



GRAND PARADE

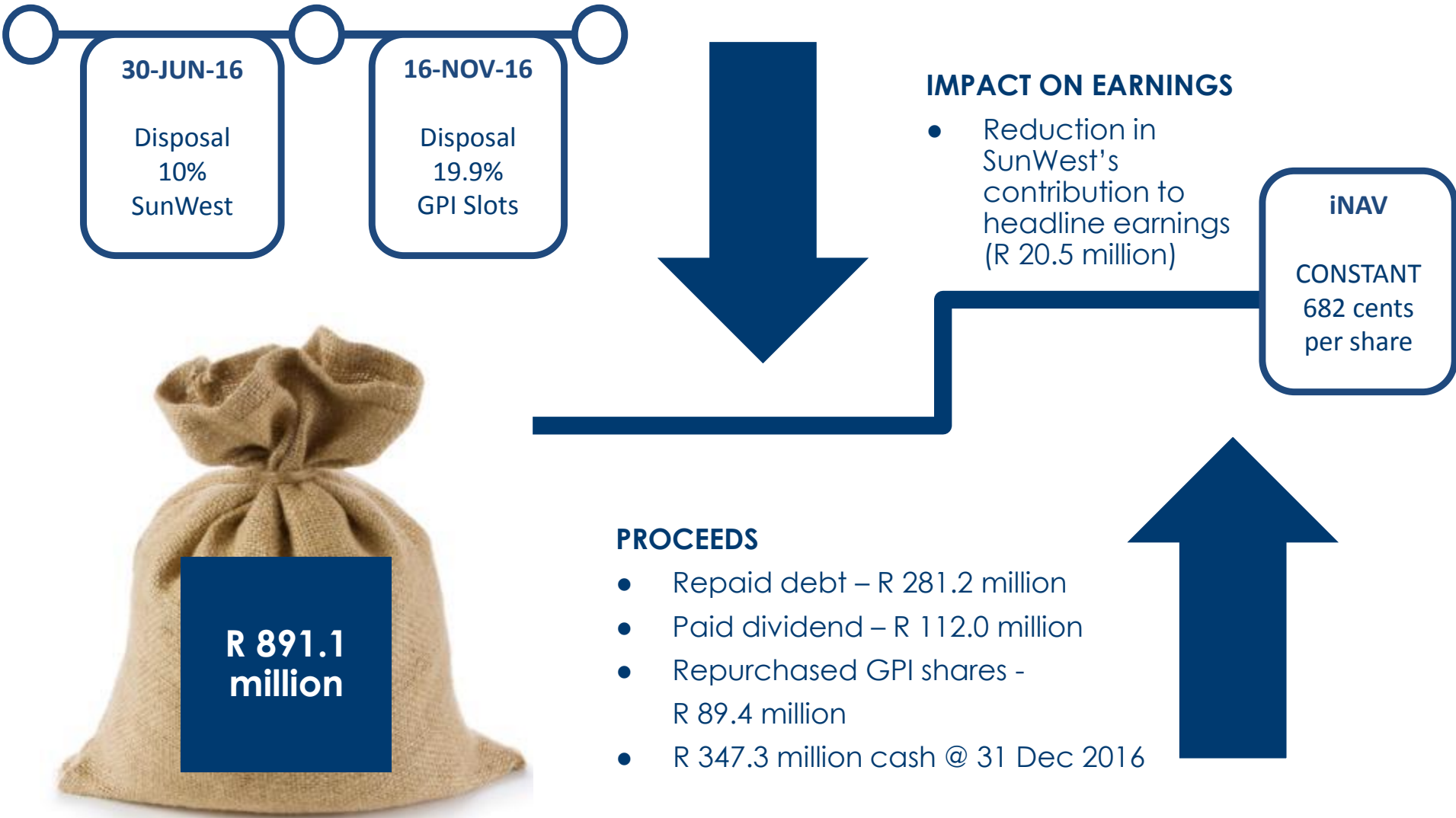
INVESTMENTS LIMITED

**UNAUDITED INTERIM
RESULTS FOR THE
SIX MONTHS ENDED
31 DECEMBER 2016**



UNAUDITED INTERIM RESULTS
FOR THE SIX MONTHS ENDED
31 DECEMBER 2016

IMPACT OF LIMITED EXIT FROM GAMING & LEISURE INVESTMENTS



HIGHLIGHTS

Received R 547.5 million in proceeds from the sale of 10.0% of SunWest & Worcester

