GRAND PARADE

INVESTMENTS LIMITED

AUDITED
GROUP AND COMPANY ANNUAL FINANCIAL STATEMENTS AT 30 JUNE 2023


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LEVEL OF ASSURANCE

These Audited Annual Financial Statements have been audited in compliance with the applicable requirements of the Companies Act (No. 71 of 2008) of South Africa.

COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2023

Directors	G Orrie (Non-executive Chairman) appointed 25 April 2023 G Bortz (Chief Executive Officer) appointed 27 March 2023 J October (Chief Financial Officer) R Kader (Lead independent) M Tajbhai (Non-executive) K Finch (Non-executive) appointed 27 March 2023 WD Geach (Non-executive) A Abercrombie resigned 7 April 2023 M Nkosi resigned 14 November 2022 M Bowman resigned 6 April 2023 R van Dijk resigned 6 April 2023
Public Officer	J October CA(SA)
Registration number	1997/003548/06
Domicile and country of incorporation	South Africa
Nature of business	Investment Holding Company
Registered office	10th Floor, 33 on Heerengracht Heerengracht Street Cape Town 8001
Preparer of the financial statements	The annual financial statements were prepared under supervision of Grand Parade Investments' (GPI) Group Chief Financial Officer, J October CA(SA).
Company Secretary	Statucor (Pty) Ltd 6th Floor 119 – 123 Hertzog Boulevard Foreshore Cape Town 8001
Transfer Secretaries	Computershare Investor Services (Pty) Ltd P O Box 61051 Marshalltown 2107
Sponsors	PSG Capital (Pty) Ltd PO Box 7403 Stellenbosch 7600
Auditors	Moore Cape Town Inc. 2nd Floor Block 2 Northgate Park Paarden Eiland 7406
Attorneys	Cliffe Dekker Hofmeyr PO Box 695 Cape Town 8000
Bankers	The Standard Bank of South Africa Limited First National Bank

STATEMENT OF RESPONSIBILITY BY THE DIRECTORS AND COMPANY SECRETARY

FOR THE YEAR ENDED 30 JUNE 2023

DIRECTORS' RESPONSIBILITY AND APPROVAL

The Directors are responsible for the preparation of the Annual Financial Statements ("AFS") and other information contained in this report. In their opinion, the AFS set out in this report fairly represent the state of affairs of the Group and of the Company. The AFS have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act (No. 71 of 2008) of South Africa (Companies Act) and the JSE Listings requirements.

The external auditors are responsible for conducting an independent audit of the AFS of the Group and Company in accordance with International Standards on Auditing (ISA) and reporting their opinion to shareholders. Their report is presented on pages 5 to 8.

The Directors have reviewed the Group's and Company's budget and cash flow forecast for the 12-month period from approval date. On the basis of this review, and in light of the current financial position and existing borrowing facilities, the Directors are satisfied that the Group and Company are going concerns and have continued to adopt the going-concern basis in preparing the AFS.

The AFS were approved by the Board on 27 September 2023 and are signed on its behalf by:

G BORTZ
Chief Executive Officer

DECLARATION BY THE COMPANY SECRETARY

TO THE MEMBERS OF GRAND PARADE INVESTMENTS LIMITED

Pursuant to Section 88 (2) (e) of the Companies Act, I certify that, to the best of my knowledge and belief, all returns required of the Company, in terms of the said Act, have been duly lodged with the Companies Intellectual Property Commission (CIPC), and all such returns are true, correct and are up-to-date.

STATUCOR (PTY) LTD
Company Secretary

27 September 2023

PREPARATION OF ANNUAL FINANCIAL STATEMENTS

The AFS have been prepared under the supervision of the Group Financial Director.

J OCTOBER
Chief Financial Officer

27 September 2023

DECLARATION BY GROUP CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

Each of the directors, whose names are stated below, hereby confirm that:

a) the annual financial statements set out on pages 16 to 19, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;

b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;

d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls within the combined assurance model pursuant to principle 15 of the King Code;

e) where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action remedy the deficiencies; and

f) we are not aware of any fraud involving directors.

J OCTOBER
Chief Financial Officer

27 September 2023

G BORTZ
Chief Executive Officer

27 September 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAND PARADE INVESTMENTS LIMITED

Independent Auditor's Report

To the shareholders of Grand Parade Investments Limited

Report on the Audit of the Consolidated and Separate Financial Statements

OPINION

We have audited the consolidated and separate financial statements of Grand Parade Investments Limited ("the Company") and its subsidiaries ("the Group") set out on pages 16 – 89, which comprise the consolidated and separate statements of financial position as at 30 June 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Grand Parade Investments Limited and its subsidiaries as at 30 June 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter (Group) **Significant Components (SunWest and SunSlots) audited by Deloitte, a separate auditor to Moore Cape Town Incorporated**	**How our audit addressed the key audit matter**
The Group holds a 15.1% share of SunWest and a 30% share in SunSlots. In the Group Financial Statements, the investments are equity accounted in terms of IFRS 11 with the investment in SunWest classified as an Investment in a Jointly Controlled entity and the investment in SunSlots being classified as an Investment in Associate in terms of IAS 28. Disclosure relating to the Investments in Jointly Controlled entities and Investments in Associates is made in notes 15.2 and 15.3 respectively. For the period ended 30 June 2023, the GPI Group recognised equity accounted earnings of R116 million from these significant component investments in the Statement of Profit or Loss and Other Comprehensive Income. As at 30 June 2023, the equity accounted carrying value of the significant component investments is R931 million representing 80% of the Group's total assets. The financial year end of SunWest and SunSlots is 31 December which is non-coterminous to the GPI Group Financial year end of 30 June. The 6-month financial results (1 January 2023 – 30 June 2023) of SunWest and SunSlots that form part of GPI management's equity accounted earnings and the carrying value of the investments calculations are not audited by the Component Auditor as part of their annual audit. Due to the significance of the SunWest and SunSlots components profit before tax contribution in the current year and the financial year end of the components being non-coterminous to that of the GPI Group, we focused our attention on the financial information of the components for the 6 months ended 30 June 2023. Significant audit effort was required in developing the component group instructions which dictate the overall opinion / representations required from the component auditors as well as the additional specific procedures that provide the required assurance over the financial information of the components.	We issued Group Instructions to the component auditor detailing the scope and nature of the audit work required to be performed and the representations and component deliverables to be submitted to the audit team. We analysed the representations and component deliverables for any matters or findings that would have impacted the GPI Group audit opinion. For the period 1 January 2023 – 30 June 2023, we prepared and provided specified audit procedures to be performed on the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position balances that were identified as significant. The results of the procedures were included in the component deliverables and were assessed in terms of any implications on the GPI Group audit opinion.

We have determined that there are no key audit matters to communicate in our report for the Company.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Grand Parade Investments Limited Audited Group and Company Annual Financial Statements At 30 June 2023", which includes the Report of the Directors, Declaration by the Company Secretary and the Report of the Audit and Risk Committee as required by the Companies Act of South Africa, which we obtained prior to the date of this report. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

The consolidated and separate financial statements of the Group for the year ended 30 June 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 31 October 2022.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Moore Cape Town Inc. has been the auditor of Grand Parade Investments Limited for 1 year.

Moore Cape Town Inc.

Moore Cape Town Incorporated
Chartered Accountants (SA)
Registered Auditor

Per: Alan Martin Billson
Director
Chartered Accountant (SA)
Registered Auditor

27 September 2023

2nd Floor Block 2
Northgate Park
Paarden Eiland
7406

REPORT OF THE AUDIT AND RISK COMMITTEE

FOR THE YEAR ENDED 30 JUNE 2023

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), K Finch; BCom Honours Industrial Psychology and G Orrie; BA LLB (CPT). All four meetings of the Committee have been attended by the majority of the members.

