

Other listed Directorships: None.

GOVERNANCE

Board of Directors and Executive Team

continued

Trudi Clark, Independent Non-Executive Director

Trudi Clark graduated in Business Studies and qualified as a Chartered Accountant with Robson Rhodes in Birmingham before moving to Guernsey with KPMG in 1987. After 10 years in public practice, she was recruited by the Bank of Bermuda as Head of European Internal Audit, later moving into corporate banking. In 1995 she joined Schroders in the Channel Islands as CFO. She was promoted in 2000 to Banking Director and Managing Director in 2003. From 2006 to 2009, Ms Clark established a family office, specialising in alternative investments. In recent years she returned to public practice specialising in corporate restructuring services, establishing the Guernsey practice of David Rubin & Partners Limited. Since 2018 Ms Clark has concentrated on a portfolio of Non-Executive Director appointments for companies both listed and non-listed investing in property, private equity and other assets.

Other Listed Directorships: Balanced Commercial Property Trust Ltd (retired on 31 May 2023), The Schiehallion Fund Limited and NB Private Equity Partners Limited.

Sandra Platts, Independent Non-Executive Director

Sandra Platts is a resident of Guernsey and holds a Master's in Business Administration. Mrs. Platts joined Kleinwort Benson (CI) Ltd in 1986 and was appointed to the board in 1992. She undertook the role of Chief Operating Officer for the Channel Islands business and in 2000 for the Kleinwort Benson Private Bank Group – UK and Channel Islands. In January 2007, she was appointed to the position of Managing Director of the Guernsey Branch of Kleinwort Benson and was responsible for a strategic change programme as part of her role as Group Chief Operating Officer. Mrs. Platts also held directorships on the strategic holding board of the KB Group, as well as sitting on the Bank, Trust Company and Operational Boards. She resigned from these boards in 2010 and has maintained non-executive director roles since then. Mrs Platts is a non-executive Director of Investec Bank (Channel Islands) Limited.

Other Listed Directorships: Senior Independent non-executive Director at Sequoia Economic Infrastructure Fund (resigned 7 June 2024), and Marble Point Loan Financing Limited.

Helen Tveitan, Independent Non-Executive Director
Resigned 31 March 2024

Helen Tveitan is Chairman and Chief Executive Officer of Carisbrooke Shipping Holdings Ltd, a specialist owner / operator of mini bulk and project cargo ships controlling a fleet of 30 ships. From 2007 and prior to her CEO appointment, she served as Non-Executive Director for the company. Ms Tveitan has worked in the shipping industry since 1992 and started her career in ship finance with DVB Nedship Bank for whom she started the branch office in London in 1996. From 2001 onwards, she has held several positions as Finance Director for shipping companies, most notably for Eastern Bulk between 2010 and 2017. Helen has served as Non-Executive Director for Ardmore Shipping Corporation, a tanker owner listed on NYSE, since 2018. She is an economist, having graduated from Rotterdam's Erasmus University in 1992.

Other Listed Directorships: Ardmore Shipping Corporation

Charles Maltby, Independent Non-Executive Director
Appointed 1 January 2024

Charles Maltby served as a non-executive Director of Grindrod Shipping Holdings Limited prior to joining the Board of the Company on 1 January 2024. Mr Maltby has over 20 years of shipping industry experience. He graduated from the University of Plymouth, UK in 1992 with a BSc in Maritime Business (International Shipping & Maritime Law). He began his shipping career with Mobil Shipping in 1992 with day to day responsibility for LPG and petrochemical chartering & operations. From 1996 to 2005 he held various positions with BHP Billiton's dry bulk and tanker freight business in London and Melbourne, culminating in establishing the handysize/handymax chartering and trading desk in the Hague in 2001. In 2005 he joined Pacific Basin as Managing Director (UK), Global Head of the Handymax Business and Head of the Groups Atlantic business. He joined Epic Gas as Executive Chairman in September 2014, a position he held until May 2019. He holds the position of Chief Executive Officer of BW Epic Kosan since March 2015. He attended INSEAD (AMP) in 2008, and is a member of the Institute of Chartered Shipbrokers.

Other Listed Directorships: None.

GOVERNANCE

Board of Directors and Executive Team

continued

Executive Team

The Executive Team are responsible for the identification of appropriate acquisition opportunities, conducting necessary due diligence and making recommendations to the Board. The Executive Team will also monitor the performance of the Combined Group's portfolio and, in liaison with the TMI's service providers, handle investor relations, reporting, risk management and monitoring of the external commercial and technical managers of the Group's vessels.

The Executive Team are as follows:

Alexander Slee, Deputy Chief Executive Officer

Alexander Slee has spent the last 15 years in the shipping industry. After starting his career in the investment banking division of Citigroup in London, he joined Pacific Basin Shipping in Hong Kong in 2006 where he worked in a variety of corporate and divisional management roles. From 2010 he was General Manager of Vanship Holdings, a privately owned tanker and bulker ship owning company, and Group Strategy Director at Univan Ship Management, where he was closely involved in its merger with Anglo-Eastern Ship Management. He joined Taylor Maritime in 2016 where he has held the role of Deputy CEO. Mr. Slee holds a BA in Classics from Oxford University and has attended a management programme at INSEAD. He has served as a member of the Executive Committee of the Hong Kong Shipowners Association.

Camilla Pierrepont, Chief Strategy Officer and Head of Investor Relations

Camilla Pierrepont joined Taylor Maritime in 2018 as Group Strategy Director. Ms. Pierrepont has held various strategy and investment roles over the last 16+ years. Prior to joining the Taylor Maritime Group, Ms. Pierrepont spent 2 years as Portfolio Manager at Blenheim Chalcot (London), a venture capital firm. Previously, she spent 4 years with shipping company, Epic Gas Pte (London and Singapore) as Head of Strategic Development. Prior to Epic, Ms. Pierrepont was a Senior Strategy Manager in the Strategy and Corporate Development Team at Microsoft (Seattle) for 3 years. She started her career as an analyst at Monitor Deloitte (London) after gaining a BA in Chinese Studies from Oxford University in 2004. She was also Founding Trustee of Spark + Mettle from 2011 to 2015, a UK charity supporting young people in the pursuit of their life goals.

Yam Lay Tan, Chief Financial Officer

Yam Lay Tan graduated with an Accountancy degree from Nanyang Technological University of Singapore (NTU) in 1993. She has been a member of the Institute of Singapore Chartered Accountants since 1994 and is a Chartered Accountant. Prior to joining Taylor Maritime Group in 2019, Ms. Tan was a General Manager, Finance of Epic Gas Pte. for 6 years. Within the Epic Group she served as the director and company secretary of more than 40 companies. Prior to Epic, Ms. Tan held senior finance positions in security, IT, semiconductor and service companies.

Carl Ackerley, Chief Operating Officer

Carl Ackerley has over 30 years' experience in the shipping industry having become a member of the Baltic Exchange as a shipbroker in 1989. From 1989 – 2001 Carl worked as a broker in London, Johannesburg and Melbourne before moving on to the principal side. From 2001 to 2006, he worked with Furness Withy Australia (FWA) before joining Pacific Basin where he worked from 2006-2010. While at Pacific Basin, Carl headed the group's Atlantic desk of the new Supramax division, based in London, before transferring to Melbourne to become General Manager of Pacific Basin Australia.

In 2010, Carl joined Island View Shipping (IVS), a division of Grindrod Shipping Pte Ltd, where he established the Supramax division and developed the commercial management of the IVS Handysize fleet and third-party vessels. Carl was appointed Chief Operating Officer for Grindrod in March 2021 and Chief Operating Officer of the Group with effect from 1 July 2023.

GOVERNANCE

Corporate Governance

Compliance

The Board places a high degree of importance on ensuring that high standards of corporate governance are maintained and has considered the principles and provisions of the AIC Code of Corporate Governance issued in February 2019 (the "AIC Code"), effective for financial periods beginning on or after 1 January 2019. The AIC Code addresses the Principles and Provisions set out in the UK Corporate Governance Code (the "UK Code") in addition to setting out additional Principles and Provisions on issues that are of specific relevance to the Company. The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council and the Guernsey Financial Services Commission, will provide more relevant information to shareholders.

The Board has also taken note of the Finance Sector Code of Corporate Governance issued by the Guernsey Financial Services Commission (the "Guernsey Code"). The Guernsey Code provides a governance framework for GFSC licensed entities, authorised and registered collective investment schemes. Companies reporting against the UK Code or the AIC Code are deemed to satisfy the provisions of the Guernsey Code.

For the year ended 31 March 2024, the Company has largely complied with the Principles and Provisions of the AIC Code. However, there was a period during the financial year when the role of the Senior Independent Director ("SID") was also performed by the Board Chair. Frank Dunne, SID, served as acting Interim Chair from 6 January 2023 until 1 June 2023. Following the appointment of Henry Strutt as the new Chair of the Board on 1 June 2023, Mr Dunne resumed his role exclusively as SID. In line with best practice, Mr Dunne's membership of the Audit, Risk and Engagement Committee (formerly the Risk and Audit Committee) ceased during his period as Interim Chair.

Issues that are not reported on in detail here are excluded because they are deemed to be irrelevant to the Company.

The AIC Code is available on the AIC website (**www.theaic.co.uk**). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

None of the requirements under LR 9.8.4 are applicable to TMI, with the exception of LR 9.8.4 R (4) with regards to disclosing details of any long-term incentive schemes and LR 9.8.4 R (10) (b) with regards to disclosing any details of contracts of significance, both are disclosed in Note 10 related parties and other key contacts.

Composition of the Board and Independence of Directors

As at 31 March 2024, following the resignation of Helen Tveitan, the Board of Directors comprised five non-executive and independent Directors, one non-executive non-independent Director and one executive Director.

With the exception of Edward Buttery and Chris Buttery, all directors are considered independent of the Executive Team, the Commercial Manager and the Technical Manager. Edward Buttery is employed as the Chief Executive Officer of TMI. Christopher Buttery, Edward's father, acts as a non-executive Director. Edward's role as an Executive Director and Christopher's family connection to Edward mean that neither are considered independent.

Prior to Charles Maltby's appointment, the Board carefully considered his independence, including his position as a non-Executive Director of Grindrod. Mr. Maltby resigned from the Board of Grindrod on 31 December 2023, having served as an independent non-Executive Director and member of the Compensation and Nomination Committee since 6 December 2022. Mr. Maltby was neither an employee nor an investor in Grindrod. The Board is satisfied that no factors existed at the time of, or were identified subsequent to, Mr. Maltby's appointment that were likely to impair his independence. The Board reviews the independence of the Directors annually. The Directors' biographies are disclosed on pages 56-59.

In accordance with the Company's Articles of Incorporation and, in accordance with the recommendations of the AIC code, the Board has agreed that all directors will retire annually and, if appropriate, seek re-election at each AGM.

Board Diversity

The Board brings deep experience from shipping and financial services. At the date of this report, following the resignation of Helen Tveitan and the appointment of Charles Maltby, in total 29% (31 March 2023: 43%) of the Board are female with 40% (31 March 2023: 60%) of the independent directors being female. While the Board acknowledges that diversity has narrowed in the current period, the primary reason for appointing Mr Maltby was his experience and understanding of the Grindrod business, which is crucial for the integration of the Combined Group. Going forward, the Board is committed to considering and widening diversity in future appointments, whilst ensuring the capabilities, experience and background of each member remain appropriate to the Combined Group and continue to contribute to overall Board effectiveness. Further details of the Board and Executive Team diversity is detailed in the Nomination and Remuneration Committee Report.

The Board and Executive Team and our other advisers acknowledge and adhere to the Market Abuse Regulation.

Board Evaluation

The Board's internal policy was to undertake an externally facilitated board evaluation every three years, however, recognising the evolutionary nature of the Grindrod transaction and any consequential changes to Board composition, the cost of commissioning an external evaluation during the year was not considered to be a beneficial use of shareholder funds. Internal evaluations are based on questionnaires prepared by the Company Secretary.

The latest internal evaluation questionnaires were completed in May 2023, the results of which are detailed further in the Nomination and Remuneration Committee Report. The evaluation process on an annual basis is led by the Chair of the Nomination and Remuneration Committee.

The Board remains cognisant of the need to anticipate and respond to evolving challenges, and therefore the governance framework in place by the Company is subject to regular review to ensure it remains appropriate in the context of the Company.

Board Values and Culture

The Chair is responsible for setting the standards and values expected of the Board, and the Board operates with the Company's core values of integrity, transparency and accountability with an aim of maintaining a reputation for high standards in all areas of the TMI's activities. The Board recognises the value and importance to all stakeholders of organisations incorporating effective environmental, social and governance policies as part of its day-to-day operations; refer to pages 42-45 for additional information.

Through designing an effective ESG policy which reflects the Board's core values and the alignment of this with the TMI's business operations, the Board seeks to promote a culture of openness and constructive challenge amongst those responsible for taking key decisions. TMI aspires to be a responsible corporate citizen, committed to integrating ESG factors into the TMI's investment process. The aim is to engage actively with shareholders to achieve our collective ESG responsibilities and ambitions. TMI believes that the shipping industry, irreplaceably serving the basic needs of global society, is in a position to contribute positively to the United Nations Sustainable Development Goals ("SDG"s). For further details see the ESG Review on pages 34-40.

The Board and the Executive Team encourage boardroom debate and high levels of collaboration between all parties as key contributors to a highly effective decision making process. This is underpinned by a robust corporate governance framework which seeks to align the TMI's purpose, values and strategy with the culture set by the Board through active engagement with the Executive Team and the Company's key service providers.

Directors' and Officers' Liability Insurance

The Company maintains insurance in respect of directors' and officers' liability in relation to the Directors' actions on behalf of TMI.

Corporate Governance

continued

Relations with Shareholders

The Board believes that the maintenance of good relations and understanding the views of shareholders is important to the long-term sustainable success of the Company and since launch the Board has adopted a policy of actively engaging with major shareholders through a variety of means. Further information on how the Company engages with shareholders can be found in the Stakeholders report on pages 42-45.

Directors' Meetings and Attendance

The table below shows the Directors', who served during the year, attendance at Board and Committee meetings during the year ended 31 March 2024:

	Number of meetings held	Henry Strutt	Frank Dunne	Edward Buttery	Helen Tveitan[1]	Trudi Clark	Chris Buttery	Sandra Platts	Charles Maltby[2]
Board – scheduled	**4**	3	4	4	4	4	4	4	1
Audit, Risk and Engagement Committee	**8**	N/A	6	N/A	8	8	N/A	8	2
Nomination and Remuneration Committee	**2**	1	2	N/A	1	2	N/A	2	N/A
ESG and Engagement Committee[3]	**3**	3	3	N/A	3	3	N/A	3	N/A

1 Resigned 31 March 2024.
2 Appointed 1 January 2024 and to the Audit, Risk and Engagement Committee on 8 March 2024.
3 Disbanded on 1 April 2024.

In addition to the scheduled quarterly board and committee meetings detailed above, there were also thirteen ad hoc board meetings. During the year, the Audit, Risk, and Engagement Committee met three times in relation to the annual audit and interim accounts processes, four times to approve the Company's net asset value for publication on the LSE, and once regarding the audit tender process.

Board Responsibilities

The Board meets formally on a quarterly basis to review the overall business activities of the Company and any matters specifically reserved for its consideration. Standing agenda items considered at all quarterly board meetings cover vessel portfolio performance, chartering strategy, capital allocation and deployment, ESG matters, NAV and share price performance, shareholder return metrics, reviewing changes to the risk environment including the assessment of emerging risks, investor relations and communications, peer group information and industry issues. Consideration is also given to administration and corporate governance matters, legislative developments and, where applicable, reports are received from the Board's formally constituted committees. Formal meetings are also held outside of the quarterly cycle to review the NAV and financial position of the Company and to consider recommendations from the Executive Team on dividend distributions.

The Directors also review TMI's activities every quarter to ensure that the Company adheres to its investment policy. Additional ad hoc reports are received as required and Directors have access at all times to the advice and services of the Company Secretary, who is responsible for ensuring that the Board procedures are followed, and that applicable rules and regulations are complied with. The Board has adopted a schedule of matters specifically reserved for its decision making and distinguishing these from matters it has delegated to the Executive Team and other key service providers.

Although no formal training is given to Directors by the Company, the Directors are kept up to date on various matters such as Corporate Governance issues through bulletins and training materials provided from time to time by the Company Secretary, the AIC and professional firms.

The Board actively monitors the level of the share price premium or discount to determine what action, if any, is required.

Outside of the formal meeting cycle, a standing invitation is in place for all Directors to attend bi-weekly operational calls hosted by the Executive Team.

Board Committees and Steering Group

Throughout the period a number of committees have been in place. All operate within clearly defined terms of reference.

On 31 March 2024, Helen Tveitan resigned from Board and as ESG and Engagement Committee Chair. In preparation for this, on 8 March 2024, the Board reviewed the Board sub-committee structures and subsequently decided that, effective 1 April 2024, the ESG and Engagement Committee would be disbanded. A new management-led ESG Steering Group has been established, with Charles Maltby acting as the Board's nominated individual for ESG matters to oversee the Company's pathway to net zero and to continue the ESG oversight functions previously performed by the ESG and Engagement Committee. Responsibility for the oversight of stakeholder engagement, any related party matters and the review of service providers has transitioned to the Risk and Audit Committee, renamed as of 1 April 2024 as the Audit, Risk and Engagement Committee.

GOVERNANCE

Corporate Governance

continued

The membership is from the independent directors as detailed below:

Audit, Risk and Engagement Committee (formerly Risk and Audit Committee)	
Trudi Clark – *Chair* Helen Tveitan (resigned 31 March 2024) Sandra Platts Frank Dunne (re-appointed 1 June 2023) Charles Maltby (appointed 8 March 2024)	Provides oversight and reassurance to the Board, specifically with regard to the integrity of the TMI's financial reporting, audit arrangements, risk management and internal control processes and governance framework. In addition, from 1 April 2024, evaluates the performance and provides oversight of third-party service providers, manages any conflicts of interest/related party transactions and oversee the effectiveness of the Company's mechanisms for key stakeholder engagement.
Nomination and Remuneration Committee	
Sandra Platts – *Chair* Frank Dunne (appointed 25 January 2023) Trudi Clark Helen Tveitan (resigned 31 March 2024) Henry Strutt (appointed 1 June 2023)	Reviews the structure, size and composition of the Board and considers succession plans for the Board and the Executive Team. Determines the remuneration policy, sets the remuneration of the Board and the Executive Team and oversees the operation of the Company's Executive incentive plans and the granting of any awards thereunder.
ESG and Engagement Committee – disbanded on 31 March 2024	
Helen Tveitan – *Chair* (resigned 31 March 2024) Frank Dunne (appointed 25 January 2023) Trudi Clark Sandra Platts Henry Strutt (appointed 1 June 2023)	Manages any conflicts of interest in respect of the TMI's relationship with the Executive Team, the Commercial Manager, the Technical Manager and other service providers. Guides, supervises and supports the Executive team in the implementation of the TMI's ESG policy. Evaluates the performance and terms of engagement of the key service providers to TMI.
ESG Steering Group – created 25 April 2024	
Charles Maltby – *Board nominated individual for ESG matters* Alexander Slee – *Deputy CEO* Zita Fafalios – *TMI's Sustainability Manager*	Responsible for guiding and overseeing the Company's ESG strategy, ensuring its execution aligns with set objectives. The group monitors ESG performance, reviews related reporting for integrity and compliance, and evaluates quarterly and annual ESG disclosures before presentation to the Board.

Management Arrangements

The Executive Team

The biographies of the Executive Team are provided on page 60.

The services of the Executive Team are provided pursuant to an intra group advisory and services agreement between TMI Advisors (UK) Limited ("TMIUK") and the Company dated 1 April 2022 (the "Advisory Agreement"). Edward Buttery is employed directly by the Company.

The Executive Team are responsible for the identification of appropriate acquisition opportunities, conducting necessary due diligence and making recommendations to the Board. They are also responsible for the day-to-day management and review of performance of the TMI's portfolio of investments, as well as the TMI's daily and forecasted financial management. In liaison with the Company's service providers, the team handle investor relations, reporting, risk management and monitoring of the external commercial and technical managers of TMI's vessels.

The Executive team have entered into employment agreements with TMI, are paid a salary and are entitled to participate in TMI's annual bonus plan, the Long Term Incentive Plan ("LTIP") and the Deferred Bonus Plan ("DBP"). See the Report of the Nomination and Remuneration Committee for further details.

Commercial Manager and Technical Manager

Under the Framework Management Agreement dated 6 May 2021 (the "Framework Management Agreement), Taylor Maritime (HK) Limited ("TMHK") acts as Commercial Manager to the TMI fleet and Tamar Ship Management Limited ("Tamar") acts as technical manager for a majority of the TMI fleet. Tamar also provides technical management services for some of the Grindrod fleet. In October 2023, Grindrod completed the acquisition of the Commercial Manager and Technical Manager. Prior to this acquisition, Tamar and TMHK were both deemed to be related parties of TMI. Post acquisition TMHK and Tamar became subsidiaries of Grindrod and ceased to be related parties.

Administrator

Administration and Company Secretarial services are provided to the Company by Sanne Fund Services (Guernsey) Limited (the "Administrator"), part of the Apex Group of companies. The Administrator also assists the Company with AIFMD, Common Reporting Standard and FATCA reporting.

A summary of the terms of employment and appointment of the Executive Team, Commercial Manager, Technical Manager and the Administrator, including details of applicable fees and notice of termination periods, is set out in note 10 to the Consolidated Financial Statements.

Internal Control Review and Risk Management System

The Board of Directors is responsible for putting in place a system of internal controls relevant to the Company and for reviewing the effectiveness of that system. The review of internal controls is an ongoing process for identifying and evaluating the risks faced by the Company, and which are designed to manage risks rather than eliminate the risk of failure to achieve the Company's objectives.

It is the responsibility of the Board, supported by the Audit, Risk and Engagement Committee, to undertake risk assessments and review the internal controls in the context of the Company's objectives that cover business strategy, operational, compliance and financial risks facing the Company. These internal controls are implemented by the Executive Team, the Administrator and the Commercial Manager. The internal controls implemented by the Commercial Manager are overseen by the Chief Financial Officer ("CFO") of the Executive Team. The CFO is located in Singapore in close proximity to the key members of the Commercial Manager's finance team. The Board receives updates on internal controls and compliance from the Executive Team and the Administrator at quarterly Board meetings. The Board is satisfied that the Executive Team, the Commercial Manager and the Administrator have effective systems in place to identify and control the risks associated with the services that they are contracted to provide to the Company and is therefore satisfied with the internal controls of the Company.

GOVERNANCE

Corporate Governance

continued

The Board annually reviews the necessity of an internal audit function to ensure the effectiveness of internal controls. Previously this has been deemed unnecessary, however, developments during the financial year have prompted a reconsideration. These include the internalisation of commercial and technical management, the 2025 plan to implement a unified systems platform for financial and shipping operations, and new UK Corporate Governance Code requirements becoming effective from 2026 necessitating enhanced internal control assurances. Please see the Report of the Audit, Risk and Engagement Committee for further details. Consequently, with effect from 16 May 2024, Grant Thornton Limited have been engaged to assist in establishing an internal audit function. Meanwhile, the Board also notes that Grindrod already has an internal audit function, which is outsourced to a third party provider, who will continue to support Grindrod and provide objective assurance on the effectiveness of the Grindrod's risk management, control, and governance processes throughout 2024. The scope of Grindrod's internal audit function includes operational, financial, reporting, and compliance controls, ensuring comprehensive oversight across all critical areas.

The Board considers the employment arrangements of the Executive Team and the arrangements for provision of Administration services to the Company on an ongoing basis and a formal review is conducted annually. As part of this review the Board considered the quality of the personnel assigned to handle the Company's affairs, the investment process and the results achieved to date.

GOVERNANCE

Report of the Nomination and Remuneration Committee

The Company has established a Nomination and Remuneration Committee (the "Committee") comprised of Sandra Platts, Henry Strutt, Frank Dunne and Trudi Clark (each being an independent non-executive Director of the Company). The Committee, chaired by Sandra Platts, operates within clearly defined terms of reference which are considered and are then referred to the Board for approval. A copy of the terms of reference is available on the Company's website or upon request from the Company Secretary.

The main roles and responsibilities of the Committee with regards to Nomination are to:

- regularly review the structure, size and composition of the Board and make recommendations to the Board with regard to any changes, based on merit and objective criteria including skills, knowledge and experience, and promoting diversity of gender, social and ethnic backgrounds, cognitive and personal strengths;
- give full consideration to succession planning for Directors and other senior executives in the course of its work, ensuring effective plans are in place for orderly succession to the Board and to oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;
- keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the market place; and
- lead the process for appointments and be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise.