Received R 262.1 million in proceeds from the sale of 19.9% of GPI Slots

Repaid R 281.2 million of debt & reduced debt/equity to 16.5%

67% Increase in annual dividend paid

Repurchased 24.5 million GPI Shares at an ave price of 365 cents

Burger King profitable at company EBITDA*

iNAV per share remained constant at 682 cents

Cash on hand increased to R347.3 million

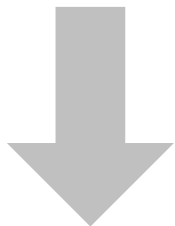
* Before once-off restaurant closure costs

SALIENT FEATURES



25% Increase
in Basic Earnings per Share

7.07 cents



59% Decrease
in Headline Earnings per Share

0.84 cents



No change
in Intrinsic Net Asset Value per share*

6.82 cents



55% Reduction
In Debt/Equity Ratio

16.5%

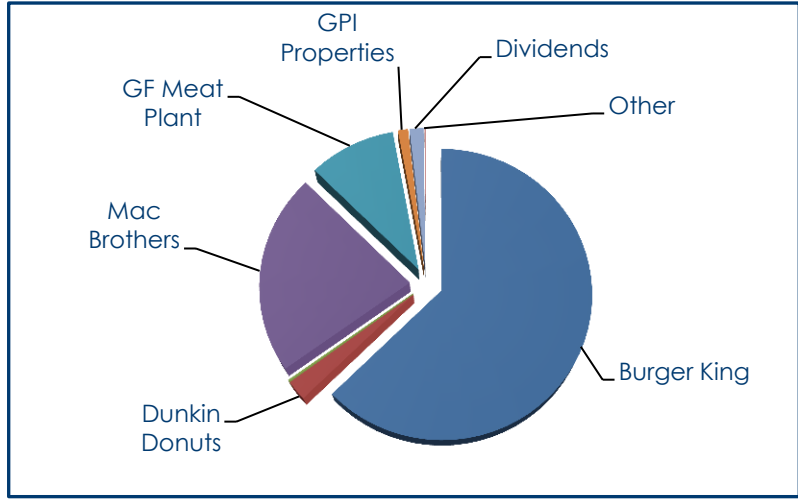
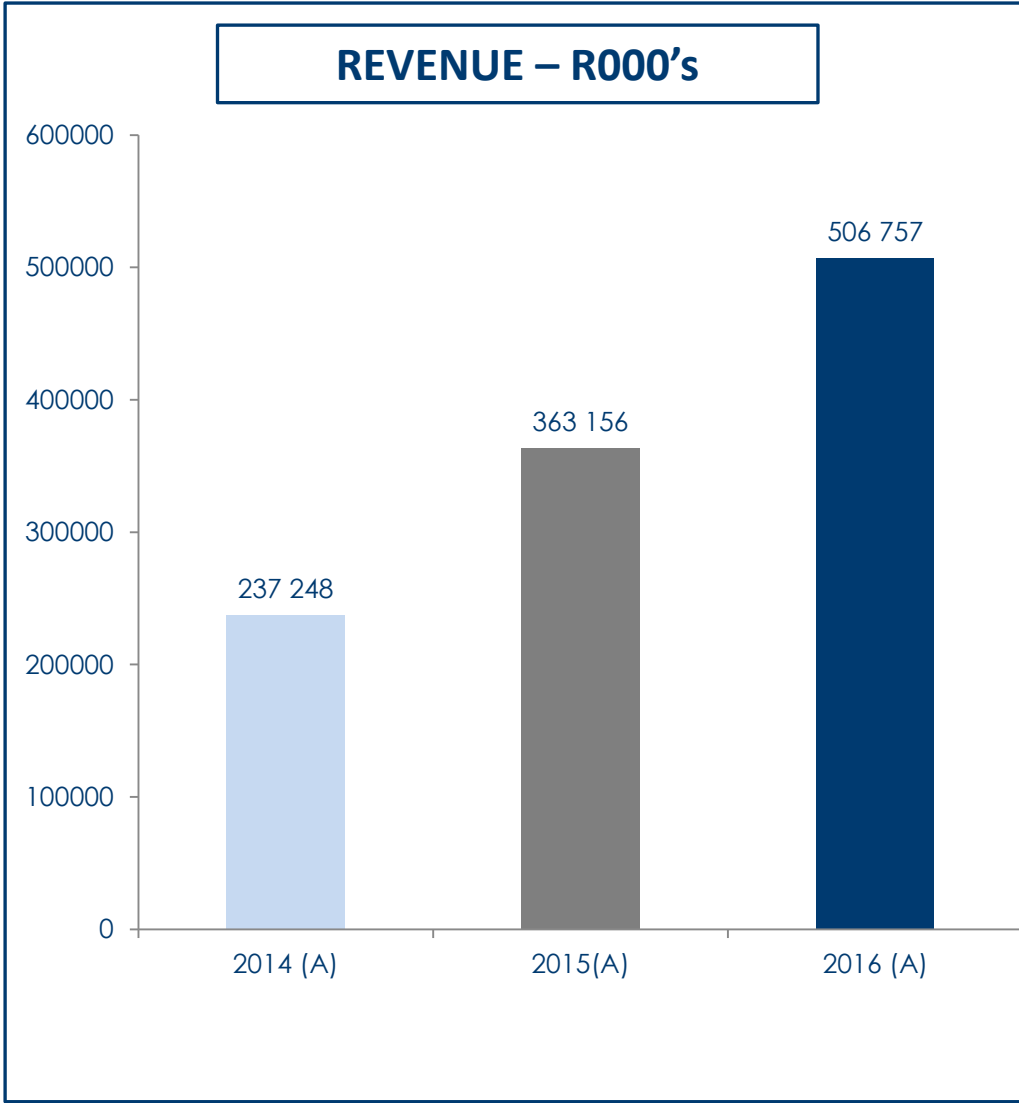
* Before CGT and head office costs

