



**GRAND PARADE**

INVESTMENTS LIMITED

2022

INTEGRATED  
ANNUAL  
REPORT



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# ABOUT THIS REPORT

## REPORT SCOPE, BOUNDARY

Grand Parade Investments Ltd's ("GPI" or "the Group") integrated annual report 2022 ("this report") provides a succinct review of our strategy and business model, operating context, material stakeholder interests, key risks, and performance and governance practices, covering the financial year ending 30 June 2022. This report is supplemented by our separate Consolidated Annual Financial Statements 2022 ("AFS"). The report focuses on the activities of GPI as an investment holding company, and includes an analysis of our underlying investments, both in the Executive Reviews section (pages 20 – 27) and the Investment Reviews section (pages 28 – 32), focusing on the most material investments only. Since last year there have been no material changes to the Group's organisational structure.

## TARGET AUDIENCE AND MATERIALITY

This report has been prepared primarily for current and prospective investors, although it is also relevant for any other stakeholder who has an interest in GPI's performance and prospects. This report focuses on those issues that we have identified as being most material to our capacity to create value and deliver on our strategic growth objectives. In addressing these material issues, we review what we do (page 3), identify the material interests of priority stakeholders (page 12), assess the principal risks and opportunities arising from the operating context and review our performance and governance practices (pages 34 – 39) aimed at ensuring value.

## EXTERNAL ASSURANCES

Independent external auditors, Deloitte & Touche, audited the AFS in accordance with the International Standards on Auditing. The opinion of the external auditors is provided in the full AFS. The Group has not sought external assurance on the contents of this report.

## REPORTING PRINCIPLES TARGET

This report was prepared in accordance with International Financial Reporting Standards ("IFRS"), the JSE Listings Requirements and the Companies Act, No. 71 of 2008, as amended ("the Companies Act"), where relevant. The report has sought to apply the International <IR> Framework of the International Integrated Reporting Council ("IIRC"). GPI has applied the majority of the principles and recommendations outlined in the King IV Report on Governance™ for South Africa 2016 (King IV™); a summary of those principles that were not fully applied is presented on the Company's website at [www.grandparade.co.za](http://www.grandparade.co.za).

## FORWARD-LOOKING STATEMENT

This report contains certain forward-looking statements that relate to the financial position and results of the operations of GPI and its investments. These statements, by their very nature, involve risk and uncertainty as they relate to future events and depend on circumstances that may or may not occur in the future. Factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, global and national economic conditions, interest rates, exchange rates and regulatory delays or changes. The forward-looking statements have not been reviewed or reported on by the Group's external auditors.

## APPROVAL OF THE INTEGRATED ANNUAL REPORT

The Board acknowledges its responsibility to ensure the integrity of the integrated annual report. The directors confirm they have collectively assessed the content of the report and believe that it is a fair representation of the Group's material issues, performance and prospects. The Board has therefore approved the integrated annual report 2022 for release to stakeholders.

# ABOUT GPI

Grand Parade Investments ("GPI") is an empowering investment holding company that holds investments in the gaming sector.

The Company was founded in 1997 for the purpose of partnering with Sun International South Africa (Pty) Ltd as its primary black economic empowerment partner

in the Western Cape. R28 million was raised from over 10 000 previously disadvantaged community members.

Since then GPI has grown its investment portfolio within the gaming industry and currently holds interests in some of the best performing gaming assets in South Africa. GPI is also listed on the main board of the JSE Limited ("JSE").

## INVESTMENT AND EFFECTIVE HOLDING



**100%**  
GPI  
Properties



**30%**  
Sun Slots



**26%**  
Infiniti Gaming  
Africa



**15.1%**  
Worcester  
Casino



**15.1%**  
SunWest

# CHAIRMAN'S REVIEW 2022



ALEXANDER ABERCROMBIE

Most notably we declared an ordinary dividend of 12 cents per share, a special dividend of 88 cents per share and a dividend in specie to the value of 37 cents per share bringing the total dividends declared to 137 cents per share.

The year under review has not been as tough as the past two years although there were other challenges as we continued with our strategy to unlock value for shareholders through a controlled sale of assets. We continue to pursue this strategy in a controlled manner to ensure we realise maximum value for our shareholders. Only once we believe for-value offers are on the table will transactions be put to shareholders for approval.

The economy is still not firing on all cylinders. Growth has been slow and the lack of service delivery which I mentioned last year has worsened and been exacerbated by loadshedding and water issues. This has put a huge damper on the efforts to restart the economy and the huge losses being suffered will hamper the recovery we all expected. Most of the poorly run Municipalities have not improved on their past performance and unemployment is at a very high level.

All of this has slowed the recovery of the performance of the gaming assets but management at Sun International have put strategies in place to ensure that we are ahead of the game as we move forward. Let me say a big thank you to Sun International for the excellent work they are doing in managing these assets.

You will see from the reports of the Chief Executive Officer, Mohsin Tajbhai and Group Financial Director, Jayson October that the performance of the company has been good under the circumstances. Most notably

we declared an ordinary dividend of 12 cents per share, a special dividend of 88 cents per share and a dividend in specie to the value of 37 cents per share bringing the total dividends declared to 137 cents per share.

Once again, I am satisfied to the best of my knowledge that we have adhered to all our compliance obligations relating to gambling legislation, labour matters, tax issues, JSE requirements and the prescripts of King IV™, as well as the Companies Act and that the reporting mechanisms put in place will ensure that we continue to do so.

I wish to thank the CEO, Mohsin Tajbhai and his management team as well as our Company secretarial, our attorneys and sponsors for ensuring compliance in this regard.

Finally, I must say a big thank you to my fellow board members for their huge contribution to ensuring that we maintain good corporate governance and that a virtuous cycle of respect, trust and candor exists on the board.


Thank You.



# BOARD OF DIRECTORS

EXECUTIVE DIRECTORS	 <p><b>Mohsin Tajbhai</b> (42)</p>	<b>GROUP CEO</b>	<p>Appointed to the Board on 28 November 2018</p> <p>Appointed as CEO on 1 July 2019</p>	<p>Mohsin is a professional structural engineer with a Master's degree in engineering from the University of Cape Town ("UCT") and also holds a Master's degree in Business Administration (MBA) from the Graduate School of Business at UCT. He started his career at GPI as the chief operating officer ("COO") of manufacturing and properties and progressed to group COO. Prior to his career at GPI, he served as the chief executive officer of Nadeson Consulting Services, a Cape Town-based civil engineering company.</p>	<p><b>BOARD DIVERSITY: AGE %</b></p>  <p>■ 31 – 40yrs ■ 40 – 50 yrs ■ 50 – 60 yrs ■ &gt;60 yrs</p> <p><b>BOARD DIVERSITY: TENURE</b></p>  <p>■ 0 – 5 yrs ■ 5 – 10 yrs ■ 10 – 20 yrs ■ 20+ yrs</p> <p><b>BOARD DEMOGRAPHIC %</b></p>  <p>■ White male ■ White female ■ Black male ■ Black female</p>
	 <p><b>Jayson October</b> (41)</p>	<b>GROUP FINANCIAL DIRECTOR</b>	<p>Appointed to the Board on 1 April 2020</p> <p>Appointed as Financial Director on 1 April 2020</p>	<p>Jayson holds the qualifications BCompt (Hons), and CA(SA). He has over 14 years' professional experience including serving as Group management accountant, Group financial manager, and deputy chief financial officer during his time with the Company. Prior to joining GPI, Mr October served as an audit supervisor at Mazars.</p>	
NON-EXECUTIVE DIRECTORS	 <p><b>Alexander Abercrombie</b> (71)</p>	<b>NON-EXECUTIVE CHAIRMAN</b>	<p>Appointed to the Board on 20 October 1997</p> <p>Appointed as Chairman on 01 February 2020</p>	<p>Alex is an attorney by profession and a consultant to the national law firm Cliffe Dekker Hofmeyr. Alex is a former Acting Judge of the Cape High Court and a qualified International Commercial Mediator.</p> <p>His association with GPI dates back to the inception of the Company in 1997 when he was appointed as a non-executive director. On 11 June 2012, he was appointed as the executive director responsible for the Group's gambling operations until his retirement from the executive role on 28 February 2015. He remains on the Board as the non-executive chairman of GPI. Alex is chairperson of Sun Slots and its seven subsidiaries (the management company, the six slots routes owned by Sun Slots countrywide) and is a director of the Grand Gaming Corporate Social Investment Company.</p> <p>Alex also serves on the Boards of SunWest (GrandWest Casino and the Table Bay Hotel) and Worcester Casino.</p>	
	 <p><b>Walter Geach</b> (67)</p>	<b>LEAD INDEPENDENT NON-EXECUTIVE DIRECTOR</b>	<p>Appointed to the Board on 17 September 2013</p> <p>Appointed as lead independent director on 09 September 2019</p>	<p>Walter is a chartered accountant (CA)(SA), an admitted advocate of the High Court of South Africa and a Professor at the University of the Western Cape. Among his many other academic achievements, he has authored/co-authored over 14 published books on a variety of subjects such as company law, corporate governance, financial accounting, taxation, financial planning and trusts. The books are used extensively in practice by accountants, consultants, lawyers and financial planners, an example of such is 'Companies and other Business Structures' published by Oxford University Press, which Walter co-authored with Judge Dennis Davis.</p>	

BOARD OF DIRECTORS CONTINUED

NON-EXECUTIVE DIRECTORS	 <p><b>Ronel van Dijk</b> (50)</p>	<b>INDEPENDENT NON-EXECUTIVE DIRECTOR*</b>	Appointed to the Board 5 December 2018	<p>Ronel is a CA(SA), having obtained a BAcc (Hons) from the University of Stellenbosch and completing articles with Arthur Andersen, where she attained the role of audit manager. In 2003, she joined the Spur Corporation Limited as Financial Manager, where she was promoted to Chief Financial Officer in 2006. After 15 years with the Spur Corporation, Ronel decided to step away from corporate life and became a freelance consultant.</p> <p>She was appointed as a non-executive director and audit and risk committee member of Adcorp Holdings Limited in June 2019. She now also chairs the social, ethics and sustainability committee and is a member of the human capital committee at Adcorp. Ronel was CFO of PPC Limited from 1 November 2019 to 31 March 2021 and continues to consult with the company. She was appointed as a non-executive director and audit committee member of Omnia Holdings Limited on 1 May 2022.</p> <p>Ronel is an experienced CFO with exposure to corporate governance, internal controls and risk management, strategy development and implementation, and leadership development. She was a founding Trustee of the Spur Foundation and is a founding member of the Western Cape Development Board of the Early Care Foundation.</p>
	 <p><b>Monde Nkosi</b> (32)</p>	<b>NON-EXECUTIVE DIRECTOR</b>	Appointed 4 December 2019	<p>Monde is an investment professional with experience in private and listed businesses in South Africa and the USA. He is currently an executive director of Value Capital Partners ("VCP"), an investment firm that acts as an engaged shareholder in several JSE-listed companies. Prior to VCP, Monde was on the investment team of FFL Partners, a San Francisco-based private equity firm managing over USD2 billion. Monde is currently a non-executive director of ADvTECH Limited, Adcorp Holdings Limited and Net 1 UEPS Technologies Inc. He holds a Bachelor of Business Science from the University of Cape Town, a Master of Arts from Stanford University and a Master of Business Administration from Stanford University.</p>
	 <p><b>Mark Bowman</b> (56)</p>	<b>INDEPENDENT NON-EXECUTIVE DIRECTOR*</b>	Appointed to the Board on 5 December 2018	<p>Mark was until the end of 2016 Managing Director for Africa for SABMiller. He has spent the majority of his career with SABMiller in various leadership roles. Over the span of his career he managed ABI (the listed soft drinks division of SAB) in South Africa, and in Poland he was MD for Kompania Piwowarska a successful part of the SABMiller CEE business. From 2007 until his departure in late 2016 Mark managed SABMiller Africa, a business of over \$10bn in revenue, and \$1,8bn in EBIT, which represented a third of group earnings. His business experience lies in growing FMCG businesses in Africa. Mark is a non-executive director of Tiger Brands, Dischem, and Mr Price. He variously also sits on Remco, Audit/Risk, and Investment sub-committees of these boards.</p>
	 <p><b>Rozanna Kader</b> (38)</p>	<b>NON-EXECUTIVE DIRECTOR</b>	Appointed 1 February 2020	<p>Rozanna has extensive hospitality, casino and resort management experience from her time with the Sun International Group. She currently serves as a non-executive director on the boards of Nadeson Enterprises, Zevocept and Afriserv. Prior to her current role as a consultant focusing on management performance, Rozanna served as the chief operating officer of three of the GPI group companies, namely Grand Coffee House (Pty) Ltd (Dunkin' Donuts South Africa), Grand Bakery and Grand Ice Cream (Pty) Ltd (Baskin-Robbins South Africa); and as the Marketing Executive for the GPI group and Burger King South Africa, successfully launching the brand in the country.</p>













OUR STRATEGIC BUSINESS CONTEXT

# CRITICAL RELATIONSHIPS AND RISK MANAGEMENT

Our capacity to deliver value depends ultimately on the quality of our relationship with those stakeholders who are fundamental to our business model, and on our demonstrated ability to address their material interests. Therefore, we track the varying quality of our stakeholder relationships closely in conjunction with anticipating and strategically responding to their material issues, needs and concerns.