The main roles and responsibilities of the Committee with regards to Remuneration are to:

- determine and agree with the Board the framework or broad policy for the remuneration of the Company's Chair, executive director, non-executive directors, and such other members of the Executive Team as it is designated to consider. No director or Executive Team member shall be involved in any decisions as to their own remuneration;
- the Committee should take into account all factors which it deems necessary in determining the remuneration policy. The objective of the remuneration policy shall be to ensure that the Executive Team and Directors are provided with appropriate incentives to encourage and enhance performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
- review the ongoing appropriateness and relevance of the remuneration policy;
- supervise the LTIP, Annual Bonus Plan and the Deferred Bonus Plan and any other remuneration schemes of the Company from time to time;

The Committee reports formally to the Board on its proceedings on all matters within its duties and responsibilities and on how it has discharged its responsibilities. The Committee meets at least twice per year and at such other times as the Committee Chair shall require. Other Directors and third parties may be invited by the Committee to attend meetings as and when appropriate.

Activity

The Committee met two times during the financial year and once following the year end. The principal matters considered at these meetings included, but were not limited to:

- agreeing the role specification and overseeing the recruitment process which led to the successful appointment of Henry Strutt as Board Chair on 1 June 2023;
- the performance review, and evaluation of the composition of, the Board;
- the review and consideration of Executive Team performance, appointments and structure;
- the consideration of proposals and approval of the Executive Team remuneration package including;
  - approval of Executive Team salaries for the year ended 31 March 2025 (the "2025 performance period");

GOVERNANCE

Report of the Nomination and Remuneration Committee

continued

  - assessing the Executive Team's performance against the vesting criteria for the year ended 31 March 2024 and determining the annual cash bonus and deferred share awards based on that performance;
  - granting of share awards under the terms of the LTIP for the 2024 performance period including the targets to be achieved for the awards to vest;
  - setting terms and agreeing performance targets for the 2025 LTIP share awards;
  - setting of the performance targets for the 2025 performance period;
- agreeing the Company's annual staff plan and remuneration budget;
- overseeing the transition of duties previously performed by the ESG and Engagement Committee to the newly formed ESG Steering Group and to the re-named Audit, Risk and Engagement Committee (formerly the Risk and Audit Committee); and
- planning the future size, shape and structure of the Board, and of its formally constituted committees, as part of the Grindrod integration.

Board Composition

The Committee continuously reviews the composition, skill sets, experience, and diversity of the Board. The Board consists of seven members of which five are considered independent. Frank Dunne served as an interim chair following the resignation of Nicholas Lykiardopulo on 6 January 2023. Effective 1 June 2023, Henry Strutt assumed the role of independent Chair, and Frank Dunne continued his role as Senior Independent Director ("SID").

On 1 January 2024, Charles Maltby was appointed to the Board as a non-executive Director and from 1 April 2024 serves as the Board's nominated individual for liaising with the Executive Team on ESG matters. Mr. Maltby has over 20 years of experience in the shipping industry and currently serves as the CEO of BW Epic Kosan. His appointment to the Board coincided with his retirement from his role as a non-executive Director of Grindrod on 31 December 2023.

In addition, Helen Tveitan resigned as a non-executive Director and Chair of the Company's ESG and Engagement Committee, effective 31 March 2024, in order to devote greater time to her other business and personal commitments. On 1 April 2024 the ESG and Engagement Committee was disbanded, and all duties were divided between the newly formed ESG Steering Group, and the renamed Audit, Risk and Engagement Committee (formerly the Risk and Audit Committee).

An independent search consultancy was not engaged in connection with the appointment of Charles Maltby. While the Directors believe that such firms can provide highly skilled, credible candidates for Board succession, the Committee took the opportunity to appoint Mr. Maltby as part of an evolving business and recognising the enlarged pool of talent available to the Directors from within the Combined Group. He brings a deep understanding of the Grindrod business to the Board, which will aid the integration of the businesses. Additionally, he brings extensive experience of shipping operations.

Grindrod

As reported in the Company's annual report for the year ended 31 March 2023, Edward Buttery continues to serve as joint CEO of the Company and of Grindrod. The Committee reviewed the recommendation proposed by the Grindrod board concerning Mr. Buttery's remuneration which is disclosed in the table on page 76.

Board Tenure

The Board, in accordance with the AIC Code, has adopted the policy to limit the tenure of Non-Executive Directors, including the Chair to nine years.

Succession Planning

The Nomination and Remuneration Committee continues to maintain and develop the Board's succession planning arrangements to ensure the arrangements remain effective, and that a diverse pipeline for succession is maintained which remains aligned with the Company's and Combined Group's strategy and future leadership needs. The Grindrod transaction represented a significant milestone for the Company and provided access to a deep pool of talented leadership with substantial knowledge of the market and of the Grindrod business. Pending completion of Grindrod's selective capital reduction and Grindrod becoming a wholly owned subsidiary, the Committee has reviewed the composition of the Board with a view to merging the Taylor Maritime and Grindrod boards. The Board's proposals, which are subject to shareholder approval, are set out in the Chairman's Statement on page 18. The Board believes utilising its current internal talent pool in this way will enhance its effectiveness and further assist in integrating Grindrod into the wider group.

Diversity Policy

TMI is committed to treating all employees equally and considers all aspects of diversity, including gender and ethnic diversity, when considering recruitment at any level of the business. All candidates are considered on merit and against objective criteria, but having regard to the right blend of skills, experience and knowledge at the Board and Executive level, and amongst our employees generally.

Board Diversity Statement

The Company's policy is the Board should have an appropriate level of diversity, taking into account relevant skills, experience, gender, social and ethnic backgrounds, cognitive and personal strengths. The Directors' biographies are disclosed on pages 56-59.

In accordance with the requirements of the Listing Rules LR 9.8.6 R (9) to (11), the Company is required to include a statement in the annual report setting out whether it has met the following targets on Board diversity as at 31 March 2024:

1. At least 40% of individuals on its board are women;
2. At least one of the senior board positions[1] is held by a woman; and
3. At least one individual on its board is from a minority ethnic background.

The following tables set out the diversity information, which was obtained through anonymous questionnaires provided by the Company Secretary, for both the Board and the Executive Team as at 31 March 2024:

Gender identity or sex	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in Executive Team[2]	Percentage of Executive Team
Men	5	62%	3	2	50%
Women	3	38%	3	2	50%
Not specified/ prefer not to say	-	-	-	-	-

Ethnic background	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in Executive Team[2]	Percentage of Executive Team
White British or other White (including minority white groups)	7	88%	5	2	50%
Asian/Asian British	1	12%	1	1	25%
Mixed/Multiple Ethnic Groups	-	-	-	1	25%
Not specified/ prefer not to say	-	-	-	-	-

[1] The Company considers the positions of Chief Executive Officer, Chairman, Senior Independent Director and the Chair of the Board Committees to be senior positions of the Board.

[2] Mr. Buttery is considered a member of the Executive Team, however, the diversity information for Mr Buttery is included as a member of the Board.

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Report of the Nomination and Remuneration Committee

continued

As disclosed above, the Board have taken account of the targets set out in the FCA's Listing Rules. The Listing Rules specify the positions of CEO, CFO, Chair and SID as being senior positions. The Company is an internally managed investment company with a unitary Board comprised of both executive and non-executive Directors which includes the CEO. Recognising several senior Company positions are held by non-Board members, in addition to the Board, the Directors deemed it appropriate in the context of the Company to extend the scope of senior company positions for diversity reporting purposes to include the Deputy CEO, CFO, CSO and COO.

For example the Chief Financial Officer for TMI (the "CFO"), is employed by TMI Advisor Pte. Limited in Singapore. This role is held by a woman of Asian ethnicity. The roles of Chairman, CEO and SID do have Company board appointments and are all currently held by men. However, the Board considers the Chairs of all the Board Committees to be senior board positions and the above disclosures have been made on this basis. The above information has been provided by each Director and Executive Team member.

As of 1 April 2024, following the resignation of Helen Tveitan, the Board does not meet its target of at least 40% female representation overall, however, as stated in the Corporate Governance Report, 40% of the independent Directors are female. Despite this shortfall, we continue to prioritise diversity in all its forms within our Board and our TMI-wide governance structures. The appointment of Mr. Maltby, though impacting our gender balance, brings a wealth of industry and Grindrod-specific knowledge that is essential to our future effectiveness as a Board and as a fully-integrated business. Notwithstanding, the Board will seek to address the gender imbalance as part of its succession planning arrangements and remains committed to appointing highly capable candidates based on individual merit, whilst also considering the diversity needs of the Board.

In accordance with the Listing Rules, the Company confirms that the numerical data presented in the table above was collected directly from the non-executive Directors on the Board and the Executive Team. Respondents were provided with an anonymised form asking them to specify how they wished to be categorised for the purposes of the Listing Rule disclosures.

Board Evaluations

The Board, led by the Chair of the Nomination and Remuneration Committee, conducted a formal internal evaluation of its performance during the year ended 31 March 2024. The evaluation was carried out using self-assessment questionnaires prepared by the Company Secretary. The purpose of the evaluation was to assess the effectiveness of the Board as a whole, the effectiveness of the Chair, as well as the performance of individual directors.

The process involved a series of numerical gradings and options for qualitative feedback and covered a range of areas, including:

- Board composition and diversity
- Board information, processes and procedures
- Board culture and dynamics
- Board accountability and effectiveness
- Risk management and oversight
- Strategy development and implementation
- Financial reporting and controls
- Stakeholder engagement and communication

The results of the evaluation confirmed that the Board continued to operate effectively, and no significant failings or deficiencies were identified. Feedback from the process provided valuable insight to areas where further investigation may enhance the Board's effective operation and formed part of the Board's agenda for the year ended 31 March 2024. These included actions surrounding Board and committee composition, improvements to Board reporting and opportunities for topical industry training.

The Board remains committed to continuous improvement and ensuring that it operates effectively and in the best interests of the company and all key stakeholders.

Remuneration Policy

At the Company's Annual General Meeting ("AGM") on 6 September 2023, ordinary resolutions were proposed to shareholders to approve the Directors' Remuneration Policy and the Directors' Remuneration Report for the year ended 31 March 2024. Both resolutions had substantial support with 98% and 87% respectively of votes at the meeting being cast in favour. The Committee was pleased by the high level of shareholder support for the Remuneration Policy and the Remuneration Report.

The overall objective of our policy is to provide a straightforward remuneration package which seeks to attract and retain high calibre candidates for Director succession, possessing the requisite skills, knowledge experience and qualifications needed to manage and grow the business successfully and to enhance long-term shareholder value.

The Committee has, in reviewing the current remuneration policy and in its consideration of the policy to be proposed to Shareholders in respect of the financial year ending 31 March 2025; had extensive discussions and consulted various published surveys on executive pay and non-executive fees for investment trusts and other listed companies; as well as taken advice from the non-Executive Board members who have knowledge of remuneration packages paid to executives in listed shipping companies.

UK Code

As an internally managed investment company reporting against the provisions of the AIC Code, the AIC code requires that companies should have regard to any provisions of the UK Code which have been amended or deleted from the AIC Code when considering any arrangements which differ from those of externally managed companies.

Accordingly, we have considered the provisions of Section 5 of the UK Code in developing our policy on executive remuneration and believe we comply based on the following:

- We operate consistent pension arrangements over all our TMI workforce, with only base salary being pensionable, also ensuring that we comply with any local statutory requirements;
- LTIP awards vest after three years and the Executive Director is subject to a further two-year holding period. The policy includes provisions for both good and bad leavers, as well as a policy for unvested shares.
- The terms of the Company's incentive plans include provisions whereby the Nomination and Remuneration Committee may, at its discretion, adjust the amount of any cash or share award which would otherwise be paid as a result of the formulaic outcome of any performance target.
- The Company's share-based incentive schemes are currently only available to the Executive Team, however, as TMI grows it is expected that schemes will be extended to all employees.
- The Nomination and Remuneration Committee believes that variable remuneration schemes are clear, fair, proportionate, align with TMI performance and culture and do not encourage inappropriate risk taking.

Directors' Remuneration Policy

Shareholder approval will be sought at the forthcoming Annual General Meeting of the policy as set out below. Subject to shareholder approval, the policy will take effect immediately after the Annual General Meeting and will apply to the financial year from 1 April 2024 to 31 March 2025.

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Report of the Nomination and Remuneration Committee

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Executive Director's Remuneration Policy Table

For the year 1 April 2024 to 31 March 2025	
Base Salary	
Purpose:	A base salary to attract and retain an Executive Director with skills, experience and qualifications needed to manage and grow the business successfully.
Operation:	The base salary is reviewed annually with changes effective 1 April. When setting base salaries the Committee will consider relevant market data, as well as the scope of the role and the individual's skill and experience.
Maximum:	No absolute maximum has been set for the Executive Director's base salary. Any increase is approved by the Nomination and Remuneration committee based on changes the breadth of the role and also market salary information.
Grindrod Remuneration:	The Executive Director is paid to undertake the joint CEO role an additional base salary of £427,000.
Pension	
Purpose:	Required in industry standards and legislation.
Operation:	Monthly pension contributions made to an occupational retirement plan.
Maximum:	A rate of 10% of base salary is paid to all employees including the Executive Director.
Annual Bonus and Deferred Bonus Plans	
Purpose:	A short-term incentive to reward the Executive Director on meeting TMI's annual financial and strategic targets and on their own personal performance.
Operation:	The Committee may determine the proportion of the annual bonus that will be paid in Company shares. Bonuses allocated in the form of shares will be deferred for three years with the shares vesting in three equal instalments commencing with the first anniversary of the award, followed by a two year hold period.
Maximum:	The maximum permitted under the rules will be 100% of base salary.
Performance Measures:	That annual bonus is based on a range of financial, strategic, ESG, operational and individual targets. The specific targets and weightings will be determined each year by the Committee.
Clawback:	Clawback provisions may be applied in the event of a material misstatement or an error in assessing a performance condition or material misconduct on behalf of the award holder.
Long-term Incentive Plan	
Purpose:	A long-term incentive plan to align the Executive Director's performance with the interests of shareholders and to promote the long-term sustainable success of the Company.
Operation:	Awards are granted annually usually in the form of a conditional share award or nil cost option. Awards will vest at the end of a three-year period subject to meeting the performance conditions and continuing employment, followed by a two year hold period.
Maximum:	Annual awards with a maximum of up to 200% of base salary may be made, although awards are not expected to be above 150% of base salary.
Performance Measures:	Vesting conditions will be subject to performance conditions as determined by the Committee on an annual basis. The 2025 performance period awards are based on: 1. Financial target divided equally between average annual total NAV return and total Shareholder return for a three year period (80%). For threshold levels of performance 50% of the awards vest rising on a straight-line basis to 100% for maximum performance; and 2. Reaching ESG targets over a three year period (20%).
Clawback:	Clawback provisions may be applied in the event of a material misstatement or an error in assessing a performance condition or material misconduct on behalf of the award holder.

Non-Executive Directors' Remuneration Policy Table

For the year 1 April 2024 to 31 March 2025	
Non-Executive Director Fees	
Purpose:	To provide competitive non-executive directors fees.
Operation:	Annual fee for the Chair and an annual base fee for other non-executive Directors. Additional fees for those Directors with additional responsibilities such as chairing a committee or acting as a Senior Independent Director or for a specific project. Annual fees are paid quarterly in arrears. Non-executive Directors are not eligible to receive share options or other performance related remuneration. Non-executive Directors are entitled to reimbursement of reasonable expenses.
Maximum:	The Company's Articles set an annual limit for the total of non-executive Directors' remuneration of £500,000.

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Report of the Nomination and Remuneration Committee

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Letters of Appointment

All the non-executive Directors were appointed as Directors by letters of appointment.

Each Director's appointment letter provides that, upon the termination of their appointment, they must resign in writing and all records remain the property of the Company. The Directors' appointments can be terminated in accordance with the Articles and without compensation. The Articles provide that the office of a director shall be terminated by, among other things: (a) written resignation; (b) unauthorised absences from board meetings for twelve months or more; (c) unanimous written request of the other directors; and (d) an ordinary resolution of the Company.

Under the terms of their appointment, each Director is subject to re-election at the AGM on an annual basis. The Company may terminate the appointment of a Director immediately on serving written notice and no compensation is payable upon termination of office as a director of the Company becoming effective. No non-executive Director has a service contract with the Company, nor are any such contracts proposed.

Service Contracts

The Executive Director has a service contract with the Company containing the remuneration elements set out within this policy. There is no fixed length of service and termination is subject to a notice period of 12 months.

The Executive Director's service contract is available for inspection at the Company's registered office.

Policy for Other Members of the Executive Team

Remuneration for other members of the Executive Team follow the same principles as for the Executive Director with a significant element of remuneration being linked to performance measures. The Committee review the pay awards to members of the Executive team in consultation with the Executive Director annually.

Remuneration for the year ended 31 March 2024

The table below sets out the total remuneration receivable by each Director who held office during the year ended 31 March 2024:

Name	Salary/Fee £'000	Additional Fee £'000	Pension Salary Supplement £'000	Total Fixed £'000 (A)	Annual Bonus £'000	Total Variable £'000 (B)	Total £'000 (A) + (B)	Total $'000
Executive Director								
Edward Buttery	530.0	-	53.0	583.0[1]	397.5	397.5	980.5	1,240.7
Non-Executive Directors								
Henry Strutt (Chair)[2]	74.9	-	-	74.9	-	-	74.9	93.2
Frank Dunne	69.1	-	-	69.1			69.1	85.9
Christopher Buttery	60.0	-	-	60.0	-	-	60	75.2
Trudi Clark	70.0	-	-	70.0	-	-	70	87.6
Sandra Platts	67.5	-	-	67.5	-	-	67.5	84.5
Helen Tveitan[3]	67.5	-	-	67.5	-	-	67.5	84.5
Charles Maltby[4]	14.9	-	-	14.9	-	-	14.9	18.9
Total	**953.9**	**-**	**53.0**	**1,006.9**	**397.5**	**397.5**	**1,404.4**	**1,770.5**

1 Excludes "other employment costs"
2 Appointed 1 June 2023
3 Resigned 31 March 2024
4 Appointed 1 January 2024

Mr Buttery is employed directly by the Company and received a basic annual salary of £530,000 for the year ended 31 March 2024 (31 March 2023: £500,000). Mr Buttery also received an additional base salary of £342,500 from Grindrod for his joint CEO role for the year ended 31 March 2024 (31 March 2023: not applicable).

Annual Bonus

On 25 April 2024, the Committee approved an annual bonus payable to Mr Buttery of £397,500 (31 March 2023: £375,000), which is based on an assessment of 75% of his performance criteria being met as detailed further in the table on page 79. Of the £397,500 (31 March 2023: £375,000) annual bonus award, 50% is payable in cash and 50% payable in Ordinary Shares. The share awards will vest in equal instalments over three years commencing from the first anniversary of the award and are subject to a further two-year holding period.

In addition, Mr Buttery was awarded an annual bonus of £342,500 from Grindrod in relation to his joint CEO role for the year ended 31 March 2024 (31 March 2023: not applicable).

Long Term Incentive Plan ("LTIP")

For the Performance Period	1 April 2023 to 31 March 2026	1 April 2022 to 31 March 2025	31 March 2021 to 31 March 2024
Date of Grant	9 August 2023	2 August 2022	26 August 2021
Vesting Date	8 August 2026	1 August 2025	25 August 2024
Vesting Criteria	80% average annual total NAV return for period from 1 April 2023 to 31 March 2026 (see table below) 20% ESG targets over similar period	80% average annual total NAV return for period from 1 April 2022 to 31 March 2025 (see table below) 20% ESG targets over similar period	100% average annual total NAV return for the period from IPO to 31 March 2024 (see table below)
LTIP Contingent Share Award	816,621	642,629	750,000

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Report of the Nomination and Remuneration Committee

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The LTIP award which is linked to the average Total NAV return vests based on the following table:

Average annual total NAV Return	% of award which vests
Less than 7%[1]	0%
5%	30%
6%	40%
7%	50%
8%	60%
9%	70%
10%	80%
11%	90%
12% or more	100%

[1] Effective from August 2023, the 5-6% total NAV return lines were removed and the minimum threshold increased to 7% to earn 50% of the potential award.

The ESG targets include various objectives in line with TMI's ESG commitments on responsible investments, climate change, environmental management, compliance and conduct, community engagement and corporate governance.

Performance Grants to Other Members of the Executive Team

Other members of the Executive Team were awarded by the Committee annual bonuses and long-term incentive awards on the same terms as those awarded to Mr Buttery as follows:

	31 March 2024	31 March 2023
Bonus Awards	US$1,297,801	US$966,000

	9 August 2023	2 August 2022	26 August 2021
LTIP Contingent Share Award	1,036,522 Ordinary Shares	1,446,293 Ordinary Shares	1,545,000 Ordinary Shares

Of the US$1,297,801 bonus awards in relation to the year ended 31 March 2024 (31 March 2023: US$966,000) to the other Executive Team members, US$703,231 was payable in cash and US$594,570 in Ordinary Shares under deferred bonus plan (31 March 2023: Bonus awards: US$483,000 was payable in cash and US$483,000 in Ordinary Shares).

The number of deferred shares to be awarded to each member of the Executive Team is to be determined using a five-day average of the closing price of the Company's Ordinary Shares and the share awards will vest in equal instalments over 3 years and an announcement will be released at the point each share award vests with the Award holder.

Director's Remuneration for the year ended 31 March 2025

Executive Director		Change from the year ended 31 March 2024
Base Salary	**£530,000** The Executive Director is also paid to undertake the CEO role of Grindrod a base salary of **£427,000**.	No increase in base salary from prior year from the Company. An increase of c.25% compared to £342,500 for the year ended 31 March 2024, reflecting the additional duties being performed in relation to the integration of the TMI and Grindrod businesses.
Pension	**10% of Salary**	**10% of Salary** – No change from prior year.
Annual Bonus	Based on performance for the 2025 performance period, shown as a percentage of base salary: → **70%** based on financial and strategic targets; → **10%** based on ESG targets; → **20%** based on personal targets defined for each awardee	Based on performance for the 2024 performance period, shown as a percentage of base salary: → **30.0%** based on total NAV return of 10% of more; → **50.0%** based on strategic objectives in particular around the integration of Grindrod; → **10.0%** based on ESG targets; → **10.0%** based on personnel development. The Committee assessed that the achievement level of the above objectives for the 2024 performance period was 75%. Of which: → **50.0% cash** - £198,750, will be paid in cash; and → **50.0% shares** - £198,750, will be paid in shares (The shares will vest in equal instalments over 3 years and are subject to a further 2 year hold period).
LTIP	Based on 3 years' performance from 1 April 2024: → **80.0%** based on: – Total NAV Return (40% weighting); and – Total Shareholder return (40% weighting) In each case, with a threshold target of 7% and maximum target of 12%. → **20%** based on ESG targets	Based on 3 years' performance from 1 April 2023: → **80.0%** based on annual total NAV return – Threshold target 7.0% – Maximum target 12.0% → **20.0%** based on ESG targets

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Report of the Nomination and Remuneration Committee

continued

Non-Executive Directors		Change from the year ended 31 March 2024
Fees		No changes to Non-executive Director fees are proposed this year, other than the ESG and Engagement Committee has discontinued and the ESG Steering Group formed.
Chair	£90,000	
Director	£60,000	
Additional Fees		
Senior Independent Director	£5,000	
Audit, Risk and Engagement Chair	£10,000	
Nomination and Remuneration Chair	£7,500	
ESG Steering Group responsible Director	£7,500	

Sandra Platts
Nomination and Remuneration Committee Chair

22 July 2024

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Report of the Audit, Risk and Engagement Committee

The Company has established an Audit, Risk and Engagement Committee (formerly the "Risk and Audit Committee") (the "Committee") with formally delegated duties and responsibilities within written terms of reference (which are available on the Company's website and from the Company Secretary).

On 8 March 2024, the Board reviewed the composition of its fully constituted committees. As a result of this review and noting Helen Tveitan's intended retirement, the Board determined that the ESG and Engagement Committee would be disbanded effective 31 March 2024 coinciding with Mrs Tveitan's retirement. In connection with this, the responsibility for oversight of the effectiveness of the Company's mechanisms for stakeholder engagement, any related party matters and the review of service providers provision has moved to the Committee.

Chair and Membership

The Committee is comprised entirely of independent Directors, and the membership as at 31 March 2024 was: Trudi Clark (Chair), Sandra Platts, Frank Dunne and Charles Maltby. Charles Maltby was appointed to the Committee on 8 March 2024 replacing Helen Tveitan who retired from the Board on 31 March 2024. On 1 June 2023, Frank Dunne was re-appointed to the Committee following his period as the Board's Interim Chair.