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

ENGAGEMENT WITH EXTERNAL AUDITORS

- nominated and recommended to shareholders the appointment of the external auditor of the Company and the Group who is a registered auditor;
- satisfied itself that the incoming external auditor is independent of the Company, as set out in the Companies Act, and suitable for appointment by considering the information stated in paragraph 22.15(h) of the JSE Limited Listings Requirements ("JSE Listings 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 2023 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 2022 and the audited annual results for the 2023 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 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 2023 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 JSE Listings Requirements;
- considered and reviewed management implementation of the JSE Limited's ("JSE") latest report on the proactive monitoring of financial statements for compliance with IFRS and ensured that the listing requirements were complied with;
- as required by the new JSE Listing Requirements (paragraph 3.84 (k) thereof) the CEO and CFO have disclosed to the committee and the auditor a comprehensive list of the deficiencies in design and operational effectiveness of the internal financial controls, together with a description of the actions required to be taken to remediate these deficiencies. The Committee is satisfied that the rectification actions will improve the effectiveness of the internal financial controls.
- 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:

The Committee interrogated the following areas of audit emphasis and key audit matters raised by the external auditors in relation to their 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.

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

27 September 2023

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2023

The Directors present their report on the activities of the Group and Company for the year ended 30 June 2023.

NATURE OF THE BUSINESS

The Company is an investment holding company and derives income mainly from dividends and interest. The Company's investment focus has transitioned to an exclusive focus on the gaming sector.

The consolidated annual financial statements of the Company and its subsidiaries also incorporate the equity accounted profit or loss of associated companies and joint ventures.

Group earnings		Notes	**30 June 2023**	*Restated 30 June 2022
Headline profit/(loss)	(R'000)	4	**11 034**	(13 749)
– Continuing	(R'000)		**20 200**	1 646
– Discontinued	(R'000)		**(9 166)**	(15 395)
Headline and diluted headline earnings/(loss) per share	(cents)	4	**2.56**	(3.20)
– Continuing	(cents)		**4.69**	0.38
– Discontinued	(cents)		**(2.13)**	(3.58)
Basic loss – net profit/(loss) for the year	(R'000)	4	**(15 211)**	(11 577)
– Continuing	(R'000)		**20 200**	(643)
– Discontinued	(R'000)		**(35 411)**	(10 934)
Basic and diluted earnings/(loss) per share	(cents)	4	**(3.54)**	(2.73)
– Continuing	(cents)		**4.69**	(5.90)
– Discontinued	(cents)		**(8.23)**	3.17
Dividends net of treasury shares	(R'000)		**51 991**	544 212
Ordinary dividend per share	(cents)		**12**	125

* *Restated for discontinued operation.*

Grand Parade Investments (GPI) performed well over the financial year with headline profit for the year improving by R24.7 million (180%) from a headline loss of R13.7 million to a headline profit of R11.0 million.

The positive performance of the Group was driven by the gaming assets which performed well over the financial year despite the challenges faced by increased load shedding and other macro-economic issues. The business of Sun Slots was particularly affected by these power cuts. Despite the challenges faced the gaming assets contributed R120.9 million to headline earnings over the year, an increase of R13.0 million (12%), compared to the prior year.

GPI's implementation of its strategy to unlock value in the prior years, with the exit of the food businesses and the liquidation of loss-making subsidiaries yielded positive results for the 2023 year with the Group returning to positive headline earnings.

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.

GPI reported a significant improvement in its headline earnings from a loss of R13.7 million to a profit of R11.2 million. The major contributing factors are outlined below:

- The gaming assets' headline earnings contribution increased by R13.0 million from R107.9 million in the prior period to R120.9 million in the current period. The increase in earnings is largely due to the recovery of SunWest in the current year compared to the prior year.
- Central cost increased by R54.2 million in the current period largely due to transaction costs related to the mandatory offer and the restructuring of the Group.
- The loss-making subsidiary Mac Brothers was liquidated during the prior year which resulted in an increase in the earnings.

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

	30 June 2023	30 June 2022	Movement	
	R'000	R'000	R'000	%
Food	**–**	9 279	(9 279)	(100%)
Spur	**–**	9 279	(9 279)	(100%)
Gaming	**120 987**	107 904	13 083	12%
SunWest	**61 988**	39 174	22 814	58%
Sun Slots	**53 905**	65 831	(11 926)	(18%)
Worcester Casino	**(173)**	2 248	(2 421)	(108%)
Infinity Gaming Africa	**5 267**	651	4 616	709%
Central costs	**(100 787)**	(46 571)	(54 216)	(116%)
Corporate Costs (excluding Transaction costs, legal fees, tax and finance costs)	**(32 052)**	(26 881)	(5 171)	(19%)
Transaction costs, legal fees and taxation	**(68 792)**	(15 082)	(53 710)	(356%)
Net corporate finance costs	**57**	(4 608)	4 665	101%
Expected credit loss and write-off of receivables relating to Mac Brothers	**–**	(61 677)	61 677	100%
Loan impairment	**–**	(48 081)	48 081	100%
Receivable write-off	**–**	(13 596)	13 596	100%
Headline earnings – Continuing operations	**20 200**	8 935	11 265	126%
Discontinued operations	**(9 166)**	(22 684)	13 518	60%
Burger King	**–**	12 091	(12 091)	100%
Mac Brothers	**–**	(31 412)	31 412	100%
Grand Foods Meat Plant	**–**	265	(265)	100%
GPI Properties	**(9 166)**	(3 628)	(5 538)	(153%)
Headline earnings	**11 034**	(13 749)	24 783	180%

Dividends

An ordinary dividend of 12 cents per share was paid on 5 December 2022 relating to the 2022 financial year.

Capital structure

The Group reduced its debt by R85.9 million during the year due to a repayment of R50.0 million on its preference debt and R35.9 million on its term loan and finance leases.

	Description	**30 June 2023 R'000**	30 June 2022 R'000	Movement R'000	%
Holding company facilities		**50 000**	100 000	(50 000)	50%
SunWest and Sun Slots	Preference shares	**50 000**	100 000	(50 000)	50%
Subsidiary facilities		**–**	35 868	(35 868)	100%
GPI Properties	Term loans (Mortgage)	**–**	35 868	(35 868)	100%
Total Debt[1]		**50 000**	135 868	(85 868)	63%

[1] *Total debt refers to the non-current and current portions of the preference shares and interest-bearing borrowings.*

REVIEW OF INVESTMENT OPERATIONS

FOOD

During the prior year, the Group exited all its investments in the food industry.

GAMING

SunWest

SunWest's revenue increased by R527.0 million from R1.719 billion in the prior year to R2.245 billion in the current year.

EBITDA increased by 27% from R533.2 million in the prior year to R729.6 million in the current year.

Net Profit after tax increased by 47% to R410.5 million for the year (2022: R218.8 million).

Total dividends of R315.0 million were paid for the year of which the Group's portion was R47.60 million.

Sun Slots

The Sun Slots business has been affected by the increased load shedding experienced in the current year, which reduced the footfall of patrons at sites.

Despite the impact of load shedding on the businesses of Sun Slots, revenue increased revenue by 6% from R1.414 billion in the prior year to R1.493 billion in the current year.

EBITDA decreased by 10% from R401.7 million in the prior year to R361.7 million in the current year.

Net Profit after Tax decreased by R39.7 million from R219.4 million in the prior year to R179.7 million in the current year.

Dividends of R260 million were paid for the year of which the Group's portion was R78 million.

Worcester

Worcester revenue increased by R10.9 million from R120.2 million in the prior year to R131.1 million in the current year. EBITDA for the current year remained unchanged from prior year at R10.9 million.

Dividends of R6.5 million were paid for the year of which the Group's portion was R0.9 million.