EXTRACTS: INCOME STATEMENT FOR THE 6 MONTHS ENDED 31 DECEMBER 2016

	UNAUDITED 6 MONTHS 31 DEC 16 R000's	UNAUDITED 6 MONTHS 31 DEC 16 R000's	Movement R000's	Movement %
Revenue	506 757	363 156	143 601	40%
Cost of Sales	(266 554)	(172 143)	(94 411)	(55%)
Gross Profit	240 203	191 013	49 190	26%
Operating costs	(262 246)	(251 199)	(47 047)	(22%)
(Loss) / Profit from operations	(22 043)	(24 186)	2 143	9%
Profit from equity accounted investments	50 596	68 709	18 113	(26%)
Fair value adjustments (including profits from disposals)	64 697	18 687	46 010	246%
EBITDA	93 250	63 210	30 040	48%
Depreciation and amortisation	(35 982)	(23 283)	(12 699)	(55%)
Finance income	24 227	11 241	12 986	116%
Finance expense	(30 045)	(32 095)	2 050	6%
Profit before tax	51 450	19 073	32 377	170%
Tax	(23 922)	4 879	(28 801)	(590%)
Profit for the year	27 528	23 952	3 576	15%

EXTRACTS: CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME

REVENUE – R000's



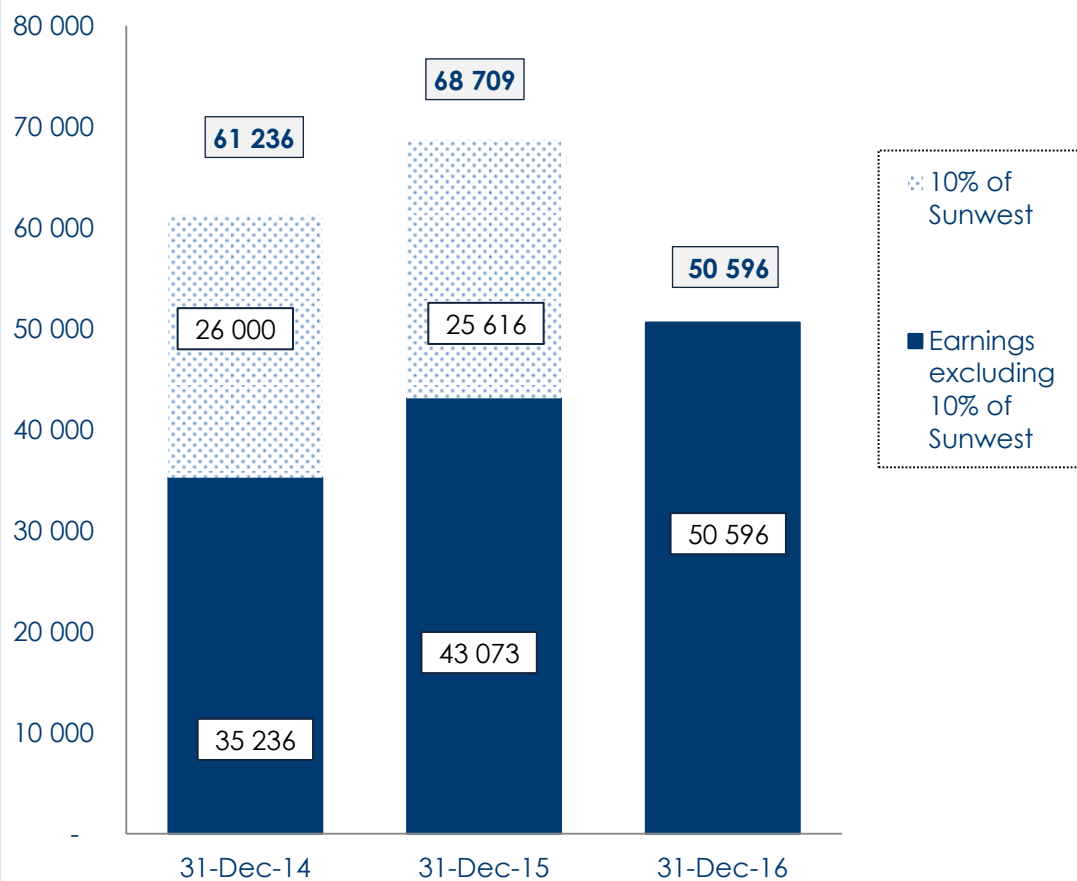
	31 DEC 2016 R000's	31 DEC 2015 R000's
Burger King	317 637	224 396
Mac Brothers	113 389	107 666
GF Meat Plant	49 002	10 080
GPI Properties	5 658	6 519
Dunkin' Donuts	11 244	-
Baskin-Robbins	886	-
Dividends	7 919	7 966
Other	1 022	6 529
TOTAL	506 757	363 156

EXTRACTS: LOSS FROM OPERATIONS

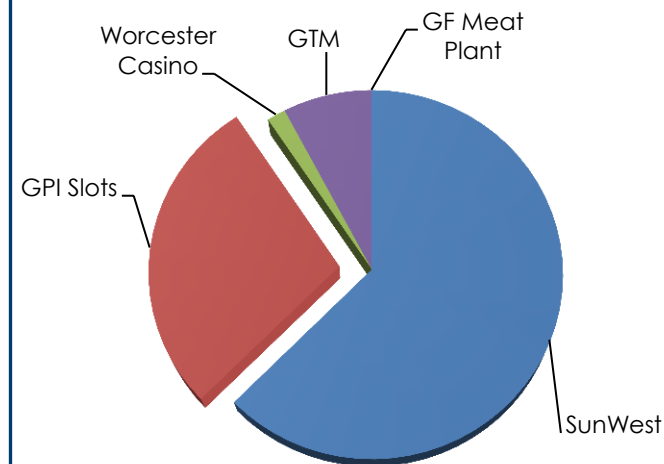
	UNAUDITED 6 Months 31 Dec 2016 R000's	UNAUDITED 6 Months 31 Dec 2016 R000's	Var R000's	Var %
Food	1 573	3 036	(1 463)	(48%)
Burger King	3 211	(13 911)	17 122	123%
Dunkin Donuts	(11 599)	-	(11 599)	-
Baskin Robbins	(6 697)	-	(6 697)	-
Spur	7 874	7 544	330	4%
Mac Brothers	8 731	8 295	436	5%
Grand Food Meat Plant	53	1 108	(1 055)	(95%)
Gaming & Leisure	-	-	-	-
Other	(20 803)	(23 080)	2 277	10%
Non-Core	(2 813)	(4 142)	1 329	32%
Loss from operations	(22 043)	(24 186)	2 143	9%