STAKEHOLDERS	MATERIAL ISSUES NEEDS AND CONCERNS	MANNER OF ENGAGEMENT
 <p>Shareholders, Investors and Analysts</p>	<ul style="list-style-type: none"> <li>• Clarity on value creation strategy</li> <li>• Detail on financial performance</li> <li>• Candid communication that manages performance expectations</li> <li>• Evidence of ability to effectively execute delivery on strategy</li> <li>• Sound corporate governance</li> <li>• Transparent executive remuneration</li> </ul>	<ul style="list-style-type: none"> <li>• Analyst presentations and one-on-one meetings held bi-annually</li> <li>• Annual General Meetings held annually</li> <li>• Communication with the general market through SENS announcements.</li> </ul>
 <p>Community and non-governmental</p>	<ul style="list-style-type: none"> <li>• Evidence of good corporate citizenship</li> <li>• Through its investments:                             <ul style="list-style-type: none"> <li>• address negative social impacts associated with gaming</li> <li>• Build strong relationships and positively impact local communities</li> <li>• Supporting local initiatives</li> <li>• Support community upliftment</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Community and non-governmental concerns and issues are addressed through its board representation and engagement with management teams of investment entities</li> </ul>
 <p>Employees and representatives</p>	<ul style="list-style-type: none"> <li>• Appropriate remuneration</li> <li>• Employee engagement and retention</li> <li>• Empowerment and employment equity issues</li> <li>• Safe, healthy and congenial working conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Regular staff updates including biannual results presentation to staff members</li> <li>• Social network created to facilitate communication between staff members</li> <li>• Employee engagement surveys</li> </ul>
 <p>Government and regulators</p>	<ul style="list-style-type: none"> <li>• Compliance with regulatory requirements</li> <li>• Job creation, localisation, transformation and BBBEE delivery through our investments</li> <li>• Sustained contribution to national tax base</li> <li>• Transparency and clear communications</li> </ul>	<ul style="list-style-type: none"> <li>• Engaging with regulatory bodies to ensure compliance</li> <li>• Engagement with Sponsor to ensure JSE compliance</li> <li>• Regular engagement with legal counsel regarding regulatory issues</li> <li>• Regular engagement directly with national and provincial gaming boards</li> </ul>
 <p>Customers</p>	<ul style="list-style-type: none"> <li>• Positive customer experience</li> </ul>	<ul style="list-style-type: none"> <li>• Customer concerns and issues are addressed through its board representation and engagement with management teams of investment entities</li> </ul>
 <p>Suppliers</p>	<ul style="list-style-type: none"> <li>• Timely payment and fair contract terms</li> <li>• Localisation and support for enterprise development</li> </ul>	<ul style="list-style-type: none"> <li>• Direct engagement with suppliers</li> <li>• Provide feedback on service delivery</li> </ul>
 <p>Media</p>	<ul style="list-style-type: none"> <li>• Transparency on strategy, performance and governance</li> <li>• Evidence of responsiveness to material stakeholder interest</li> </ul>	<ul style="list-style-type: none"> <li>• Regularly publish media releases</li> <li>• Interviews with various media houses</li> <li>• Articles published in community newspapers</li> </ul>
 <p>Lenders</p>	<ul style="list-style-type: none"> <li>• Detail on financial performance</li> <li>• Performance against debt covenants</li> <li>• Strength of the Group's financial position</li> <li>• Sound corporate governance</li> <li>• Liquidity and solvency of the business</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly submission of results together with liquidity plans</li> <li>• Continuous engagement with lenders and institutions</li> <li>• Actively managing debt covenants</li> </ul>

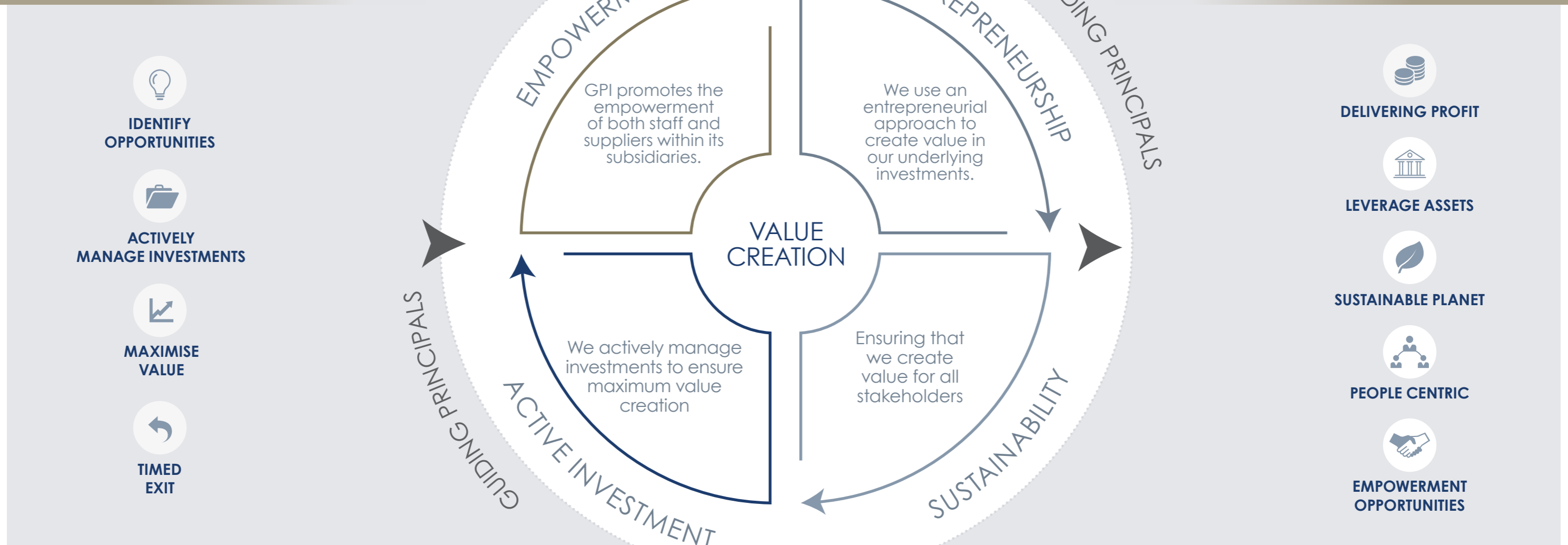




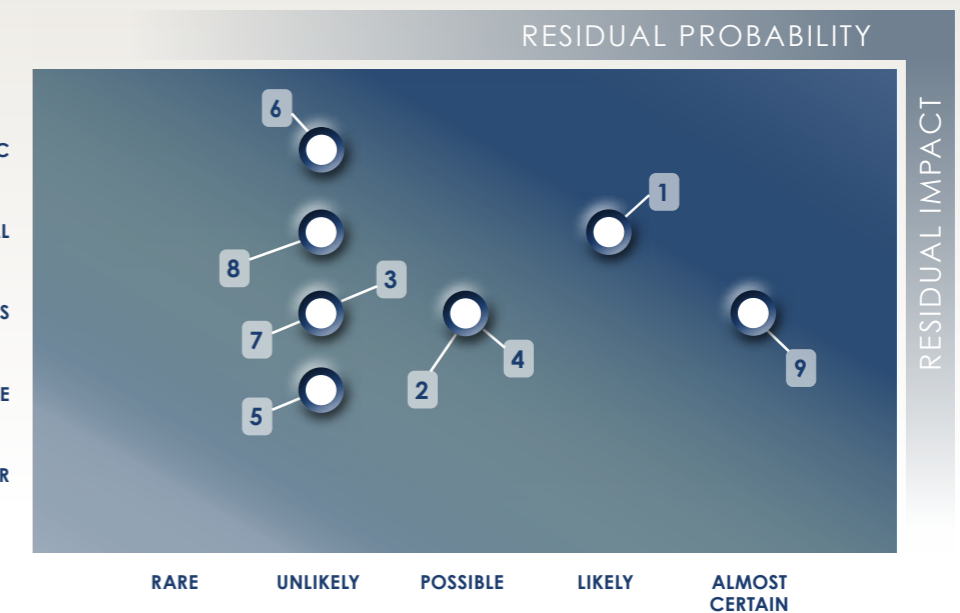
# STAKEHOLDERS VALUE CREATING BUSINESS MODEL

## INVESTMENT PHILOSOPHY

## STAKEHOLDER VALUE



# MATERIAL RISKS



RISK	RISK DESCRIPTION	RISK MITIGATION	PROBABILITY	IMPACT	STATUS
1	Loss of GrandWest exclusivity On 10 June 2022, the Provincial Government of the Western Cape (PGWC) published a draft bill and proposed amendments to the current exclusivity regime. If passed the bill and draft regulations will allow an additional casino to be relocated into the Cape Town metropole which will impact on GrandWest Casino	<ul style="list-style-type: none"> <li>Engage with the Western Cape Premier and Provincial Government</li> <li>Provide comments/objections on the bill and draft regulations</li> </ul>	4/5	4/5	Increasing
2	Decline in value of gaming assets COVID-19 has had a major impact on all gaming businesses in particular land based Casinos. GrandWest has been particularly affected and currently trades at below pre COVID-19 levels which has affected the valuation of these businesses.	<ul style="list-style-type: none"> <li>Through board representation, engagement with management and the board to ensure sound strategy which includes, <i>inter alia</i>:                             <ul style="list-style-type: none"> <li>Aggressive marketing campaigns to build awareness</li> <li>Activation events within Casino precinct to drive traffic</li> </ul> </li> </ul>	3/5	5/5	Decreasing
3	Adverse impact of lockdown restrictions on operations Lockdown and related trade restrictions have a major impact on Gaming revenues	<ul style="list-style-type: none"> <li>Engage positively with the Department of Trade and Industry to ensure restrictions have minimal impact</li> </ul>	3/5	4/5	Decreasing
4	Delayed execution in relation to the implementation of the value unlock strategy COVID-19 has delayed the implementation of the Group's value unlock strategy	<ul style="list-style-type: none"> <li>Reduce head office costs</li> <li>Engage transaction advisors to speed up strategic implementation</li> </ul>	3/5	3/5	
5	Constrained Liquidity GPI is reliant on dividends received from the gaming business. These business have been affected by COVID-19 which could affect the Group's liquidity	<ul style="list-style-type: none"> <li>Reduce head office costs</li> <li>Accelerate asset sales to improve liquidity and improve financial position</li> </ul>	2/5	4/5	Decreasing
6	Data breach Increased connectivity has created an environment where cybercrime has become more prevalent	<ul style="list-style-type: none"> <li>Communication and promotion of IT safety protocols</li> <li>Regular patching and upgrading of firewall</li> <li>Vulnerability testing to identify threats</li> </ul>	3/5	5/5	Stable
7	Breach of Contractual obligations GPI has entered into several contracts which impose obligations on GPI	<ul style="list-style-type: none"> <li>Insure contractual risk where possible</li> <li>Constantly monitoring of all contracts to ensure compliance</li> </ul>	2/5	4/5	Stable
8	Challenges to successfully exit gaming assets GPI's strategy relies heavily on an exit of the gaming assets. Given the nature of these assets there are several challenges to a successful exit.	<ul style="list-style-type: none"> <li>Work with transaction advisors to widen investor universe</li> <li>Explore several exit strategies</li> </ul>	3/5	4/5	Stable
9	Decline in economy country-wide The South African economy has been impacted by COVID-19 and although there has been a recovery the macro-economic outlook is not positive.	<ul style="list-style-type: none"> <li>Reduce debt and improve efficiency to reduce financial risk</li> <li>Accelerate noncore asset sales to improve liquidity</li> </ul>	5/5	4/5	Increasing



OUR  
INVESTMENT  
PERFORMANCE

# CHIEF EXECUTIVE OFFICER'S REVIEW



MOHSIN TAJBHAI

This year in particular, the efforts by the Board and Management, to unlock value in the business over the last three years were showcased by a notable improvement in the group's performance.