OTHER

Central costs

The Group's net central costs (excluding funding cost and transaction costs) for the year amounted to R32.0 million, which is 19% higher than the central costs of R26.9 million in the prior year. This is primarily a result of the increased audit fees relating to the BKSA audit in the prior year and the 2022 audit fee for the Group.

Share capital

No new shares were issued or bought back during the period. Details of the share and the share capital of the Company both authorised and issued have been disclosed in note 26 of the Consolidated Annual Financial Statements.

Treasury shares

At 30 June 2023 a total of 39.3 million GPI shares were held as treasury shares by the Grand Parade Share Incentive Trust, GPI Management Services and the GPI Women's B-BBEE Empowerment Trust. These entities are controlled by the Group, with the Grand Parade Share Incentive Trust holding 0.49 million treasury shares, GPI Management Services holding 24 million shares and the GPI Women's B-BBEE Empowerment Trust holding 14.82 million treasury shares.

Preference shares

During the current year, the Group redeemed 5 000 redeemable preference shares (SunWest) held by RMB at a redemption price of R10 000 per share, totaling R50.0 million.

Borrowings

The terms of the Group's borrowings are fully disclosed in note 22 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 of these companies are unlimited.

Capital commitments

There are no capital commitments.

Subsidiary companies and investments

Particulars of subsidiary companies, equity-accounted investments and other investments are disclosed in Appendix 1 and Appendix 2 of the Consolidated Annual Financial Statements.

Directors and Company Secretary

During the year the following changes to the directorate took place:

- G Bortz, appointed 27 March 2023 to the Board became CEO of the Group with effect from 2 May 2023
- G Orrie, appointed 25 April 2023, as Chairman of the Group
- K Finch, appointed 27 March 2023
- A Abercrombie, resigned 7 April 2023
- M Bowman, resigned 6 April 2023
- R van Dijk, resigned 6 April 2023
- M Nkosi , resigned 14 November 2022
- M Tajbhai, resigned 4 May 2023 as CEO of the Group and assumed a position on the Board as a non-executive director on 4 May 2023

The Company Secretariat remained unchanged.

Particulars of the present Directors and Company Secretary are given on page 2.

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.

Directors' shareholding

Details of the directors' interests in the shares of the Company are disclosed in Appendix 3 of the Consolidated Annual Financial Statements.

Going concern

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

Management performed various scenario analyses considering the likelihood of a further impact on the underlying businesses of potential macro-economic shocks and the continued negative effects of load shedding. Based on this assessment and the available financial resources of the Group together with anticipated cash flows from continuing operations, 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 or threatened legal or arbitration proceedings that have had or may have a material effect on the financial position of the Group.

Refer to note 30.

Subsequent events

During July 2023 the sale of the Thornton property was completed and the funds were received. The net proceeds of R9.0 million was received. During August 2023, the sale of the office block, situated on 33 Heerengracht was completed and the transfer took place on 16 August 2023. The net proceeds of R58.0 million were received. All remaining outstanding preference shares were redeemed during August 2023. The balance of R50.7 million (which included all accrued interest) was settled.

Prospects

The Group is now exclusively focused on the Gaming sector. Going forward, the Group's strategies include:

- continuing its robust oversight of its existing gaming investments;
- selected mergers and acquisitions in the gaming sector; and
- de novo online gaming organic growth opportunities.

While business prospects in South Africa remain challenging, management believes that the gaming sector as a whole is well-positioned for future growth. Management believes that by virtue of the Group's existing gaming holdings and interests, interesting strategic and organic growth opportunities will arise. A cautious but engaged approach will be adopted.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 R'000	*Restated 2022 R'000
CONTINUING OPERATIONS			
Revenue	10.2	**1 356**	10 729
Operating costs		**(102 432)**	(63 291)
Profit from equity-accounted investments	11.1	**120 988**	107 905
Expected credit loss*		**–**	(50 820)
Finance income	12	**7 972**	4 286
Finance costs	13	**(7 809)**	(8 876)
Profit/(loss) before taxation	11	**20 075**	(67)
Taxation	5.2	**125**	(576)
Profit/(loss) for the year from continuing operations		**20 200**	(643)
DISCONTINUED OPERATIONS			
Loss for the year from discontinued operations	14.3	**(35 411)**	(10 934)
Loss for the year		**(15 211)**	(11 577)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss		**2 075**	3 172
Realised fair value adjustments on investments held at fair value through OCI	23.2	**–**	2 242
Unrealised fair value adjustments on investments held at fair value through OCI	23.2	**2 075**	930
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(13 136)**	(8 405)
Profit/(loss) for the period from continuing operations attributable to:			
– Ordinary shareholders		**20 200**	(643)
Loss for the period from discontinued operations attributable to:			
– Ordinary shareholders	14.3	**(35 411)**	(11 093)
– Non-controlling interest		**–**	159
		(15 211)	(11 577)
Total comprehensive profit from continuing operations attributable to:			
– Ordinary shareholders		**22 275**	2 529
Total comprehensive profit from discontinued operations attributable to:			
– Ordinary shareholders	14.3	**(35 411)**	(11 093)
– Non-controlling interest		**–**	159
		(13 136)	(8 405)
		Cents	Cents
Basic earnings/(loss) per share	4.5	**(3.54)**	(2.73)
– Continuing operations	4.5	**4.69**	(0.15)
– Discontinued operations	4.5	**(8.23)**	(2.58)
Diluted earnings/(loss) per share	4.5	**(3.54)**	(2.73)
– Continuing operations	4.5	**4.69**	(0.15)
– Discontinued operations	4.5	**(8.23)**	(2.58)

* The prior year comparatives have been restated to separately reflect the results of discontinued operations (refer note 14).

* For the period ended 30 June 2022, expected credit loss includes the impairment of the inter-company loan with Mac Brothers. The expected credit loss of the loan amounted to R48.0 million and the expected credit loss on receivables amounted to R2.8 million. Write-off of the receivables have been included under operating expenses.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Notes	2023 R'000	2022 R'000
ASSETS			
Non-current assets		**984 615**	1 075 652
Investments in jointly-controlled entities	15.2.1	**638 909**	624 485
Investments in associates	15.3.1	**321 553**	341 536
Investments held at fair value through OCI	21.4.1	**17 960**	14 695
Investment properties	17.2	**–**	76 500
Property, plant and equipment	18.2	**846**	1 415
Intangible assets	19.2	**11**	12
Deferred proceeds	31	**–**	13 957
Deferred tax assets	5.3	**5 336**	3 052
Assets classified as held for sale	20.2	**67 767**	44 650
Current assets		**107 764**	198 537
Inventory	24.2	**–**	305
Related party receivable	9	**–**	6 032
Trade and other receivables	21.3.1	**10 813**	3 959
Income tax receivable	28.2	**1 329**	1 329
Deferred proceeds	31	**13 889**	–
Cash and cash equivalents	21.2.1	**81 733**	186 912
Total assets		**1 160 146**	1 318 839
EQUITY AND LIABILITIES			
Capital and reserves			
Total equity		**1 075 774**	1 140 901
Ordinary share capital	26.1.3	**798 586**	798 586
Treasury shares	26.2.2	**(149 849)**	(152 790)
Accumulated profit		**433 600**	502 921
Investments held at fair value reserve	21.4.2	**(6 563)**	(8 638)
Share-based payment reserve		**–**	822
Total shareholders' equity		**1 075 774**	1 140 901
Non-current liabilities		**50 428**	102 303
Preference shares	22.2	**50 000**	100 000
Provisions	25.2	**86**	120
Deferred tax liabilities	5.3	**342**	2 183
Current liabilities		**33 944**	75 635
Interest-bearing borrowings	22.3	**–**	35 868
Provisions	25.2	**1 800**	316
Trade and other payables	22.4	**10 204**	5 708
Dividends payable	28.3	**21 887**	21 267
Dividend tax payable		**–**	12 362
Income tax payable	28.2	**53**	114
Total equity and liabilities		**1 160 146**	1 318 839