EXTRACTS: CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME

EQUITY ACCOUNTED EARNINGS – R000'S



BY INVESTMENT



	31 DEC 2016 R000's	31 DEC 2015 R000's
SunWest	37 443	64 295
GPI Slots	16 824	13 278
Worcester Casino	978	(9 135)
GTM	(4 649)	242
Other	-	29
TOTAL	50 596	68 709

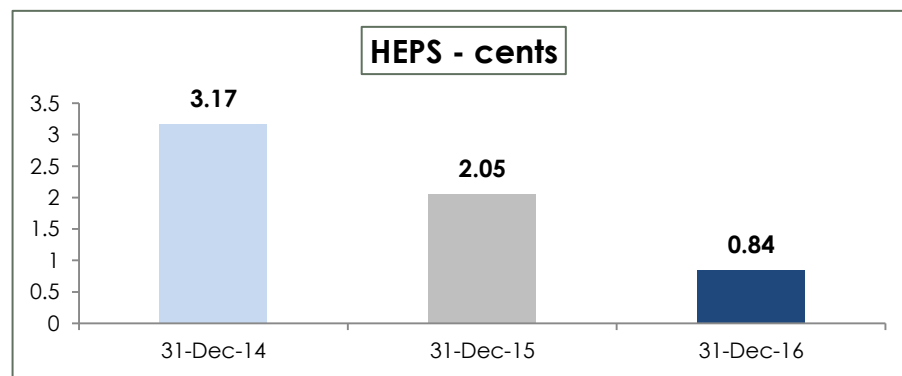
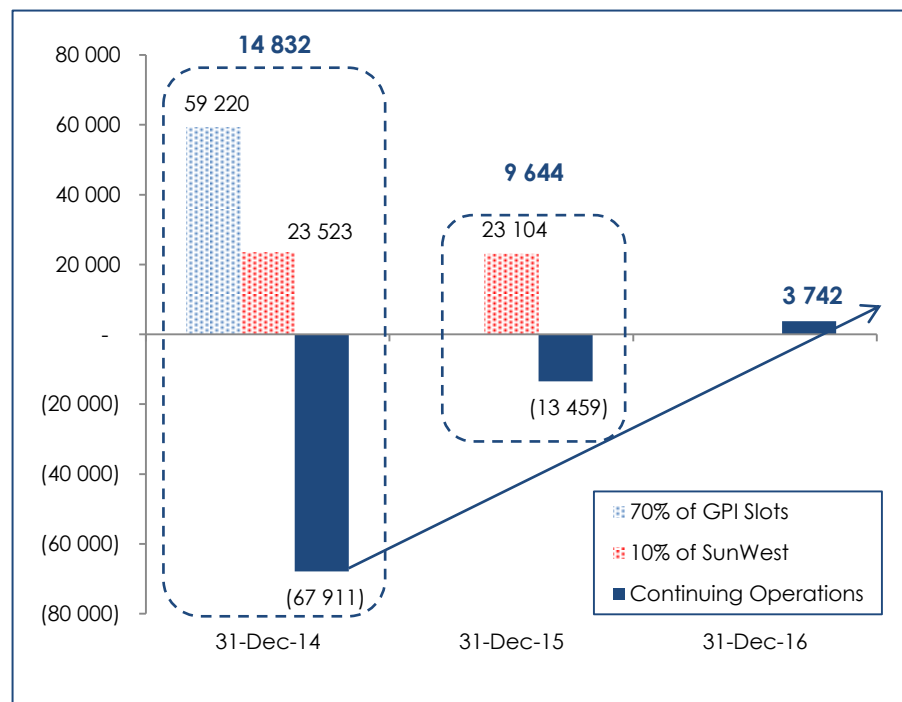