The 2022 financial year has been another positive year for GPI. This year in particular, the efforts by the Board and Management, to unlock value in the business were showcased by notable improvement in the group's performance. Over the year the group improved adjusted<sup>1</sup> headline earnings by R74.9 million from a loss of R27 million in the prior year to a profit of R47.9 million in the current year. Group returned 125 cents per share to shareholders through a special dividend paid and the distribution of a dividend in specie. The Group also declared a 12 cents per share dividend, payable on the 5th of December 2022.

The positive performance of the Group was underpinned by the turnaround of the gaming assets which had been impacted by COVID-19 and the related lockdown restrictions in the prior year. In addition, the reduction in head office costs including a reduction in debt and associated finance related expenses also assisted with improving the performance of the Group.

On the 1st of October 2021, South Africa moved to alert level 1 which allowed the gaming businesses to trade with no curfew. Capacity restrictions remained in place for the most part of the year which together with rising inflation and sustained power outages prevented a full recovery of the gaming businesses. Despite this, the gaming assets contributed R107.9 million to headline earnings over the year, an increase of R34.9 million (48%), compared to the prior year. The recovery of these businesses over the last year is promising for GPI.

Mac Brothers continued to perform poorly, resulting in the decision to place the business under voluntary liquidation on the 4th of April 2022 in order to reduce the cash drain on the Group. Management have also negotiated a settlement with the Landlord of the Mac Brothers buildings which will allow the Group to exit an onerous guarantee and indemnity for appreciably less than the overall exposure.

This year excellent progress was made with the Group's strategy to unlock value through a controlled sale of assets highlighted by the completion of several key initiatives, including the completion of the Burger King South Africa (Pty) Ltd (BKSA) and Grand Food Meat Plant (Pty) Ltd (GFMP) transactions, unbundling of Spur and the liquidation of Mac Brothers. A detailed performance against the Groups strategic objectives is detailed below:

## FY2022 STRATEGIC OBJECTIVES

1. Exit non-profitable businesses;
2. Restructure headoffice to reduce central costs;
3. Improve profitability of existing operational businesses;
4. Exit non-core assets and reduce debt;
5. Maximise value through a controlled sale of assets; and
6. Building a high-performance culture.

<sup>1</sup> Adjusted to exclude Expected Credit Loss and the write-off of receivables related to Mac Brothers.

STRATEGIC OBJECTIVE	STATUS	IMPACT
<b>Exit non-profitable businesses</b>		
Exit Mac Brothers	Complete	Business was placed under voluntary liquidation
Exit Mac Brothers Lease Guarantee	Ongoing	Management have entered into agreements to purchase the properties and immediately and simultaneously sell the buildings which will allow GPI to be released of the guarantee for less than the total exposure
<b>Restructure head office to reduce central costs</b>		
Reduce size of head office	Complete	Last round of retrenchments complete. Headoffice staff complement reduced to six key employees
Reduce head office costs	Complete	Corporate costs reduced by 18%
<b>Exit non-core assets and reduce debt</b>		
Sale of Meat Plant Property	Complete	Transfer complete
Sale of 33 Heerengracht	Ongoing	Management have improved occupancy to 55% and have initiated a sales process
Sale of Bakery building	Ongoing	Management have improved occupancy to 60% and have initiated a sales process
Reduce debt	Complete	Debt reduced by R96m (41%)
<b>Maximise value through a controlled sale of assets</b>		
Sale of BKSA and GFMP	Complete	Sale of both businesses for R492 million complete
Exit Spur	Complete	Interest in Spur was unbundled through a dividend in specie of 37 cents per share
<b>Return Capital and resume dividends</b>		
Return Capital	Complete	88 cents special dividend paid following BKSA and GFMP transactions 37 cents dividend in specie declared
Resume dividends	Complete	12 cents dividend declared to be paid in December 2022
<b>Building a high-performance culture</b>		
Business unit objectives and KPIs aligned with Group objectives and KPIs	Complete	Alignment of KPIs improved motivation and overall performance
Rewards and recognition program	Ongoing	Aim is to drive objectives and KPIs of the group through the program and ensure staff retention through the wind down process

# CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

# SALIENT FEATURES

Over the last year GPI has made good progress on the implementation of its value unlock strategy. In addition, the Group has reduced debt and head office costs which has strengthened the financial position of the Group.

GPI is now left with its 15.1% interest in SunWest, 15.1% interest in Golden Valley Casino, 30% interest in Sun Slots and two non-core properties. The gaming businesses have performed extremely well following the lifting of all COVID-19-related restrictions. Sun Slots, in particular, has been resilient to the tough trading restrictions and has surpassed pre-COVID-19 levels. We expect trading conditions to continue to improve over the next year as international travel improves which will assist the recovery of GrandWest and the Table Bay Hotel. All GPI's gaming businesses have resumed dividend payments and are well positioned to capitalise on the expected improvement in trading conditions. With a further reduction in head office costs, dividend income from the gaming businesses will flow through to shareholders. GPI has also commenced a process to unlock value for shareholders through the sale of assets and distribution of capital to shareholders.

### APPRECIATION

I would like to thank every one of the employees at GPI for the hard work and dedication over the last year. The team has remained focused on delivering on the group's objectives which resulted in the positive performance of Group over the last year.

I thank our Chairman Mr Alex Abercrombie for his guidance and mentorship as well as the GPI Board for their effort in driving the strategic direction of the business and their support and motivation over the last year.



**R13.3m**  
DECREASE  
IN HEADLINE  
LOSS

**R95.9m**  
DECREASE IN  
TOTAL DEBT

**R74.9m**  
INCREASE IN  
ADJUSTED  
HEADLINE  
EARNINGS

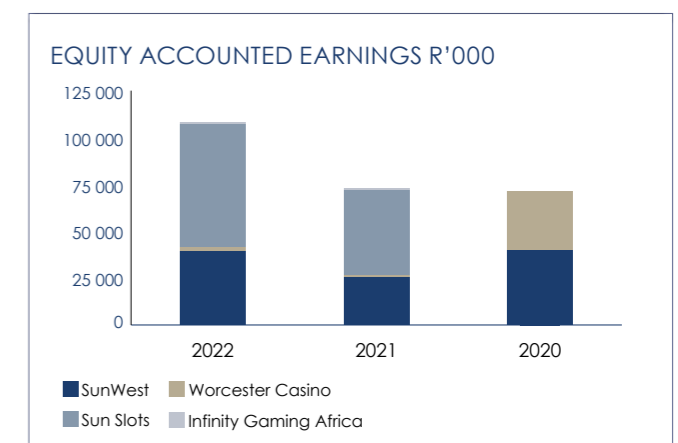
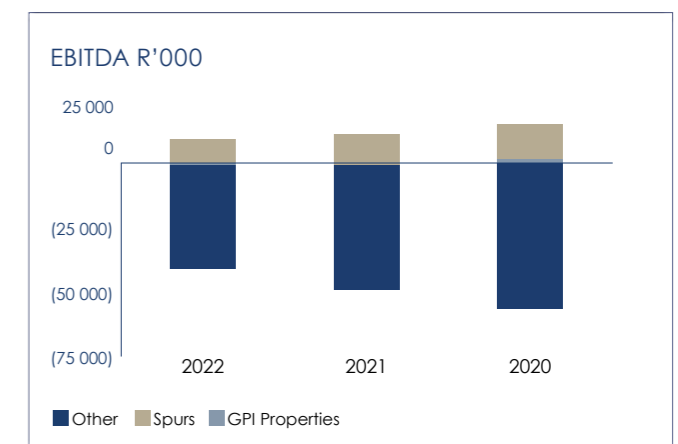
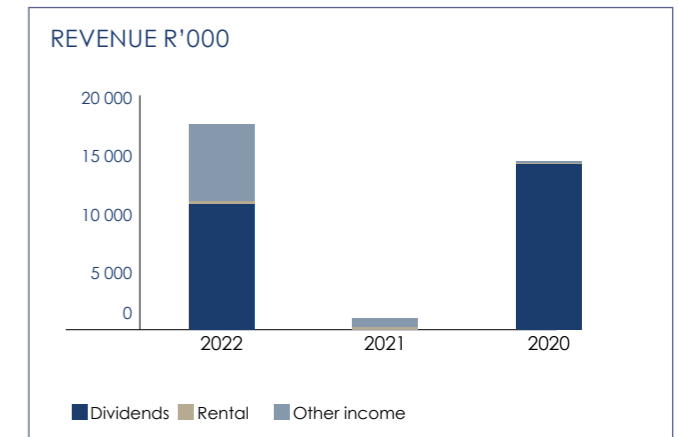
**R59.6m**  
NET INCREASE  
IN CASH  
(AFTER DEBT  
AND DIVIDEND  
PAYMENTS)

**18%**  
DECREASE IN  
CORPORATE  
COST

**125c**  
DIVIDEND  
PAID

**12 cents**  
SHARE DIVIDEND  
TO BE PAID IN  
DECEMBER 2022

## Group information



# GROUP FINANCIAL DIRECTOR'S REVIEW



JAYSON OCTOBER

The gaming assets' headline earnings contribution increased by R34.9 million from R73.0 million in the prior year to R107.9 million in the current year.

## INTRODUCTION

Grand Parade Investments (GPI) continued its improvement during the financial year with headline loss for the year improving by R13.3 million (49%) from a loss of R27.0 million to a loss of R13.7 million. The loss in the current year includes an impairment against the inter company loan with Mac Brothers (expected credit loss) and a write-off of receivables, which was realised when control of the subsidiary was lost, as a result of the liquidation of the company. The total adjustments amount to R61.7 million and if this amount is excluded from the headline loss, it would result in an adjusted headline earnings of R47.9 million, a R74.9 million improvement from a R27.0 million loss posted in the prior year.

## GROUP FINANCIAL REVIEW

The Group uses headline earnings to assess the underlying investment contributions to the Group's earnings. The reason for using headline earnings is that it eliminates the once-off effects of the Group's investment activities and therefore provides a comparable view of the Group's continuing earnings.

In the current financial year, included in headline earnings is the impairment of the intercompany loan with Mac Brothers (expected credit loss) and write-off of receivables which are once off non-reoccurring events and thus the Group reported an Adjusted Headline Earnings which excluded these losses and write-offs.

In addition, the Group disposed of BKSA and GFMP and is in the process of liquidating Mac Brothers. These businesses have been classified as discontinued operations.

The major contributors to adjusted headline earnings are:

- BKSA's headline earnings contribution improved by R25.8 million during the year from a loss of R13.7 million in the prior year to a profit of R12.1 million during the four months of trading before ownership transferred to Emerging Capital Partners (ECP).
- The gaming assets' headline earnings contribution increased by R34.9 million from R73.0 million in the prior year to R107.9 million in the current year. The increase in earnings is largely due to the recovery of Sun Slots and SunWest in the current year due to the easing of the COVID-19 related restrictions and the improvement in trading conditions during the year.
- Spur resumed dividends during the year which accounted for a positive contribution to headline earnings of R9.3 million from a loss in the prior year.
- Grand Foods Meat Plant (GFMP) reduced its headline loss contribution by R6.8 million and contributed positively for the four months of trading.
- Central costs decreased by R6.6 million in the current year largely as a result of reduced finance costs, which reduced by R5.9 million and a reduction in Corporate costs which decreased by R5.8 million due to aggressive cost saving initiatives implemented during the year.
- The improvements in earnings listed above were offset by Mac Brothers' loss contribution for the year which deteriorated by R8.4 million from R23.0 million in the prior year to a loss of R31.4 million in the current period. This loss includes an impairment of inventory amounting to R21.6 million realised after the assets were auctioned off by the liquidator.