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

	Ordinary share capital (Note 26.1.3) R'000	Treasury shares (Note 26.2.2) R'000	Accumu-lated profits R'000	Financial asset fair value reserve R'000	Share-based payment reserve R'000	Non-controlling interest R'000	Total equity R'000
Balance at 30 June 2021	798 586	(153 079)	1 176 897	(113 028)	867	(34 612)	1 675 631
Total comprehensive loss for the year	–	–	(11 577)	3 172	–	–	(8 405)
– Loss for the year from continuing operations	–	–	(25 350)	–	–	–	(25 350)
– Loss for the year from discontinued operations	–	–	13 773	–	–	–	13 773
– Other comprehensive loss	–	–	–	3 172	–	–	3 172
Realised fair value adjustments on investments held at fair value through OCI	–	–	(101 218)	101 218	–	–	–
Increase in BKSA investment	–	–	(16 725)	–	–	16 725	–
Dividends paid	–	–	(544 212)	–	–	–	(544 212)
Ordinary dividend paid	–	–	(393 412)	–	–	–	(393 412)
Dividend *in specie*[1]	–	–	(150 800)	–	–	–	(150 800)
Treasury shares allocated to employees	–	289	(244)	–	(45)	–	–
Derecognition of BKSA non-controlling interest	–	–	–	–	–	17 887	17 887
Balance at 30 June 2022	**798 586**	**(152 790)**	**502 921**	**(8 638)**	**822**	**–**	**1 140 901**
Total comprehensive (loss)/income for the year	**–**	**–**	**(15 211)**	**2 075**	**–**	**–**	**(13 136)**
– Loss for the year from continuing operations	**–**	**–**	**(15 211)**	**–**	**–**	**–**	**(15 211)**
– Loss for the year from discontinued operations	**–**	**–**	**–**		**–**	**–**	**–**
– Other comprehensive loss	**–**	**–**	**–**	**2 075**	**–**	**–**	**2 075**
Dividends paid	**–**	**–**	**(51 991)**	**–**	**–**	**–**	**(51 991)**
Treasury shares allocated to employees	**–**	**2 941**	**(2 722)**	**–**	**(219)**	**–**	**–**
Share-based payment reserve expense	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Share options lapsed	**–**	**–**	**603**	**–**	**(603)**	**–**	**–**
Balance at 30 June 2023	**798 586**	**(149 849)**	**433 600**	**(6 563)**	**–**	**–**	**1 075 774**

[1] The Groups investment, in the Spur Corporation was unbundled and distributed as a dividend in specie on 17 June 2022, which amounted to a dividend of 36 cents.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 R'000	*Restated 2022 R'000
Cash flows from operating activities			
Net cash generated from operations	28.1	**(105 663)**	(30 023)
Income tax paid	28.2	**(990)**	(262)
Dividend tax paid		**(12 362)**	–
Finance income received	12	**7 972**	4 286
Cash inflow from discontinued operations		**1 772**	86 941
Net cash (outflow)/inflow from operating activities		**(109 271)**	60 942
Cash flows from investing activities			
Proceeds from sale of BKSA and GFMP investments		**929**	477 393
Acquisition of property, plant and equipment		**(728)**	–
Proceeds from disposal of property, plant and equipment		**220**	–
Proceeds from related party loans		**1 855**	–
Dividends received	28.4	**127 694**	142 384
Cash inflow/(outflow) from discontinued operations		**20 000**	(37 123)
Net cash inflow from investing activities		**149 970**	582 654
Cash flows from financing activities			
Dividends paid	28.3	**(51 371)**	(369 912)
Employee loans		**–**	17 683
Preference share redemption	28.5	**(50 000)**	(184 988)
Preference share issued	28.5	**–**	100 000
Bridging facility raised		**–**	100 000
Bridging facility repaid		**–**	(100 000)
Related party loans		**–**	2 500
Finance costs		**(7 809)**	(11 663)
Cash from discontinued operations		**(36 698)**	(137 536)
Net cash outflow from financing activities		**(145 878)**	(583 916)
Net increase/(decrease) in cash and cash equivalents		**(105 179)**	59 680
Cash and cash equivalents at the beginning of the year		**186 912**	127 232
Total cash and cash equivalents at the end of the year		**81 733**	186 912

* The prior year comparatives have been restated to separately reflect the results of discontinued operations (refer note 14).

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial results

The consolidated and separate financial statements have been prepared on the historical cost basis, except where otherwise stated or disclosed, and as a going concern. The consolidated financial statements are presented in South African Rands, which is also the functional currency of the Group, and all values are rounded to the nearest thousand (R000's), except where otherwise indicated.

The accounting policies applied are in-line with IFRS and are consistent with those applied in the prior year except where otherwise stated.

Company financial statements

Investments in subsidiaries, associates and joint ventures in the separate financial statements presented by the Company are recognised at cost less accumulated impairment loss.

1.2 Statement of compliance

These Group Annual Financial Statements have been prepared in accordance with the framework concepts and the recognition and measurement requirements of International Financial Reporting Standards (IFRS), Interpretations issued by the International Accounting Standards Board, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the SAICA financial reporting guides as issued by the Accounting Practices Committee, the JSE Listings Requirements and the requirements of the Companies Act, 71 of 2008 of South Africa.

1.3 Changes in accounting policies

The Group has adopted all the new, revised and amended accounting standards which were effective for the Group from 1 July 2022. None of the adoptions had a significant impact on the results of the Group. Please refer accounting policy 2 where the new revised and amended accounting standards have been adopted.

1.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2023 and for the year then ended.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, income, expenses and unrealised profits and losses resulting from intra-group transactions and dividends are eliminated in full on consolidation.

A change in the ownership interest of an existing subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group relinquishes control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary;
- de-recognises the carrying amount of any non-controlling interest;
- recognises the fair value of the consideration received;
- recognises the fair value of the investment retained;
- recognises any surplus or deficit in profit or loss; and
- reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained income as appropriate.

1.5 Significant accounting judgements and estimates

In the preparation of the annual financial statements, management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities, the accompanying disclosure and the disclosure of contingent assets and liabilities. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements within the next financial period.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgements concerning the future. Estimates and judgements are continually evaluated and are based on historical factors coupled with expectations about future events that are considered reasonable.

Estimates that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next year are described below. Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, as they involve assessments or decisions that are particularly complex or subjective, are discussed below.

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Significant accounting judgements and estimates (continued)

Estimates and assumptions

1.5.1 Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax is provided for on unutilised assessed losses of the Group based on forecasts made by management that provide convincing evidence that the utilisation thereof is probable. Management has prepared a forecast for each statutory entity in an assessed tax loss position, based on the up-to-date market assumptions as well as using the experience gained in the prior years.

1.5.2 Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value of share-based awards requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 7.

1.5.3 Jointly-controlled entities and associates

The Group has classified its 15.1% economic interest in SunWest as jointly-controlled entities based on the voting interest the Group has through contractual agreements with the other shareholders in those investments to manage and control the business jointly.

In assessing the level of influence held by GPI in respect of Worcester Casino, the voting rights in Worcester Casino as well as the extent of board representation are evaluated. With 15.1% of votes and two of five board members, management considers their relationship to be one of significant influence as they are able to participate in the policy-making processes, including participation in decisions about dividend distribution. Therefore, the Group's investment in Worcester Casino is considered to be an associate.

1.6 Leases

1.6.1 Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Group has entered into commercial property leases relating to parts of the buildings it owns. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Offsetting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount reported in the statement of financial position when there is a currently legally enforceable right to set-off the recognised amounts and there is an intention to realise the assets and settle the liabilities simultaneously or settle on a net basis.