All Committee members have competence relevant to the listed investment funds sector in which the Company operates. The Committee is chaired by Trudi Clark, a Chartered Accountant, who has held senior financial roles in the finance industry, previously spent 10 years in public practice as well as having extensive experience of chairing listed company audit committees. Trudi's full biography can be found on page 58.

All members of the Committee are independent Directors; have no present links with Deloitte LLP, the Company's Auditor (the "Auditor" or "Deloitte"); and are independent of the Executive Team. The Committee meets at least four times a year and with the Auditor as appropriate.

Duties

The primary function of the Committee is to provide oversight and reassurance to the Board, specifically with regards to:

- **Annual Financial Reporting and Compliance:** Ensuring that the Annual Report and Audited Consolidated Financial Statements, taken as a whole, are fair, balanced, and understandable and provide the information necessary for Shareholders to assess TMI's performance, business model and strategy.
- **Financial Reporting Quality and Integrity:** Oversight of the integrity of any other significant financial disclosures, including the Interim Report, considering compliance with legal and regulatory requirements.
- **External Audit:** Audit arrangements, including the competency and independence of the external auditors and effectiveness of the audit process.
- **Internal Audit Provision:** Oversee the establishment and organisation of the TMI's Internal Audit function.
- **Risk Management:** Identifying and managing the TMI's principal and emerging risks.
- **Internal Controls:** Monitoring the adequacy and effectiveness of the Company's internal controls.
- **Third-Party Service Providers:** Evaluating the performance of third-party service providers to ensure alignment with TMI's objectives and compliance standards.
- **Conflict of Interest and Ethics Oversight:** Oversight of potential conflicts of interest of any related party transactions, as well as ensuring that there are appropriate mechanisms for reporting and handling allegations of fraud or unethical conduct. This includes the oversight of the Company's arrangements for whistleblowing and ensuring compliance with laws and regulations.

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Report of the Audit, Risk and Engagement Committee

continued

Financial Reporting

The Committee has active involvement and oversight in the preparation of the Company's Financial Statements (including supplementary information not subject to statutory audit) and in providing oversight to the audit.

The Committee considers that the most significant area of risk likely to impact the Financial Statements is the valuation of TMI's shipping investments including its investment in Grindrod.

A summary of the actions taken by the Committee to satisfy itself as to the accuracy of the value and disclosures around investments in the Consolidated Financial Statements for 31 March 2024 is summarised below.

Significant Matters considered by the Audit, Risk and Engagement Committee in relation to the Financial Statements

Fair value of Financial Assets at fair value through profit or loss

Matter	Action
Fair Value of the TMI Fleet **1. Delivered Vessels** The fair value of delivered vessels represents US$290 million as at 31 March 2024 (31 March 2023: US$373 million). The TMI fleet is valued by two independent ship valuation brokers (Hartland Shipping Services Limited and Braemar ACM Valuations Limited) on a charter-free basis, with the arithmetical mean of the two valuations taken as the balance sheet value. Such valuations are subjective, requiring significant judgement by the valuers. Errors in the valuation could have a material impact on the Company's net assets.	The Executive Team, review the outcomes of the valuation process throughout the year and discuss with the brokers individual ship valuations based upon their specialist knowledge of particular vessels. At the reporting date the Committee and other members of the Board discuss in detail the independent ship brokers' valuation in comparison to our in-house Executive Team views and current market conditions and recent S & P activity. The Committee also considers the ongoing independence of the two external brokers.
2. Adjustments for Charter Leases As the brokers' valuations are prepared on a charter -free basis, the Executive Team assesses any difference in value arising from the contracted charter versus the market rate for those contracts which have greater than 12 months to run from 31 March 2024. If the difference is material, the valuation of the vessel is adjusted accordingly.	The calculations prepared by the Executive Team are reviewed by the Committee including a review of the market rate used which is compared to FFA benchmark rates.
3. Fair Value – Undelivered Vessels Vessels sold but not yet delivered – valuation is the agreed selling prices under the relevant memoranda of agreements, of these vessels.	Enquires of Executive Team to ensure that memoranda of agreements ("MOAs") and other sale documentation has been entered into and that contract terms are binding. This would be subject to the same scrutiny and procedures as when determining the fair value of delivered vessel as described above.
4. Investment in Grindrod The Company's investment in 82.3% of the share capital of Grindrod held via the SPV, Good Falkirk (MI) Limited is valued as a level 3 asset. Fair value adjustments for the Grindrod vessel assets were established using a similar valuation basis as for TMI's vessel assets.	In determining the fair value of the 82.3% stake in Grindrod, the Committee considered inputs that best represent this value, adhering to IFRS 13's requirement to maximise observable inputs and minimise unobservable ones. The Committee assessed that the unit of account for this controlling interest is the investment as a whole, rather than individual listed shares in Grindrod. Consequently, the fair value must be adjusted for unobservable inputs, such as the control premium, to reflect how the market would absorb a sale of the entire investment. The Committee concluded that the best assessment of fair value of the investment in Grindrod is TMI's ownership interest in the fair market value of Grindrod's fleet and other assets and liabilities. Since the Grindrod investment value is a significant portion of the overall NAV of the Company (67%), the Committee commissioned an independent globally recognised accountancy firm (the "Independent Valuer") to provide the Company with an independent valuation of the Grindrod investment. The Independent Valuer assessed the fair market value of Grindrod's vessels and its other assets and liabilities (the "Net Asset Value ("NAV") valuation approach) and used that as the primary valuation approach for the investment. It was corroborated by a secondary valuation approach using a DCF model. The Committee reviewed the content of the report as well as an overview of the supporting calculations with the Executive Team.

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Report of the Audit, Risk and Engagement Committee

continued

Other Matters considered by the Audit, Risk and Engagement Committee in relation to the Financial Statements

The Committee reviewed in conjunction with the Executive Team the Interim and Annual Financial Statements. The Committee focused on the following areas:

- The quality and acceptability of the accounting policies applied.
- Material areas where critical judgements, estimates and assumptions have been made.
- Compliance with International Financial Reporting Standards ("IFRS").
- Clarity of disclosures within the financial statements as a whole.
- Information presented in the non-IFRS alternative performance measures.
- Whether the financial statements taken as a whole are fair, balanced and understandable.

Following this review, the Committee was able to recommend to the Board that the Interim and the Annual Consolidated Financial statements be approved.

External Auditor

Audit Tender Process

The Committee has responsibility for making a recommendation on the appointment, re-appointment or removal of the Auditor.

In line with the ongoing integration plans of Grindrod and our commitment to introducing operational efficiencies across the Combined Group, the Committee made a strategic decision to put the external audit services out to tender. The decision to have a single external auditor for the Combined Group was to ensure a cohesive and unified approach to both the independent audit and financial reporting across Combined Group.

As a result, the Combined Group undertook a rigorous external audit tender process. Following a comprehensive evaluation, PricewaterhouseCoopers LLP ("PwC") stepped down, and the Board appointed Deloitte LLP as the Company's external auditor on 6 December 2023. This critical decision was managed by an Audit Tender Panel ("ATP") specifically appointed for this purpose. The ATP was composed of members including the Chair of the Committee, two members from the Grindrod Audit Committee, the CFO and Financial Controller of TMI, and Grindrod's CFO. This diverse team ensured a robust and balanced assessment of the proposals submitted by prospective audit firms, and that the chosen firm had the resource, skills, experience, and geographic presence to undertake an effective audit of the Combined Group.

The tender process was both competitive and inclusive, drawing interest from seven distinguished audit firms. After a meticulous review of initial proposals, two firms were shortlisted and invited to present their credentials in the final stage. These presentations were thoroughly evaluated by the ATP based on stringent criteria that included audit quality, the firm's global reach and industry experience, and their approach to audit transparency and independence. Following these presentations, the ATP made a well-considered recommendation to the Committee, which ultimately led to the appointment of Deloitte LLP. This choice underscores the Board's commitment to maintaining the highest standards of audit integrity and financial scrutiny.

External Audit

During the period under review, the Committee received and reviewed the audit plan and report from the Auditor.

To assess the effectiveness of the Auditor, the Committee reviewed:

- The Auditor's fulfilment of the agreed audit plan and variations from it, if any;
- The Auditor's assessment of its objectivity and independence as auditor of the Company;
- The Auditor's report to the Committee highlighting their significant areas of focus in the conduct of their audit and findings thereon that arose during the course of the audit; and
- Feedback from the Executive Team and Company Secretary evaluating the performance of the audit team.

For the year ended 31 March 2024, the Committee was satisfied that there had been appropriate focus and challenge on the primary areas of audit risk and confirmed the quality of the audit process was to a high standard.

The Committee also focused on the provision of any non-audit services, which requires the consent of the Committee, and any implications on auditors independence of providing those services.

The following table summarises the remuneration paid to Deloitte (31 March 2023: PwC) for audit-related and non-audit services provided to the Company:

	For the year ended 31 March 2024 £	For the year ended 31 March 2023 £
Annual audit of the Company	529,000	401,600
Interim review of the Company	-	45,000
Total audit-related services	**529,000**	**446,600**
Total non-audit services	**-**	**-**

The increase in annual audit fees this year reflects inflation rates and the increasing complexity of the Group's activities. Additionally, it includes the costs associated with Deloitte's first-year audit, such as onboarding, review of predecessor audit files, and other initial audit engagement costs.

Internal Controls

Within TMI, the Executive Team and Administrator together maintain a system of internal control on which they report to the Board.

The Executive team is also responsible for the oversight of Grindrod and the services provided by the Technical and Commercial Manager covering the operations of the Combined Group vessels. Any issues are escalated to the Committee. There is a formal reporting structure concerning all financial controls to the CFO, in addition the CFO is able to provide day to day oversight of financial controls delegated to the Commercial Manager due to the close proximity of key members of the Commercial Manager financial team in Singapore.

As the Company is an investment fund, certain financial functions are outsourced to the Administrator. To ensure the Administrator has an adequate system of internal controls, the Committee requires that the Administrator receives an internal controls assurance report from an independent accountant. One control deficiency was identified in the Administrator's latest internal control assurance report. The Administrator has informed the Committee that the deficiency was unrelated to the services provided by the Administrator to the Company and was promptly resolved by the Administrator upon receipt of the report. Additionally, on an annual basis, the Administrator is asked to provide responses via a questionnaire on their control environment and internal control systems.

The Committee also considered the internal control structure of Grindrod and notes that, as it is currently listed on the NASDAQ, it is subject to rigorous independent scrutiny of its internal control framework. Grindrod has its own Audit Committee and has outsourced its Internal Audit provision to a third party. The Chair of the Committee and the Audit Committee Chair of Grindrod are in regular contacts and any major issues are escalated to the Board as a whole. A further oversight is provided by Edward Buttery acting as joint CEO and Director of both the Company and Grindrod.

As a result of the above, the Committee is satisfied that TMI have established an internal control reporting framework which provides reasonable assurance of the effectiveness of internal controls.

GOVERNANCE

Report of the Audit, Risk and Engagement Committee

continued

Risk Assessment

As the Company's investment objective is to invest all of its assets into the Holdco and the SPVs, the Committee, after consultation with the Executive Team and the Administrator, considers the key risk of misstatement in its Financial Statements to be the valuation of its investment in Holdco and the SPVs, but are also mindful of the risk of the override of controls by the Executive Team and the Administrator.

Annually and in accordance with the AIC Code the Committee on behalf of the Board undertakes a full review of the Company's business risk, which have been analysed and recorded in the principal risks and uncertainties matrix. The Committee regularly discusses the ongoing external risk associated with shipping and is mindful to the risks to the Company's strategy associated with the effects of climate change.

Internal Audit Function

The Committee reviews annually whether an internal audit function is required to provide assurance to the Committee and the Board that the system of internal controls is operating effectively. To date the Committee considered that an independent internal audit function was not required.

However, during the current year there have been significant developments which has caused the Committee to reconsider its decision. These were:

- Internalising, via Grindrod, the commercial and technical management of TMI's fleet has caused the responsibility of significant operational controls to now indirectly be the responsibility of the Company.
- Plans for 2025 to introduce common systems and a financial and shipping operations platform for the entire Combined Group.
- The forthcoming changes introduced by the FCA in their 2024 edition of the UK Corporate Governance Code and the requirement for an internal control assurance statement being introduced for accounting periods beginning on or after 1 January 2026. To meet the new requirements, the Committee has considered the need to seek additional independent assurance regarding the effectiveness of the Company's internal control environment than could otherwise be achieved from the external audit.

Having considered the above, the Company has appointed Grant Thornton Limited ("GT") to assist in establishing an internal audit function, effective from 16 May 2024. GT intends to present the proposed scope of work and internal audit plan for the year ended 31 March 2025 to the Committee in September 2024. The Company intends to establish its own "in house" capability over the next 3 to 4 year period. The Committee did also consider whether to expand the third party internal audit provision provided to Grindrod but decided that a globally recognised firm would be most appropriate for our stakeholders, given their extensive resources and understanding of the UK internal control governance requirements. The current provider has been retained for 2024 to provide assurance on the operation of Grindrod's controls.

Trudi Clark
Audit, Risk and Engagement Committee Chair

22 July 2024

GOVERNANCE

Report of the ESG and Engagement Committee

Chair and Membership

During the year ended 31 March 2024, the ESG and Engagement Committee (the "Committee") comprised Helen Tveitan, Trudi Clark, Frank Dunne and Sandra Platts and was chaired by Helen Tveitan. The Committee met three times during the year.

As stated earlier in this report, the Board determined that the Committee would be discontinued, following Helen Tveitan's retirement from the Board on 31 March 2024 and that the ESG duties of the Committee would transition to the newly formed, management-led ESG Steering Group with Charles Maltby acting as the Board's nominated individual for ESG matters with support from key stakeholders, notably the Deputy CEO, and the Company's Sustainability Manager. This change in governance structure for ESG matters has been driven by the Board recognising that ESG is now well established within the Combined Group. Delegating oversight to a dedicated ESG Steering Group will provide more effective and efficient governance, as the ESG Steering Group can meet more frequently and drive the pathway to net zero on a day-to-day basis. Additionally, with the Technical and Commercial Managers now being subsidiaries within the Combined Group, the ESG Steering Group will offer a more effective communication platform with these key parties on the implementation of the ESG strategies.

During the year, the Company's ESG policy and objectives were set and monitored by the Committee which reported to the Board. The Executive Team reporting to the Committee were responsible for working with our external service providers and other key stakeholders to progress TMI's decarbonisation priorities and other critical environmental, social and governance objectives. See the "Environmental, Social and Governance Review" on pages 34-40.

In addition, the Committee was responsible for the regular review of the terms of the key service provider agreements and assessing the performance of all the key service providers during the year, with this oversight function transitioning to Audit, Risk and Engagement Committee for the forthcoming year.

Duties

The following duties were performed by the Committee during the year and will transition as appropriate to the Board itself for ESG matters and Audit, Risk and Engagement Committee for stakeholder engagement, related party and conflicts of interest matters respectively.

Environmental, Social and Governance ("ESG")

The Committee's duties included, but were not limited to:

- Guide, supervise and support the Executive Team in drafting, and periodically reviewing, the ESG strategy which sets out the guiding principles, objectives, strategic actions and policies with respect to ESG matters;
- Assess ESG risks and opportunities for TMI, such assessment to be carried out in alignment with chosen reporting frameworks, including an assessment of risks to TMI's strategy from climate change;
- Monitoring TMI's adherence to concrete ESG objectives and KPIs and oversee the reporting of these objectives and KPIs;

Through the Committee, the Directors continually monitored the performance of TMI's objectives and policies with respect to ESG matters and undertook a formal, detailed assessment of performance against ESG KPIs. From 1 April 2024 this responsibility will be undertaken by the Board.

Engagement

In addition, during the year the Committee monitored the performance of all key service providers and undertook a formal, detailed assessment of the performance and the terms of engagement of the Company's key service providers to ensure each remained fair and reasonable and that their continued engagement remains in the best interests of the Company as a whole. This review process included two-way feedback, which provided the Board with an opportunity to understand the views, experiences and any significant issues encountered by service providers during the period. Further details are set out below under the 'Service provider performance assessment' heading.

Report of the ESG and Engagement Committee

continued

The Directors recognise the importance of maintaining strong and effective business relationships with the Company's key service providers and that high quality interaction with these stakeholders is an important factor in successfully delivering the Board's strategy. The performance assessment conducted by the Committee seeks to ensure that:

- the terms of engagement remain fair and reasonable and reflective of the services performed in the context of the nature, scale and complexity of the Company;
- strong alignment between the objectives of the service provider and those of the Company;
- they have not been the subject of any adverse event which may present additional risk to the Company;
- they remain appropriately incentivised to perform their duties to a high standard; and
- their continued engagement remains in the best interests of the Company as a whole.

Related Party Interests and Oversight of the Implementation of the Conflicts of Interest Policy

The Committee is responsible for ensuring that TMI's business is conducted fairly and with integrity. On behalf of the Board, it was responsible for ensuring that all potential conflicts of interest are recognised, recorded and considered as follows:

- managing conflicts of interest between the Board, Executive Team and the other group parties;
- considering the application of the Related Party Rules as set out in Chapter 11 of the Listing Rules to arrangements and agreements between TMI, the Executive Team and any other related parties from time to time;
- considering any potential conflicts which may arise between the providers of other services to the Company.

From 1 April 2024, the performance review of service providers and monitoring of related party interests will be undertaken by the Audit, Risk and Engagement Committee.

Main activities during the year

ESG Review

The Committee monitored the progress of the Company with respect to the various initiatives relating to the ESG Policy which is published on the Company's website. On 20 October 2023, the ESG and Engagement Committee was pleased to present the Company's latest inaugural standalone ESG report, covering the TMI's activity for the financial year ending 31 March 2023.

During the reporting period, the Committee undertook the following activities:

- **Related Party Transactions:** Reviewing the proposed acquisition by Grindrod of the Commercial Manager and Technical Manager, including liaising with the Company's professional advisers on the related party aspects of the transaction;
- **ESG Integration:** Receiving updates from the joint TMI and Grindrod ESG Steering Committee on the alignment of ESG activities, objectives and KPIs across the Combined Group;
- **ESG Regulation:** Monitoring the implementation of arrangements recommended by the Executive Team for compliance with the EU's Emissions Trading System ("EU ETS"). The Committee also received reports from the Technical Manager to evaluate the emissions performance of the Company's vessels and ensure that they are on track to meet incoming industry decarbonisation regulations;
- **Energy Efficiency:** Monitoring progress with the Combined Group's decarbonisation projects, sustainability enhancements, vessel retrofits and other energy efficiency initiatives being deployed across the Combined fleet;
- **Charity and Welfare:** Determining the beneficiaries of the Company's annual charity and welfare budget and receiving updates on the application of funding;
- **Policies and Procedures:** Reviewing the Company's suite of policies and procedures, adapted as required to reflect the Grindrod integration, and recommending their adoption by the Board;
- **Supplier Reviews:** Receiving feedback from all key service providers on their performance and internal control environments, and considering whether continued with each engagement on the existing terms remains in the best interest of the Company;
- **ESG Assurance:** The appointment of an independent third-party firm to review and verify the accuracy and completeness of data used in the Company's ESG report for the year ended 31 March 2023. The firm was selected based on its expertise in sustainability reporting and assurance;
- **Counterparty Monitoring:** Prior to their acquisition by Grindrod, ongoing monitoring of the performance of the Technical Manager and Commercial Manager in accordance with the oversight and reporting framework established during the previous year.

As part of the Company's social commitment, the Board has approved an annual charity budget of US$200,000 for the financial year. This is primarily donated to charities and causes related to seafarers, but may also be deployed to environmental causes and to communities within the Company's sphere of activity.

Service Provider Performance Assessment

The Committee undertook its annual performance evaluation of all key service providers in May 2023 and sought feedback from the Directors and Executive Team regarding the quality of service and the effectiveness of the working relationships with each service provider.

Additionally, all key service providers completed a self-assessment questionnaire requesting details of their internal control environment, approach to cyber security, business continuity arrangements, key staffing policies (including matters of diversity and vetting of new staff), policies regarding environmental impact and climate change, as well as their adherence to anti-bribery, modern slavery, criminal finances and general data protection regulations.

The Committee was satisfied with the performance of each of the Company's key service providers and no material actions arose as a result of the review.

Charles Maltby
Director

22 July 2024

GOVERNANCE

Directors' Report

The Directors of the Company are pleased to submit their Annual Report and the Audited Consolidated Financial Statements (the "Financial Statements") for the year ended 31 March 2024. In the opinion of the Directors, the Annual Report and Audited Consolidated Financial Statements are fair, balanced and understandable and provide the information necessary for shareholders to assess TMI's performance, business model and strategy.

Principal Activity

The Company is a registered closed-ended Guernsey incorporated collective investment scheme, investing primarily in Geared Ships (Handysize and Supramax/Ultramax types), usually employed, or to be employed, on fixed period Charters. The Company's Ordinary Shares have a premium listing on the Official List of the UK Listing Authority and are traded on the Main Market of the London Stock Exchange.

Results and Dividends

The results for the period are shown in the Consolidated Statement of Comprehensive Income on page 108.

The Board paid dividends of US$26,373,069 during the year ended 31 March 2024 (31 March 2023: US$36,235,666) followed by an additional dividend of US$6,604,318 declared on 26 April 2024 in relation to the quarter ended 31 March 2024. Further details of dividends declared or paid are detailed in note 4.

Independent Auditor

As part of the Combined Group's ongoing integration plan, the audit for the Combined Group was put out to tender during the year. Subsequently, on 6 December 2023, following a thorough audit tender process, the Board elected to appoint Deloitte LLP as the new auditor for the Company. Concurrently, the Board received and accepted the letter of resignation from PricewaterhouseCoopers CI LLP effective 7 December 2023.

Directors and Directors' Interests

The Directors, all of whom, with the exception of Edward Buttery, are non-executive, are listed on pages 56-59.

Edward Buttery has a service contract with the Company, details of which are outlined in the Nomination and Remuneration Committee Report on pages 70-80 and in note 10. No other Director has a service contract with the Company and no such further contracts are proposed.

Each of the Non-Executive Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Details of the fees paid to the Non-Executive Directors for the year ended 31 March 2024 are outlined in Nomination and Remuneration Committee Report on pages 70-80.

The Directors had the following interests in the Company, held either directly or beneficially:

Directors of the Company	31 March 2024		31 March 2023	
Name	No. of Ordinary Shares	Percentage	No. of Ordinary Shares	Percentage
Henry Strutt	74,000	0.02%	-	-
Frank Dunne	155,940	0.05%	42,416	0.01%
Edward Buttery[1]	615,000	0.19%	470,344	0.12%
Christopher Buttery	1,004,000	0.30%	800,722	0.20%
Trudi Clark	70,000	0.02%	70,000	0.02%
Sandra Platts	42,261	0.01%	42,261	0.01%
Helen Tveitan[2]	20,000	0.01%	20,000	0.01%
Charles Maltby[3]	115,000	0.04%	-	-
Executive team members				
Alexander Slee	56,896	0.02%	56,896	0.02%
Camilla Pierrepont	192,929	0.06%	192,929	0.06%

Substantial Shareholdings

As at 31 March 2024, being the date of the latest shareholder analysis prior to the publication of these Consolidated Financial Statements, the following shareholders had holdings in excess of 3% of the issued Ordinary Share capital:

Name	No. of Ordinary Shares	Percentage of Ordinary Shares
Christian Oldendorff Schifffahrtsholding GmbH & Co KG	49,642,931	15.03%
M&G Investments	23,655,125	7.16%
Waverton Investment Management	22,068,559	6.68%
Fabbian Investment Holdings	15,000,000	4.54%
West Yorkshire PF	13,955,899	4.23%
Hawksmoor Investment Management	13,116,076	3.97%
Vermeer Partners	11,849,833	3.59%
Barbarossa	11,575,558	3.51%

[1] Excludes 85,344 Ordinary Shares held by a person closely associated to Edward Buttery.

[2] Resigned 31 March 2024.

[3] Appointed 1 January 2024.

GOVERNANCE

Directors' Report

continued

Related Parties

Details of transactions with related parties are disclosed in note 10 to these Financial Statements.

Regulatory Requirements

Since being admitted to the premium listing segment of the Official List of the UK Listing Authority on 27 May 2021, the Company has complied with the Prospectus Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation.

Alternative Investment Fund Managers Directive ("AIFMD")

AIFMD seeks to regulate alternative investment fund managers ("AIFM") and imposes obligations on managers who manage alternative investment funds ("AIFs") in the EU and who market shares in such funds to EU investors. The Company is categorised as a self-managed non-EEA AIF for the purposes of the AIFM Directive, as a consequence the Company is required to comply with various organisational, operational and transparency obligations.