The table below reflects the contribution each investment made to Group headline earnings:

	30 June 2022 R'000	30 June 2021 Restated R'000	Movement R'000	%
<b>Food</b>	<b>9 279</b>	(73)	9 352	–
Spur	9 279	(73)	9 352	–
<b>Gaming</b>	<b>107 904</b>	72 978	34 926	48%
SunWest	39 174	25 249	13 925	55%
Sun Slots	65 831	44 770	21 061	47%
Worcester Casino	2 248	1 389	859	62%
Infinity Gaming Africa	651	1 570	(919)	(59%)
<b>Central costs</b>	<b>(50 199)</b>	(56 765)	6 566	12%
Corporate Costs (excl Transaction costs, legal fees, tax and finance cost)	(26 881)	(32 695)	5 814	18%
Transaction costs, legal fees and taxation	(15 082)	(16 467)	1 385	8%
Net finance costs	(4 608)	(10 564)	5 956	56%
GPI Properties	(3 628)	2 961	(6 589)	(223%)
<b>Expected credit loss and write-off of receivables relating to Mac Brothers (A)</b>	<b>(61 677)</b>	–	(61 677)	–
Loan impairment	(48 081)	–	(48 081)	–
Receivable write-off	(13 596)	–	(13 596)	–
<b>Headline earnings – Continuing operations (B)</b>	<b>5 307</b>	16 140	(10 833)	(67%)
<b>Adjusted Headline earnings – Continuing operations (B–A)*</b>	<b>66 984</b>	16 140	50 844	292%
<b>Discontinued operations (C)</b>	<b>(19 056)</b>	(43 168)	24 112	56%
Burger King	12 091	(13 709)	25 800	188%
Mac Brothers	(31 412)	(22 968)	(8 444)	(37%)
Grand Foods Meat Plant	265	(6 491)	6 756	104%
<b>Headline earnings (B+C)</b>	<b>(13 749)</b>	(27 028)	13 279	49%
<b>Adjusted Headline earnings – (B+C–A)*</b>	<b>47 928</b>	(27 028)	74 956	277%

\* Adjusted to exclude Expected Credit Loss (loan impairment) and the write-off of receivables related to the liquidation of Mac Brothers. These have been excluded as they are non-reoccurring and non-cash.

# GROUP FINANCIAL DIRECTOR'S REVIEW

## CONTINUED

### DIVIDENDS

As noted in the CEO review the Group resumed paying dividends with the declaration of a special dividend of 88 cents per share on 11 November 2021 and payment on 6 December 2021. In addition, the Group's investment in Spur was unbundled and distributed as a dividend in specie on 17 June 2022 which amounted to a dividend of 37 cents per share.

The Group declared an ordinary dividend of 12 cents per share on the 30th September 2022 relating to the 2022 financial year, which will be payable on the 5th of December 2022.

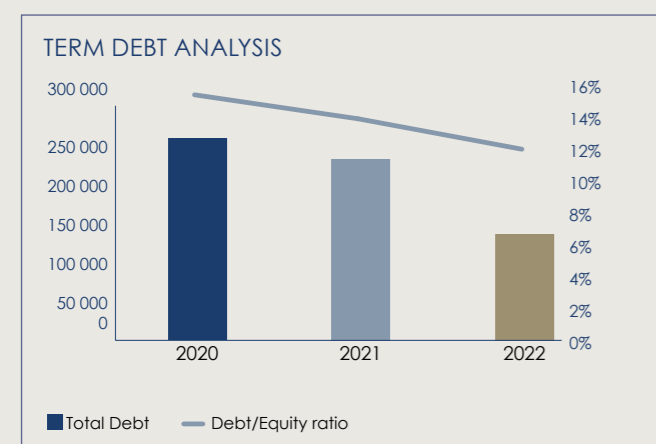
### CAPITAL STRUCTURE

The Group continued to reduce debt which decreased by R95.9 million over the financial year. The table below gives a breakdown of the Group's capital structure.

		30 June 2022 R'000	30 June 2021 R'000	Movement R'000	%
<b>Holding company facilities</b>		<b>100 000</b>	186 971	(86 971)	(47)
SunWest and Sun Slots	Preference shares	100 000	186 971	(86 971)	(47)
<b>Subsidiary facilities</b>		<b>35 868</b>	44 846	(8 978)	(20)
GPI Properties	Term loans (Mortgage)	35 868	43 365	(7 497)	(17)
Mac Brothers	Finance leases	–	1 125	(1 125)	(100)
Burger King	Finance leases	–	356	(356)	(100)
<b>Total debt</b>		<b>135 868</b>	231 817	(95 949)	(41)
<b>Debt/EBITDA</b>		<b>2.21</b>	7.12*	(4.91)	(69)
<b>Net debt/EBITDA</b>		<b>(0.83)</b>	1.61	(2.44)	(152)
<b>Debt/equity (%)</b>		<b>12.0</b>	13.8	(1.80)	(13)

\* Restated to exclude discontinued operations

The graph below shows the Group's reduction in debt over the last three years, with debt reducing from R231.8 million to R135.9 million.



### REVIEW OF GAMING OPERATIONS

#### GAMING SunWest

SunWest's revenue for the year increased by R391.7 million from R1 328 million in the prior year to R1 719 million in the current year. Revenue was 32% below 2019 (pre-COVID-19) revenue of R2 534.0 million. EBITDA for the year increased by 19% from R404.6 million in the prior year to R533.2 million in the current year which is 48% lower than the 2019 EBITDA of R938.0 million. Net Profit after tax increased by 31% to R218.8 million for the year (2021: R167.2 million). SunWest received R50 million in business interruption claims during the prior year which are included in the results stated above.

Total dividends of R350.0 million were paid for the year of which the Group's portion amounted to R52.9 million.

#### Sun Slots

The Sun Slots business has been resilient throughout the pandemic period with a strong recovery in trading over the prior year. Sun Slots increased revenue by 19% from R1 191 million in the prior year to R1 414 million in the current year. The revenue for the current year is R178 million ahead of that of the pre COVID-19 levels (2019: R1 236 million). EBITDA for the year increased by 34% from R298.8 million in the prior year to R401.7 million in the current year and is R85.29 million ahead of pre-COVID-19 levels. Net Profit after Tax increased by R68.3 million from R151.1 million in the prior year to R219.4 million in the current year, which is R35.6 million ahead of the corresponding period in 2019. Sun Slots received R62.9 million in business interruption claims during the year which are included in the results stated above.

Dividends of R250.0 million were paid for the year of which the Group's portion amounted to R75.0 million.

#### Worcester

Worcester revenue for the year increased by R3.5 million from R116.6 million in the prior year to R120.2 million in the current year. EBITDA for the current year decreased by R12.6 million to R10.9 million from R 23.5 million. Dividends of R25.2 million were paid for the year of which the Group's portion amounted to R3.8 million. Included in the results of Worcester are extra ordinary expenses amounting to R4.7 million. The Group's portion amounts to R0.7 million.

#### OTHER

##### Central costs

The Group's net central costs (excluding finance cost, and transaction costs) for the year amounted to R26.9 million, which is 18% lower than central costs of R32.7 million in the prior year. Included in central costs are costs related to the final round retrenchments which were completed in March 2022 following the sale of BKSA which amounted to R0.8 million in the current year.

##### Share capital

No new shares were issued or bought back during the period. Details of the share and the share capital of the Company have been disclosed in Note 28 of the Consolidated Annual Financial Statements.

##### Treasury shares

At 30 June 2022 a total of 40.2 million GPI shares were held as treasury shares by the Grand Parade Share Incentive Trust, GPI Management Services and the GPI Women's BBBEE Empowerment Trust. These entities are controlled by the Group, with the Grand Parade Share Incentive Trust holding 1.36 million treasury shares, GPI Management Services holding 24.0 million shares and the GPI Women's BBBEE Empowerment Trust holding 14.82 million treasury shares.

#### Preference shares

During the current year, the Group redeemed 7 283 redeemable preference shares (SunWest) to Standard Bank at an issue price of R25 400 per share, totaling R185.0 million. A bridging facility of R100.0 million was raised during the year and utilised to repay the Standard Bank preference shares. This facility was repaid with the issue of 10 000 new preference shares to RMB for a consideration of R100.0 million during June 2022.

#### Borrowings

The terms of Group's borrowings are fully disclosed in Note 23 of the Consolidated Annual Financial Statements. In terms of the Memorandum of Incorporation of the Company and its subsidiaries, the borrowing powers of the Directors are unlimited.

#### Directors and Company Secretary

There were no changes in the Directors and Company Secretariate during the current year.

#### Directors' interest in contracts

Details of the directors' interests in contracts and transactions with the Group are disclosed in Note 8 of the Consolidated Annual Financial Statements.

#### Going concern

The Consolidated Annual Financial Statements have been prepared on the going concern basis.

Management performed various scenario analyses considering the likelihood of a further impact of COVID-19, the liquidation of its catering business and various contractual obligations. Based on this assessment and the available financial resources of the Group together with anticipated cash flows from continuing operations, which were stress tested, management is satisfied and comfortable to confirm the going concern status of the Group. The Board has performed a review of the Group's ability to continue trading as a going concern in the foreseeable future and based on this review, consider the presentation of the financial statements on a going concern basis to be appropriate.

There are no pending legal or arbitration proceedings which have had or may have a material effect on the financial position of the Group.



**15.1%**  
Effective ownership

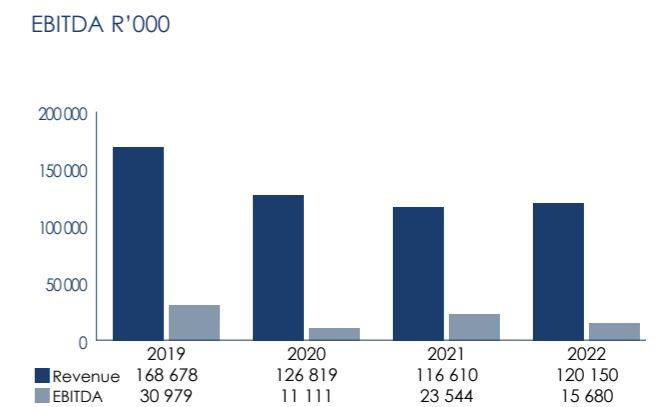
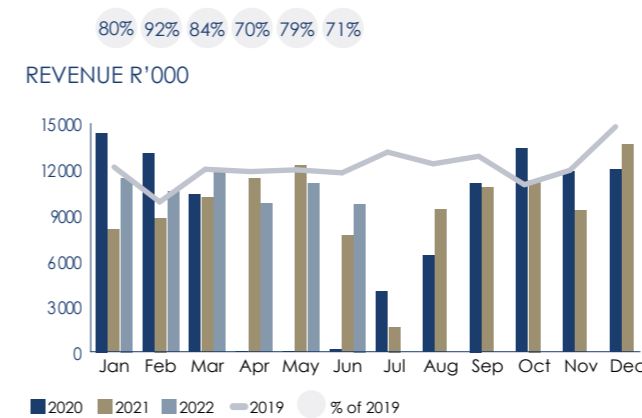
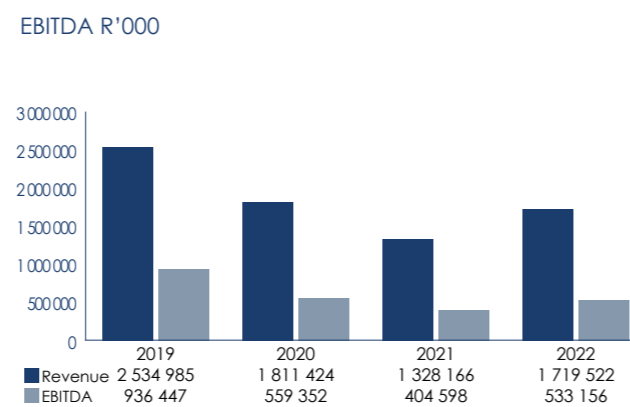
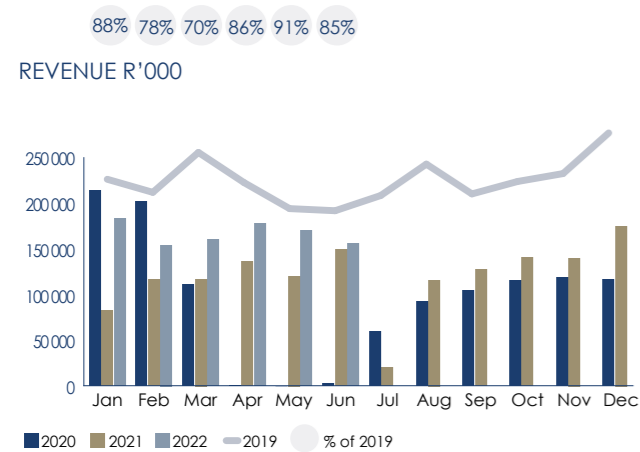
**R39.2m**  
Contribution to GPI  
**Headline earnings**  
(2021: R25.2m contribution)