1.8 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value-in-use. When the carrying amount exceeds its recoverable amount, the asset is considered impaired and is written-down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognised in profit or loss. A previously recognised impairment loss, other than a loss related to the impairment of goodwill, is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case then the asset's carrying amount is increased to its recoverable amount. The recoverable amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

1.9 Dividends payable

Dividends payable and the related taxation or withholding tax thereon are recognised as liabilities in the period in which the dividends are declared. A dividend declared subsequent to period-end is not charged against total equity at the reporting date as no liability exists.

1.10 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.11 Assets classified as held for sale and discontinued operations

Non-current assets (or disposal group) are classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale must be highly probable. For the sale to be highly probable it must be significantly more likely than probable. Probable is defined as more likely than not.

Discontinued operations are a component of the Group that has either been disposed of, or classified as held for sale.

2. STANDARDS AND INTERPRETATIONS

2.1 Standards issued and effective for the current reporting period

The accounting policies adopted by the Group are consistent with the previous financial year.

2.2 Standards issued not yet effective

At the date of authorisation of these annual financial statements, these are standards and interpretations in issue but not effective and will be adopted when they become effective.

Standard	Effective date – annual periods commencing on or after	Effect of change
IAS 1 Presentation of Financial Statements	1 Jan 2023	Classification of Liabilities as Current or Non-current: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current. This amendment is unlikely to have a material impact on the Group.
IAS 1 Presentation of Financial Statements	1 Jan 2023	Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material. This amendment is unlikely to have a material impact on the Group.
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	1 Jan 2023	Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged. This amendment is unlikely to have a material impact on the Group.
IAS 12 Income Taxes	1 Jan 2023	Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items. This amendment is unlikely to have a material impact on the Group.

3. SEGMENT ANALYSIS

The chief decision-makers are considered to be the members of the GPI Executive Committee, who review the Group's internal reporting, firstly by industry and secondly by significant business unit. The chief decision-makers do not review the Group's performance by geographical sector and therefore no such disclosure has been made. Listed below is a detailed segment analysis:

	External revenue		Inter-segment revenue[1]		Operating costs[2]		Equity accounted earnings		EBITDA[3]	
	2023 R'000	*Restated 2022 R'000	**2023 R'000**	*Restated 2022 R'000	**2023 R'000**	*Restated 2022 R'000	**2023 R'000**	*Restated 2022 R'000	**2023 R'000**	*Restated 2022 R'000
Food	**1 147**	10 729	**–**	–	**(902)**	(1 464)	**–**	–	**245**	9 265
Spur	**1 147**	10 729	**–**	–	**(902)**	(1 464)	**–**	–	**245**	9 265
Gaming and leisure[4]	**–**	–	**–**	–	**–**	–	**120 987**	107 905	**120 987**	107 905
SunWest	**–**	–	**–**	–	**–**	–	**61 988**	39 175	**61 988**	39 175
Sun Slots	**–**	–	**–**	–	**–**	–	**53 905**	65 831	**53 905**	65 831
Worcester Casino	**–**	–	**–**	–	**–**	–	**(173)**	2 248	**(173)**	2 248
Infinity Gaming Africa	**–**	–	**–**	–	**–**	–	**5 267**	651	**5 267**	651
Group costs	**209**	–	**142 103**	1 128 252	**(104 707)**	(52 291)	**–**	–	**(103 351)**	(52 585)
Central costs	**209**	–	**142 103**	1 128 252	**(104 707)**	(52 291)	**–**	–	**(103 351)**	(52 585)
	1 356	10 729	**142 103**	1 128 252	**(105 609)**	(53 775)	**120 987**	107 905	**17 881**	64 585

* The prior year comparatives have been restated to separately reflect the results of discontinued operations (refer note 14)

(1) Transactions between segments are concluded at arm's-length.

(2) Certain costs are presented pre elimination of intergroup charges and net profit is after these eliminations.

(3) EBITDA excludes inter-segment revenue, impairments and expected credit losses.

(4) The Gaming and leisure segment consists of the amount of investment in joint ventures and associates of the Group.

Impairments of assets and goodwill		Depreciation & amortisation		Finance income		Finance costs		Net profit/(loss) after tax		Total assets		Total liabilities	
2023 R'000	*Restated 2022 R'000	**2023 R'000**	*Restated 2022 R'000	**2023 R'000**	*Restated 2022 R'000	**2023 R'000**	*Restated 2022 R'000	**2023 R'000**	*Restated 2022 R'000	**2023 R'000**	*Restated 2022 R'000	**2023 R'000**	*Restated 2022 R'000
–	–	**–**	–	**–**	–	**–**	–	**–**	9 280	**–**	–	**–**	–
–	–	**–**		**–**	–	**–**	–	**–**	9 280	**–**	–	**–**	–
–	–	**–**	–	**–**	–	**–**	–	**–**	107 905	**960 462**	966 020	**–**	–
–	–	**–**	–	**–**	–	**–**	–	**–**	39 175	**638 909**	624 485	**–**	–
–	–	**–**	–	**–**	–	**–**	–	**–**	65 831	**291 988**	316 083	**–**	–
–	–	**–**	–	**–**	–	**–**	–	**–**	2 248	**22 045**	23 200	**–**	–
–	–	**–**	–	**–**	–	**–**	–	**–**	651	**7 520**	2 252	**–**	–
–	(13 282)	**(48)**	(71)	**7 972**	4 270	**(7 809)**	(8 877)	**(102 988)**	(120 787)	**123 947**	221 631	**54 592**	(136 045)
–	(13 282)	**(48)**	(71)	**7 972**	4 270	**(7 809)**	(8 877)	**(102 988)**	(120 787)	**123 947**	221 631	**54 592**	(136 045)
–	(13 282)	**(48)**	(71)	**7 972**	4 270	**(7 809)**	(8 877)	**(102 988)**	(3 602)	**1 084 409**	1 187 651	**54 592**	(136 045)

4. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing the net profit for the year attributable to ordinary equity holders of the Company by the Weighted Average Number of Ordinary Shares (WANOS) in issue during the year.

Diluted earnings per share amounts are calculated by dividing the net profit for the year attributable to ordinary shareholders by the diluted WANOS in issue.

Headline earnings per share amounts are calculated by dividing the headline earnings for the year attributable to ordinary shareholders by the WANOS in issue for the year.

Diluted headline earnings per share amounts are calculated by dividing the headline earnings for the year attributable to ordinary shareholders by the diluted WANOS in issue for the year.

4.1 Reconciliation of the loss for the year attributable to ordinary shareholders

	2023 R'000 Gross	**2023 R'000 Net**	*Restated 2022 R'000 Gross	*Restated 2022 R'000 Net
Basic and diluted loss per share reconciliation				
Profit/(loss) for the year		**(15 211)**		(11 577)
– Continuing operations		**20 200**		(643)
– Discontinued operations		**(35 411)**		(10 934)
Non-controlling interest		**–**		(159)
Loss for the year attributable to ordinary shareholders		**(15 211)**		(11 736)

No adjustments have been made to basic earnings in the calculation of diluted earnings.

4.2 Reconciliation of headline (loss)/earnings for the year

	2023 R'000 Gross	**2023 R'000 Net**	2022 R'000 Gross	2022 R'000 Net
Loss for the year attributable to ordinary shareholders	**–**	**(15 211)**	–	(11 736)
Continuing operations:				
Impairment of associates	**–**	**–**	13 281	13 281
Discontinued operations:				
Profit on derecognition of subsidiary	**–**	**–**	(68 196)	(68 196)
Impairment of investment property	**18 500**	**13 505**	18 133	18 133
Impairment of non-current assets held for sale: Land and buildings	**10 010**	**7 307**	–	–
Impairment of non-current assets held for sale: Plant and machinery	**5 725**	**5 725**	–	–
Profit on disposal of investment property	**(400)**	**(292)**		
Loss on disposal of investments in BKSA and GFMP	**–**	**–**	34 769	34 769
Total headline profit/(loss)		**11 034**		(13 749)
Total headline (loss)/profit				
– Continuing operations		**20 200**		8 935
– Discontinued operations		**(9 166)**		(22 684)
		11 034		(13 749)

4.3 Reconciliation of WANOS – net of treasury shares

	2023 '000s	2022 '000s
Shares in issue at beginning of the year	**429 937**	429 718
Treasury shares issued to employees	**311**	259
	430 248	429 977

* The prior year comparatives have been restated to separately reflect the results of discontinued operations (refer note 14).

