

THE BIDVEST GROUP LIMITED  
(Registration number 1946/021180/06)  
Share code: BVT  
ISIN ZAE 000117321  
("Bidvest")

GRINDROD LIMITED  
(Registration number: 1966/009846/06)  
Share code: GND & GNDP  
ISIN: ZAE000072328 & ZAE000071106

**Voluntary joint announcement regarding the proposed acquisition by Bidvest and Bidvest Bank Limited of GFS Holdings (Pty) Ltd and Grindrod Financial Holdings Limited (collectively "Grindrod Bank")**

Bidvest and Grindrod Limited ("the Parties") advise shareholders that the Parties have entered into a memorandum of understanding which sets out the key terms on which Bidvest and Bidvest Bank Limited proposes to acquire Grindrod Bank ("the Proposed Transaction").

The acquisition of Grindrod Bank will add scale to Bidvest's financial services offering and will enable the combined business better strategic positioning as a pre-eminent niche financial services provider. The businesses are complementary and the expanded product and service offering will benefit clients and provide employees with enhanced career development opportunities.

Grindrod Limited has considered a number of strategic alternatives for the further development of Grindrod Bank and is of the view that the Proposed Transaction is in the best interests of all stakeholders.

The successful completion of the Proposed Transaction is subject to conditions precedent, including the completion of due diligence and the approval by certain regulatory authorities.

Bidvest and Grindrod Limited are listed on the exchange operated by the JSE Limited ("JSE") and have market capitalisations of R93 billion and R18 billion respectively. The Proposed Transaction is not a categorised transaction for Bidvest or Grindrod Limited in terms of the Listings Requirements of the JSE, and accordingly this is a voluntary announcement.

A further announcement regarding the fulfilment of the conditions precedent to the Proposed Transaction will be made as and when appropriate.

Johannesburg  
July 2 2014

**Investment Bank and Transaction Sponsor to Bidvest**  
The Standard Bank of South Africa Limited

**Legal Adviser to Bidvest**  
Edward Nathan Sonnenbergs

**Sponsor to Bidvest**  
Investec Bank Limited

**Sponsor to Grindrod**  
Grindrod Bank Limited