**R52.9m**  
Dividends received  
(2021: Rnil)

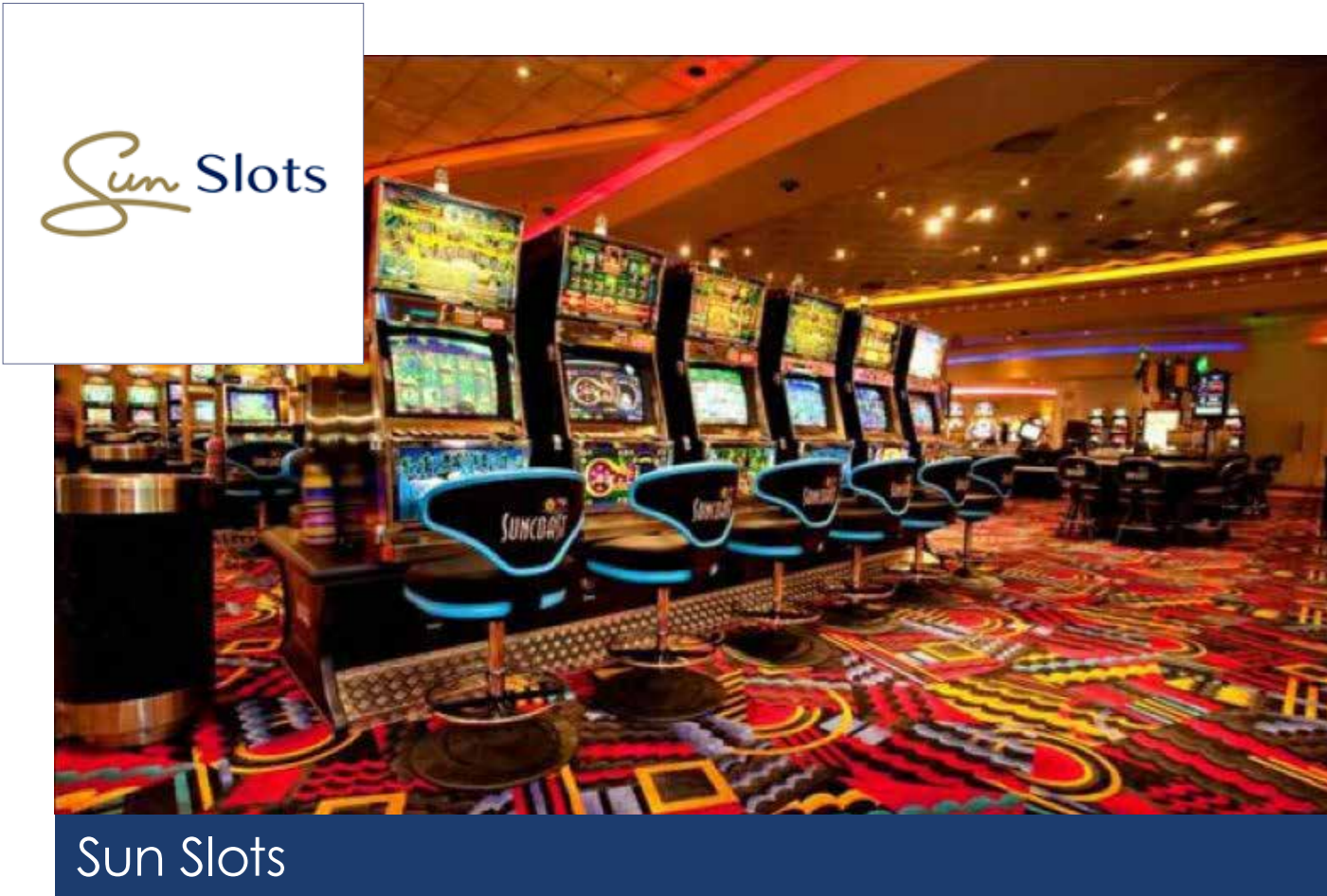
**15.1%**  
Effective ownership

**R2.2m**  
Contribution to GPI  
**Headline earnings**  
(2021: R1.4m loss)

**R3.8m**  
Dividends received  
(2021: Rnil)







**30%**  
Effective ownership

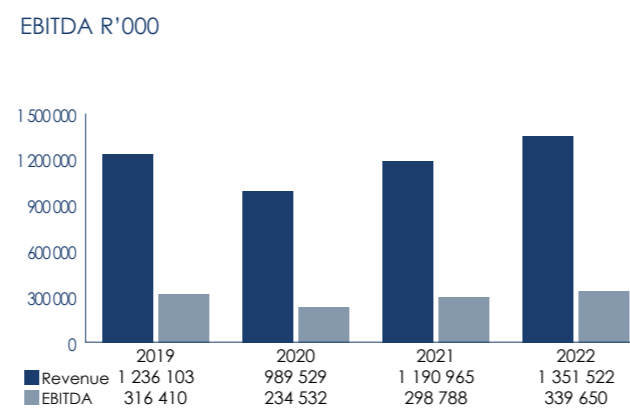
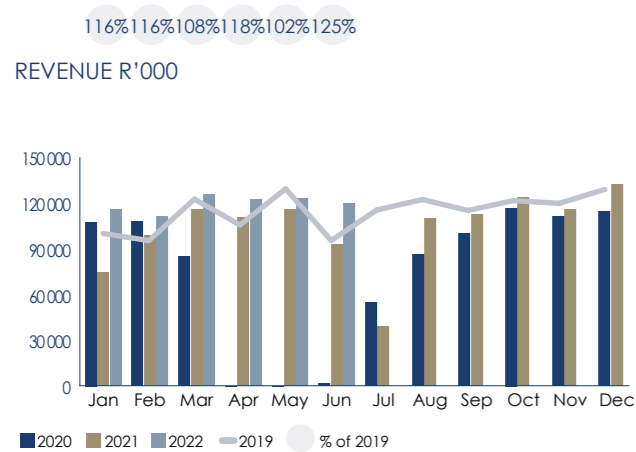
**R65.8m**  
Contribution to GPI  
**Headline earnings**  
(2021: R44.8m contribution)

**R75m**  
Dividends received  
(2021: R72m)

**R41.3m**  
REVENUE  
(2021: R33.9m contribution)

**R0.7m**  
Contribution to GPI  
**HEPS**  
(2021: R1.6m)

**R5.1m**  
EBITDA  
(2021: R8.7m)



**16**  
Employees  
(2021: 26)

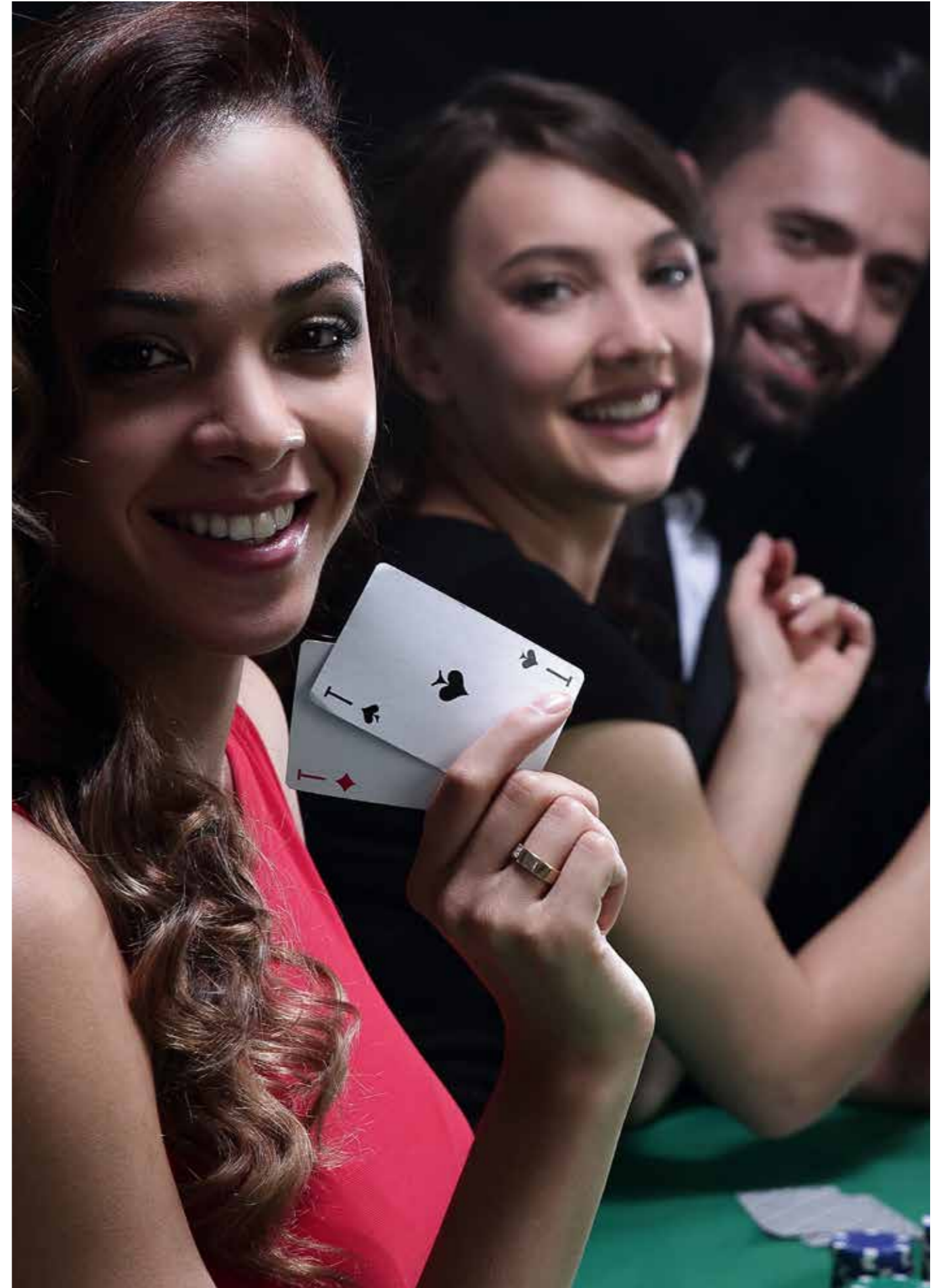


GPI Properties

 **100%**  
Effective ownership

 **R3.6m loss**  
Contribution to GPI  
**Headline earnings**  
(2021: R2.9m contribution)

 **Rnil**  
Dividends received  
(2021: Rnil)





CORPORATE  
GOVERNANCE

# CORPORATE GOVERNANCE REPORT

As a black economic empowerment company, GPI strives to ensure that its workforce and board composition is representative in terms of race and gender diversity.

As the ultimate governing body of the GPI Group, the Board is committed to providing ethical, accountable and effective leadership and to ensuring that the businesses and affairs of the Group are managed responsibly. The Board continued to practice corporate governance aimed at generating value creation to generate value and benefits for all stakeholders.

Responsibility for ensuring full and effective control of the Group's businesses, as well as the overall strategy, performance and governance of the Group, rests with the Board. The day-to-day responsibility for ensuring that the Group's businesses are managed appropriately rests with executive management who have clearly defined roles and reporting lines to the Board. The directors confirm that, to the best of their knowledge, during the 2022 reporting period the Group has in all material respects applied the principles and recommendations of the King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV™") and where such application has not been complied with, explains the factors and circumstances resulting in an alternative application.

## COMPLIANCE WITH LAWS AND REGULATIONS

The directors confirm that, to the best of their knowledge, GPI i) complied with the provisions of the Companies Act of South Africa, and ii) operated in accordance with its memorandum of incorporation, during the year under review.

## KING IV™

King IV™ came into operation on 1 November 2016 and on 19 June 2018 the JSE Listings Requirements ("Listings Requirements") were amended to include provision for the adoption of certain King IV™ recommendations and other governance arrangements. GPI's King IV application register and its material risk register are available on the GPI website [www.grandparade.co.za](http://www.grandparade.co.za).

## THE BOARD OF DIRECTORS

The Board believes that its composition does reflect:

- a wide range of attributes and competencies (as opposed to similar overlapping qualities) that will position the Board to collectively provide good corporate governance and strategic oversight; and

- a diversity of perspective and views that will lead to more innovation, better risk management, and will better enable the Board to anticipate and consider the concerns and perspectives of all key stakeholders.

### BOARD STRUCTURE

The Board provides direction and leadership to the Group and is ultimately accountable for the overall governance, performance, strategy and affairs of the Group. The Board delegates authority to the relevant Board Committees to ensure that all aspects of strategy, performance and governance are applied.

The roles of the Chairman and the Chief Executive Officer ("CEO") are clearly defined. The Chairman is responsible for leading the Board and ensuring that the Board and its committees are effective and act with integrity. The Chief Executive Officer is responsible for managing and running the Company's business effectively in accordance with the strategy and objectives approved by the Board.

### Composition of the Board

The Group has a unitary Board structure and at the end of the Reporting period had six non-executive directors of which three were independent and two full-time salaried executive directors.

During the financial year and up until the date of this report there have been no changes to the Board.

The Board and Board members have clearly defined responsibilities, and this division of responsibilities ensures a balance of authority and power, with no individual director having unrestricted powers and decision-making authority.

The Board is of the view that it possesses the appropriate mix of knowledge, experience, skills, age and culture and that these attributes collectively contribute to better decision-making and effective governance at Board level.