4. BASIC AND DILUTED EARNINGS PER SHARE (CONTINUED)

4.4 Reconciliation of diluted WANOS – net of treasury shares

	2023 '000s	2022 '000s
WANOS in issue – net of treasury shares	**430 248**	429 977
Effects of dilution from:		
Share options	**–**	–
Diluted WANOS in issue – net of treasury shares	**430 248**	429 977

4.5 Statistics

	Cents	Cents
Basic profit/(loss) per share	**(3.54)**	(2.73)
– Continuing operations	**4.69**	(0.16)
– Discontinued operations	**(8.23)**	(2.57)
Diluted profit/(loss) per share	**(3.54)**	(2.73)
– Continuing operations	**4.69**	(0.16)
– Discontinued operations	**(8.23)**	(2.57)
Headline profit/(loss) per share	**2.56**	(3.20)
– Continuing operations	**4.69**	2.93
– Discontinued operations	**(2.13)**	(6.13)
Diluted headline profit/(loss) per share	**2.56**	(3.20)
– Continuing operations	**4.69**	2.93
– Discontinued operations	**(2.13)**	(6.13)
Dividend per share	**12**	125

5. TAXATION

5.1 Accounting policy

5.1.1 Current normal tax

Current income tax assets and liabilities for the current year and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss.

5.1.2 Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are generally recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

5. TAXATION (CONTINUED)

5.1 Accounting policy (continued)

5.1.2 Deferred tax (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on tax rates/laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or directly to equity, in which case it is recognised in other comprehensive income or equity respectively.

The Group offsets deferred tax assets and deferred tax liabilities only when they are levied by the same taxation authority and are within the same legal entity and that entity has a legally enforceable right to set off current tax assets and liabilities.

5.2 Taxation expense

	2023 R'000	2022 R'000
South African normal tax		
– current year	**(1 051)**	(149)
Deferred tax	**1 176**	(427)
	125	(576)
	%	%
Standard rate	**27.00**	(28.00)
Non taxable income: dividends received	**(64.00)**	59.00
Non deductible expenses: legal fees, investment costs and impairments	**30.00**	(26.44)
Tax loss not recognised[1]	**7.00**	–
Effective tax rate	**–**	4.56

[1] Assessed losses within the Group is only recognised to the extent that there is expected to be taxable income in the future against which it can be utilised.

5.3 Deferred taxation

	2023 R'000	2022 R'000
Deferred tax assets	**5 336**	3 052
Deferred tax liabilities	**(342)**	(2 183)
	4 994	869
The deferred tax balance is made up as follows:		
Operating leases	**(220)**	(675)
Assessed losses	**–**	1 989
Provisions and accruals	**2 205**	1 063
Prepayments	**(120)**	(103)
Property, plant and equipment	**3 129**	(1 405)
	4 994	869

5. TAXATION (CONTINUED)

5.3 Deferred taxation (continued)

Reconciliation of net deferred tax asset

	2023 R'000	2022 R'000
Opening balance – 1 July	**869**	185 723
Transferred to discontinued operations	**2 948**	(184 427)
Tax for the period recognised in the statement of comprehensive income2	**1 177**	(427)
Rate change	**(31)**	–
Operating leases	**430**	(10)
Assessed losses[1]	**(1 918)**	(2 052)
Provisions and accruals	**1 180**	(414)
Prepayments	**(20)**	(4)
Property, plant and equipment	**4 484**	2 053
Transferred to discontinued operations	**(2 948)**	–
Closing balance – 30 June	**4 994**	869

(1) Refer to note 1.5 for significant estimates and judgements applied.

(2) Deferred tax assets relating to unused tax losses of R173m (2022: R173m) have not been recognised. Deferred tax assets relating to deductible temporary differences have not been recognised.

6. EMPLOYEE BENEFITS

6.1 Accounting policy

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave that are due to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts that are due to be paid when the liabilities are settled.

Long-service leave provision

The liability for long-service leave is recognised in provisions and is based on a minimum service period of five years and accumulates up to a maximum of 35 years continuous service. Consideration is given to the current wage and salary levels and the number of employees expected to qualify for the award. Movements in the provision are recognised in profit or loss.

Retirement benefit obligations

The Group has a defined contribution plan which is governed by the Pension Fund Act No.24 of 1956. The defined contribution plan receives fixed contributions from the Group and its legal or constructive obligation is limited to these contributions.

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Short-term incentive plan

The Group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the Group's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation, the amount can be measured reliably and the Directors are of the opinion that it is probable that such bonuses will be paid.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either:

- terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or
- providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the reporting date are discounted to their present value.

6. EMPLOYEE BENEFITS (CONTINUED)

6.2 Directors' emoluments

2023	Salary R'000	Long-term benefits[1] R'000	Bonuses R'000	Directors' fees R'000	Audit and risk committee R'000	Remuneration and nomination committee R'000
Executive directors						
M Tajbhai[2]	**1 450**	**215**	**9 150**	**–**	**–**	–
J October	**1 135**	**113**	**5 761**	**–**	**–**	–
G Bortz	**1 093**	**65**	**–**	**–**	**–**	–
Sub-total	**3 678**	**393**	**14 911**	**–**	**–**	–
Non-executive directors						
A Abercrombie[2]	**–**	**–**	**–**	**670**	**–**	39
W Geach	**–**	**–**	**–**	**324**	**181**	–
M Bowman[2]	**–**	**–**	**–**	**196**	**55**	113
R van Dijk[2]	**–**	**–**	**–**	**274**	**90**	–
M Nkosi[2]	**–**	**–**	**–**	**108**	**–**	31
R Kader	**–**	**–**	**–**	**137**	**–**	95
M Tajbhai*	**–**	**–**	**–**	**53**	**–**	–
G Orrie	**–**	**–**	**–**	**172**	**38**	–
K Finch	**–**	**–**	**–**	**100**	**39**	104
Sub-total	**–**	**–**	**–**	**2 034**	**403**	382
Total	**3 678**	**393**	**14 911**	**2 034**	**403**	382

[1] Long-term benefits relate to defined retirement contributions.

[2] These directors have resigned during the financial year. M Tajbhai resigned as the Chief Executive Officer of GPI, he was appointed as a non-executive director on the board during April 2023.

2022	Salary R'000	Long-term benefits[1] R'000	Bonuses R'000	Directors' fees R'000	Audit and risk committee R'000	Remuneration and nomination committee R'000
Executive directors						
M Tajbhai	1 933	287	1 767	–	–	–
J October	1 513	150	1 136	–	–	–
Sub-total	**3 446**	**437**	**2 903**	**–**	**–**	–
Non-executive directors						
A Abercrombie	–	–	–	749	–	77
W Geach	–	–	–	281	224	–
M Bowman	–	–	–	230	108	113
R van Dijk	–	–	–	241	123	–
M Nkosi	–	–	–	230	–	77
R Kader	–	–	–	241	–	77
Sub-total	**–**	**–**	**–**	**1 972**	**455**	344
Total	**3 446**	**437**	**2 903**	**1 972**	**455**	344

[1] Long-term benefits relate to defined retirement contributions.