The Company is categorised as a non-EU AIF and is its own AIFM with the board being responsible for the Company's portfolio management and risk management functions, therefore, it is not required to seek authorisation under the AIFMD to market its shares. However, following national transposition of the AIFMD in a given EU member state, the marketing of ordinary shares in AIFs that are established outside to investors in that EU member state will be prohibited unless certain conditions are met. Certain of these conditions are outside the Company's control as they are dependent on the regulators of the relevant third country and the relevant EU member state entering into regulatory co-operation agreements with one another.

The Directors have appointed the Audit, Risk and Engagement Committee to manage the relevant disclosures to be made to investors and the necessary regulators. On 20 April 2021, the FCA confirmed that the Company was eligible to be marketed via the FCA's National Private Placement Regime and the Company complied with Article 22 and 23 of the AIFMD for the year ended 31 March 2024.

The Company issued a prospectus on 7 May 2021 and all matters were disclosed to investors as required under Article 23 of AIFMD. As the Board of the Company is the AIFM, the details of the Company's remuneration policy for the Directors is outlined in the Nomination and Remuneration Report and accords with the principles established by AIFMD.

Employee Engagement and Business Relationships

During the year ended 31 March 2024, the Company had two direct employees, one of which was Edward Buttery. TMI has further employees including those within the Executive Team. See the Nomination and Remuneration Committee Report for further details of the employee engagements. The Company conducts its core activities through the Executive Team and third-party service providers. The Board recognises the benefits of encouraging strong business relationships with the Executive Team and the key service providers and seeks to ensure each is committed to the performance of their respective duties to a high standard and, where practicable, that the Executive Team and the service providers are motivated to adding value within their respective roles. Additionally, the Board acknowledges the presence of further employees within Grindrod, as well as an independent board of directors. The Board strives to maintain transparent and effective communication and to build a strong relationship with Grindrod while recognising the directors' responsibilities to their own stakeholders and their independence.

Details on the Board's approach to service provider engagement and performance review are contained in the Stakeholders Report.

GOVERNANCE

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

The Companies (Guernsey) Law, 2008 requires the Directors to prepare Financial Statements for each financial year. Under that law the directors are required to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as issued by the IASB and the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Guernsey and the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable law and IFRSs as issued by the IASB , give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 22 July 2024 and is signed on its behalf by:

Henry Strutt
Chairman

22 July 2024

Independent Auditor's Report to the Members of Taylor Maritime Investments Limited

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of Taylor Maritime Investments Limited (the 'company') and its subsidiaries (collectively – the 'group'):

- give a true and fair view of the state of the group's affairs as at 31 March 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the financial statements which comprise:

- the consolidated statement of comprehensive income;
- the consolidated statement of changes in shareholders' equity;
- the consolidated statement of financial position;
- the consolidated statement of cash flows; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as issued by the IASB.

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the group or the company.

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

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: → Application of the investment entity criteria; → Assessment of the charter-free vessel values; and → Assessment of the fair value of investment in Grindrod.
Materiality	The materiality that we used for the group financial statements in the current year was $9.7 million which was determined on the basis of 2% of the group's net assets.
Scoping	The group was audited as a single component directly by the engagement team.

4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- evaluating the directors' going concern assessment, including the assumptions applied;
- testing the mechanical accuracy of the underlying forecasts;
- assessing the historical accuracy of budgets prepared by the group;
- assessing the reasonableness of the assumptions incorporated in the forecast;
- evaluating the stressed case scenario to understand whether it reflects reasonably possible adverse changes to key assumptions;
- assessing the ability of management to execute the mitigating actions in the stressed case scenario;
- assessing the impact of the stressed case scenario on the financial covenants in the revolving credit facilities during the going concern period; and,
- assessing whether the disclosures relating to going concern are appropriate.

Independent Auditor's Report to the Members of Taylor Maritime Investments Limited

continued

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the company has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Application of the investment entity criteria

Key audit matter description	The Board made a critical judgement and determined that the company meets the investment entity definition set out in IFRS 10 'Consolidated financial statements' and applied the exception to consolidation as prescribed in IFRS 10. In applying the IFRS 10 exception, the company is not consolidating its subsidiaries and is instead measuring its investments in subsidiaries at fair value through profit or loss in accordance with IFRS 9 'Financial instruments' (other than subsidiaries that are not themselves investment entities and whose main purpose and activities are to provide investment-related services to the company). In making this critical judgement, as discussed in notes 2 and 3(a) to the financial statements, the Board considered that the company: → obtains funds from one or more investors for the purpose of providing those investors with investment management services; → commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and → measures and evaluates the performance of substantially all of its investments on a fair value basis. Given the subjective nature of this judgement and its pervasive impact on the financial statements, we consider this to be a key audit matter.
How the scope of our audit responded to the key audit matter	We evaluated the critical judgement made by the Board in its assessment of the company's application of the investment entity criteria by performing the following procedures: → Gained an understanding of the process followed and information used by the Board in making the judgement, including its assessment of the investment entity criteria and other relevant requirements of IFRS 10 and supporting analysis; → Assessed the Board's judgement for compliance with IFRS 10 requirements; → Considered the company's Initial Public Offering Prospectus dated 7 May 2021 and subsequent annual reports, including its investment objective and policy; → Considered the company's communications with internal and external stakeholders to assess whether its performance continues to be measured and evaluated on a fair value basis and whether investment decisions continue to be made on a fair value basis; → Corroborated evidence of the company's business purpose, including implementation of the exit strategy for its investments, by performing audit procedures over the sales of vessels during the year; and → Assessed the disclosures of the company's accounting policy for investments in subsidiaries, for compliance with IFRS.
Key observations	We concluded that the company's assessment that it meets the investment entity criteria and its application of the exception to consolidation of subsidiaries are reasonable. We also concluded that the relevant disclosures to the financial statements are appropriate.

5.2. Assessment of the charter-free vessel values

Key audit matter description	The value of financial assets at fair value through profit and loss relating to the valuation of vessels as at 31 March 2024, including those held by Grindrod, was US$627,164,560 (2023: US$789,677,741). Management measures the fair value of the group's vessels using a market approach in accordance with IFRS 13 "Fair value measurement". There are a number of significant unobservable inputs involved in fair value measurement. The charter-free values of the vessels are determined as the arithmetic mean of the valuations by two 3rd party ship brokers engaged by the Board. As a result of the significance of the above estimation and the consequential impact on the group's results for the year, we consider this to be a key audit matter and a potential fraud risk. The fair value of the vessels is included as a key source of estimation uncertainty in note 3(e) to the financial statements. Further explanations of the key assumptions used to determine the fair value of the vessels are provided in note 5 to the financial statements and in the report of the Audit, Risk and Engagement committee on pages 81 to 86. The disclosures in note 9 discuss the sensitivity of the group's net assets and loss for the year to changes in the vessels' fair value.

Independent Auditor's Report to the Members of Taylor Maritime Investments Limited

continued

How the scope of our audit responded to the key audit matter	For the fair value measurement of the vessels, we obtained an understanding of the measurement process and of the relevant controls. We assessed management's valuation methods for consistency with the requirements of IFRS 13 "Fair value measurement". Working alongside our valuation specialists, we: → Assessed the competence, capabilities and objectivity of the ship brokers, → Inspected the charter-free valuation reports prepared by the ship brokers and evaluated whether these estimates were used consistently in the financial statements; → Attended relevant meetings to observe the group's challenge of the charter-free valuations prepared by the ship brokers; → Communicated directly with the ship brokers to discuss their scope of work and assessed their methodologies used and outputs; → Tested the vessel data provided by management to the ship brokers to ensure its completeness and accuracy; → Independently sourced a range of values based on recent transactions with similar vessels and compared it with the valuations prepared by the ship brokers; → Performed a retrospective review through comparison of disposal proceeds for vessels sold during and after the period to the most recent valuations per the group's records; → Recalculated the arithmetic mean of the ship brokers' valuation as per the group's valuation policy; and → Assessed the appropriateness of disclosures relating to fair value measurement in accordance with IFRS 13.
Key observations	Based on the results of our assessment of management's approach to valuation of vessels, we concluded that the management's assessment of fair value of the vessels is reasonable, and relevant disclosures are appropriate.

5.3. Assessment of the fair value of investment in Grindrod	
Key audit matter description	The value of the group's investment in Good Falkirk (MI) Limited ("GF"), an SPV holding a controlling interest in Grindrod Shipping Holdings Ltd ("Grindrod"), a shipping company with equity securities traded on NASDAQ, as at 31 March 2024 was \$324,696,662 (2023: \$269,671,825). It is the Board's judgement that a) the entire group's interest in GF, including its controlling interest in Grindrod, not individual Grindrod shares, represents the unit of account for the group's investment in GF and therefore the group is not required to use the quoted price of underlying Grindrod shares as at 31 March 2024 to determine the fair value of its investment in GF; b) the fair value of the group's interest in GF is best evaluated using the Net Asset Value ("NAV") approach. The subjectivity and complexity of the valuation methodology, as well as the number of significant estimates involved, means that the fair value of the investment will be sensitive to the assumptions made. We therefore consider this a key audit matter and a potential fraud risk. The scope of work of the independent valuation expert and assessment of the fair value of the group's investment in GF are included as a critical judgment and a key source of estimation uncertainty in notes 3(d) and 3(e) to the financial statements.
How the scope of our audit responded to the key audit matter	Our audit procedures included: → Obtaining an understanding of relevant controls over the measurement process; → Assessing the Board's judgements in selecting the appropriate unit of account and valuation method for the investment; → Assessing the valuation expert's competence, capabilities and objectivity and evaluating their terms of engagement to determine whether there were any matters that might have affected their objectivity or imposed scope limitations on their work; → Engaging Deloitte valuation specialists to provide support in evaluating and concluding on the fair value of the investment, including (a) the appropriateness of the adopted valuation methodology; and (b) the key assumptions used in the model.
Key observations	Based on the audit procedures performed, we concluded that the adopted valuation methodology and assumptions used in the model were appropriate and that the valuation of the group's investment in Grindrod was therefore reasonable. The related disclosures in the financial statements are compliant with the requirements of IFRS.

Independent Auditor's Report to the Members of Taylor Maritime Investments Limited

continued

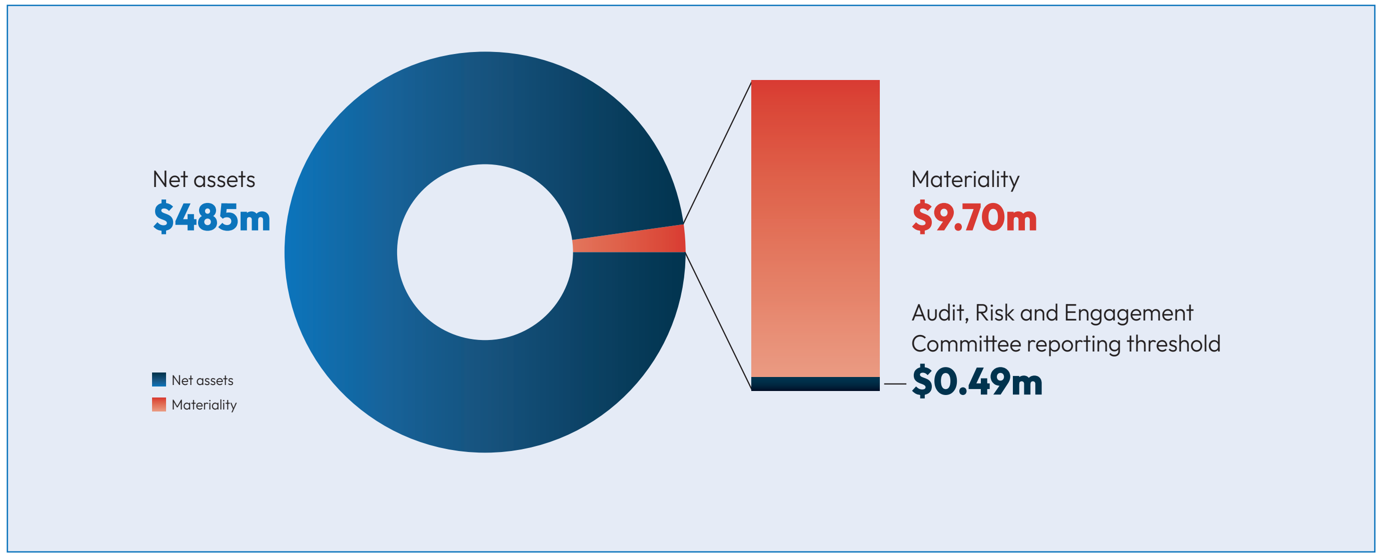
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group Materiality	$9.7 million
Basis for determining materiality	2% of net assets
Rationale for the benchmark applied	We believe that net assets is the most appropriate benchmark as it is the key financial metric of interest to the members of the company. It is also a generally accepted measure used for investment funds.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Group performance materiality was set at 65% of group materiality for the 2024 audit. In determining performance materiality, we considered the following factors:

a. this being our first year performing the audit of the group,

b. the quality of the control environment,

c. control deficiencies identified by the predecessor auditor, and;

d. the nature, volume and size of misstatements (corrected and/or uncorrected) identified by the predecessor auditor.

6.3. Error reporting threshold

We agreed with the Audit, Risk and Engagement committee that we would report to the committee all audit differences in excess of $0.49 million, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1. Scoping

Our audit was scoped by obtaining an understanding of the group and its control environment and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

The company is a closed-ended investment fund, incorporated in Guernsey, whose ordinary shares are admitted to trading on the London Stock Exchange's Main Market.

As disclosed under notes 2 and 3(a) to the consolidated financial statements, the company meets the definition of an 'investment entity' in accordance with IFRS 10 'Consolidated Financial Statements' and therefore only consolidates those subsidiaries that are not themselves investment entities and whose main purpose is to provide services relating to the company's investment activities. The company accounts for its other subsidiaries at fair value through profit or loss under IFRS 9 'Financial Instruments'.

7.2. Our consideration of the control environment

With involvement of our IT specialists, we obtained an understanding of the control environment, including the use of service organisations, and the relevant controls over the financial reporting process and critical accounting judgments, such as application of the investment entity criteria, assessment of the charter-free vessel values, and assessment of the fair value of investment in Grindrod. We have not taken controls reliance and have performed a fully substantive audit.

7.3. Our consideration of climate-related risks

We reviewed the group's climate change risk assessment and how the climate-related risks are incorporated into the principal risks and uncertainties facing the group. The financial statement risks have been focused on the assumptions underlying the valuation of the vessels and include impact of the vessel's age and its use of energy-saving technologies on its fair market value. This is consistent with our evaluation of the climate-related risks facing the group.

With the involvement of our ESG specialists, we have evaluated the appropriateness of the climate-related disclosures included in the note 3 to the financial statements and we have read the annual report to consider whether these disclosures are materially consistent with the financial statements and our knowledge obtained in the audit, including consideration of the impact of the above-mentioned factors on the valuation of the vessels.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent Auditor's Report to the Members of Taylor Maritime Investments Limited

continued

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management, the Administrator, and the Audit, Risk and Engagement committee about their own identification and assessment of the risks of irregularities, including those that are specific to the group's sector;
- any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, valuations, IT, and industry specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in assessment of the charter-free vessel values and of the fair value of investment in Grindrod.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies (Guernsey) Law, 2008 and the Listing Rules.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the environmental regulations specific to the group's maritime operations.

11.2. Audit response to risks identified

As a result of performing the above, we identified charter-free vessel values and the fair value of investment in Grindrod as key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Audit, Risk and Engagement committee and internal legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Corporate Governance Statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Independent Auditor's Report to the Members of Taylor Maritime Investments Limited

continued

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 51 to 53;
- the directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on pages 51 to 53;
- the directors' statement on fair, balanced and understandable set out on page 90;
- the directors' confirmation that they have carried out a robust assessment of the emerging and principal risks set out on pages 46 to 50;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 67 to 68; and
- the section describing the work of the Audit, Risk and Engagement committee set out on pages 81 to 86.

13. Other matters which we are required to address

13.1. Adequacy of explanations received and accounting records

Under the Companies (Guernsey) Law, 2008 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept by the company; or
- the financial statements are not in agreement with the accounting records.

We have nothing to report in respect of these matters.

13.2 Auditor tenure

Following the recommendation of the Audit, Risk and Engagement Committee, we were appointed by the directors on 6 December 2023 to audit the financial statements for the year ending 31 March 2024 and subsequent financial periods.

13.3 Consistency of the audit report with the additional report to the Audit, Risk and Engagement Committee

Our audit opinion is consistent with the additional report to the Audit, Risk and Engagement Committee we are required to provide in accordance with ISAs (UK).

14. Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Mikhail Raikhman, CA
For and on behalf of Deloitte LLP
Recognised Auditor
London, United Kingdom

22 July 2024

Financial Statements

FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2024

	Note	For the year ended 31 March 2024 US$	For the year ended 31 March 2023 US$
(Loss)/income			
Net losses on financial assets at fair value through profit or loss	5	(73,594,390)	(6,376,717)
Dividend income	7	31,079,140	42,617,271
Other income		189,054	24,166
Net foreign exchange losses		(210,287)	(159,326)
Total (loss)/income		**(42,536,483)**	**36,105,394**
Expenses			
Director, Executive team and employee costs	10	5,170,561	5,408,555
Share-based payments	10	1,742,216	910,080
Audit fees	8	812,851	490,161
Investor relations and PR consultancy fees		319,981	286,935
Legal and professional fees		455,604	795,979
Office support fees		452,839	435,562
Administration fees	10	246,363	311,136
Travel and marketing fees		399,648	567,484
Other expenses		1,140,333	738,571
Total expenses		**10,740,396**	**9,944,463**
(Loss)/profit for the year before tax		**(53,276,879)**	**26,160,931**
Tax (charge)/credit	11	(206,055)	49,602
(Loss)/profit for the year		**(53,482,934)**	**26,210,533**
Other comprehensive income/(loss)			
Items that might be reclassified to profit or loss			
Foreign exchange differences on translation of foreign operations		34,520	(19,416)
Total comprehensive (loss)/income for the year		**(53,448,414)**	**26,191,117**
Earnings per Ordinary Share for (loss)/profit attributable to the Company's shareholders:			
Basic (loss)/earnings per Ordinary Share	14	(0.1621)	0.0794
Diluted (loss)/earnings per Ordinary Share	14	(0.1621)	0.0794

All items in the above statement are derived from continuing operations. All income is attributable to the Ordinary Shares of the Company.

The accompanying notes on pages 112–143 form an integral part of the Consolidated Financial Statements.

FINANCIAL STATEMENTS

Consolidated Statement of Changes In Shareholders' Equity

For the year ended 31 March 2024

	Note	Share capital US$	Treasury shares US$	Retained earnings US$	Other reserves US$	Foreign currency translation reserve US$	Total equity US$
At 1 April 2022		**333,479,334**	**–**	**241,282,790**	**486,645**	**–**	**575,248,769**
Total comprehensive income:							
Profit for the year		–	–	26,210,533	–	–	26,210,533
Other comprehensive loss		–	–	–	–	(19,416)	(19,416)
Total comprehensive income for the year		**–**	**–**	**26,210,533**	**–**	**(19,416)**	**26,191,117**
Transactions with shareholders:							
Dividends paid	4	–	–	(36,235,666)	–	–	(36,235,666)
Share-based awards	10	–	–	–	910,080	–	910,080
Total transactions with shareholders		**–**	**–**	**(36,235,666)**	**910,080**	**–**	**(35,325,586)**
At 31 March 2023		**333,479,334**	**–**	**231,257,657**	**1,396,725**	**(19,416)**	**566,114,300**
At 1 April 2023		**333,479,334**	**–**	**231,257,657**	**1,396,725**	**(19,416)**	**566,114,300**
Total comprehensive loss:			–				
Loss for the year		–	–	(53,482,934)	–	–	(53,482,934)
Other comprehensive income		–	–	–	–	34,520	34,520
Total comprehensive loss for the year		**–**	**–**	**(53,482,934)**	**–**	**34,520**	**(53,448,414)**
Transactions with shareholders:							
Dividends paid	4	–	–	(26,373,069)	–	–	(26,373,069)
Share-based awards	10	–	–	–	1,113,682	–	1,113,682
Treasury shares purchased	12	–	(2,400,092)	–	–	–	(2,400,092)
Total transactions with shareholders		**–**	**(2,400,092)**	**(26,373,069)**	**1,113,682**	**–**	**(27,659,479)**
At 31 March 2024		**333,479,334**	**(2,400,092)**	**151,401,654**	**2,510,407**	**15,104**	**485,006,407**

The accompanying notes on pages 112–143 form an integral part of the Consolidated Financial Statements.

FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

At 31 March 2024

	Note	31 March 2024 US$	31 March 2023 US$
Non-current assets			
Financial assets at fair value through profit or loss	5	483,443,876	556,738,240
Property, plant and equipment		394,959	557,089
Total non-current assets		**483,838,835**	**557,295,329**
Current assets			
Cash		3,844,261	11,199,937
Trade and other receivables		724,980	554,224
Total current assets		**4,569,241**	**11,754,161**
Total assets		**488,408,076**	**569,049,490**
Current liabilities			
Trade and other payables	8	3,401,669	2,935,190
Total current liabilities		**3,401,669**	**2,935,190**
Net assets		**485,006,407**	**566,114,300**
Equity			
Share capital	12	333,479,334	333,479,334
Treasury shares	12	(2,400,092)	-
Retained earnings		151,401,654	231,257,657
Other reserves		2,510,407	1,396,725
Foreign currency translation reserve		15,104	(19,416)
Total equity		**485,006,407**	**566,114,300**
Number of Ordinary Shares	**12**	**327,652,420**	**330,215,878**
Net asset value per Ordinary Share		**1.4802**	**1.7144**

The Consolidated Financial Statements on pages 108 to 143 were approved and authorised for issue by the Board of Directors on 22 July 2024 and signed on its behalf by:

Henry Strutt
Chairman

The accompanying notes on pages 112–143 form an integral part of the Consolidated Financial Statements.

FINANCIAL STATEMENTS

Consolidated Statement of Cash Flows

For the year ended 31 March 2024

	Note	For the year ended 31 March 2024 US$	For the year ended 31 March 2023 US$
Cash flows from operating activities			
(Loss)/profit for the year after tax		(53,482,934)	26,210,533
Adjustments for:			
Net losses on financial assets at fair value through profit or loss	5	73,594,390	6,376,717
Share-based awards	10	1,742,216	910,080
Net foreign exchange losses		210,287	159,326
Depreciation		320,492	196,691
		22,384,451	**33,853,347**
Increase in trade and other receivables		(170,756)	(497,403)
(Decrease)/increase in trade and other payables		(162,055)	629,806
Net cash transfers from TMI Holdco Limited	5	9,699,974	10,999,965
Net cash transfers to TMI Holdco Limited	5	(10,000,000)	-
Net cash flows from operating activities		**21,751,614**	**44,985,715**
Cash flows used in investing activities			
Purchase of property, plant and equipment		(158,362)	(753,780)
Net cash flows used in investing activities		**(158,362)**	**(753,780)**
Cash flows used in financing activities			
Dividends paid	4	(26,373,069)	(36,235,666)
Purchase of treasury shares	12	(2,400,092)	-
Net cash flows used in financing activities		**(28,773,161)**	**(36,235,666)**
Net (decrease)/increase in cash		**(7,179,909)**	**7,996,269**
Cash at beginning of year		**11,199,937**	**3,382,410**
Effect of foreign exchange rate changes during the year		(175,767)	(178,742)
Cash at end of year		**3,844,261**	**11,199,937**

The accompanying notes on pages 112–143 form an integral part of the Consolidated Financial Statements.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

1. General Information

Taylor Maritime Investments Limited (the "Company") was registered in Guernsey under the Companies (Guernsey) Law, 2008 on 31 March 2021. The Company's registration number is 69031 and it is regulated by the Guernsey Financial Services Commission as a registered closed-ended collective investment scheme, pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020, under the Registered Collective Investment Scheme Rules 2021 and the Prospectus and Guidance Rules 2021. The Company's Ordinary Shares were admitted to the premium listing segment of the Official List of the UK Listing Authority and began trading on the Main Market of the London Stock Exchange on 27 May 2021.

The Company has been established with an unlimited life, however, a continuation resolution will be put to Shareholders as an ordinary resolution at the first annual general meeting after the fifth anniversary of the Initial Admission, which will be in the year 2027.