### Broader diversity policy

As a black economic empowerment company, GPI strives to ensure that its workforce and Board composition is always representative in terms of race and gender diversity. The Board has nevertheless adopted a broader diversity Policy at Board level to formalise its objectives for the continued achievement of diversity.

The Remuneration and Nomination Committee, in collaboration with the Social and Ethics Committee, consider and annually agree on measurable targets for achieving race and gender diversity at Board level. In identifying suitable candidates for appointment to the Board, the Nomination Committee will consider individuals on merit against objective criteria and with due regard for the potential benefits of race and gender diversity.

The Group has set a target to ensure that the Board composition remains at a minimum 20% female and 60% black representation and have complied with this during the reporting period to 30 June 2022.

### Board appointments

Directors are appointed by the Board in a formal manner. The Remuneration and Nomination Committee, in consultation with the Chairman of the Board, considers suitable candidates and nominates persons for appointment as directors taking into account the requirements of the business. These include skills, qualifications and experience as well as race and gender diversity requirements to ensure that the Board and Committees' compositions are appropriately balanced.

Proposals for election/re-election to the Board are, after review, recommended by the Nomination Committee and are considered by the Board, subject to the approval/ratification of shareholders.

One-third of the company's non-executive directors are required to retire by rotation at the Annual General Meeting ("AGM") of shareholders. Retiring directors may offer themselves for re-election and directors appointed during the period are required to have their appointments ratified at the following AGM. Details of these directors are given in the Notice of AGM which is distributed to shareholders and is also available online on the Company's website [www.grandparade.co.za](http://www.grandparade.co.za).

At the AGM on 30 November 2022, by rotation Mr Monde Nkosi and Mrs Rozanna Kader will retire and offer themselves for re-election.

On appointment, a director receives a formal letter of appointment together with a pack of the relevant statutory information to ensure an understanding of the provisions of the Act and the obligations of directors. The director is also provided with information on the Group's strategy, operational activities, and the products and services offered by the various divisions. New directors are informed of the closed periods for dealing in the Company's securities, the procedure they are required to follow before dealing in securities as well as details pertaining to related party transactions.

### Director independence

Professor Walter Geach, Mr Mark Bowman and Ms Ronel van Dijk are classified as independent non-executive directors. The Board is satisfied that these directors, through their conduct at Board and Committee meetings, have displayed independence of mind in their decision-making and that there are no relationships or circumstances which could affect, or could appear to affect, their independence.

Mr Alex Abercrombie has been a director of GPI since its inception 25 years ago. The Board is of the view that the historical knowledge that Mr Abercrombie has of the Company and its businesses, together with the specific skills he contributes, has contributed to the effectiveness of the Board and the committees on which he serves. The extended tenure of Mr Abercrombie is balanced by the remaining directors who have brought new perspectives and additional skills to the table.

Professor Walter Geach has been appointed by the Board to the role of Lead Independent Director to strengthen independence on the Board and to chair discussions and decision-making by the Board on matters where the chair has a conflict of interest.

### Board Committee composition

Board Committees are constituted with due regard to the skills and experience required by each Committee in order to fulfil the relevant Committee's mandate and to ensure a balanced distribution of power. The Board Committees have clear terms of reference that define their powers and duties, and these are documented in Committee Charters which are regularly reviewed by each Committee and amended with the approval of the Board.

Management are invited to attend Board Committee meetings by way of standing invitations or on an ad hoc basis when specific contributions in their fields of expertise are required.

Further details about the Committee memberships and their terms of reference are given in the individual Committee reports on pages 40 to 48.

### Board and Committee evaluations

During the Reporting period the Chairman of the Remuneration and Nomination Committee, in consultation with the Chairman and Company Secretary, evaluated the effectiveness of the Board and the Board Committees. The group obtained the services of an external firm to conduct board and committee member evaluations. This year, no issues of material concern were raised in the evaluations and the Board is satisfied with its performance and effectiveness.

The Board is similarly satisfied that all Board Committee members collectively have the skills and acumen to fulfil the respective committee's mandate and that all Committees have indeed performed their responsibilities in accordance with their terms of reference during the Reporting period.

# CORPORATE GOVERNANCE REPORT

## CONTINUED

### Group Financial Director

The Audit and Risk Committee and the Board are satisfied that Mr Jayson October possesses the appropriate experience and qualifications for this position. A review of the effectiveness of the Group Financial Director and the Finance function has been undertaken by the Audit and Risk Committee and the Committee is satisfied as to their effectiveness and that appropriate financial reporting procedures are in place and are operating. In this regard refer to the report of the Audit and Risk Committee on page 40 of this report.

### Company Secretary

All directors have access to the support and services of the Company Secretary, Statucor (Pty) Ltd who is responsible for the duties set out in section 89 of the Companies Act, No.71 of 2008, as amended, ("Companies Act") and for ensuring compliance with the Listings Requirements.

The Company Secretary has been appointed as secretary of the standing committees of the Board and coordinates the functioning of the Board and its committees. In addition, the Company Secretary also ensures that the appropriate statutory and other records are maintained.

The Board confirms that the Company Secretary maintains an arm's-length relationship with the Board and the directors and is not a director of the Company. The Board is of the opinion that the Company Secretary has the requisite competence, qualifications, knowledge and experience to carry out the duties of a secretary of a public company.

### DEALING IN SECURITIES AND INSIDER TRADING

A policy on share dealings and insider trading is applied across the Group to all Company directors, the Company Secretary, prescribed officers and certain identified senior executives with access to financial results and other price-sensitive information. These individuals may not deal in shares of the Company during the "closed periods" as defined in the Listings Requirements or whilst in the possession of unpublished price sensitive information concerning the business and affairs of the Group and its subsidiaries. The policy prohibits the dissemination of price-sensitive information pertaining to the Company by employees.

Directors, prescribed officers and the Company Secretary are obliged to obtain the Chairman's written clearance (or in his absence, the LIDs) prior to dealing in the Company's shares and all requests are referred through the Company Secretary for record-keeping purposes and to liaise with the Company's sponsors to disclose such dealings to shareholders on SENS.

During the Reporting period, the share trading policy was adhered to and the necessary clearance contemplated in the Listings Requirements was given prior to trading in GPI shares.

### DISCLOSURES AND CONFLICTS OF INTEREST

Directors are obliged to avoid situations that may place them in conflict with the interests of the Company or the Group. In addition, interests must be declared before each Board meeting and procedures are in place for directors to provide the Company Secretary with full disclosure of any related-party transactions to which they or their immediate families may be party.

### DIRECTORS' REMUNERATION

Details of the remuneration paid to directors in the reporting period ended 30 June 2022 are contained in the financial statements, the Notice of AGM posted to shareholders on 31 October 2022 and are included in the Remuneration and Nomination Committee Report on page 42.

Non-executive directors' remuneration is based on a scale that considers the director's role on the Board and on the various Board committees. Fees are accordingly not linked to the performance of the Group and non-executive directors do not participate in the Group share incentive scheme.

The fees paid to non-executive directors are benchmarked against fees paid to the non-executive directors by a JSE-listed peer group and similar small-cap Companies by market capitalisation. The Remuneration and Nomination Committee, with the Board's endorsement, have not proposed any increase or changes to the fees of non-executive directors for the ensuing year.

A special resolution to obtain shareholder approval for the change in remuneration for non-executive directors has been included (as special resolution number 1) in the Notice of AGM that was posted to shareholders on 31 October 2022.

At the 2021 AGM of the Company the shareholders votes indicated their endorsement of the Company's Remuneration Policy as well as the report of the implementation of the Remuneration Policy within the business with the votes cast on these resolutions in favour thereof at 69.11% and 69.95% respectively.

### BOARD MEETINGS

As a rule, the Board meets quarterly to discharge its statutory obligations and to ensure adherence with the Company's strategic focus. Additional meetings were held during the reporting period to attend to other specific business as and when the need arose.

An overview of Board and Committee meeting attendances during the Reporting period is provided in table 1 on page 39.

### GOVERNANCE PRACTICES

A schedule indicating how the Group is applying the King IV principles is available on the Company's website [www.grandparade.co.za](http://www.grandparade.co.za) under the investor relations section.

An outline of the Board's approach to governance as well as the policies and processes that are aimed at protecting stakeholder value and achieving the King IV™ outcomes.

### Values and ethics

The Company's ethical values are based on integrity, transparency, fairness and trust and a commitment to making a meaningful contribution to B-BBEE as inclusively as possible; to uphold the highest ethical and moral standards; and to invest in the finest people and promote their personal growth.

The Board expects all in the business to apply the above values in their personal conduct, ensuring that they are never compromised in favour of personal gain, or to benefit the business at the expense of the values. Directors of the Company and of the subsidiaries, as well as key management, are required to disclose their directorships in other companies as well as any interests in contracts or related party transactions. These disclosures are updated and reviewed annually.

### Oversight of risk

The Board assumes ultimate accountability for the risk management process and the Group's system of internal control. In collaboration with the Group Audit and Risk Committee, the Board has adopted a Risk Management Framework aimed at achieving the Group's overall strategic objectives and the creation of long-term value for shareholders.

A complete review of the Group's risk management processes and reporting framework has been completed and reviewed by the Audit and Risk Committee.

### IT governance

The IT governance processes are continuously evaluated with the Group Technology Officer providing the Audit and Risk Committee with reports at all Committee meetings. The Audit and Risk Committee is responsible for considering the efficacy of IT controls, policies and processes to the extent that these pose a risk to the financial reporting process, the effectiveness of financial controls and the continuity of the Group's operations.

**Table 1: Director Board and committee meeting attendance during the 2022 financial year**

	Director designation	GPI Board	Audit and Risk Committee	Remuneration and Nomination Committee	Social and Ethics Committee	Investment Committee
A ABERCROMBIE	Non-executive Chairperson	9/9		4/4	2/2	3/3
M TAJBHAI	Chief Executive Officer	9/9			2/2	
J OCTOBER	Financial Director	9/9				
W GEACH	Lead Independent Director	9/9	6/6			
M BOWMAN	Independent non-executive director	8/9	5/6	4/4		3/3
R VAN DIJK	Independent non-executive director	9/9	6/6			
M NKOSI	Non-executive director	8/9		4/4		3/3
R KADER	Non-executive director	9/9		4/4	2/2	

# BOARD COMMITTEES AND REPORTS

## AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee is a formally constituted committee of the Board. It is appointed by the shareholders to assist the Board with its corporate governance oversight duties. The Committee operates independently of management and acts in accordance with its statutory duties and the delegated authority of the Board as documented in a formal Charter. The composition of the Audit and Risk Committee of Grand Parade Investments Limited complies with all statutory requirements relating thereto including the Companies Act (No. 71 of 2008) of South Africa (Companies Act). The committee is made up of WD Geach CA (SA), BA LLB (CPT), MCom FCIS(Chairman), MJ Bowman BCom (Wits), MBA UCT) and R Van Dijk CA (SA), BRek Hons (USB). All four meetings of the Committee have been attended by all members.

During the reporting period, the Committee attended to the following:

### Engagement with external auditors

- during the year, following the sale of BKSA and GFMP and the change of auditors of its remaining major assets, the audit committee approached prospective audit firms to investigate changing the Group's auditors. On conclusion of the process the committee recommended and the Board endorsed the appointment of Deloitte & Touche as the new external auditor of the Group from 2022, with Mrs Carmeni Naidoo Bester as the designated individual auditor;
- satisfied itself that the incoming external auditor is independent of the Company, as set out in section 94(8) of the Companies Act, and suitable for reappointment by considering, inter alia, paragraph 3.84(g)(iii) and the information stated in paragraph 22.15(h) of the JSE Limited Listing Requirement ("JSE Listing Requirements");
- considered and approved the terms of engagement of the external auditor and the extent and scope of the audit and the timing thereof;
- in consultation with management, agreed to the engagement letter, terms, audit plan and budgeted audit fees for the 2022 financial year;
- prior to the commencement of the audit, determined and recommended the audit fees to be paid to the auditor;
- approved the nature and extent of non-audit services that the external auditor may provide; and
- reviewed and made recommendations to the Board in respect of the publicly disclosed financial information including the interim results for the six months ended 31 December 2021 and the audited annual results for the 2022 financial year.

### Internal financial controls, and internal audit function

- reviewed and approved the internal audit annual work plan, as well as the quarterly internal audit report;
- reviewed the internal auditor's reports and noted the findings thereof and reported to the Board in connection therewith;
- assessed internal financial controls and concluded that although there were deficiencies in the internal financial controls noted adequate measures have been taken where appropriate to provide reasonable assurance that the annual financial statements fairly present in all material respects the financial position, performance and cash flows of the Group; and
- considered and confirmed its satisfaction with the effectiveness of the internal audit function, as well as the expertise and experience of the internal auditor.