Investment committee R'000	Social and ethics committee R'000	Total Remuneration R'000	Share-based payment expense R'000
–	**–**	10 815	**161**
–	**–**	7 009	**58**
–	**–**	1 158	**–**
–	**–**	18 982	**219**
39	**66**	814	**–**
–	**–**	505	**–**
39	**–**	403	**–**
–	**–**	364	**–**
45	**–**	184	**–**
6	**47**	285	
–	**7**	60	
8	**–**	218	
–	**–**	243	**–**
137	**120**	3 076	**–**
137	**120**	22 058	**219**

Investment committee R'000	Social and ethics committee R'000	Total Remuneration R'000	Share-based payment expense R'000
–	–	3 987	282
–	–	2 799	92
–	**–**	6 786	**374**
77	90	993	–
–	–	505	–
77	–	528	–
–	–	364	–
113	–	420	–
–	61	379	–
267	**151**	3 189	**–**
267	**151**	9 975	**374**

7. SHARE-BASED PAYMENTS

7.1 Accounting policy

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of comprehensive income expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense (Note 11.4).

When these services are rendered in an associate or jointly-controlled venture the fair value of these costs are capitalised to the carrying value of the investment.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified reward. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (Note 4.4).

Tax regulations require the withholding of the amount for the employee's tax obligation associated with the share-based payment and the transfer of that amount to the tax authority on behalf of the employee. This requires the entity to withhold the number of equity instruments equal to the monetary value of the tax obligation from the total number of equity instruments that would have been issued to the employee upon exercising of the share-based payment.

7.2 Reconciliation of GPI share options granted in terms of the Grand Parade Share Incentive Trust

2023	Number of unvested share options 30 June 2022 000s	Exercised during the year 000s	Forfeited during the year 000s	Lapsed during the year 000s	Number of unvested share options 30 June 2023 000s	Average market price per share on vesting date R
M Tajbhai	**1 435**	**(1 435)**	**–**	**–**	**–**	**3.33**
J October	**485**	**(485)**	**–**	**–**	**–**	**3.33**
Sub-total	**1 920**	**(1 920)**	**–**	**–**	**–**	

2022	Number of unvested share options 30 June 2021 000s	Exercised during the year 000s	Forfeited during the year 000s	Lapsed during the year 000s	Number of unvested share options 30 June 2022 000s	Average market price per share on vesting date R
M Tajbhai	2 039	(161)	–	(443)	1 435	2.91
J October	647	(27)	–	(135)	485	2.85
T Pillay[1]	750	(31)	(563)	(156)	–	2.93
Sub-total	**3 436**	**(219)**	**(563)**	**(734)**	**1 920**	

[1] T Pillay left the employment of the Group as at the end of February 2022.

7. SHARE-BASED PAYMENTS (CONTINUED)

7.3 Share options per strike price held at 30 June

During the current financial year, all outstanding share options were exercised and there we no new options granted.

2022 **Date granted**	Strike price R	M Tajbhai 000s	J October 000s	Total 000s
9 September 2019	2.80	683	485	1 168
1 November 2018	2.26	752	–	752
Sub-total		**1 435**	**485**	**1 920**

7.4 IFRS 2 share-based payment reserve

The IFRS 2 Share-based payment reserve has been recognised in line with the Group Share-based payment accounting policy detailed in Note 7.1 of the Consolidated Annual Financial Statements.

The Group established a share option incentive scheme in which options to acquire GPI shares have been granted to key employees of the Group. All options have been granted with an exercise price equal to the 30-day volume weighted average price ("VWAP") of the shares on the date of the grant and are conditional on the participant remaining in service with the Group. The maximum aggregate number of shares in terms of the Group Share Options Scheme that may be utilised for the purposes of the scheme shall not exceed 46.9 million. The following are the salient features of the share options granted:

1) Five-year vesting period commencing on the grant date and vests in four equal tranches.
2) The first tranche vests on the second anniversary of the Option Grant Date and annually thereafter for three years in equal tranches.
3) Share options exercised are settled on a Net Settlement Share basis.
4) No dividend rights will be attached to the share options until such time as the shares are registered in the recipient's name.
5) In the event of death, retirement or retrenchment any exercisable options will only be capable of conversion for a 12-month period.
6) Upon resignation or termination of employment all unexercised options will immediately lapse.

7.4.1 Share options outstanding at the end of the year have the following vesting dates and exercise prices:

At year end there were no outstanding options and no new options were granted.

2022	Number 000s	Weighted exercise price R	Total value R'000
Outstanding at beginning of the year	3 436	2.50	8 590
Granted during the year	–	–	–
Exercised during the year	(219)	2.42	(530)
Forfeited during the year	(563)	2.26	(1 272)
Lapsed during the year	(734)	2.50	(1 835)
Outstanding at end of the year	**1 920**	**2.58**	**4 953**
Exercisable at the end of the year	**–**	**–**	**–**

Outstanding options	Exercise date within one year 000s	Exercise date from two to five years 000s	Exercise date after five years 000s	Total 000s
Options with exercise price of R2.26	376	376	–	752
Options with exercise price of R2.80	389	779	–	1 168
	765	**1 155**	**–**	**1 920**

7. SHARE-BASED PAYMENTS (CONTINUED)

7.4 IFRS 2 Share-based payment reserve (continued)

7.4.2 Information on options granted during the year

During the current year no new options were granted to key employees of the Group.

Fair value was determined by the Black-Scholes-Merton model.

7.4.3 Method and the assumptions to incorporate the effects of expected early exercise:

The historic volatility was measured at the standard deviation of price changes over an identified historic period. Expected volatility generally cannot be taken from a single objective source and therefore it is subjective to estimate this model input. The following factors were considered in assessing the volatility:

1) Implied volatility from traded share options on the entities shares;
2) Historical volatility of GPI and peers' share price over the most recent period that is commensurate with the expected term of the option;
3) The length of time the entity's shares have been publicly traded;
4) The tendency of volatility to revert to its mean; and
5) Appropriate and regular intervals for price observations.

Total expense of R219 000 (2022: R373 725), relating to equity-settled share-based payments transactions were recognised during the year.

8. RELATED PARTY TRANSACTIONS

8.1 Transactions between Group companies

The Group in the ordinary course of business entered into various transactions with related parties. Any intra-group related party transactions and balances are eliminated in the preparation of the Consolidated Annual Financial Statements as presented. Details regarding related party loans have been disclosed in Note 9 of the Consolidated Annual Financial Statements.

8.2 Identity of related parties

A number of the Group and Company's directors (or parties related to them) hold positions in other entities, where in some instances they are also significant shareholders and have significant influence over the financial or operating policies of those entities. To the extent that the Group has any relationship or dealings with those entities, they are listed as follows:

Director	Entity	Relationship with entity
M Tajbhai	Nadeson Consulting Services (Pty) Ltd	5.00% Shareholder
R Kader	Afriserve (Pty) Ltd	Director

Nadeson Consulting Services (Pty) Ltd

Nadeson Consulting did not provide any services to the Group during the year (2022: R0.01 million).

Afriserve (Pty) Ltd

Afriserve provided cleaning and security services to the Group. The total of these services for the year was R0.9 million (2022: R1.14 million).

8. RELATED PARTY TRANSACTIONS (CONTINUED)

8.3 Key management

The key management personnel compensation is as follows:

	2023 R'000	2022 R'000
Short-term employee benefits	**18 589**	11 435
Long-term employee benefits	**393**	632
Share-based payment expense	**219**	374
	19 201	12 441

8.4 Directors' fees from Group investments

Certain of the Directors received Directors' fees as a result of being Board members on the Board committees of the underlying investment companies. These fees are paid directly to these Directors.