The Company together with all its consolidated and non-consolidated subsidiaries is referred to as the "Group" or the "Combined Group". The Consolidated Group consists of the Company and its five wholly owned subsidiaries called:

- TMI Advisors (UK) Limited ("TMIUK"),
- TMI Advisor Pte. Limited ("TMI Singapore"),
- TMI Management (HK) Limited ("TMIHK")[1],
- TMI Director 1 Limited and;
- Taylor Maritime Investments Employee Benefit Trust (the "TMI EBT")

TMIUK, TMI Singapore, TMIHK, TMI Director 1 Limited and TMI EBT collectively are the "Consolidated Subsidiaries".

TMIUK and TMI Singapore and TMIHK all provide advisory and administration services to the Company. TMI Director 1 Limited provides corporate director services to the Special Purpose Vehicles ("SPVs"). The TMI EBT is a discretionary trust established by the Consolidated Group to fulfil the share award schemes related to the Company's long-term incentive and deferred bonus plans.

The Company owns its investments through SPVs which are not consolidated into the results of the Company but are measured at fair value in the Consolidated Statement of Financial Position (note 2).

2. Material Accounting Policy Information

a) Statement of Compliance

The Consolidated Group's Annual Report and Audited Consolidated Financial Statements (the "Consolidated Financial Statements"), which give a true and fair view, have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC") and are in compliance with the Companies (Guernsey) Law, 2008.

b) Basis of Preparation and Consolidation

The Consolidated Financial Statements have been prepared on a historical cost basis, except for financial instruments measured at fair value through profit or loss.

In preparing these Consolidated Financial Statements, management makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The critical accounting judgements and key sources of estimation uncertainty are discussed in note 3. The material accounting policy information is set out below.

The Board has determined that the Company meets the definition of an investment entity, according to IFRS 10 as explained below. As a consequence, the Company does not consolidate its controlled subsidiary investments and accounts for them at fair value through profit or loss, with the exception of those that provide investment-related services to the Company's investment activities.

Non-consolidation – Investment entity

Investments in Holdco and SPVs

The Board has determined that the Company has all the elements of control as prescribed by IFRS 10 in relation to TMI Holdco Limited ("Holdco"), the holding company of the SPVs, and then indirectly the SPVs (see note 6 for list of SPVs), as the Company is the sole shareholder in Holdco and indirectly (via its investment in Holdco) is the ultimate controlling party of the SPVs, is exposed and has rights to the variable returns of Holdco (and indirectly in the SPVs) and has the ability to affect the amount of its returns from Holdco (and indirectly in the SPVs).

The investment entities exception requires that an investment entity that has determined that it is a parent under IFRS 10 shall not consolidate certain of its subsidiaries; instead it is required to measure its investment in these subsidiaries at fair value through profit or loss in accordance with IFRS 9.

The criteria which define an investment entity are as follows:

- An entity has obtained funds from one or more investors for the purpose of providing those investors with investment management services;
- An entity has committed to its investors that its business purpose is to invest funds solely for the returns from capital appreciation, investment income or both; and
- An entity measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Company provides investment management services and has a number of investors who pool their funds to gain access to these services and investment opportunities that they might not have had access to individually. The Company, being listed on the Main Market of the London Stock Exchange, obtains funding from a diverse group of external shareholders. In addition, the Company has committed to these external shareholders through its investment objective to invest funds solely for the returns from capital appreciation, investment income or both through investing primarily in Geared Ships.

Consideration is also given to the time frame of the Company's investments. An investment entity should not hold its investments indefinitely but should have an exit strategy for their realisation. As the Group has a renewal policy for any aging vessels in accordance with the sustainability strategy or vessel assets will be sold if other investments with better risk/reward profile are identified. Once any vessels are sold out of SPVs, the residual net assets are transferred to Holdco, and the SPV is dissolved. The Board of Directors considers the vessel renewal strategy and the related dissolution of the SPVs as evidence of a clear exit strategy.

The Company measures and evaluates the performance of its investment in Holdco (and indirectly of Holdco's investments in the SPVs) on a fair value basis. The fair value method is used to represent the Company's performance in its communication to the market, including investor presentations. In addition, the Executive Team reports fair value information internally to the Board, who uses fair value as a significant measurement attribute to evaluate the performance of the Company's investments and to make investment decisions.

The Company has determined that the fair value of its investment in Holdco (and the SPVs) is the fair value of consolidated net assets (the "Net Asset Value" or"NAV") of Holdco and the SPVs. The fair value of the SPVs includes the SPVs' investments in their respective vessel assets or indirect investment in vessel assets in the case of the Grindrod investment, which is held by Good Falkirk (MI) Limited, as well as the fair value of the residual net assets and liabilities of the SPVs and Grindrod.

The Company has concluded that Holdco and the SPVs (and then indirectly, Grindrod and its subsidiaries) are entities that require specific disclosure, as unconsolidated subsidiaries, under IFRS 12 'Disclosure of Interests in Other Entities' ("IFRS 12"). Accordingly, the necessary disclosures have been made in notes 5 and 6 of these Consolidated Financial Statements.

Grindrod acquisition

In December 2022, Good Falkirk (MI) Limited made a voluntary conditional cash offer to acquire all the issued ordinary shares in the capital of Grindrod, other than shares already held by the Consolidated Group, for an aggregate transaction value of US$26.00 per share,

[1] Pending deregistration.

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Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2024

made up of the Offer Price of US$21.00 per share paid in cash by Good Falkirk (MI) Limited and a Special Dividend of US$5.00 per share paid by Grindrod. The transaction was financed by a combination of existing cash, debt and the special dividend from Grindrod as mentioned above. The debt was provided under a new senior secured facility of up to US$208,330,000 entered into by Good Falkirk (MI) Limited with the same lenders as the revolving credit facility ("RCF") as detailed in note 13. For the Consolidated Group in these Consolidated Financial Statements, this is a non-cash transaction, as it was financed through TMI Holdco and Good Falkirk (MI) Limited, which are recognised in the Consolidated Group's Financial Assets at fair value through profit or loss on the Consolidated Statement of Financial Position.

Consolidation

Investments in Consolidated Subsidiaries

The Board has determined that the Company has all the elements of control as prescribed by IFRS 10 in relation to the Consolidated Subsidiaries.

The Company is the sole shareholder of TMIHK, TMIUK, and TMI Director 1 Limited and, through its investment in TMIUK, is the ultimate controlling party of TMI Singapore. The Company is exposed to and has rights to the returns of TMIHK, TMIUK, TMI Singapore, and TMI Director 1 Limited, and has the ability to affect these returns. Additionally, the Company controls the TMI EBT through specific provisions in the trust deed, granting it power over the EBT, exposure to variable returns, and the ability to influence those returns.

The Consolidated Subsidiaries provide investment-related services to the Company. According to IFRS 10, subsidiaries that provide services related to the parent's investment activities must be consolidated. Therefore, the Company is required to consolidate the Consolidated Subsidiaries in these Consolidated Financial Statements. This determination involves a degree of judgement.

These Consolidated Financial Statements incorporate the financial statements of the Company and its Consolidated Subsidiaries. The Consolidated Subsidiaries are fully consolidated from the date control is transferred to the Company and de-consolidated when control ceases.

The Consolidated Financial Statements are prepared using uniform accounting policies for similar transactions. The Consolidated Subsidiaries' accounting policies are adjusted as necessary to align with those of the Company. Inter-company transactions, balances, and unrealised gains between the Company and the Consolidated Subsidiaries and of the Consolidated Subsidiaries with each other are eliminated on consolidation.

Going Concern

The Company has considerable financial resources, and after making enquiries, the Directors, at the time of approving the Consolidated Financial Statements, have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these Consolidated Financial Statements.

The Combined Group maintains a portfolio of vessels which are expected to generate enough cash flows to pay on-going expenses and returns to Shareholders. As part of their consideration of the appropriateness of adopting the going concern basis, the Directors have considered the cash position and the performance of the portfolio. They have also carried out a robust assessment of the Company solvency and liquidity position using scenario analysis that considers various economic conditions, including in a stressed environment.

Within the stressed scenario analysis, the Directors assessed the volatility of the average charter rates by modelling a significant drop of 30% to 33% for the next 12 months from those experienced in the fourth quarter of the financial year, comparable to recent periods of extreme stress such as the Covid-19 pandemic. Fleet valuations were similarly adjusted, with a decline of 30% to 33%, putting stress on the Group's financial covenant compliance. In this scenario, the strategy for vessel sales becomes more aggressive, targeting older ships to generate proceeds for de-leveraging, with average selling prices reduced proportionally to the decrease in charter rates and fleet value. These stress case assumptions provide a rigorous assessment of the Company's ability to maintain financial stability under adverse economic conditions for the 12-month period.

In assessing going concern, the Board has considered factors that may impact performance, including the potential effects on global trade of prolonged periods of high inflation and interest rates as well as disruption to markets and supply chains from geopolitical risks and increased political tensions around the world, leading to movement restrictions on sea routes and ports. This is evident from ongoing conflicts in Russia/Ukraine and the Middle East. The latter conflict raises additional security concerns for navigation through the Red Sea and the Suez Canal, critical routes for international shipping, leading to vessels being re-routed and consequential extensions to voyage times. The Board views the impact of global inflation and interest rates as stabilising compared to the last 12 months and current disruption of trade routes through the Red Sea as having an overall positive impact on the Group's financial performance by supporting charter rate demand. The Board will, however, continue to monitor these events and assess any potential impact on the Company on an ongoing basis.

c) New and amended standards adopted by the Group

A number of new or amended IFRS standards became applicable for the current reporting period. Adoption of these standards did not have a material impact on measurement, recognition or presentation of any items in the Consolidated Group's financial statements.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are mandatory for periods beginning on or after 1 April 2024 and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods.

d) Other Income and Dividend Income

Other income comprises interest income from cash deposits recognised using the effective interest method. Dividend income is recognised when the right to receive a payment is established.

e) Net gain/(loss) on Financial Assets at Fair Value through Profit or Loss

Net gain/(loss) on financial assets at fair value through profit or loss includes all realised and unrealised fair value changes. Dividend income from investments in shares of non-consolidated subsidiaries is not included and presented as a separate line item in profit or loss.

f) Ordinary Shares

The Ordinary Shares of the Company are classified as equity based on the substance of the contractual arrangements and in accordance with the definition of equity instruments under IAS 32.

The proceeds from the issue of Ordinary Shares are recognised in the Consolidated Statement of Changes in Shareholders' Equity, net of incremental issuance costs.

g) Treasury Shares

Treasury shares are accounted for under IAS 32. They are recorded at purchase cost. Until such time as the shares held by the TMI EBT vest unconditionally to employees, the amount paid for those shares is shown as a reduction in shareholders' equity.

The Treasury Shares maintain the right to receive dividends and have equal voting rights.

h) Financial Instruments

Financial Assets

Recognition and initial measurement

At initial recognition, the Consolidated Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IFRS 9.

Classification

The Consolidated Group classifies its financial assets into categories in accordance with IFRS 9. The Consolidated Group classifies its financial assets based on the Consolidated Group's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

On initial recognition, the Consolidated Group classifies financial assets as measured at amortised cost or at fair value through profit or loss.

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A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI").

All other financial assets of the Consolidated Group are measured at FVTPL.

In making an assessment of the objective of the business model in which a financial asset is held, the Consolidated Group considers all of the relevant information about how the business is managed.

The Consolidated Group has determined that it has two business models:

- *Held-to-collect business model*: this includes cash, trade and other receivables. These financial assets are held to collect contractual cash flows.
- *Other business model*: this includes investment in Holdco and SPVs. These financial assets are managed and their performance is evaluated on a fair value basis.

Financial assets are only reclassified if there is a change in business model.

Cash

Cash comprises current deposits with banks.

Trade and other receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "Trade and other receivables". Trade and other receivables are measured at amortised cost using the effective interest method, less any expected credit losses ("ECL").

Subsequent measurement

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value with gains and losses arising from changes in the fair value recognised in the profit or loss. All other financial assets are subsequently measured at amortised cost using the effective interest rate method, less any impairment.

IFRS 9 requires the Consolidated Group to measure and recognise impairment on financial assets at amortised cost based on ECL. The Consolidated Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. At 31 March 2024, the Consolidated Group had recognised no expected credit losses (31 March 2023: none).

Financial liabilities

Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Trade and other payables represent liabilities for goods and services provided to the Consolidated Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

i) Foreign currency

Functional and presentation currency

The Board has determined that the functional currency of the Consolidated Group is US Dollar ("US$"). The following factors are considered in determining that US Dollar is the functional currency:

- It is the currency of the primary economic environment of the shipping operations, conducted by the Consolidated Group via the SPVs including chartering income and the buying and selling of vessels, which are predominantly conducted in US Dollars;
- It is the currency in which the finance is raised, distributions are made and the currency that would be returned if the Consolidated Group was wound up.

The Consolidated Financial Statements are presented in US Dollars.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the reporting date when fair value was determined.

Assets and liabilities in foreign currency

Foreign currency assets and liabilities are translated to the presentational currency using the closing exchange rate as at the reporting date.

Foreign currency exchange rate differences arising as a result of translation of foreign operations are recognised in other comprehensive income.

j) Employee benefits

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Consolidated Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payments

The grant date fair value awards to employees made under the Long-term Incentive Plan is recognised as an expense with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related non-market performance conditions at the vesting date. For share-based payment awards with market conditions, the grant date fair value of the share-based awards is measured to reflect such conditions and therefore there is no adjustment between expected and actual outcomes.

k) Dividends payable

Dividends payable to the holders of Ordinary Shares are recorded through the Consolidated Statement of Changes in Shareholders' Equity when they are declared to shareholders. The payment of any dividend by the Company is subject to the satisfaction of a solvency test as required by the Companies (Guernsey) Law, 2008.

l) Taxation

Income tax expense is recognised through profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

The tax charge is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

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m) Segmental reporting

The Chief Operating Decision Maker, which is the Board, is of the opinion that the Consolidated Group is engaged in a single segment of business, being investments in shipping vessels across the Combined fleet to generate investment returns whilst achieving capital growth. The financial information used by the Chief Operating Decision Maker to manage the Consolidated Group presents the business as a single segment.

Segment information is measured on the same basis as that used in the preparation of the Consolidated Financial Statements.

n) Property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated depreciation and impairment. Subsequent costs are capitalised if it is probable that future economic benefits will flow to the Consolidated Group and the costs can be measured reliably.

Property, Plant and equipment are depreciated on a straight-line basis, at rates which will write off cost less estimated residual values over their estimated economic lives as follows:

Leasehold improvements	Over the term of the lease
Computers	3 years
Fixtures and fittings	4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

3. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In applying the Consolidated Group's accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate was revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Consolidated Group's accounting policies and that have the most significant effect on the amounts recognised in Consolidated Financial Statements.

a) Basis of non-consolidation – Holdco and SPVs

In accordance with the Investment Entities exception contained in IFRS 10, the Board has determined that the Company satisfies the criteria to be regarded as an investment entity, and as a result measures its investment in Holdco and the SPVs at fair value. This determination, involves a degree of judgement against the Investment Entities exemption criteria (see note 2) as follows:

i. ***Investment management services*** – The Consolidated Group provides investment management services and has a number of investors who pool their funds to gain access to these services and investment opportunities that they might not have had access to individually. The Company, being listed on the Main Market of the London Stock Exchange, obtains funding from a diverse group of external shareholders and invests these funds solely for returns from capital appreciation, investment income or both.

ii. ***Consideration is also given to the time frame of the Company's investment*** – An investment entity should not hold its investments indefinitely but should have an exit strategy for their realisation. The Consolidated Group has a renewal policy for any aging vessels in accordance with the sustainability strategy or vessel assets will be sold if other vessels with better risk/reward profile are identified. Once any vessels are sold out of SPVs, the residual net assets of the SPV are transferred to Holdco, and the SPV is dissolved. The Board considers the vessel renewal strategy and the related dissolution of the SPVs as evidence of a clear exit strategy. The purpose of the acquisition of Grindrod (note 5) during the year ended 31 March 2023 was mainly for acquiring modern vessels within its fleet, extracting synergies from joint working, and aligning the Grindrod business model to the Consolidated Group. The Board noted that the alignment of business activities may take time, but are cognisant of the fact that the intention is to discontinue any obsolete Grindrod activities and the commencement of aligning Grindrod operations to the Consolidated Group's has already begun. Notwithstanding this, the Board assessed the current activities of Grindrod and concluded that they do not affect Group's exit strategy. The renewal policy for any aging vessels remains consistent and is applied against the Grindrod fleet, as such, the exit strategy for the investments remains unchanged by the Grindrod acquisition.

iii. ***The Company measures and evaluates the performance of substantially all of its investments on a fair value basis*** – The fair value method is used to represent the Consolidated Group's performance in its communication to the market. In addition, the Executive Team reports fair value information internally to the Board, who uses fair value as a significant measurement attribute to evaluate the performance of the Company's investments and to make investment decisions. The key accounting estimates in relation to the Consolidated Group Investment in Holdco and the SPVs, including Good Falkirk (MI) Limited which holds the Grindrod investment are detailed further in note 3(f) below.

b) Basis of non-consolidation – Technical and Commercial Manager

Continuing compliance with the investment entity criteria was reassessed following Grindrod's acquisition of the Consolidated Group's Commercial and Technical Managers in October 2023. Additionally, the Board assessed the requirements of IFRS 10 which mandate that an investment entity consolidates subsidiaries that are not themselves investment entities and provide services related to the Consolidated Group's investment activities. The Board determined that, given the Technical and Commercial Managers are not direct subsidiaries of the Company but are held via the Consolidated Group's unconsolidated investment entity subsidiaries, investments in these entities should be measured as part of the Consolidated Group's investment in Holdco and the SPVs at fair value through profit or loss, rather than being consolidated into the Consolidated Group accounts.

c) Basis of consolidation – Consolidated Subsidiaries

Under the terms of Intra-group Advisory and Services Agreement, TMIHK, TMIUK and TMI Singapore provide certain services to the Company, including the sourcing of potential investments, the provision of investment recommendations to the Board and assisting with the implementation of transactions approved by the Board. TMI Director 1 Limited provides corporate director services to the SPVs. Additionally, the TMI EBT manages the Company's share award schemes related to long-term incentives and deferred bonus plans for the Executive Team.

Given the above, the Board have determined that TMIHK, TMIUK, TMI Singapore, TMI Director 1 Limited and TMI EBT provide investment related services to the Company and are not themselves investment entities. As a result, the Company has consolidated TMIHK, TMIUK, TMI Singapore, TMI Director 1 Limited and TMI EBT within these Consolidated Financial Statements.

d) Investment in Grindrod – measurement of fair value – unit of account

In the Board's determination of fair value for the Consolidated Group's investment in Grindrod, they considered which inputs best represent the fair value of the Consolidated Group's 82.3% (31 March 2023: 83.2%) stake in Grindrod. Grindrod's shares are listed on the NASDAQ.

IFRS 13 requires the maximisation of observable inputs and the minimisation of unobservable inputs. However, the Board has determined that the unit of account of the Consolidated Group's controlling interest in Grindrod is the investment as a whole (held via the Consolidated Group's non-consolidated subsidiary, Good Falkirk (MI) Limited). Since the unit of account for the Grindrod investment is not an individual share, the fair value of the investment should be adjusted for unobservable inputs such as the control premium, thus reflecting how the market would absorb the transaction if the investment was sold as a whole.

The Board has determined that the fair value of the Grindrod investment as a whole is best assessed as the Consolidated Group's ownership interest in the fair

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market value of Grindrod's fleet and in the fair value of any other assets and liabilities of Grindrod (the "Net Asset Value ("NAV") approach") further discussed in (e) below.

To provide a comparison, the Board also considered the financial impact if the year-end share price of Grindrod were used to determine the fair value. If the quoted share price on NASDAQ as of 31 March 2024 of US$10.35 had been used, the fair value of the Consolidated Group's investment in Grindrod would be approximately US$167.7 million, compared to the currently assessed fair value of US$324.7 million.

e) Investment in Grindrod – measurement of fair value – valuation method

The Board has determined the NAV approach as the most appropriate valuation method for the Consolidated Group's investment in Grindrod. Making this judgement, the Board evaluated different valuation methodologies and concluded the NAV approach to be the most appropriate, as it maximises the use of observable inputs (data on comparable recent vessel sale transactions) (note (f)).

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

f) Fair Value of Holdco and SPVs

The TMI Group records its investment in Holdco and the SPVs at fair value. Fair value is determined as the fair value of the consolidated net assets of Holdco and the SPVs. The fair value of the investment in Holdco and the SPVs includes the SPVs' investments in their respective vessel assets or investment in indirect vessel assets in the case of the Grindrod investment, which is held by Good Falkirk (MI) Limited, as well as the fair value of the residual net assets and liabilities of Holdco, SPVs and Grindrod.

Charter-free valuations – delivered vessels

In estimating the fair value of each underlying SPV, the Board has approved the valuation methodology for valuing the shipping vessel assets held by the SPVs. The fair value of the shipping vessel assets is determined by two independent, recognised ship valuation companies selected by the Board to provide charter-free valuations for each vessel being Hartland Shipping Services Limited and Braemar ACM Valuations Limited. The TMI Group takes the arithmetical mean of the two valuations to determine the value of a vessel. The values are based on the professional valuers' assessment of what a willing seller and a willing buyer would pay for the vessel at the time of valuation. When valuing a particular vessel, the valuers will take into account the vessel's type, size and standard specifications, comparable recent sales, buyers' and sellers' price expectations for vessels currently being offered in the market, and freight market sentiment; adjustment is made for age and survey position, and also for particular specification features, such as Ballast Water Treatment Systems and energy saving devices.

Adjustments for charter leases

The charter-free independent valuations are then adjusted for any significant differences on any vessel's charter with remaining lease contracts that are greater than 12 months in length attached to a vessel, based on premium/discount to the forward freight agreement ("FFAs") benchmark rates. At 31 March 2024, the Board has determined that no adjustment for charter leases to the charter-free valuations or a related sensitivity disclosure was necessary as they were deemed immaterial (31 March 2023: no adjustments).

Investment in Grindrod

At 31 March 2024, the Company has determined that the fair value of the Grindrod investment, held through the Company's wholly owned SPV, Good Falkirk (MI) Limited, (the "Grindrod investment") should be based on a fair value provided by a third-party independent globally recognised accountancy firm (the "Independent valuer") and approved by the Board. At 31 March 2024, the Independent valuer determined the fair value of the Grindrod investment to be US$324.7 million (31 March 2023: US$362.4 million).

The initial Grindrod net asset value is determined in accordance with IFRS at 31 March 2024 and provided by the Grindrod finance team to the Independent valuer.

The Independent valuer then applied the following adjustments, aligning them to the Company's accounting policies, to Grindrod's IFRS net asset value:

- *Owned/delivered vessels* – for Grindrod's IFRS reporting purposes, the vessels held are carried at cost less depreciation and impairment. The Independent valuer, in alignment with the Company's accounting policy, replaces this value with a fair value of the Grindrod vessel assets based on the arithmetical mean of two valuations as determined by the two independent valuers providing charter-free valuations for each vessel. At 31 March 2024, for owned/delivered vessels, a fair value uplift of US$114.3 million was applied to the Grindrod's IFRS net asset value (31 March 2023: US$119.9 million);
- *Chartered-in Vessels (with option to purchase)* – the Independent valuer determined the fair value as the excess of the expected fair value of each of the three Chartered-in Vessels (with option to purchase) as at the expected option exercise date over the option purchase price (in accordance with the agreed terms outlined in each respective option agreement). One of these purchase options was exercised post year-end. The Independent valuer determined that the agreed selling price under the relevant memoranda of agreement for this vessel was the best representation of its fair value. As of 31 March 2024, a fair value uplift of US$32.6 million was applied to the Grindrod's IFRS net asset value for Chartered-in Vessels (with option to purchase) (31 March 2023: US$32.8 million). This uplift was determined as the present value of the excess aggregate expected fair value of the Chartered-in Vessels (with option to purchase) as at the expected option exercise date of US$90.7 million over the aggregate option purchase price of US$58.1 million. Reasonably possible changes to those inputs will not change the fair value uplift significantly;
- *Adjustments for charter leases* – As the brokers' valuations are prepared on a charter-free basis, the Independent valuer assessed the difference in value arising from the contracted charter versus market rate, and where the difference is material, factored the adjustment into the valuation. At 31 March 2024, the Independent valuer concluded that no further adjustments should be made for charter leases given the immaterial nature of any adjustments (31 March 2023: no adjustment).

The independent valuer also used discounted cashflow ("DCF") models as a secondary valuation method. The range of the fair values determined using the DCF approach corroborated the fair value of the Grindrod investment assessed under the primary valuation approach described above.