FAIR VALUE ADJUSTMENT & PROFIT ON DISPOSALS

	FY2016 R000's	FY2015 R000's	FY2014 R000's
Profit on disposal of GPI Slots	90 986	-	-
Loss on disposal of GrandLinkstate	(7 900)	-	-
Impairment of Grand Tellumat	(8 271)	-	-
Impairment of PPE	(10 118)	-	-
Remeasurement of GFMP	-	18 687	-
Re-measurement of Mac Brothers	-	-	657
TOTAL	64 697	18 687	657

HEADLINE EARNINGS BY INVESTMENT

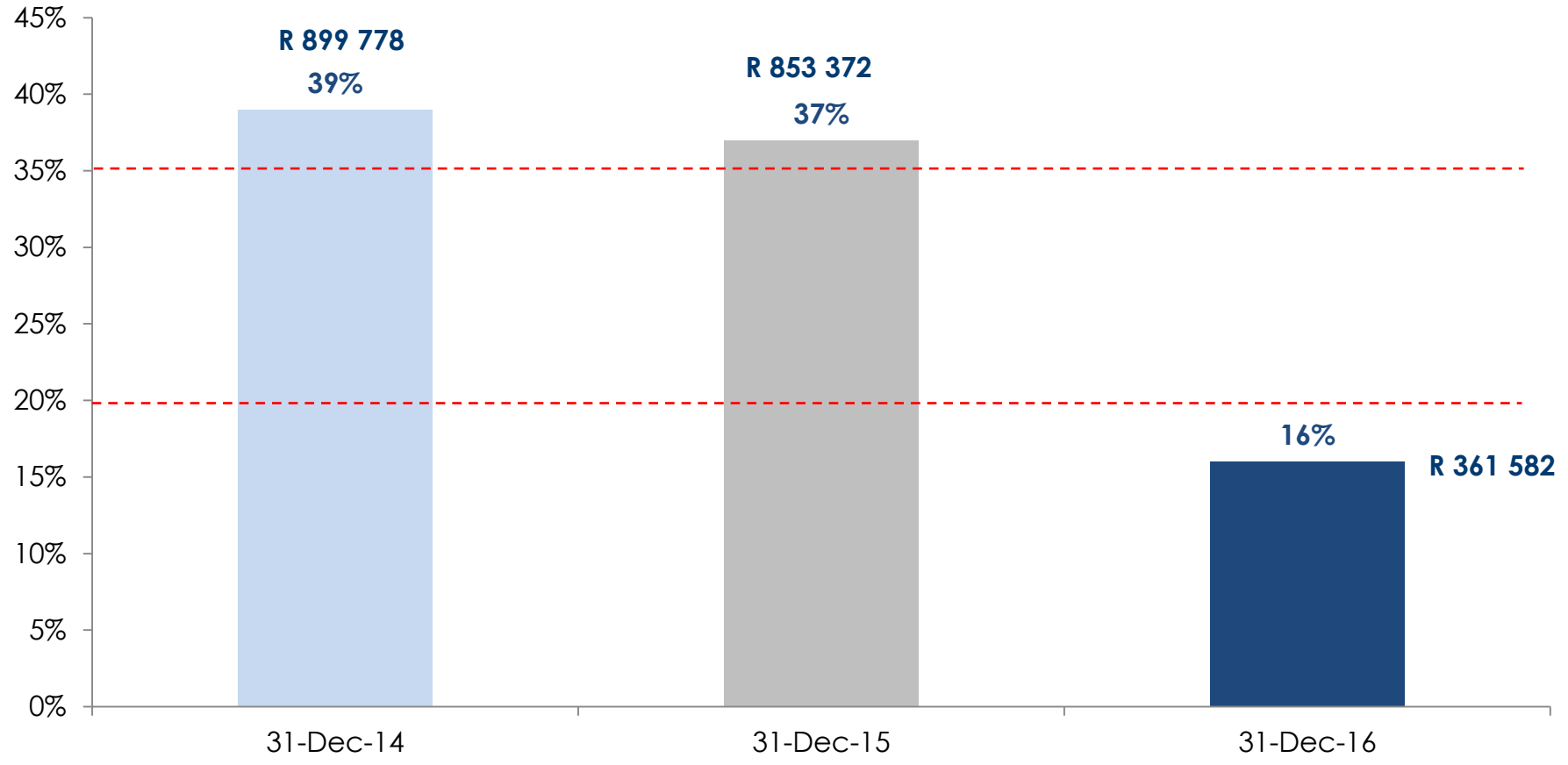
	UNAUDITED 6 Months 31 Dec 16	UNAUDITED 6 Months 31 Dec 15	Var	Var
	R000's	R000's	R000's	%
Food	(25 627)	(15 371)	(10 256)	(67%)
Burger King	(8 718)	(15 557)	6 839	44%
Dunkin Donuts	(8 723)	-	(8 723)	-
Baskin Robbins	(5 007)	-	(5 007)	-
Spur	(2 992)	(2 353)	(639)	(27%)
Mac Brothers	2 267	2 661	(394)	(15%)
Grand Food Meat Plant	(2 454)	(122)	(2 332)	(1911%)
Gaming & Leisure	55 270	62 052	(6 782)	(11%)
Sunwest	37 443	57 991	(20 548)	(35%)
GPI Slots	16 849	13 196	3 653	28%
Worcester Casino	978	(9 135)	10 113	111%
Other	(18 536)	(32 508)	13 972	43%
Corporate Costs	(17 720)	(25 341)	7 621	30%
GPI Properties	(816)	(7 166)	6 350	89%
Non-Core	(7 707)	(4 529)	(3 178)	(70%)
Grand Sport	(3 058)	(4 005)	947	24%
Grand Tellumat	(4 649)	242	(4 891)	(2021%)
Grand Technology	-	(766)	766	(100%)
Headline earnings	3 742	9 644	(5 902)	(61%)