### Oversight of risk management including IT

- satisfied itself, based on the information and explanations supplied by management and obtained through discussions with the independent external auditor, that the risk management processes and systems of internal financial controls are effective and forms a basis for the preparation of reliable financial statements;
- reviewed and considered the report by internal audit on the integrity and robustness of the Group's risk management processes;
- reviewed and considered the status of financial, Information Technology and internal controls, for the year under review, and reviewed and accepted the reports relating thereto; and
- implemented Protection of Personal Information Act (POPIA) Framework and associated policies across the business that promotes a robust level of protection and ethical use of Personal Data.

### Complaints and concerns

The Committee did not receive any complaints or concerns neither from within or outside the Company, or find any concerns on its own initiative, relating to the following:

- the accounting practices and internal audit of the Company;
- the content or auditing of the Company's financial statements; or
- the internal financial controls of the Company.

### Annual financial statements and reporting

- satisfied itself, based on the information and explanations supplied by management and obtained through discussions with the external auditor, that the Company be regarded as a going concern;
- reviewed the accounting policies and financial statements for the year ended 30 June 2022 and, based on the information provided to the committee, considered that the Company and Group complies, in all material respects, with the requirements of International Financial Reporting Standards ("IFRS"); the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee; the Financial Reporting Pronouncements, as issued by the Financial Reporting Standards Council; the manner required by the Companies Act and the Johannesburg Stock Exchange Listings Requirements;
- engaged extensively with management on their response to the JSE Limited ("JSE") on their findings after review of the Group's June 2021 and December 2021 results and ensured the implementation of the relevant suggestions to ensure that the current year financial statements comply with the JSE's latest findings;
- considered and reviewed management implementation of the JSE's latest report on the proactive monitoring of financial statements for compliance with IFRS and ensured that the listing requirements were complied with;
- ensured that the appropriate financial reporting procedures exist and are operating as required by the JSE Listing Requirements paragraph 3.84(g)(ii);
- satisfied itself in terms of paragraph 3.84(g)(i) of the JSE Listings Requirements that the Company's CFO, as well as the group finance function, has the appropriate expertise and experience and where weaknesses were identified that appropriate remedial action was put in place and have been communicated to the committee and its external auditors; and
- undertook the prescribed functions in terms of section 94(7) of the Companies Act, on behalf of the subsidiary companies of the group.

### Key audit matters

The Committee considered the following areas of audit emphasis and key audit matters raised by the external auditors in relation to the audit of the consolidated financial statements:

- Measurement, valuation and disclosure of discontinued operations.

Based on the work performed by the external audit and management support the committee is satisfied with these key audit matters.



**W GEACH**  
Chairman  
Audit and Risk Committee

23 October 2022

# BOARD COMMITTEES AND REPORTS

## CONTINUED

### REMUNERATION AND NOMINATION COMMITTEE REPORT

GPI's combined Remuneration and Nomination Committee ("Remco") assists the Board in ensuring that the remuneration policies and practices that are applied in the Group reflect a fair, responsible and transparent approach to remuneration to achieve the strategic objectives and positive outcomes in the short, medium and long terms.

To this end, Remco has oversight over the Group remuneration strategy and policy and is responsible for ensuring the ongoing application of a policy aligned with the Group strategic, operating and financial objectives and best practice remuneration principles. All elements of remuneration offered in the Group, and the mix of these, are set out in the Group policy.

Remco is also tasked with nominating candidates for appointment to the Board and for making recommendations to the Board on the re-election of directors retiring by rotation.

#### Membership

As at 30 June 2022, the Committee comprised of four non-executive directors and is chaired by an Independent non-executive director. During the 2022 financial year, the Committee was constituted as follows:

- Mark Bowman, Chairperson (independent non-executive director)
- Alex Abercrombie (non-executive director)
- Rozanna Kader (non-executive director)
- Monde Nkosi (non-executive director)

Remco operates independently of management but the Chief Executive Officer and Financial Director are invitees to meetings of the Committee and are recused from aspects of the committee's discussions when so required and are specifically excused from discussions that relate to their performance and remuneration.

The committee's annual meeting schedule makes provision for two meetings per year and provision is made for additional meetings to be held when the need arises. Details of the meetings held during the 2022 financial year and members' attendance at the meetings are included in the table on page 39.

#### Terms of reference

The Committee has clear terms of reference that are aligned with King IV™ and the Listings Requirements.

Within the context and framework of the above, the Committee is responsible for:

- the annual review of the remuneration policy and practices applied in the Group and reporting thereon to the Board or making recommendations to the Board for amendment of the policy and/or practices;
- reviewing and recommending (to the Board) the remuneration for executive directors, non-executive directors, divisional Company directors (where applicable) and/ or senior executives ensuring that the remuneration is fair and responsible in the context of overall employee remuneration (i.e. that the gap between the remuneration of executives and employees at the lower end of the pay scale is addressed);
- reviewing and approving the remuneration principles that are applied in respect of all other employee levels in the Group, including changes to the benchmarking methodology used for setting base salaries and incentive targets; the methodology to be applied in respect of performance-based rewards and/or incentive and retention bonuses;
- determining and recommending to the Board the terms and conditions of executive directors' employment agreements, including the performance criteria or metrics to be applied in setting the executive directors' and senior executives' remuneration levels;
- considering and measuring the individual performances of executive directors and senior executives against the criteria or metrics approved by the Board, ensuring performance aligns with positive outcomes relative to the Group strategic, operating and financial objectives and merits the rewards being recommended to the Board;
- considering management's proposals for annual salary adjustments for employees in the Group and making recommendations in this regard to the Board;
- overseeing the preparation of the annual remuneration report for approval by the Board and for consideration by shareholders by means of the non-binding shareholder vote at the Annual General Meeting. The Committee must ensure that the remuneration report provides the necessary level of disclosure set out in King IV™;

- engagement with Dissenting Shareholders and framing of measures that appropriately address such shareholders' legitimate and reasonable objections and concerns, including amendment of the remuneration policy or clarifying or adjusting remuneration governance processes;
- adopting a formal and transparent procedure for the nomination of candidates for appointment to the Board (including interviewing potential candidates) and subsequently, for referring recommendations for nominations to the Board;
- making recommendations to the Board on the re-election of directors retiring by rotation, taking into account governance requirements such as director independence, evaluation of the performance and attendance of such directors, and taking into account the director's past performance and contribution to the Board;
- overseeing the annual evaluation of the Board's effectiveness and that of the Committees of the Board according to a formal process (either externally facilitated or by means of an internal methodology approved by the Board). The evaluation must be performed at least every two years; and
- determining and recommending to the Board appropriate long-term succession plans for all key positions in the Group, particularly for the chairperson, executive directors and senior executives in the Group, and ensure implementation of approved succession plans.

The Chairman of the Committee or in his or her absence, another designated member of the Committee attends the Annual General Meeting of the Company to answer any remuneration related questions.

### REMUNERATION REPORT

In accordance with King IV™ and in compliance with the JSE Listings Requirements, the GPI remuneration policy and implementation of the policy have been proposed for endorsement by shareholders at the Company's 2022 Annual General Meeting.

#### Background

GPI's remuneration philosophy is aimed at rewarding and retaining talent across the Group. One of the key objectives of the remuneration policy is to align the key decision makers in the Group with the expectations of shareholders in order to promote value creation. The GPI Board thus views its remuneration policy as a key enabler to affect this Group philosophy. In February 2020 GPI has shifted strategy to unlock value through a controlled sale of assets and, in doing so the remuneration policy has also been changed to align incentives with the proposed strategy.

#### Remuneration policy and approach

The remuneration of executive directors comprises a total guaranteed cost to company component and a wind-down incentive. The group has done away with both short term and long-term incentives and created a wind down incentive which is aligned with the group's strategy to unlock value through a controlled sale of assets. The group therefore no longer requires a minimum shareholding policy. The proposed incentive is aligned with the major objectives of the group which are:

1. Maximise value creation through asset sales;
2. Reduce time to complete asset sales;
3. Reduce central costs; and
4. Improve profitability of operational businesses.

#### Guaranteed pay

Guaranteed pay is benchmarked against the 25th percentile of the local salary survey. Benchmarking is intentionally aimed at the lower end of the scale with performance-based remuneration being weighted at the higher end of the scale. The table below outlines the total guaranteed pay for the CEO and CFO and a comparison against the benchmark.

#### Total guaranteed pay for the CEO and CFO and a comparison against the benchmark

Job Title	25th		50th		Total Guaranteed Pay	% Benchmark
	25th	50th	25th	50th		
Chief Executive Officer	2 825 724	3 415 956	2 200 000			(22%)
Chief Financial Officer	2 183 844	2 599 980	1 650 000			(24%)

# BOARD COMMITTEES AND REPORTS

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### Wind-down incentives

The wind-down incentives are calculated using a multiple of the total guaranteed package based on achieving a particular target. Key Performance Indicators ("KPIs") have been designed and aligned with the Groups strategy to unlock value through a controlled sale of assets and have been weighted in order of importance. The table below outlines the KPIs and associated weighting:

Wind-Down Incentive KPI	Weight
Time to complete asset sales	7.5%
Cumulative central costs and transaction costs	7.5%
Value realised – Burger King and Meat Plant	15%
Value realised – Spur	10%
Value realised – SunWest	20%
Value realised – Sun Slots	15%
Value realised – Golden Valley	5%
Value realised – GPI Properties	10%
Value realised – Mac Brothers	5%
Mac Brothers Headline Earnings	5%

### Malus and Clawback

The Company has incorporated the Malus and Clawback principles into its Remuneration Policy.

"Malus" means the reduction and/or cancellation of unpaid, vested or unsettled Remuneration benefits when a Trigger Event is discovered, and the Board seeks to fulfill its fiduciary duty to shareholders by invoking its discretion to reduce and/or cancel the benefits. "Clawback" means the recovery of settled and or paid remuneration benefits after a Trigger Event being discovered, and the Board seeks to fulfill its fiduciary duty to shareholders by invoking its discretion to recover settled or paid benefits.

Unvested remuneration benefits are subject to Malus while vested benefits are subject to Claw back if the following Trigger Events have occurred:

1. A material misstatement resulting in an adjustment in the audited consolidated accounts of the Company or the audited accounts of any member of the Group; and/or
2. The fact that any information used to determine the quantum of the remuneration benefit amount was based on error, or inaccurate or misleading information; and/or
3. Action or conduct of a Participant which, in the reasonable opinion of the Board, amounts to serious misconduct

### IMPLEMENTATION REPORT

The Remuneration and Nomination Committee ("Remco") is satisfied that GPI complied with its remuneration policy in the 2022 financial year.

The annual salary increases were based on various factors, ranging from but not limited to the; company's performance including the impact of COVID-19 on the business, average CPI, market salary increase indicators, amongst other.

During the 2022 financial year, the Remco benchmarked the salaries against the PwC's report on executive directors' remuneration and trends.

Incentives for the 2022 financial year were calculated based on the KPI's, as detailed in the Remuneration Report above which have been designed and aligned with the Groups strategy to unlock value through a controlled sale of assets. It is important to note that executive KPI's have remained unchanged from those published in the 2020 Annual report. 90% of the executive incentives related to initiatives that have been completed have been paid up front with 10% held back till the end of the wind down process.

### Voting at upcoming Annual General Meeting

Both GPI's remuneration policy and its implementation report on the remuneration policy will be presented to shareholders for separate non-binding advisory votes thereon at GPI's upcoming Annual General Meeting. In the event that 25% or more of shareholders vote against either or both the remuneration policy or the implementation

report at the Annual General Meeting, GPI will engage with shareholders through dialogue, requesting written submissions or otherwise, in order to address shareholders concerns, always with due regard to meeting GPI's stated business objectives while being fair and responsible towards both the employee and shareholders.

### Voting at the previous Annual General Meeting

As prescribed by the King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV™") and required by the JSE Listing requirements, GPI presented its remuneration policy and the implementation report thereon to shareholders for a non-binding advisory vote at its previous AGM held on 8 December 2021. Shareholders representing 61.57% of the total votes exercisable were in attendance whether in person, by proxy or authorized representative, and the results from their voting were:

Vote	Resolutions	Resolutions
	For	Against
Non-binding endorsement of remuneration policy	69.11%	30.89%
Non-binding endorsement of implementation report on the remuneration policy	69.95%	30.05%

The non-binding advisory votes were passed by the requisite majorities, however, as 30% of the shareholders voted against the non-binding advisory resolutions, a virtual meeting with the dissenting shareholders was held on 25<sup>th</sup> March 2022.