Climate change and the energy transition: In preparing the Consolidated Financial Statements, the Directors have considered the impact of climate change and the transition to a low carbon economy. The fair value of the Group's vessels is impacted by the market expectations with regard to the climate-related regulations that might be adopted in the foreseeable future. The Group's vessels have various Energy Saving Devices installed, which are also factored into the charter-free valuations of the vessels disclosed in note 5.

4. Dividends Payable

The Company intends to pay dividends on a quarterly basis with dividends declared in January, April, July and October.

The Company declared the following dividends per Ordinary Share during the year ended 31 March 2024:

Period to	Payment date	Dividend rate per Share (cents)	Net dividend payable (US$)	Record date	Ex-dividend date
31 March 2023	31 May 2023	2.00	6,595,317	12 May 2023	11 May 2023
30 June 2023	30 August 2023	2.00	6,597,338	11 August 2023	10 August 2023
30 September 2023	24 November 2023	2.00	6,585,084	3 November 2023	2 November 2023
31 December 2023	29 February 2024	2.00	6,595,330	9 February 2024	8 February 2024
		8.00	**26,373,069**		

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Subsequent to the year end[1], the Company also declared the following dividends:

Period to	Payment date	Dividend rate per Share (cents)	Net dividend payable (US$)	Record date	Ex-dividend date
31 March 2024	31 May 2024	2.00	6,604,318	10 May 2024	9 May 2024
		2.00	**6,604,318**		

During the year ended 31 March 2024, the Company paid dividends totalling US$13,953 to the TMI EBT.

The Company declared the following dividends per Ordinary Share during the year ended 31 March 2023:

Period to	Payment date	Dividend rate per Share (cents)	Net dividend payable (US$)	Record date	Ex-dividend date
31 March 2022	19 May 2022	1.75	5,756,913	29 April 2022	28 April 2022
31 March 2022	10 June 2022	3.22	10,613,920	20 May 2022	19 May 2022
30 June 2022	24 August 2022	2.00	6,609,233	5 August 2022	4 August 2022
30 September 2022	25 November 2022	2.00	6,652,667	4 November 2022	3 November 2022
31 December 2022	28 February 2023	2.00	6,602,933	10 February 2023	9 February 2023
		10.97	**36,235,666**		

Dividends on Ordinary Shares are declared in US Dollar and paid, by default, in US Dollar. However, Shareholders can elect to receive dividends in Sterling by written notice to the Registrar (such election to remain valid until written cancellation or revocation is given to the Registrar). The date on which the US Dollar/Sterling exchange rate for the relevant dividend is set will be announced on the London Stock Exchange at the time the dividend is declared and a further announcement will be made once such exchange rate has been determined.

Under Guernsey law, companies can pay dividends in excess of accounting profit provided they satisfy the solvency test prescribed by the Companies (Guernsey) Law, 2008. The solvency test considers whether a company is able to pay its debts when they fall due, and whether the value of a company's assets is greater than its liabilities.

Total dividends payable as at 31 March 2024 were US$nil (31 March 2023: US$nil).

5. Financial Assets at Fair Value Through Profit or Loss

The Consolidated Group invests in a diversified portfolio of shipping vessels. The Consolidated Group holds vessels through SPVs which are wholly owned and controlled by the Company and are held through the intermediate holding company called TMI Holdco Limited ("Holdco").

The Company has determined that the fair value of Holdco and the SPVs is the consolidated NAV of Holdco and the SPVs. The fair value of the SPVs includes the SPVs' investment in their respective vessel assets or indirect vessel assets in the case of the Grindrod investment, which is held by Good Falkirk (MI) Limited, as well as the residual net assets and liabilities of the SPVs.

IFRS 13 requires that a fair value hierarchy be established that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are set as follows:

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement. Observable data is considered to be that market data that is readily available, regularly distributed or updated, reliable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The Consolidated Group's entire investment portfolio is designated by the Board as Level 3 on the fair value hierarchy, due to the level of unobservable market information in determining the fair value. As a result, all the information below relates to the Consolidated Group's Level 3 assets.

	1 April 2023 to 31 March 2024 US$	1 April 2022 to 31 March 2023 US$
Cost at the start of the year	317,544,958	328,544,923
Net cash transfers to/(from) TMI Holdco Limited	300,026	(10,999,965)
Cost at the end of the year	317,844,984	317,544,958
Net gains on financial assets at the end of the year	165,598,892	239,193,282
Financial assets at fair value through profit or loss at the end of the year	**483,443,876**	**556,738,240**
Movement in net gains on financial assets at fair value through profit or loss	**(73,594,390)**	**(6,376,717)**

Valuation inputs of the underlying shipping vessels

The Executive Team and Audit, Risk and Engagement Committee Chair engage in dialogue with the two independent valuation brokers, where the methodologies, controls and processes are communicated, assessed and challenged. The charter-free valuations are determined using comparable recent sales as a starting point. Unobservable input adjustments are made for age, size, buyers' and sellers' price expectations for vessels currently being offered in the market (freight market sentiment), and also for particular specification features of the vessels, such as Ballast Water Treatment Systems and energy saving devices, and docking status. In line with standard industry practice, the independent brokers do not release specific quantitative information regarding most of the significant unobservable inputs used in the level 3 fair value measurements. The quantitative information not released relates to the adjustments made for age and size of the vessels, as well as the freight market sentiment, therefore such information is not disclosed. The adjustments made for energy saving devices, other particular specification features of the vessels, and their docking status are individually insignificant (less than US$1 million in total per each vessel), however their aggregate impact on the fair value of the group's fleet might be material. A reasonably possible change in those inputs will not change the fair value significantly.

[1] In accordance with IAS 10, dividends declared after the reporting period are not recognised as a liability at 31 March 2024.

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For the year ended 31 March 2024

6. Investments in Subsidiaries

The Consolidated Group had the following principal subsidiaries:

Name	Place of incorporation	Principal Activity[1]	Ownership proportion 31 March 2024	Ownership proportion 31 March 2023
TMI subsidiaries				
Held directly by the Company:				
TMI Advisors (UK) Limited[2]	UK	Advisory and administration services	100.0%	100.0%
TMI Holdco Limited	Marshall Islands	Holding company	100.0%	100.0%
TMI Director 1 Limited[2]	Guernsey	Corporate director services	100.0%	100.0%
TMI Management (HK) Limited[2]	Hong Kong	In liquidation	100.0%	100.0%
Taylor Maritime Employee Benefit Trust[3]	Jersey	Employee benefit trust	100.0%	N/A
Held by TMI Advisors (UK) Limited:				
TMI Advisor Pte. Limited[2]	Singapore	Advisory and administration services	100.0%	100.0%
Held by TMI Holdco Limited:				
Good Duke (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Good Earl (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Good Edgehill (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Good Falkirk (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Good Fiefdom (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Good Grace (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Good Heir (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Good Queen (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Good Stag (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Good Titan (MI) Limited	Marshall Islands	Ship owning SPV[4]	100.0%	100.0%
Good Truffle (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Good Uxbridge (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Good Viscount (MI) Limited	Marshall Islands	Ship owning SPV[4]	100.0%	100.0%
Good White (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Good Windsor (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Good Yeoman (MI) Limited	Marshall Islands	Ship owning SPV[4]	100.0%	100.0%
Great Ewe (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Great Fox (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Billy (MI) Limited	Marshall Islands	Ship owning SPV[4]	100.0%	100.0%
Cassius (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Decius (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Forshall (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Gaius (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Gabinius (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Hosidius (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%

1 Special Purpose Vehicle abbreviated to "SPV"
2 Consolidated Group
3 Controlled via trust deed
4 Dissolved in July 2024.

Name	Place of incorporation	Principal Activity[1]	Ownership proportion 31 March 2024	Ownership proportion 31 March 2023
Horatio (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Junius (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Julius (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Lucius (MI) Limited	Marshall Islands	Ship owning SPV	100.0%	100.0%
Larcius (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Maximus (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Mallius (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Nero (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Octavius (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Optimus (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Perpena (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Rufus (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Quintus (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Pompey (MI) Limited	Marshall Islands	Dormant company	100.0%	100.0%
Nordcolorado Shipping Company Ltd	Cyprus	In liquidation	100.0%	100.0%
Nordrubicon Shipping Company Ltd	Cyprus	In liquidation	100.0%	100.0%
Grindrod Group				
Held by Good Falkirk (MI) Limited:				
Grindrod Shipping Holdings Ltd	Singapore	Holding company	82.3%	83.2%
Held via Grindrod Shipping Holdings Limited:				
Grindrod Shipping Pte. Ltd	Singapore	Ship operating and management	82.3%	83.2%
Grindrod Shipping (South Africa) Pty Ltd	South Africa	Ship operating and management	82.3%	83.2%
IVS Bulk 475 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 511 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 512 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 603 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 609 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 611 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 612 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 707 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 3708 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
IVS Bulk 3720 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
IVS Bulk 225 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 5028 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IM Shipping Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
Island Bulk Carriers Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
Grindrod Shipping Services UK Limited	United Kingdom	Shipping related services	82.3%	83.2%
Grindrod Shipping Services HK Limited	Hong Kong	Shipping related services	82.3%	83.2%
Unicorn Atlantic Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%

1 Special Purpose Vehicle abbreviated to "SPV"

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For the year ended 31 March 2024

Name	Place of incorporation	Principal Activity[1]	Ownership proportion	
			31 March 2024	31 March 2023
Unicorn Baltic Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
Unicorn Bulk Carriers Ltd	British Virgin Islands	In liquidation	82.3%	83.2%
Unicorn Tankers (International) Ltd	British Virgin Islands	In liquidation	82.3%	83.2%
Unicorn Tankers Holdings Ltd	British Virgin Islands	In liquidation	82.3%	83.2%
Unicorn Sun Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
Unicorn Moon Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
Comshipco Schiffahrtsagentur GmBH	Germany	Ship agents and operators	82.3%	83.2%
IVS Bulk Pte Limited	Singapore	Shipping related services	82.3%	83.2%
IVS Bulk 541 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 543 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
IVS Bulk 545 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
IVS Bulk 554 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
IVS Bulk 5855 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
IVS Bulk 5858 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
IVS Bulk 709 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 712 Pte. Ltd.	Singapore	Dormant company	82.3%	83.2%
IVS Bulk 7297 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
IVS Bulk 1345 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
IVS Bulk 3693 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
IVS Bulk 10824 Pte. Ltd.	Singapore	Ship owning SPV	82.3%	83.2%
Island View Ship Management Pte. Ltd.[1]	Singapore	Ship owning SPV	82.3%	N/A
IVS Bulk 784 Pte. Ltd.[2]	Singapore	Ship owning SPV	82.3%	N/A
IVS Bulk 725 LLC[3]	Marshall Islands	Ship owning SPV	82.3%	N/A
IVS Bulk 784 LLC[4]	Marshall Islands	Ship owning SPV	82.3%	N/A
Unicorn Tanker Projects (452) Ltd	British Virgin Islands	In liquidation	82.3%	83.2%
Unicorn Tanker Projects (428) Ltd	British Virgin Islands	In liquidation	82.3%	83.2%
Tamar Ship Management Limited[5]	Hong Kong	Ship management services	82.3%	N/A
Tamar Ship Management Pte Ltd[5]	Singapore	Ship management services	82.3%	N/A
Taylor Maritime Management Limited[5]	Marshall Islands	Holding Company	82.3%	N/A
Taylor Maritime Pte Ltd[5]	Singapore	Ship management services	82.3%	N/A
Taylor Maritime (HK) Limited[5]	Hong Kong	Ship management services	82.3%	N/A
Taylor Maritime (UK) Limited[5]	United Kingdom	Ship management services	82.3%	N/A
Castle Marine Services Limited[5]	Hong Kong	Ship management services	82.3%	N/A

1 Incorporated on 22 September 2023.
2 Incorporated on 29 September 2023.
3 Incorporated on 11 July 2023.
4 Incorporated on 1 July 2023.
5 Purchased on 3 October 2023. See page 137 for further details.

TMI – Interests in unconsolidated subsidiaries

The Company acts as corporate guarantor on the Secured Senior Revolving Credit Facility ("SRCF") with TMI Holdco Limited as borrower. The Company and TMI Holdco Limited act as corporate guarantors on the Revolving Credit Facility ("RCF") with Good Falkirk (MI) Limited as borrower. Twenty vessels held by the unconsolidated subsidiaries are subject to the collateral conditions in relation to the SRCF. See note 13 for further details.

The Company does not have any other current commitments or intentions to provide financial or other support to any unconsolidated subsidiary.

Subject to certain bank undertakings, as detailed above and in note 13, there are no other restrictions on the ability of unconsolidated subsidiaries to transfer funds to the company in the form of cash dividends.

7. Dividend Income

The Company receives dividends on a quarterly basis from TMI Holdco Limited. Dividend income is recognised when the right to receive a payment is established. Proceeds from the dividends received are used to pay the Company's quarterly dividend payments and ongoing company charges.

During the year ended 31 March 2024, the company received the following dividends from TMI Holdco Limited:

In relation to the quarter ended	US$
31 March 2023	7,769,785
30 June 2023	7,769,785
30 September 2023	7,769,785
31 December 2023	7,769,785
	31,079,140

Subsequent to the year end, the Company also received the following dividends:

In relation to quarter ended	US$
31 March 2024	7,769,785
	7,769,785

During the year ended 31 March 2023, the Company received the following dividends from TMI Holdco Limited:

In relation to the quarter ended	US$
31 March 2022	6,798,562
31 March 2022	12,509,354
30 June 2022	7,769,785
30 September 2022	7,769,785
31 December 2022	7,769,785
	42,617,271

Total dividends receivable at 31 March 2024 were US$nil (31 March 2023: US$nil).

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For the year ended 31 March 2024

8. Trade and other payables

	31 March 2024 US$	31 March 2023 US$
Executive Team and employee costs payable (note 10)	2,031,316	1,977,515
Audit fees payable	400,654	436,431
Tax payable	78,600	162,574
Share-awards payable (note 10)	628,534	–
Other sundry fees payable	262,565	358,670
	3,401,669	**2,935,190**

The Company paid Deloitte LLP US$682,410 for the audit of the Company for the year ended 31 March 2024 (2023: US$490,161 to PwC). There were no non-audit services provided for the year ended 31 March 2024 (2023: none).

The carrying amount of trade and other payables approximates their fair value.

9. Financial Risk Management

The Board has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board, with the assistance of the Executive Team, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risk. These risks include market risk (including price risk, currency risk and interest rate risk), credit and counterparty risk and liquidity risk.

Categories of financial instruments

	31 March 2024 US$	31 March 2023 US$
Financial assets at fair value through profit or loss		
Financial assets at fair value through profit or loss (note 5)	483,443,876	556,738,240
Financial assets at amortised cost		
Cash	3,844,261	11,199,937
Trade and other receivables (excluding prepayments)	459,527	299,812
Total assets	**487,747,664**	**568,237,989**
Financial liabilities at amortised cost		
Trade and other payables (note 8)	3,401,669	2,935,190
Total liabilities	**3,401,669**	**2,935,190**

Market risk

The value of the investments held by the Group is indirectly affected by the factors impacting the shipping industry generally, such as, currency exchange rates, interest rates, the availability of credit, economic or political uncertainty and changes in law governing shipping or trade. These factors may affect the price or liquidity of vessels held by the SPVs and thus the value of the investments in the SPVs.

Price risk

As described in note 3, the Group's financial assets are measured at fair value which comprises the fair value of Holdco, the fair value of vessels in each underlying SPVs plus the fair value of the residual net assets and liabilities of Holdco and each SPV.

Charter-free valuation for vessels

Price risk sensitivity analysis is based on charter-free valuations for vessels. If the ship values at 31 March 2024 and 31 March 2023 were 30% higher or lower, then the effect on the Consolidated Group's net assets and profit or loss would be as follows:

	Fair value of vessels US$	Possible reasonable change in fair value	Effect on net assets and profit or loss US$
31 March 2024	627,164,560	+/-30%	+/- 188,149,368
31 March 2023	789,677,741	+/-30%	+/- 236,903,332

At 31 March 2024, the total fair value of vessels at US$627,164,560 (31 March 2023: US$789,677,741) includes the TMI fleet of 19 vessels (31 March 2023: 23 vessels) at a fair value of US$289,965,000 (31 March 2023: US$372,840,000) and Grindrod fleet of 17 vessels[1] (31 March 2023: 24 vessels[1]) at a fair value of US$337,199,560 (31 March 2023: US$416,837,741). The fair value of the Grindrod fleet is apportioned to TMI's percentage ownership at 31 March 2024 of 82.3% (31 March 2023: 83.2%).

The sensitivity rate of 30% is regarded as reasonable as it is based on a 20-year average of historical ship price movements.

Currency risk

The Group may have assets and liabilities denominated in currencies other than United States Dollars, the functional currency. Therefore, it may be exposed to currency risk as the value of assets or liabilities denominated in other currencies will fluctuate due to changes in exchange rates. However, such exposure is currently, and is expected to remain, insignificant. Consequently, no further information has been provided.

Interest rate risk

The majority of the Consolidated Group's financial assets and liabilities are non-interest bearing. However, the wider Group (including non-consolidated subsidiaries) interest-bearing financial assets and liabilities (loans taken out at subsidiary level and excess cash invested at short-term market interest rates) expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

1 Excludes Chartered-in vessels with purchase options.

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For the year ended 31 March 2024

The table below summarises the Consolidated Group's exposure to interest rate risks.

31 March 2024	Floating rate US$	Non-interest bearing US$	Total US$
Financial assets			
Cash	3,844,261	–	3,844,261
Trade and other receivables (excluding prepayments)	–	459,527	459,527
Financial assets at fair value through profit or loss	–	483,443,876	483,443,876
Total financial assets	**3,844,261**	**483,903,403**	**487,747,664**
Financial liabilities			
Trade and other payables	–	3,401,669	3,401,669
Total financial liabilities	**–**	**3,401,669**	**3,401,669**
Total	**3,844,261**	**480,501,734**	**484,345,995**

31 March 2023	Floating rate US$	Non-interest bearing US$	Total US$
Financial assets			
Cash	11,199,937	–	11,199,937
Trade and other receivables (excluding prepayments)	–	299,812	299,812
Financial assets at fair value through profit or loss	–	556,738,240	556,738,240
Total financial assets	**11,199,937**	**557,038,052**	**568,237,989**
Financial liabilities			
Trade and other payables	–	2,935,190	2,935,190
Total financial liabilities	**–**	**2,935,190**	**2,935,190**
Total	**11,199,937**	**554,102,862**	**565,302,799**

The following details the Consolidated Group's sensitivity to a 100 basis point (31 March 2023: 350 basis points) increase and decrease in interest rates on floating interest rate bearing assets, with 100 basis point (31 March 2023: 350 basis points) being the Board's assessment of a reasonably possible change in interest rates during the next financial year.

At 31 March 2024, if interest rates had risen by 100 basis points (31 March 2023: 350 basis points), the decrease in the Consolidated Group's net assets attributable to holders of Company's Ordinary Shares would amount to US$0.04 million (31 March 2023: US$0.40 million). Likewise, at 31 March 2024, if interest rates had decreased by 100 basis points (31 March 2023: 350 basis points), the increase in the Consolidated Group's net assets attributable to holders of Company's Shares would amount to US$0.04 million (31 March 2023: US$0.40 million).

For additional information, TMI's exposure, through its investment in Holdco, to interest rate risk on a non-IFRS look-through basis is summarised in Appendix B.

Credit and counterparty risk

Credit and counterparty risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Consolidated Group. The Consolidated Group does not have significant credit risk exposure to any single counterparty in relation to trade and other receivables. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The table below analyses the Consolidated Group's maximum exposure to credit risk, in relation to the components of the Consolidated Statement of Financial Position.

	31 March 2024 US$	31 March 2023 US$
Cash	3,844,261	11,199,937
Trade and other receivables (excluding prepayments)	459,527	299,812
Financial assets at fair value through profit or loss	483,443,876	556,738,240
	487,747,664	**568,237,989**

At 31 March 2024, the Consolidated Group had no financial assets past due or impaired (31 March 2023: none).

At 31 March 2024 and 31 March 2023, the Consolidated Group maintains its cash with various banks to diversify credit risk. These are subject to the Consolidated Group's credit monitoring policies including the monitoring of the credit ratings issued by recognised credit rating agencies.

The credit risk of the Consolidated Group's cash is mitigated as all cash is placed with reputable banking institutions with a sound credit rating of a single A (or equivalent) or higher as determined by an internationally recognised rating agency and where credit ratings are not available, it is placed with banking institutions with capital base and ratios that exceeds regulatory requirements. At 31 March 2024, the Consolidated Group's cash is held with EFG Bank, Cayman Branch with a Fitch long term credit ratings of A (31 March 2023: A), DBS Bank Limited ("DBS") with a Fitch long term credit ratings of AA- (31 March 2023: AA-) and HSBC UK Bank plc with a Fitch long term credit ratings of AA- (31 March 2023: AA-).

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board of Directors has established an appropriate liquidity risk management framework for the management of the Group's short- medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash reserves by monitoring forecast and actual cash flows.

The table below shows the maturity of the Consolidated Group's non-derivative financial assets, excluding prepayments, and liabilities. The amounts disclosed are contractual, undiscounted cash flows and may differ from the actual cash flows received or paid in the future as a result of early repayments.

31 March 2024	Up to 3 months US$	3 – 12 months US$	No stated maturity US$	Total US$
Financial assets				
Cash	3,844,261	–	–	3,844,261
Trade and other receivables (excluding prepayments)	459,527	–	–	459,527
Financial assets at fair value through profit or loss	–	–	483,443,876	483,443,876
Total financial assets	**4,303,788**	**–**	**483,443,876**	**487,747,664**
Financial liabilities				
Trade and other payables	2,031,316	1,370,353	–	3,401,669
Total financial liabilities	**2,031,316**	**1,370,353**	**–**	**3,401,669**
Total	**2,272,472**	**1,370,353**	**483,443,876**	**484,345,995**

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31 March 2023	Up to 3 months US$	3 – 12 months US$	No stated maturity US$	Total US$
Financial assets				
Cash	11,199,937	–	–	11,199,937
Trade and other receivables (excluding prepayments)	299,812	–	–	299,812
Financial assets at fair value through profit or loss	–	–	556,738,240	556,738,240
Total financial assets	**11,499,749**	**–**	**556,738,240**	**568,237,989**
Financial liabilities				
Trade and other payables	1,873,240	1,061,950	–	2,935,190
Total financial liabilities	**1,873,240**	**1,061,950**	**–**	**2,935,190**
Total	**9,626,509**	**1,061,950**	**556,738,240**	**565,302,799**

For additional information on TMI's exposure to liquidity risk, a table has been provided in Appendix B on a non-IFRS look-through basis to the TMI SPVs cash and the TMI SPV's loan and credit facilities.

Capital Risk Management

The Company's investment objective is to provide investors with an attractive level of regular, stable and growing income and the potential for capital growth through investing primarily in Geared Bulk Carrier vessels (Handysize and Supramax types), usually employed or to be employed on fixed period Charters. The capital structure of the Company consists of equity attributable to equity holders, comprising issued share capital as disclosed in note 12, treasury shares, retained earnings and other reserves.

The Group manages its capital with aim of meeting its primary investment objective. It does this by investing available cash in line with the Group's investment policy.

At 31 March 2024, TMI has the following credit facilities:

→ The Company (as corporate guarantor) and Holdco (as borrower) entered into a secured senior revolving credit facility in the aggregate principal amount of up to US$167,642,750 (as may be increased by up to US$60,000,000) divided into i) an up to US$94,528,500 non-reducing SRCF, ii) an up to US$73,114,250 reducing SRCF and iii) an up to US$60,000,000 optional reducing revolving accordion credit facility with Nordea Bank Abp, Filial i Norge (the "Bank") and a consortium of lenders, led by the Bank, dated 21 September 2023 (see note 13 for further details).

TMI is committed, in accordance with the investment policy, to maintaining a target gearing ratio of no more than 25% aggregate borrowing to gross assets. Gearing is reduced by utilizing any excess cash flow generated from charter income to repay debt, as well as through vessel sales when necessary.

10. Related Parties and Other Key Contracts

Executive Director and Non-Executive Directors

Total Non-Executive Directors' fees for the year ended 31 March 2024 amounted to US$535,904 (31 March 2023: US$476,747), with Non-Executive Directors' expenses of US$6,114 (31 March 2023: US$6,332), At 31 March 2024, there were US$40,236 outstanding Non-Executive Directors' fees payable (31 March 2023: US$26,956).