GPI GROUP – 2016 YEAR-END RESULTS

Debt : Equity % & Debt (R000's)



INTRINSIC NAV SUMMARY AT 31 DEC 2016

Company	Valuation Methodology	100% Equity Value (R000's)	GPI holding %	GPI Equity Value (R000's)	Related Holding Co borrowings (R000's)	Intrinsic NAV (R000's)	% of portfolio
FOOD INVESTMENTS				1 230 786	(238 284)	992 502	33%
Burger King	DCF	725 003	91.1%	660 478	-	660 478	23%
Dunkin Donuts	Cost of MFA & licences (Amortised)	11 123	100%	11 123	-	11 123	0%
Baskin-Robbins	Cost of MFA & licences (Amortised)	5 451	100%	5 451	-	5 451	0%
Spur	Traded price	3 476 814	11.6%	374 075	(238 284)	135 791	5%
Mac Brothers	DCF	117 043	100%	117 043	-	117 043	4%
Grand Foods Meat Plant	DCF	64 630	96.98%	62 617	-	62 617	2%
GAMING & LEISURE INVESTMENTS				1 505 247	-	1505 247	50%
Sunwest International	EV/EBITDA	5 776 656	15.1%	874 594	-	874 594	29%
Worcester Casino	EV/EBITDA	169 239	15.1%	25 555	-	25 555	1%
GPI Slots	EV/EBITDA	2 016 994	30%	605 098	-	605 098	20%
OTHER INVESTMENTS				268 074	(78 750)	189 324	6%
GPI Properties	Various	268 074	100%	268 074	(78 750)	189 324	6%
NON-CORE INVESTMENTS				2 319	-	12 319	0%
Grand Tellumat Manufacturing	DCF	-	51%	-	-	-	0%
Atlas Gaming	EV/EBITDA	46 848	4.95%	2 319	-	2 319	0%
Grand Sport	Recent Transaction	10 000	100%	10 000	-	10 000	0%
Other Group companies' cash & cash equivalents						364 438	
Other Group companies net liabilities						(63 780)	
INAV: Ordinary Shareholders (pre-head office costs)						2 997 731	
Number of issued ordinary shares ('000s) excluding treasury shares						439 237	
INAV per share (cents)						682	



REVIEW OF INVESTMENT OPERATIONS

GRAND FOODS

Grand Foods is responsible for the company strategy to expand its food portfolio by investing in market-leading brands.