**Table 1: Non-executive directors' fees**

	PROPOSED FEES			
	1 January 2023 to 31 December 2023			
	No of meetings per annum (indicative)	Base fee R's	Attendance fee R's	Attendance fee above minimum no of meetings R's
Non-executive Chairperson	4	658 580	19 855	11 495
Lead Independent Director	4	123 310	19 855	11 495
Non-executive Directors	4	81 510	19 855	11 495
Chairpersons of the Audit & Risk Committee, Remuneration & Nomination Committee, Social & Ethics Committee and Investment Committee	4	45 980	31 350	
Members of the Audit & Risk Committee, Remuneration & Nomination Committee, Social & Ethics Committee and Investment Committee	4	31 350	16 198	

Note: All amounts are exclusive of VAT

### Remuneration received by directors in the 2022 financial year

Details of the remuneration, STIs and LTIs received by the executive and non-executive directors during the 2022 financial year can be found at Table 2 on pages 46 to 47 respectively.

### Non-executive director remuneration

GPI's non-executive directors' remuneration is based on a scale that takes into account the director's role on the Board and on the various Board committees. Fees are accordingly not linked to the performance of the Group and neither do non-executive directors participate in the Group share incentive scheme.

The fees paid to non-executive directors are benchmarked against fees paid to non-executive directors by a JSE-listed peer group and similar small-cap Companies by market capitalisation. The fees are tabled annually for approval by GPI's shareholders and the fees paid to non-executive directors in the 2022 financial year are set out above.

The Remco, with the Board's endorsement, have proposed that there be **no increase** in the fees paid to non-executive directors for the ensuing year.

A special resolution to obtain shareholder approval for the remuneration of non-executive directors has been included (as special resolution number 1) in the notice of Annual General Meeting.

The fees currently paid to non-executive directors for their services as directors as well as the proposed fees to be paid from 1 January 2023 are contained in Table 1 above.



# BOARD COMMITTEES AND REPORTS

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### Directors' emoluments

Table 2: Executive and non-executive directors' fees paid for 2022

2022	Salary R'000	Long-term benefits(1) R'000	Bonuses R'000	Director's fees R'000	Audit and risk committee R'000	Remuneration and nomination committee R'000	Investment committee R'000	Social and ethics committee R'000	Total remuneration R'000	Share-based payment expense R'000
<b>Executive directors</b>										
M Tajbhai	1 933	287	1 767	–	–	–	–	–	3 987	282
J October	1 513	150	1 136	–	–	–	–	–	2 799	92
Sub-total	3 446	437	2 903	–	–	–	–	–	6 786	374
<b>Non-executive directors</b>										
A Abercrombie	–	–	–	749	–	77	77	90	993	–
W Geach	–	–	–	281	224	–	–	–	505	–
M Bowman	–	–	–	230	108	113	77	–	528	–
R van Dijk	–	–	–	241	123	–	–	–	364	–
M Nkosi	–	–	–	230	–	77	113	–	420	–
R Kader	–	–	–	241	–	77	–	61	379	–
Sub-total	–	–	–	1 972	455	344	267	151	3 189	–
<b>Total</b>	<b>3 446</b>	<b>437</b>	<b>2 903</b>	<b>1 972</b>	<b>455</b>	<b>344</b>	<b>267</b>	<b>151</b>	<b>9 975</b>	<b>374</b>

<sup>(1)</sup> Long-term benefits relate to defined retirement contributions.

## BOARD COMMITTEES AND REPORTS

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#### SOCIAL AND ETHICS COMMITTEE REPORT

The Social and Ethics Committee ("the Committee") assists the Board in providing effective ethical leadership by monitoring the Group's performance as a good corporate citizen to ensure accountability from a financial perspective and in terms of the Group's social and environmental impact.

The Committee is constituted in terms of the Companies Act, No 71 of 2008, as amended and comprises of both non-executive and executive directors. During the 2022 financial year, the Committee was constituted as follows:

- Alex Abercrombie – Chairperson (non-executive director).
- Mohsin Tajbhai (executive director)
- Rozanna Kader (non-executive director)

The Committee's primary objective is to assist the Board in providing effective leadership and corporate citizenship and it performs statutory functions as prescribed in regulation 43(5) under the Companies Act as well as certain delegated functions derived from King IV™ and/or functions specifically delegated to the Committee by the Board namely:

- The Company's standing with regard to the 10 principles set out in the United Nations Global Compact Principles ("Principles");
- The Company's standing with regard to the recommendations of the Organisation for Economic Co-operation and Development ("OECD") regarding corruption;
- The Employment Equity Act (No 55 of 1998), the purpose of which is to achieve equity in the workplace;
- The Broad-Based Black Economic Empowerment Act (No 53 of 2003), the objectives of which are to facilitate B-BBEE;
- Environment, health and public safety including the impact of the company's activities and its products or services on the environment, health and public safety;
- Consumer relationships, including ethically founded advertising, public relations and compliance with consumer protection laws; and
- Labour and employment.

The Committee makes recommendations to the Board in relation to the above activities and, specifically, in relation to policies for fair labour practices, sustainable development, responsible product sourcing and social and ethics matters across the Group.

During the year the Committee considered the Group's employment policies to satisfy itself that appropriate provision is made for the promotion of employment equity and fair labour practices and that the Group's standing as a black economic empowerment Company continues to be upheld.

The Committee also considered a revised Code of Ethics and Conduct, and will monitor implementation thereof to ensure the development of a good performance and ethics culture across the Group. Steps have also been taken in the respective businesses to include the Company's Code of Ethics and Conduct in the service level agreements with suppliers and contractors. The Board is satisfied that the Committee has performed its responsibilities in compliance with its terms of reference for the period under review.

The Committee has fulfilled its mandate as prescribed by the Companies Regulations to the Companies Act, and to its knowledge, has complied with its mandate in all material respects there were no instances of material non-compliance to disclose.



**ALEX ABERCROMBIE**

Chairman: Social and Ethics Committee

## GENERAL INFORMATION RELATING TO SHAREHOLDERS

Shareholder spread	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
1 – 1 000	1 807	24.50%	497 216	0.11%
1 001 – 10,000	3 933	53.32%	18 835 871	4.01%
10 001 – 100 000	1 424	19.31%	38 057 563	8.10%
100 001 – 1 000 000	151	2.05%	46 012 823	9.79%
Over 1 000 000	61	0.83%	366 619 268	78.00%
<b>Total</b>	<b>7 376</b>	<b>100.00%</b>	<b>470 022 741</b>	<b>100.00%</b>

Distribution of Shareholders	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Assurance Companies	6	0.08%	143 992	0.03%
Close Corporations	23	0.31%	2 859 546	0.61%
Collective Investment Schemes	21	0.28%	33 238 173	7.07%
Custodians	10	0.14%	2 675 691	0.57%
Foundations & Charitable Funds	4	0.05%	773 854	0.16%
Hedge Funds	6	0.08%	70 008 951	14.89%
Insurance Companies	3	0.04%	394 896	0.08%
Investment Partnerships	13	0.18%	2 765 114	0.59%
Managed Funds	8	0.11%	36 816 138	7.83%
Private Companies	75	1.02%	132 945 781	28.28%
Public Entities	2	0.03%	969 640	0.21%
Retail Shareholders	7 094	96.18%	89 656 306	19.07%
Retirement Benefit Funds	37	0.50%	62 541 724	13.31%
Share Schemes	2	0.03%	1 271 077	0.27%
Stockbrokers & Nominees	6	0.08%	5 468 121	1.16%
Trust	65	0.88%	27 493 736	5.85%
Unclaimed Scrip	1	0.01%	1	0.00%
<b>Total</b>	<b>7 376</b>	<b>100.00%</b>	<b>470 022 741</b>	<b>100.00%</b>

Shareholder type	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
<b>Non-public shareholders</b>	<b>7</b>	<b>0.09%</b>	<b>23 221 577</b>	<b>4.94%</b>
Directors and Associates (Direct Holding)	4	0.05%	198 081	0.04%
Directors and Associates (Indirect Holding)	1	0.01%	7 000 000	1.49%
GPI Woman's BBBEE Empowerment Trust	1	0.01%	14 814 815	3.15%
Collective Investment Schemes	1	0.01%	1 208 681	0.26%
<b>Public shareholders</b>	<b>7 369</b>	<b>99.91%</b>	<b>446 801 164</b>	<b>95.06%</b>
<b>Total</b>	<b>7 376</b>	<b>100.00%</b>	<b>470 022 741</b>	<b>100.00%</b>

## GENERAL INFORMATION RELATING TO SHAREHOLDERS CONTINUED

	Number of shares	% of issued capital
<b>Fund managers with a holding greater than 3% of the issued shares</b>		
Value Capital Partners	103 048 504	21.92%
Arakot	55 413 156	11.79%
Kagiso Asset Mgt	44 065 878	9.38%
GPI Mgt Services	24 000 000	5.11%
Rozendal Partners	15 975 288	3.40%
<b>Total</b>	<b>242 502 826</b>	<b>51.59%</b>
	Number of shares	% of issued capital
<b>Beneficial shareholders with a holding greater than 3% of the issued shares</b>		
Value Capital Partners H4 QI Hedge Fund	41 938 575	8.92%
Arakot	55 413 156	11.79%
Midnight Storm Investments Pty Ltd	24 248 649	5.16%
GPI Mgt Services Pty Ltd	24 000 000	5.11%
Eskom Pension and Provident Fund	14 887 616	3.17%
Rozendal Flexible Prescient QI Hedge Fund	15 975 288	3.40%
GPI Woman's BBBEE Empowerment Trust	14 814 815	3.15%
<b>Total</b>	<b>191 278 099</b>	<b>40.70%</b>

## GLOSSARY OF TERMS

<b>AFS</b>	Consolidated Annual Financial Statements for 2021
<b>AGM</b>	Annual General Meeting
<b>B-BBEE</b>	Broad-based black economic empowerment
<b>BEE</b>	Black economic empowerment
<b>Board</b>	GPI Board of directors
<b>CEO</b>	Chief Executive Officer
<b>Companies Act</b>	Companies Act, No. 71 of 2008, as amended
<b>EBIT</b>	Earnings before interest and tax
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation
<b>EY</b>	Ernst & Young Inc.
<b>GPI</b>	Grand Parade Investments Ltd
<b>GPI Properties</b>	GPI House Properties (Pty) Ltd
<b>GrandWest</b>	GrandWest Casino and Entertainment World
<b>Group</b>	GPI and all its subsidiaries
<b>HEPS</b>	Headline earnings per share
<b>IAR</b>	Integrated annual report
<b>IFRS</b>	International Financial Reporting Standards
<b>iNAV</b>	Intrinsic net asset value
<b>IT</b>	Information technology
<b>JSE</b>	JSE Ltd
<b>King IV™</b>	King IV Report on Governance for South Africa, 2016
<b>KPIs</b>	Key performance indicators
<b>LID</b>	Lead Independent Director
<b>NAV</b>	Net asset value
<b>QSR</b>	Quick service restaurant
<b>Standard Bank</b>	Standard Bank of South Africa Ltd
<b>Sun International</b>	Sun International Ltd
<b>SunWest</b>	SunWest International (Pty) Ltd
<b>Worcester Casino</b>	Worcester Casino (Pty) Ltd

# CORPORATE INFORMATION

<b>Directors</b>	A Abercrombie (Non-executive Chairman) M Tajbhai (Chief Executive Officer) J October (Chief Financial Officer) WD Geach (Lead independent) MJ Bowman (Independent non-executive) R van Dijk (Independent non-executive) M Nkosi (Non-executive) R Kader (Non-executive)
<b>Public Officer</b>	J October CA(SA)
<b>Registration number</b>	1997/003548/06
<b>Domicile and country of incorporation</b>	South Africa
<b>Nature of business</b>	Investment Holding Company
<b>Registered office</b>	10th Floor, 33 on Heerengracht Heerengracht Street Cape Town 8001
<b>Company Secretary</b>	Statucor (Pty) Ltd 6th Floor 119 – 123 Hertzog Boulevard Foreshore Cape Town 8001
<b>Transfer Secretaries</b>	Computer share Investor Services (Pty) Ltd Private Bag X9000 Saxonwold 2132
<b>Sponsors</b>	PSG Capital (Pty) Ltd 1 <sup>st</sup> Floor, Ou Kollege Building 35 Kerk Street, Stellenbosch, 7600 (PO Box 7403, Stellenbosch, 7599) and Suite 1105, 11th Floor, Sandton Eye Building, 126 West Street, Sandton, 2196 (PO Box 650957, Benmore, 2010)
<b>Auditors</b>	Deloitte & Touche 5 Magwa Crescent Waterfall City Waterfall Johannesburg 2000
<b>Bankers</b>	The Standard Bank of South Africa Limited First Rand Bank Limited