The Intra-group Advisory and Services Agreement

The services of the Executive Team are provided pursuant to an intra-group advisory and services agreement between TMIUK and the Company dated 1 April 2022 (the "Advisory Agreement"). In accordance with the terms of the Advisory Agreement, TMIUK and TMI Singapore provide certain services to the Company, including the sourcing of potential investments, the provision of investment recommendations to the Board and assisting with the implementation of transactions approved by the Board (the "Services"). In consideration for the Services, the Company shall pay, or procure that TMIUK is paid a fee of costs plus 10%[1] or such other, fees as may be agreed from time to time between the Company and TMIUK.

The Intra-group Advisory and Services Agreement is terminable upon 3 months' notice by either party and in certain circumstances by summary termination on notice. The Intra-group Advisory and Services Agreement contains mutual indemnities given by each party for the benefit of the other.

Alexander Slee, Camilla Pierrepont, Yam Lay Tan and Carl Ackerley (whose roles within the Executive Team are set out on page 60) have employment agreements with TMIUK, TMI Singapore and Grindrod respectively, pursuant to which they will devote all of their working time to the business of the Group. The members of the Executive Team are paid a salary, with some members also being entitled to participate in the Company's annual bonus plan, the LTIP and the DBP, see below.

Long-term Incentive Plan ("LTIP")

The Company has an LTIP for certain employees of the Company, or any of its subsidiaries, which is equity settled. Ordinarily, awards will be granted within six weeks of the Group's results announcement for any period. The LTIP will include flexibility to grant awards at any other time (subject to any dealing restrictions) when the Nomination and Remuneration Committee considers there to be exceptional circumstances.

Awards will vest three years from grant date based on (i) the extent to which any applicable performance conditions have been met (see below) and (ii) provided the participant is still employed in the Group.

The fair value of share grants yet to vest is measured based on the grant date fair value over the vesting period. The fair value is recognised over the expected vesting period. For the awards granted in 2021, 2022 and 2023 the terms and main assumptions, and the resulting fair value, are:

	31 March 2024	31 March 2023
Assumptions		
Grant dates	26 August 2021, 2 August 2022, 9 August 2023	26 August 2021, 2 August 2022
Share price at date of grant	US$1.28, US$1.46, US$0.91	US$1.28, US$1.46
Total Share Awards	6,237,065	4,383,922
Performance period	3 years	3 years
Dividend per share overlay	US$0.0175 – US$0.020 per quarter	US$0.0175 – US$0.020 per quarter
Fair value	US$6,245,741	US$5,004,135
Performance conditions range (see below)	100%/80% – average annual total NAV return 0%/20% – ESG targets	100%/80% – average annual total NAV return 0%/20% – ESG targets
Share-based payment expense for the year – *based on estimates of performance conditions achieved*	**US$1,742,216**	**US$910,080**

For the year ended 31 March 2024, a total share-based payment expense of US$1,742,216 (31 March 2023: US$910,080) was recognised in the profit or loss, which includes US$113,230 (31 March 2023: US$nil) in relation to the deferred bonus plans (see page 135), and payable to the award holders.

[1] As TMIUK is consolidated into these Financial Statements, as such, the 10% uplift is eliminated on consolidation.

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Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2024

A corresponding increase to "Other reserves" of US$1,113,682 (31 March 2023: US$910,080) was recognised in the Consolidated Statement of Changes in Equity relating to the fair value of the equity-settled share-based awards. The remaining US$628,534 (31 March 2023: US$nil) share-based payment expense was recognised in trade and other payables in the Consolidated Statement of Financial Position relating to cash-settled awards.

Performance conditions

The LTIP award to the extent that is linked to the average annual total NAV return vests based on the following conditions:

Average annual total NAV Return	% of award which vests
Less than 7%[1]	0%
7%	50%
8%	60%
9%	70%
10%	80%
11%	90%
12% or more	100%

The LTIP award ESG targets include various objectives in line with the Group's ESG commitments on responsible investments, climate change, environmental management, compliance and conduct, community engagement and corporate governance.

Executive Team and other employee remuneration

Details of the remuneration are given in the nomination and remuneration committee report but the total charge for remuneration for the year and accrued but unpaid payments as at the year end are as follows:

Charge for the year	For the year ended 31 March 2024 US$	For the year ended 31 March 2023 US$
Edward Buttery (CEO and Executive Director) – salary, bonus and other employment costs	1,060,729	852,021
Executive Team – *salaries and bonuses*	2,123,390	2,414,385
Executive Team – *other employment costs*	240,353	399,250
Other Group employees – *salaries and other costs*	1,210,185	1,266,152
Total salaries bonus and other employment costs	**4,634,657**	**4,931,808**
Non-Executive Director fees and expenses	535,904	476,747
Total Director, Executive Team and employment costs	**5,170,561**	**5,408,555**
Share-based payments *(see "LTIP" above)*	1,742,216	910,080
Total remuneration and fees	**6,912,777**	**6,318,635**

[1] Effective from August 2023, the 5-6% average total NAV return lines were removed and the minimum threshold increased to 7% to earn 50% of the potential award.

	31 March 2024 US$	31 March 2023 US$
Outstanding fees		
Salary, bonuses and other employment costs	1,662,972	1,394,987
Non-Executive Director fees	40,236	26,956
Total	**1,703,208**	**1,421,943**

Edward Buttery also received a salary of £342,500 from Grindrod for his joint CEO role for the year ended 31 March 2024 (31 March 2023: N/A).

The Nomination and Remuneration Committee retains flexibility to set different conditions in respect of future financial years if it sees fit.

The number of employees in the Consolidated Group at the year end were as follows:

	31 March 2024 No.	31 March 2023 No.
Number of employees	12	12

Annual bonus and deferred bonus plans

On 25 April 2024, the following annual bonus plans relating to the year ended 31 March 2024 were approved by the Board:

Executive team	31 March 2024	31 March 2023
Edward Buttery	£397,500	£375,000
Total other Executive Team members	US$1,297,801	US$966,000

Edward Buttery's annual bonus was paid 50% in cash and 50% in Ordinary Shares of the Company under the deferred bonus plan (31 March 2023: 50% cash bonus and 50% Ordinary shares). For the other Executive Team members, of the US$1,297,801 bonus awarded for the year ended 31 March 2024 (31 March 2023: US$966,000), US$703,231 was payable in cash and US$594,570 in Ordinary Shares under deferred bonus plan (31 March 2023: US$483,000 of bonus awards were payable in cash and US$483,000 in Ordinary Shares).

The cash bonus awards were accrued during the year ended 31 March 2024 and were an outstanding payable as at 31 March 2024. For the year ended 31 March 2024, the share-based expense for the year amounted to US$113,230 (31 March 2023: US$nil) in relation to the deferred bonus plans.

The Ordinary Share awards granted and recorded post year end will vest in equal instalments over 3 years and, for Edward Buttery only, will be subject to a further 2-year hold period.

Edward Buttery also received a cash bonus of £342,500 from Grindrod for his joint CEO role for the year ended 31 March 2024 (31 March 2023: N/A).

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2024

Shares held by related parties

The shareholdings of the Directors' and Executive Team in the Company were as follows:

Directors of the Company	31 March 2024 No. of Ordinary Shares	31 March 2024 Percentage	31 March 2023 No. of Ordinary Shares	31 March 2023 Percentage
Name				
Henry Strutt	74,000	0.02%	–	–
Frank Dunne	155,940	0.05%	42,416	0.01%
Edward Buttery[1]	615,000	0.19%	470,344	0.12%
Christopher Buttery	1,004,000	0.30%	800,722	0.24%
Trudi Clark	70,000	0.02%	70,000	0.02%
Sandra Platts	42,261	0.01%	42,261	0.01%
Helen Tveitan[2]	20,000	0.01%	20,000	0.01%
Charles Maltby[3]	115,000	0.04%	–	–
Executive team members				
Alexander Slee	56,896	0.02%	56,896	0.02%
Camilla Pierrepont	192,929	0.06%	192,929	0.06%

Other material contracts

Commercial Manager and Technical Manager

Under the Framework Management Agreement dated 6 May 2021 (the "Framework Management Agreement), Taylor Maritime (HK) Limited ("TMHK") acts as Commercial Manager and performs related activities for the Group's vessels, and Tamar Ship Management Limited ("Tamar") acts as Technical Manager for certain vessels held by the Group. For the duration of the appointment of the Commercial and Technical Managers to the Group's vessels, where applicable, each vessel owning SPV is directed under the Framework Management Agreement to pay to the Managers for their services the remuneration set out in the Commercial Management Agreement or Technical Management Agreement, as the case may be.

The overall charges for the above-mentioned fees by TMHK and Tamar for the year and the amounts due are as follows:

	For the year ended 31 March 2024 US$	For the year ended 31 March 2023 US$
Charge for the year[4]		
Office support fees paid to TMHK	80,264	188,480
Commercial management fees paid to TMHK	2,261,116	5,827,557
Technical management and additional services fees paid to Tamar	1,801,301	4,271,930
Technical management fees paid to a substantial shareholder of the Company	179,400	240,002
Total	**4,322,081**	**10,527,969**

1 Excludes 85,344 Ordinary Shares held by a person closely associated to Edward Buttery.
2 Resigned 31 March 2024
3 Appointed 1 January 2024
4 These charges are expensed and outstanding at the SPV level. These charges are, therefore, only reflected through "Financial assets at fair value through profit or loss" in these consolidated financial statements.

	31 March 2024 US$	31 March 2023 US$
Outstanding fees[1]		
Commercial management fees payable to TMHK	–	122,441
Total	**–**	**122,441**

There were no other fees outstanding at 31 March 2024 or 31 March 2023.

On 3 October 2023, Grindrod announced that its wholly owned subsidiary Grindrod Shipping Pte. Ltd., completed the acquisition of the entire issued share capital of each of Taylor Maritime Management Limited ("TMML") and Tamar. TMML is the parent company of TMHK, the Commercial Manager.

Prior to the acquisition, both Tamar and TMHK were deemed as related parties. Post acquisition Tamar and TMHK became subsidiaries of Grindrod, however charges for both years are reflected through financial assets held through fair value profit or loss in the current period year and the comparative period.

Under the terms of the Transaction, Grindrod Shipping Pte. Ltd. agreed to acquire all of the shares of TMML and Tamar for a total consideration of US$12.92 million. Following the acquisition, the Framework Management Agreement remains in force.

Administrator

Sanne Fund Services (Guernsey) Limited ("Sanne" or the "Administrator") has been appointed as administrator and secretary to the Company pursuant to the Administration Agreement dated 6 May 2021. The Administrator is part of the Apex Group of companies

The Administrator provides day-to-day administration services to the Company and is also responsible for the Company's general administrative and secretarial functions such as the calculation of the Net Asset Value and maintenance of the Company's accounting and statutory records.

Under the terms of the Administration Agreement, the Administrator is entitled to administration fees charged as a fixed fee of £125,000 per annum for a Net Asset Value up to £200 million plus an incremental fee of 0.03 per cent per annum of Net Asset Value in excess of £200 million, plus disbursements. This fee is calculated and payable quarterly in arrears.

The overall charge for the above-mentioned fees for the Company and the amounts due are as follows:

	For the year ended 31 March 2024 US$	For the year ended 31 March 2023 US$
Charge for the year[1]		
Administration fees paid to Sanne	246,363	311,136

	31 March 2024 US$	31 March 2023 US$
Outstanding fees[1]		
Administration fees payable to Sanne	59,945	62,286

1 These charges are expensed and outstanding within the Consolidated Group and recognised in the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position respectively.

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For the year ended 31 March 2024

11. Tax Status

The Company is exempt from Guernsey income tax and is charged an annual exemption fee of £1,600 under The Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989. The subsidiaries are subject to taxation in the jurisdiction in which they operate.

	For the year ended 31 March 2024 US$	For the year ended 31 March 2023 US$
Analysis of tax charge in the year		
Current tax charge/(credit) (see below)	206,055	(49,602)
Tax on profit on ordinary activities	**206,055**	**(49,602)**

	31 March 2024 US$	31 March 2023 US$
Outstanding		
Tax payable	78,600	162,574

Factors affecting tax charge for the year

TMIUK

The tax assessed on TMIUK for the years to 31 March 2024 and 2023 was at the standard rate of corporation tax in the UK of 25% (31 March 2023: 19.0%).

	For the year ended 31 March 2024 US$	For the year ended 31 March 2023 US$
Profit before tax	832,760	589,320
Profit before tax multiplied by the rate of corporation tax in UK of 25% (2023: 19.0%)	**208,190**	**111,971**
Adjusted for:		
Tax credit for share based payment	(134,481)	(126,845)
Adjustment for prior year under/(over)-provision	85,195	(47,042)
Tax charge/(credit)	**158,904**	**(61,916)**

TMI Singapore

The tax assessed on TMI Singapore for the years ended 31 March 2024 and 2023 was at the standard rate of corporation tax in Singapore of 17.0%.

	For the year ended 31 March 2024 US$	For the year ended 31 March 2023 US$
Profit before tax	254,806	74,078
Profit before tax multiplied by the rate of corporation tax in Singapore of 17.0%	**43,317**	**12,593**
Adjusted for:		
Adjustment for prior year under/(over)-provision	398	(3,205)
Tax charge	**43,715**	**9,388**

TMIHK

The tax assessed on TMIHK for the years ended 31 March 2024 and 2023 was at the lower rate of corporation tax in HK of 8.25%. TMIHK benefited from the 2-tier tax rate system implemented by the Hong Kong government, which charges a lower tax rate of 8.25% on the first HKD 2 million of assessable profits.

	For the year ended 31 March 2024 US$	For the year ended 31 March 2023 US$
Loss before tax	(1,858)	–
Loss before tax multiplied by the rate of corporation tax in HK of 8.25%	(153)	**–**
Adjusted for:		
Adjustment for prior period under-provision	3,589	2,926
Tax charge	**3,436**	**2,926**
Total tax charge/(credit) for the year	**206,055**	**(49,602)**

12. Share capital

The Company's Ordinary Shares are classified as equity.

The authorised share capital of the Company is represented by an unlimited number of ordinary shares of nil par value having the following rights:

(a) Dividends: Shareholders of a particular class or tranche are entitled to receive, and participate in, any dividends or other distributions relating to the assets attributable to the relevant class or tranche which are resolved to be distributed in respect of any accounting period or other period, provided that no calls or other sums due by them to the Company are outstanding.

(b) Winding Up: On a winding up, the shareholders of a particular class or tranche shall be entitled to the surplus assets attributable to that class or tranche remaining after payment of all the creditors of the Company.

(c) Voting: Subject to any rights or restrictions attached to any class or tranche of shares, at a general meeting of the Company, on a show of hands, every holder of voting shares present in person or by proxy and entitled to vote shall have one vote, and on a poll every holder of voting shares present in person or by proxy shall have one vote for each share held by him, but this entitlement shall be subject to the conditions with respect to any special

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For the year ended 31 March 2024

voting powers or restrictions for the time being attached to any class or tranche of shares which may be subject to special conditions. Refer to the Memorandum and Articles of Incorporation for further details.

(d) Buyback: The Company may acquire its own shares (including any redeemable shares). Any shares so acquired by the Company may be cancelled or held as treasury shares provided that the number of shares of any class held as treasury shares must not at any time exceed ten per cent. (or such other percentage as may be prescribed from time to time by the States of Guernsey Committee for Economic Development) of the total number of issued shares of that class. Any shares acquired in excess of this limit shall be treated as cancelled.

Issued share capital

Ordinary Shares

Issued and fully paid	31 March 2024		31 March 2023	
	Shares	US$	Shares	US$
Outstanding share capital at the beginning of the year	330,215,878	333,479,334	330,215,878	333,479,334
Shares purchased by TMI EBT[1] during the year	(2,563,458)	(2,400,092)	–	–
Outstanding share capital at the end of the year	**327,652,420**	**331,079,242**	**330,215,878**	**333,479,334**

The total number of outstanding Ordinary Shares in issue, as at 31 March 2024 was 327,652,420 (31 March 2023: 330,215,878). The TMI EBT[1] holds 2,563,458 Ordinary Shares (31 March 2023: none) accounted for as Treasury shares.

At 31 March 2024, no additional Ordinary Shares (31 March 2023: none) have been reserved for issue in future periods.

Treasury shares

Treasury shares consist of the Ordinary Shares held within the TMI EBT. Until such time as the shares held by the TMI EBT vest unconditionally to employees, the amount paid for those shares is shown as a reduction in shareholders' equity. No gains or losses have been recognised in these Consolidated Financial Statements on transactions in treasury shares.

13. Credit Facilities

Revolving Credit Facility ("SRCF") – TMI Holdco Limited

During the year ended 31 March 2024, TMI Holdco Limited ("Holdco") entered an agreement to replace its existing RCF and Acquisition Facility (in relation to the Grindrod transaction) with a new SRCF with Nordea Bank Abp, Filial i Norge and Skandinaviska Enskilda Banken AB.

The Company (as corporate guarantor) and Holdco (as borrower) entered into a secured senior revolving credit facility in the aggregate principal amount of up to US$167,642,750 (as may be increased by up to US$60,000,000) divided into i) an up to US$94,528,500 non-reducing SRCF, ii) an up to US$73,114,250 reducing SRCF and iii) an up to US$60,000,000 optional reducing revolving accordion credit facility with Nordea Bank Abp, Filial i Norge (the "Bank") and a consortium of lenders, led by the Bank, dated 21 September 2023.

Under the SRCF, Holdco can draw loans in the period of 42 months (3.5 years) from the Closing Date on 21 September 2023 (which may be extended by up to one year, subject to the lender's approval). For the non-reducing SRCF, each tranche of loan draw down shall be repaid on the Termination Date, in March 2027. The reducing SRCF is subject to equal consecutive quarterly reductions commencing 3 months after the Initial Borrowing

[1] Shares held within the TMI EBT maintain the right to receive dividends.

Date starting at a base level of US$5.7 million and adjusted for any prepayments made during the relevant quarter. The base level of quarterly reductions was adjusted to US$5.2 million after a prepayment made in November 2023.

Under the Revolving Credit Facility, certain security is provided in favour of the Bank (in its capacity as security agent on behalf of the Lenders). This security includes a mortgage over certain vessels (up to twenty vessels) within the Consolidated Group's portfolio nominated by Holdco ("Collateral Vessels") and a corporate guarantee from each SPV owning a Collateral Vessel and from the Company to the Bank (in its capacity as security agent on behalf of the Lenders).

At 31 March 2024, US$151.0 million (31 March 2023: US$126.7 million) had been drawn and was outstanding on the Revolving Credit Facility.

Revolving Credit Facility ("RCF") – Good Falkirk (MI) Limited

The Company and TMI Holdco Limited ("Holdco") (as corporate guarantors) and Good Falkirk (MI) Limited ("Good Falkirk") (as borrower) entered into a Revolving Credit Facility for up to US$25 million, for general corporate and working capital purposes, with Nordea Bank Abp, Filial i Norge (the "Bank"), dated 21 September 2023.

Under the Revolving Credit Facility, Good Falkirk can draw loans in the period of 364 days from the Closing Date (21 September 2023). Each tranche of loan draw down shall be repaid on the Termination Date, on 19 September 2024.

Certain security is provided in relation to the RCF in favour of the Bank (in its capacity as security agent on behalf of the Lenders). This security includes a first priority pledge of all Grindrod Shares owned by Good Falkirk and a corporate guarantee from the Company and Holdco to the Bank (in its capacity as security agent on behalf of the Lender).

At 31 March 2024, no loan was drawn under Good Falkirk's RCF.

Under both revolving credit facilities, Holdco and Good Falkirk (as borrowers) must adhere to the following financial covenants:

a) *An Adjusted Equity*[1] *ratio* of:

   i. no less than 35% of the sum of the liabilities and Adjusted Equity from the RCF initial borrowing date until (and including) 30 November 2023; and

   ii. no less than 40% of the sum of the liabilities and Adjusted Equity thereafter throughout the remainder of the security period; and

b) *Minimum Liquidity*: Cash and cash equivalents of at least US$5 million plus an additional US$250,000 per vessel owned or bareboat chartered by TMI.

At the point when TMI owns 100% of Grindrod, the financial covenants detailed above will extend to Grindrod Shipping Holdings Ltd.

During the year ended 31 March 2024, Holdco and Good Falkirk adhered to all the required financial covenants.

[1] "Adjusted Equity" means the total equity presented in TMI's most recent consolidated financial statements by adjusting the vessels' book values to their current market values obtained through independent and reputable approved brokers.

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For the year ended 31 March 2024

14. Earnings per Ordinary Share

	For the year ended 31 March 2024	
	Basic	**Diluted**
Weighted average number of shares	330,004,884	330,004,884
Loss for the year	US$(53,482,934)	US$(53,482,934)
Loss per Ordinary Share	US$(0.1621)	US$(0.1621)
	For the year ended 31 March 2023	
	Basic	**Diluted**
Weighted average number of shares	330,215,878	330,215,878
Profit for the year	US$26,210,533	US$26,210,533
Earnings per Ordinary Share	US$0.0794	US$0.0794

Basic earnings per share are calculated by dividing the profit for the year by the weighted average number of ordinary shares outstanding during the year (excluding those ordinary shares accounted for as treasury shares). For the diluted earnings per share calculation, the weighted average number of shares outstanding during the year is adjusted for the average number of shares that are potentially issuable in connection with the Company's share award scheme plans. If the inclusion of potentially issuable shares would increase earnings or decrease loss per share, such shares are excluded from the weighted average number of shares outstanding used to calculate diluted earnings per share.

For the years ended 31 March 2024 and 2023, there is no difference between the basic and diluted earnings per share.

15. Contingent Liabilities and Commitments

At 31 March 2024, the Company had the following commitments:

- SRCF – US$151.0 million (31 March 2023: US$126.7 million) had been drawn and was outstanding on the SRCF. The Company acts as corporate guarantor to Holdco and Good Falkirk in relation to the SRCF/RCF, see note 13 for details.

The Company had no other outstanding commitments or contingent liabilities.

16. Net Assets Per Outstanding Share

	31 March 2024	31 March 2023
Net assets ("Net Asset Value")	US$485,006,407	US$566,114,300
Number of Ordinary shares outstanding	327,652,420	330,215,878
Net Asset Value per share	**US$1.4802**	**US$1.7144**
Shares in issue	330,215,878	330,215,878
Treasury shares	(2,563,458)	–
Number of Ordinary shares outstanding	**327,652,420**	**330,215,878**

17. Subsequent Events

On 26 April 2024, the Company declared an interim dividend of 2.00 US cents per Ordinary Share in respect of the quarter to 31 March 2024, which was paid on 31 May 2024. The ex dividend date was 9 May 2024.

On 14 May 2024, Grindrod despatched to its shareholders a circular and notice of an extraordinary general meeting in connection with the proposed SCR pursuant to the Companies Act of Singapore. The SCR proposed to cancel all Grindrod shares held by its shareholders, other than all shares held by Good Falkirk (a wholly-owned subsidiary of the Company) with Grindrod shareholders receiving US$14.25 in cash per share cancelled in accordance with the special resolution approved at an extraordinary general meeting of Grindrod held on 20 June 2024.

Grindrod received approval of the SCR from the High Court of the Republic of Singapore on 16 July 2024 and the SCR will take effect upon the lodgement of the Court Order with the Singapore Registrar expected to take place on 16 August 2024. There are no other outstanding conditions to the SCR. As a result, Grindrod will become a wholly-owned subsidiary of the Company through Good Falkirk (which will own 100% of Grindrod's shares - up from 82.33%). Grindrod will subsequently be delisted from each of Nasdaq and the JSE.

There were no other significant events since the year end which would require revision of the figures or disclosures in the Consolidated Financial Statements.

ADDITIONAL INFORMATION

Management and Administration

Directors
Henry Strutt (Chairman, Independent Non-Executive Director) – *appointed 1 June 2023*
Frank Dunne (Senior Independent Director, Independent Non-Executive Director)[1]
Edward Buttery (Chief Executive Officer)
Helen Tveitan (Independent Non-Executive Director) – *resigned 31 March 2024*
Trudi Clark (Independent Non-Executive Director)
Christopher Buttery (Non-Executive Director)
Sandra Platts (Independent Non-Executive Director)
Charles Maltby (Independent Non-Executive Director) – *appointed 1 January 2024*

Registered Office and Business Address
1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey GY1 2HL

Commercial Manager
Taylor Maritime (HK) Limited
26/F, Vertical Square
Wong Chuk Hang
Hong Kong

Legal Advisers in Guernsey
Carey Olsen (Guernsey) LLP
Carey House
Les Banques
St Peter Port
Guernsey GY1 4BZ

Principal Bankers
Butterfield Bank (Guernsey) Limited
Regency Court
Glategny Esplanade
St Peter Port
Guernsey GY1 3AP

Corporate Broker and Financial Adviser
Jefferies International Limited
100 Bishopsgate
London EC4N 4JL

Ship Valuer
Hartland Shipping Services Limited
28 Bedford Street
Covent Garden
London WC2E 9ED

Administrator and Secretary
Sanne Fund Services (Guernsey) Limited
1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey GY1 2HL

Registrar
Computershare Investor Services (Guernsey) Limited
1st Floor, Tudor House
Le Bordage
St Peter Port
Guernsey GY1 1DB

Legal Advisers in United Kingdom
Norton Rose Fullbright LLP
3 More London Riverside
London SE1 2AQ

Independent Auditor
Deloitte LLP (appointed 6 December 2023)
1 New Street Square
London EC4A 3HQ

PricewaterhouseCoopers CI LLP (resigned on 7 December 2023)
Royal Bank Place
1 Glategny Esplanade
St Peter Port
Guernsey GY1 4ND

Ship Valuer
Braemar ACM Valuations Limited
One Strand
Trafalgar Square
London WC2N 5HR

[1] Served as Interim Chair for the period 6 January 2023 to 1 June 2023.