Grand Foods holds the master franchise for





10/80/10

- Criteria to close is a negative EBITDA
- Closed 2 restaurants
- Top 10% (6) – average EBITDA of 16%, ARS of R1.63m/month
- Bottom 10% (6) (new) – relocations, share space with Dunkin’ Donuts, close 3 more

FINANCIAL

- Positive restaurant EBITDA for all 6 months
- Company EBITDA positive from November
- HO costs at 7.66% for half year – should only be inflationary increases now
- Funding from GPI limited to R700m
- Self-funding from 2018

MARGIN

- Tracking budget, despite food price inflation
- Synchronized input cost increases with bi-annual menu price changes
- Improved wastage
- Only passed on inflationary increase (5.4%) and absorbed rest
- Economies of scale becoming apparent

DEVELOPMENT

- Pipeline quality improved
- 18 restaurants in property control to end Dec 2017



RESTAURANT FORMAT MIX

- Focus on top trade zones, ideally D/T
- 14 of next 18 are drive thru restaurants
- Drive thru ARS, R1.128m YTD
- EBITDA % - 13.38% YTD (2015 – 10.42%)

CAPEX

- Richards Bay @ R6.48m
- Recycling of closed restaurants
- Absolute savings versus prior
- Target IRR > 20% per restaurant
- Refresh program – 5th year

MARKETING

- TV commercial for WHOPPER
- Positive Q2 comping of 2.6%
- King Value Meals to drive frequency
- Reaching scale, but need focussed spend

OPERATIONAL

- Labour down from 21% to 16% of revenue
- Guests' complaints – 1007 out of 4.5m tickets (target of 0.02%)



RESTAURANT NUMBERS

- 6 opened in Western Cape
- 12 restaurants by June 2017
- Malls, CBD, destination
- Gauteng in Q3 2017



RETAIL & FRANCHISING

- No formal relationship as yet
- Pilot sites to be launched around mid-year
- Retail partner (s) by September 2017

CAPEX

- Average of R2.6m, including flagship restaurants
- 35% saving on kitchen equipment
- IRR > 25% per restaurant

MARKETING

- Brand Positioning: Positive energy
- 5 000 people queued on launch day
- Digital reach of 3.9 m people
- Total reach of 54m people
- 2nd highest trending Google search on launch day

OPERATIONAL

- Product mix – beverage, bakery, savoury
- Wastage higher
- Labour efficiencies
- Guest experience
- 73 complaints in 137 355 tickets
- Average ticket of R72

FINANCIAL

- Restaurant operating profit (EBITDA) positive
- Initial marketing launch & central costs take it into a loss
- Shareholder loan of R45m
- Forecast profitability from Y3

SHOP NUMBERS

- 2 opened in Western Cape
- 8 shops opened by June 2017 (2 in Gauteng)
- Malls, CBD, destination



RETAIL & FRANCHISING

- From last quarter of 2017
- Requires 6 months forward planning
- 600 POS in 4 years (2021)

CAPEX

- Average spend of R1.75m
- IRR > 20%

MARKETING

- Brand Positioning: More Flavours, More Fun
- 31 Flavours – Find your happy place – sell FUN
- 1.5 m Facebook reach on launch day
- Media coverage reach of 35m people
- Cake catalogue

OPERATIONAL

- Supply chain challenges
- Margin issues
- Sales mix
- 3 complaints in 15 453 tickets
- Average ticket of R49

FINANCIAL

- Restaurants profitable from day 1
- Initial marketing launch and scale (in terms of HO costs) create loss at company
- Shareholder loan of R 17 m (includes shops under construction)
- Forecast profitability from end Y3

PROSPECTS



DISCLAIMER

This presentation includes forecasts, projections and other predictive statements that represent assumptions and expectations in light of currently available information. These forecasts, are based on industry trends, circumstances involving clients and other factors, and they involve risks, variables and uncertainties.

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QUESTIONS?



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THANK YOU