ADDITIONAL INFORMATION

Appendix A – Alternative Performance Measures – Unaudited

Debt

Debt is the total outstanding amount of credit facility borrowings, excluding lease liabilities, derivatives and cash and cash equivalents. Debt, accounted for at fair value, is presented net within the "financial assets at fair value through profit or loss" on the Consolidated Statement of Financial Position on page 110.

Debt over gross assets ratio

Debt over gross assets is a leverage ratio that indicates the percentage of assets financed with debt. The calculations below show the ratios both for TMI and the Combined Group, on a non-IFRS look-through basis, which includes Grindrod's gross assets and debt at 82.3% (31 March 2023: 83.2%).

	At 31 March 2024	
	TMI	**Combined Group**
Debt	US$151.0 million	US$330.8 million
Gross Assets	US$642.5 million	US$923.9 million
	23.5%	**35.8%**

	At 31 March 2023	
	TMI	**Combined Group**
Debt	US$222.2 million	US$404.4 million
Gross Assets	US$800.3 million	US$1,076.1 million
	27.8%	**37.6%**

Discount to NAV

Discount to NAV is the amount, expressed as a percentage, by which the share price is less than the NAV per share.

		At 31 March 2024	At 31 March 2023
NAV per outstanding Ordinary share (note 16)	(a)	US$1.4802	US$1.7144
Share price per Ordinary share	(b)	US$0.9950	US$1.1200
Discount amount (c = b – a)	(c)	US$(0.4852)	US$(0.5944)
Discount to NAV (d = (c / a) x 100)	(d)	**(32.8%)**	**(34.7%)**

ADDITIONAL INFORMATION

Appendix A – Alternative Performance Measures – Unaudited

continued

Dividend cover

Dividend cover is used as a measure of the extent to which the Company is able to generate sufficient cash flow to pay its dividends. This is calculated based on TMI's Adjusted EBITDA[1] for the financial year to 31 March 2024 less interest expenses and docking capital expenditure for the financial year divided by dividends paid in the financial year. For the comparative period, the calculations below show the dividend cover of dividends paid in the financial year ended 31 March 2023, exclusive of the special dividend of 3.22 US cents declared in May 2022.

		31 March 2024 US$ million	31 March 2023 US$ million
(Loss) / profit for the year before tax		(53.28)	26.16
Depreciation		0.32	0.20
Interest expense		20.40	13.70
Interest income		(0.68)	(0.20)
Loss on revaluation of vessels		54.98	61.84
Adjusted TMI EBITDA		21.74	101.70
Interest expense		(20.40)	(13.70)
Docking capital expenditure		(3.70)	(20.70)
Net cash (loss)/income	(a)	(2.36)	67.30
Dividends paid	(b)	26.40	25.62
Dividend cash cover (c = a / b)	(c)	**-0.1x**	2.6x

Internal rate of return ("IRR")

Internal rate of return is a calculation of the retrospective annualised profitability of a vessel investment over the period the vessel was owned, the IRR being the discount rate that would make the net present value of the actual cash flows from the investment equal to zero. This provides a useful measure of the profitability of an investment.

Multiple on Invested Capital ("MOIC") is a measure how much value an investment has generated. MOIC is a gross metric, meaning that it is calculated before fees and expressed as a multiple of the original investment. This provides a useful measure of how much value an investment has generated.

1 EBITDA – Earnings Before Interest, Taxes, Depreciation and Amortisation.

Ongoing charges ratio ("OCR")

In accordance with the AIC guidance, the ongoing charges ratio of an investment company is the annual percentage reduction in shareholder returns as a result of recurring operational expenditure. Ongoing charges are classified as those expenses which are likely to recur in the foreseeable future, and which relate to the operation of the Combined Group, excluding investment transaction costs, gains or losses on investments and performance-related fees/remuneration and the costs associated with any share award schemes. The OCR is calculated as the total ongoing charges for a year divided by the average net asset value over that year.

	For the year ended 31 March 2024 US$	For the year ended 31 March 2023 US$
Total expenses	**10,740,396**	**9,944,463**
Charges excluded under AIC methodology		
Executive Team and other employees – performance related bonus	(1,249,923)	(1,857,179)
Share-based payments	(1,742,216)	(910,080)
Legal, professional and other fees	(259,789)	(695,171)
Total excluded charges	**(3,251,928)**	**(3,462,430)**
Total ongoing charges	**7,488,468**	**6,482,033**
Average NAV	470,741,497	567,382,681
Ongoing charges ratio (using AIC methodology)	**1.6%**	**1.1%**

Total NAV/share price return

Total NAV return/share price return are calculations showing how the NAV and share price per share have performed over a period of time, taking into account dividends paid to shareholders. This provides a useful measure to allow shareholders to compare performances between investment funds where the dividend paid may differ.

		For the year ended 31 March 2024	
		Total NAV return	Total share price return
Opening NAV/share price per share	(a)	US$1.7144	US$1.1200
Closing NAV/share price per share	(b)	US$1.4802	US$0.9950
Dividends paid	(c)	US$0.0800	US$0.0800
Return for the period (d = ((b+c) - a)	(d)	(US$0.1542)	(US$0.0450)
Total NAV/share price return (e = (d / a) x 100)	**(e)**	**(9.0%)**	**(4.0%)**

ADDITIONAL INFORMATION

Appendix A – Alternative Performance Measures – Unaudited

continued

		For the year ended 31 March 2023	
		Total NAV return	Total share price return
Opening NAV/share price per share	(a)	US$1.7420	US$1.4200
Closing NAV/share price per share	(b)	US$1.7144	US$1.1200
Dividends paid	(c)	US$0.1097	US$0.1097
Return for the period (d = ((b+c) – a)	(d)	US$0.0821	(US$0.1903)
Total NAV/share price return (e = (d / a) x 100)	**(e)**	**4.7%**	**(13.4%)**

ADDITIONAL INFORMATION

Appendix B – Combined Group Financial Information, Look-through Basis (Non-IFRS) – Unaudited

Basis of Preparation

The Company meets the investment entity criteria as prescribed under IFRS 10. This exemption requires the Company not to consolidate certain subsidiaries; instead, it must measure its investment in these subsidiaries at fair value through profit or loss in accordance with IFRS 9. As investment entities, the Consolidated Group's subsidiaries and SPVs, through which vessels are purchased, held, and sold, are measured at fair value rather than being consolidated on a line-by-line basis. Consequently, their cash, debt, and working capital balances are included net in the Consolidated Group's financial assets at fair value through profit or loss, rather than being listed as separate assets and liabilities of the Consolidated Group. To provide shareholders with greater transparency regarding the wider Combined Group's (including non-consolidated subsidiaries) financial position, ability to make distributions, operating costs, and gearing levels, the Combined Group statements of comprehensive income and financial position prepared on a non-IFRS look-through basis (i.e. disregarding the investment entity consolidation exception) have been provided below, along with a reconciliation to the Consolidated Financial Statements prepared in accordance with IFRS.

ADDITIONAL INFORMATION

Appendix B – Combined Group Financial Information, Look-through Basis (Non-IFRS) – Unaudited continued

Combined Group Statement of Financial Position (non-IFRS look-through basis) – Unaudited

As at 31 March 2024

	31 March 2024 US$
Non-current assets	
Vessels at fair value	732,201,029
Right-of-use assets	33,077,801
Property, plant and equipment	1,205,483
Goodwill and intangible assets	13,223,520
Other receivables and assets	6,786,843
	786,494,676
Current assets	
Inventories	13,442,474
Trade and other receivables	34,741,460
Derivative financial instruments	627,971
Cash	121,693,325
	170,505,230
Total assets	**956,999,906**
Current liabilities	
Lease liabilities	29,851,406
Debt facilities	26,401,591
Derivative financial instruments	549,000
Provision for taxation	78,600
Trade and other payables	39,634,899
	96,515,496
Net current assets	**73,989,734**
Non-current liabilities	
Other non-current liabilities	280,616
Lease liabilities	1,157,557
Debt facilities	304,357,411
	305,795,584
Net assets	**554,688,826**
Equity	
Share capital	331,079,242
Reserves – attributable to the Company	153,927,161
Reserves – attributable to non-controlling interests	69,682,423
Total equity	**554,688,826**

Net assets reconciliation

The Net Assets shown in the Combined Group Statement of Financial Position can be reconciled against the Net Assets shown in the IFRS Consolidated Statement of Financial Position on page 110 as follows:

	31 March 2024 US$
Net Assets – Look-through basis	**554,688,826**
Less: Non-controlling interests	(69,682,423)
Net Assets – IFRS	**485,006,407**

Combined Group Statement of Comprehensive Income (non-IFRS look-through basis) – Unaudited

For the year ended 31 March 2024

	For the year ended 31 March 2024 US$
Turnover	
Net charter revenue	202,478,639
Expenses	
Vessel operating expenses	(145,493,662)
Finance costs	(33,640,282)
Fund management expenses	(10,740,396)
Operating profit for the year	**12,604,299**
Taxation	(817,927)
Profit for the year after tax	**11,786,372**
Other comprehensive loss	
Loss on revaluation of vessels[1]	(64,637,606)
Other adjustments through OCI	(56,523)
Total other comprehensive loss	**(64,694,130)**
Total comprehensive loss	**(52,907,758)**
Total comprehensive loss for the year attributable to:	
Non-controlling interests	(1,166,329)
The Company	(51,741,429)
	(52,907,758)

[1] Includes loss on disposal of vessels.

ADDITIONAL INFORMATION

Appendix B – Combined Group Financial Information, Look-through Basis (Non-IFRS) – Unaudited continued

Total comprehensive loss reconciliation

Total comprehensive loss attributable to the Company shown above can be reconciled against the Total comprehensive income shown in the IFRS Consolidated Statement of Comprehensive Income on page 108 as follows:

	For the year ended 31 March 2024 US$
Total comprehensive income attributable to the Company – Look-through basis	**(51,741,429)**
Less: Impact of Grindrod transactions with shareholders	(1,706,985)
Total comprehensive income – IFRS	**(53,448,414)**

Material Accounting Policy Information - the Combined Group (non-IFRS look-through) - Unaudited

Line Item	Summary	Material Accounting Policy
Vessels at Fair Value	Represents the valuation of the Company's vessels based on their fair market value.	Vessels are measured at fair value with changes in fair value recognised in "Other comprehensive income".
Right-of-Use Assets	Represents the right to use leased assets over the lease term. Includes Charter-In vessels, office property and equipment.	Right-of-use assets are recognised at the commencement date of the lease and are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.
Goodwill	Represents the excess of the purchase price over the fair value of the identifiable net assets acquired in a business combination. Included on the Combined Group Statement of Financial Position is a goodwill of US$7.9m that arises from the acquisition of the Commercial Manager and Technical Manager by Grindrod Shipping Holdings Ltd.	Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.
Intangible Assets	Represents identifiable non-monetary assets without physical substance acquired in a business combination and identified and recognised separately from goodwill. Included on the Combined Group Statement of Financial Position is intangible assets of US$5.3m including contractual customer relationships of US$4.4m from the acquisition of the Commercial Manager and Technical Manager by Grindrod Shipping Holdings Ltd.	Intangible assets are measured initially at cost and are amortised on a straight-line basis over their useful lives. They are tested for impairment when there is an indication of potential impairment.
Inventories	Represents goods held for sale in the ordinary course of business. Includes Bunkers and other consumables at cost.	Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method and includes all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition.
Cash	Represents cash held in bank accounts.	Cash includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments.
Trade and Other receivables	Include prepayments and also voyages in progress amounting to US$8.7m	Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses assessed under the Expected Credit Loss model.
Trade and Other Payables	Include prepayments and also voyages in progress amounting to US$8.7m. Represents amounts due to suppliers and service providers.	Accounts payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.
Lease Liabilities	Represents the present value of future lease payments under non-cancellable leases. Includes Charter-In vessels, office property and equipment.	Lease liabilities are measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or the incremental borrowing rate.
Debt	Represents amounts borrowed from financial institutions.	Bank loans are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.
Net Charter Revenue	Net income from chartering out vessels.	Recognised on a straight-line basis over the term of the charter agreement, less related expenses such as broker commissions and voyage expenses.
Vessel Operating Expenses	Expenses related to the operation and maintenance of vessels.	Includes crew wages, maintenance and repair costs, insurance premiums, and other related expenses. Recognised as incurred.
Finance Costs	Interest and other costs incurred in connection with borrowing funds.	Recognised in the income statement using the effective interest rate method.
Fund Management Expenses	Costs related to marketing, administrative activities, and general business operations.	Includes marketing, administrative salaries, office supplies, and other general expenses. Recognized as incurred.

Financial Risk Management - TMI (non-IFRS look-through basis) - Unaudited

As stated in note 9, the Board has overall responsibility for the establishment and oversight of the Company's risk management framework. With the assistance of the Executive Team, the Board monitors and manages the financial risks related to the operations of the Group through internal risk reports that analyse exposures by degree and magnitude of risk. These risks include market risk (encompassing price risk, currency risk, and interest rate risk), credit and counterparty risk, and liquidity risk.

To provide shareholders with greater transparency regarding TMI's risk management framework, TMI's exposure to interest rate risk and liquidity risk, which are considered key financial risks, are reported in non-IFRS disclosures below. These disclosures disregard the investment entity consolidation exemption. The information has been presented at the TMI level only, rather than at the Combined Group level, as the Board directly manages these risks at the TMI level, while Grindrod has its own governance structure in place to manage these risks independently.

Interest rate risk

TMI's exposure to interest rate risks on a look-through basis can be summarised as follows:

31 March 2024	Floating rate US$	Non-interest bearing US$	Total US$
Financial assets at FVTPL			
– Cash	14,706,126	–	14,706,126
– Other net assets (including vessels at FVTPL)[2]:	–	619,727,008	619,727,008
– RCF debt facilities	(150,989,258)	–	(150,989,258)
Total	**(136,283,132)**	**619,727,008**	**483,443,876**

[2] Includes Grindrod at FVTPL at 82.3% (31 March 2023: 83.2%).

ADDITIONAL INFORMATION

Appendix B – Combined Group Financial Information, Look-through Basis (Non-IFRS) – Unaudited continued

31 March 2023	Floating rate US$	Non-interest bearing US$	Total US$
Financial assets at FVTPL[1]:			
– Cash	34,528,674	–	34,528,674
– Other net assets (including vessels at FVTPL)	–	744,415,621	744,415,621
– Term loan and RCF debt facilities	(222,206,055)	–	(222,206,055)
Total	**(187,677,381)**	**744,415,621**	**556,738,240**

At 31 March 2024, if interest rates had risen by 100 basis points (31 March 2023: 350 basis points), the decrease in net assets attributable to holders of Company's Ordinary Shares would amount to US$1.4 million (31 March 2023: US$6.6 million). Likewise, at 31 March 2024, if interest rates had decreased by 100 basis points (31 March 2023: 350 basis points), the increase in net assets attributable to holders of Company's Ordinary Shares would amount to US$1.4 million (31 March 2023: US$6.6 million).

Financial Risk Management - TMI (non-IFRS look-through basis) – Unaudited

Liquidity risk

For additional information on TMI's liquidity risks, the below table provides a breakdown, on a look-through basis and at TMI level only, of the TMI's financial assets and liabilities at the year end according to their contractual maturities. TMI intends to repay the RCF facilities through operational cashflows and/or vessel sales, if necessary. The amounts disclosed are contractual, undiscounted cash flows and may differ from the actual cash flows received or paid in the future as a result of early repayments.

31 March 2024	Up to 3 months US$	3 – 12 months US$	Greater than 12 months US$	No stated maturity US$	Total US$
Financial assets at FVTPL:					
– Cash	14,706,126	–	–	–	14,706,126
– Financial assets, net (including vessels at FVTPL)	–	–	–	619,727,009	619,727,009
– RCF facilities	(5,227,848)	(15,683,545)	(130,077,866)	-	(150,989,259)
	9,478,278	**(15,683,545)**	**(130,077,866)**	**619,727,008**	**484,443,876**

31 March 2023	Up to 3 months US$	3 – 18 months US$	No stated maturity US$	Total US$
Financial assets at FVTPL:				
– Cash	34,528,674	–	–	34,528,674
– Financial assets, net (including vessels at FVTPL)	–	–	744,415,621	744,415,621
– RCF facility	–	(222,206,055)	–	(222,206,055)
	34,528,674	**(222,206,055)**	**744,415,621**	**556,738,240**

ADDITIONAL INFORMATION

Appendix C – Definitions and Glossary

The following definitions apply throughout this document unless the context requires otherwise:

AER	Annual Efficiency Ratio. A carbon intensity metric taking into account the cargo carrying capacity of the ship. Formula = (Fuel consumed x emission factors)/(Deadweight capacity x distance travelled).
BDI	Baltic Dry Index.
Baltic Handysize Index ("BHSI")	Baltic Handysize Index is a measure of the strength of spot freight earnings for smaller dry bulk vessels, currently based on a standard 38,000 dwt bulk carrier (since 2 Jan 2020). It reflects average spot market TCE earnings across several representative routes.
BHSI TCA	The daily time charter average value for a basket of routes in the dry bulk shipping market representative of Handysize vessels, calculated from reports of an independent international board of Panellists.
Ballast Water Management System ("BWMS")	A Ballast Water Management System ("BWMS") is a technology used on ships to treat and manage ballast water, preventing the spread of invasive aquatic species across different marine ecosystems. This system is crucial for environmental protection, as untreated ballast water can introduce harmful organisms into new environments when discharged.
Charter Free Value	The resale value attributed to a ship free of any pre-existing charter contracts.
Commercial Manager	Taylor Maritime (HK) Limited, a subsidiary of Grindrod from 3 October 2023. Appointed under the Framework Agreement and is responsible for seeking and negotiating employment, post fixture operations, collection of hire, procuring and arranging marine insurances, keeping books of account relating to SPVs, assisting in company secretarial matters, maintaining SPV bank accounts, and monitoring of the technical managers on behalf of the Company.
Debt	Debt is the total outstanding amount of the TMI's credit facility borrowings, excluding lease liabilities, derivatives, and cash and cash equivalents.
Depreciated Replacement Cost ("DRC")	Depreciated Replacement Cost refers to the theoretical value of a second-hand ship based on prevailing newbuilding price depreciated to current age.
Deadweight tonnage ("DWT")	Deadweight tonnage is the measure of how much weight a ship can carry. It is the sum of the weights of cargo, fuel, fresh water, ballast water, provisions, passengers, and crew.
Energy Efficiency Operational Index ("EEOI")	Energy Efficiency Operational Index. A carbon intensity metric taking into account actual cargo carried. Formula = (Fuel consumed x emission factors)/(Cargo carried x distance travelled).
Energy Efficient Existing Ship Index ("EEXI")	The EEXI is an initiative by the IMO to gauge and improve the energy efficiency of existing ships. It calculates the carbon dioxide emissions per cargo capacity and mile, setting specific efficiency targets based on ship type and size.
Energy Saving Devices ("ESDs")	ESDs are technologies and innovations designed to improve the fuel efficiency of ships, thereby reducing their energy consumption and greenhouse gas emissions.
FFA	Forward freight agreement, being derivatives used for hedging against the freight market exposure.
FRC	The UK Financial Reporting Council.
Framework Management Agreement	The overall framework management agreement between TMI Holdco Limited, a subsidiary of the Company and the Commercial Manager and Technical Manager.
Geared Ships	Vessels equipped with cranes for loading and un-loading cargoes e.g. Handysize, Supramax and Ultramax vessels.
Global Reporting Initiative ("GRI")	The GRI is an international organisation that provides a widely adopted framework for sustainability reporting. It enables organisations to disclose their economic, environmental, and social impacts, promoting transparency and accountability.
Grindrod Shipping Holdings Ltd ("Grindrod")	Grindrod Shipping Holdings Ltd, a dual NASDAQ and Johannesburg Stock Exchange listed shipping business (NASDAQ: GRIN, JSE: GSH "Grindrod"), a subsidiary of TMI, is an international shipping company which owns an attractive, modern fleet of geared dry bulk vessels.
Gross Assets	The aggregate of the fair value of all underlying vessels and all other assets of the Combined Group in accordance with the Combined Group's usual accounting policy.
Handysize	A dry bulk carrier with a capacity between 10,000 and 44,999 DWT (10,000 DWT to 39,999 DWT for vessels built prior to 2014) for the purposes of quoted market data.
IFRS	International Financial Reporting Standards.

ADDITIONAL INFORMATION

Appendix C – Definitions and Glossary

continued

IMO	International Maritime Organisation.
IPO	Initial Public Offering.
ISM Code	International Safety Management Code.
KPIs	Key performance indicators.
Listing Rules	The listing rules made by the FCA pursuant to Part VI of FSMA.
Long Term Incentive Plan (“LTIP”)	The long term incentive plan is the Company’s policy which rewards the executive team for reaching specific goals that lead to increased shareholder value.
Market Abuse Regulation	The European Union’s Market Abuse Regulation, as implemented in the UK through the Financial Services and Markets Act 2000 (Market Abuse) Regulations 2016.
Net Asset Value (“NAV”)	The value, as at any date, of the assets of the Company after deduction of all liabilities of the Company determined in accordance with the accounting policies adopted by the Company from time-to-time
Net Charter Revenue	Net charter revenue is charter income net of commissions and charter related costs.
Net Time Charter Rate	The rate of hire for a Time Charter, net of commissions.
Net Zero	According to the IPCC definition, net zero CO2 emissions are achieved when anthropogenic CO2 emissions are balanced globally by anthropogenic CO2 removals over a specified period.
NOx	Nitrous Oxides
Ordinary Shares	Ordinary shares of no par value issued in the capital of the Company.
PSC Deficiencies Ratio	Port State Control deficiencies ratio. Formula = Number of PSC deficiencies/number of PSC inspections.
Related Party	A related party is a person or entity that is related to the Consolidated Group.
Revenue days	Revenue days is vessel ownership days less technical off hire days.
Sustainability Accounting Standards Board (“SASB”)	The SASB is a non-profit organization that creates industry-specific sustainability accounting standards. These standards are designed to help public corporations report on sustainability issues that are materially relevant to their financial performance.
Scope 1, 2 and 3 emissions	Greenhouse gas emissions as defined by the Greenhouse Gas Protocol. Scope 1 and 2 emissions relate to direct emissions from owned or controlled sources. Scope 2 emissions cover indirect emissions from the generation of purchased electricity, steam, heating or cooling. Scope 3 emissions include all indirect emissions that occur in an entity’s value chain.
SOx	Sulphur Oxides.
SPV or Special Purpose Vehicle	Corporate entities, formed and wholly owned (directly or indirectly) by the Company, specifically to hold one or more vessels, and including (where the context permits) any intermediate holding company of the Company.
Supramax	A dry bulk carrier with a capacity between 45,000 to 59,999 DWT for the purposes of quoted market data.
TCFD	Task Force on Climate Related Disclosure.
Technical Manager	Tamar Ship Management Limited, a subsidiary of Grindrod from 3 October 2023. Appointed by the Group under the Framework Agreement; responsible for ensuring vessels’ compliance with flag state law and applicable regulations; arranging and supervising asset maintenance; and arranging crewing.
Time Charter	The hiring of a ship for a specific period of time. The charterer is responsible for cargo, itinerary and bears the voyage-related costs including fuel. The shipowner supplies the ship and the crew.
Time Charter Equivalent (“TCE”)	TCE is calculated as net charter revenue divided by revenue days.
Ultramax (“Ultra”)	A dry bulk carrier with a capacity between 60,000 to 64,999 DWT for the purposes of quoted market data.
UN SDGs	United Nations Sustainable Development Goals.

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