2023	SunWest R'000	Worcester R'000	SunSlots R'000	Total R'000
G Bortz	**12**	**8**	**–**	**20**
M Tajbhai	**107**	**73**	**–**	**180**
A Abercrombie	**–**	**–**	**–**	**–**
	119	**81**	**–**	**200**

2022	SunWest R'000	Worcester R'000	SunSlots R'000	Total R'000
A Abercrombie	100	78	125	303
	100	78	125	303

9. RELATED PARTY RECEIVABLE

	2023 R'000	2022 R'000
Infinity Gaming Africa[1]	**2 290**	2 290
Mac Brothers Catering Equipment[2]	**1 887**	3 742
Opening balance	**3 742**	–
Loans advance	**–**	3 742
Repayments	**(1 855)**	–
Expected credit losses:		
Infinity Gaming Africa[1]	**(2 290)**	–
Mac Brothers Catering Equipment[2]	**(1 887)**	–
Total gross current assets	**–**	6 032
Total net current assets	**–**	6 032

The loans are unsecured, bear no interest and is repayable on demand. None of the above related party loans are past due.

(1) The receivable relates to inventory and is the residual of the original loan to Atlas Gaming Africa after the sale of the investment in Atlas Gaming Africa. During the current year the loan was impaired to the value of R2.3 million.

(2) The receivable relates loans advanced to Mac Brothers, a subsidiary of the Group.

10. REVENUE

10.1 Accounting policy

Revenue is recognised when the Group satisfies performance obligations and transfers control of goods or services to its customers at an amount that reflects the consideration the Group expects to be entitled to in exchange for these goods or services.

The Group's revenue is disaggregated into rental income, dividend income and miscellaneous rental income.

The basis, on which each material revenue stream is recognised, is set out below:

Dividends received

Dividends received is recognised in profit or loss when the right to receive payment is established, this date is published together with the information regarding the dividend declared by the investee.

Rental income

Rental income is derived from the letting of property. Rental income is straight lined over the lease term, in terms of an operating lease per IFRS 16.

10.2 Disaggregation of revenue

	2023 R'000	*Restated 2022 R'000
Other revenue		
Dividends received	**1 147**	10 729
Other income[1]	**209**	–
	1 356	10 729

* The prior year comparatives have been restated to separately reflect the results of discontinued operations (refer note 14) and

[1] Other income includes board fees received by the directors of Grand Parade Investments Limited from the Group's gaming investments.

11. PROFIT FROM OPERATIONS BEFORE FINANCE COSTS AND TAXATION FROM CONTINUING OPERATIONS

Profit before finance cost and taxation is stated after:

	Notes	**2023 R'000**	*Restated 2022 R'000
11.1 Profit from equity accounted investments		**120 988**	107 905
SunWest	15.2.1	**61 989**	39 175
Sun Slots	15.3.1	**53 905**	65 831
Worcester Casino	15.3.1	**(173)**	2 248
Infinity Gaming Africa	15.3.1	**5 267**	651
11.2 Operating expenses:			
Depreciation – property, plant and equipment	18.2	**(47)**	(1 116)
Amortisation – computer software	19.2	**(1)**	(15)
Profit on disposal of property plant and equipment		**220**	–
11.3 Auditors' remuneration			
Audit fees		**(9 704)**	(2 936)
– Current year		**(3 703)**	(2 936)
– Prior year under provision		**(6 001)**	–

* The prior year comparatives have been restated to separately reflect the results of discontinued operations (refer note 14).

11. PROFIT FROM OPERATIONS BEFORE FINANCE COSTS AND TAXATION FROM CONTINUING OPERATIONS (CONTINUED)

	Notes	2023 R'000	*Restated 2022 R'000
11.4 Staff costs		**(25 155)**	(13 437)
Salaries and wages		**(2 544)**	(2 173)
Directors' remuneration	6.2	**(22 058)**	(9 975)
Share-based payments expense	6.2	**(219)**	(374)
Provident fund contributions		**(334)**	(915)

12. FINANCE INCOME

	2023 R'000	2022 R'000
Short-term cash deposits	**7 972**	**4 286**

13. FINANCE COSTS

	Notes	2023 R'000	2022 R'000
Preference shares – interest	28.5	**(7 809)**	(6 715)
Banking facility		**–**	(2 161)
		(7 809)	(8 876)

* The prior year comparatives have been restated to separately reflect the results of discontinued operations (refer note 14).

14. DISCONTINUED OPERATIONS

14.1 Accounting policy

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Where a disposal group is to be abandoned, the Group presents the results and cash flows of the disposal group as discontinued operations at the date on which it ceases to be used.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of comprehensive income.

14.2 Operations discontinued

During the current year the Group entered into sale agreements for the properties owned by GPI Properties (Pty) Ltd. The associated properties were classified as held for sale on 30 June 2023 and were subsequently sold during the months of July and August 2023. Consequently, the operations of GPI Properties (Pty) Ltd is presented as a discontinued operation in the current year and the comparatives have been restated to include GPI Properties as a discontinued operation in the prior year.

During the prior year, in April 2022 the board resolved to liquidate a subsidiary Macbrothers Catering Equipment (Pty) Ltd. The liquidator was appointed during April 2022. The business is still in the process of being liquidated. During the prior year the Group also disposed of all its shares in BKSA and GFMP to ECP. These subsidiaries are accounted for in the discontinued operations below. Refer note 16.4 for more information.

14. DISCONTINUED OPERATIONS (CONTINUED)

The results of discontinued operations are presented below:

	GPI Properties		Grand Foods Bakery		Macbrothers		Burger King		Grand Foods Meat Plant		Total	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000
14.3 Results of discontinued operations												
Revenue	**8 727**	6 798	**–**	–	**–**	64 323	**–**	512 696	**–**	75 975	**8 727**	659 792
Cost of Sales	**–**	–	**–**	–	**–**	(43 401)	**–**	(251 209)	**–**	(72 741)	**–**	(367 351)
Gross Profit	**8 727**	6 798	**–**	–	**–**	20 922	**–**	261 487	**–**	3 234	**8 727**	292 441
Operating costs	**(40 449)**	(28 753)	**(5 725)**	–	**–**	(52 724)	**–**	(225 944)	**–**	(2 683)	**(46 174)**	(310 104)
Expected credit losses	**–**	–	**–**	–	**–**	–	**–**	(239)	**–**	–	**–**	(239)
Profit on derecognition of subsidiary	**–**	–	**–**	–	**–**	68 196	**–**	–	**–**	–	**–**	68 196
Profit/(loss) on sale of investments	**–**	–	**–**	–	**–**	–	**–**	27 271	**–**	(62 040)	**–**	(34 769)
Profit/(loss) before finance costs and taxation	**(31 722)**	(21 955)	**(5 725)**	–	**–**	36 394	**–**	62 575	**–**	(61 489)	**(37 447)**	15 525
Finance income	**85**	11	**–**	–	**–**	–	**–**	–	**–**	–	**85**	11
Finance costs	**(997)**	(2 763)	**–**	–	**–**	(4 028)	**–**	(13 806)	**–**	(324)	**(997)**	(20 921)
Profit/(loss) before taxation	**(32 634)**	(24 707)	**(5 725)**	–	**–**	32 366	**–**	48 769	**–**	(61 813)	**(38 359)**	(5 385)
Taxation	**2 948**	–	**–**	–	**–**	–	**–**	(5 587)	**–**	38	**2 948**	(5 549)
Profit/(loss) for the period	**(29 686)**	(24 707)	**(5 725)**	–	**–**	32 366	**–**	43 182	**–**	(61 775)	**(35 411)**	(10 934)
14.4 Cash flows (used in)/from discontinued operations												
Net cash (utilised in)/generated from operating activities	**1 772**	13 859	**–**	–	**–**	1 592	**–**	66 153	**–**	5 337	**1 772**	86 941
Net cash utilised in investing activities	**20 000**	–	**–**	–	**–**	–	**–**	(37 123)	**–**	–	**20 000**	(37 123)
Net cash (utilised in)/generated from financing activities	**(36 698)**	(7 499)	**–**	–	**–**	(111 561)	**–**	(12 158)	**–**	(6 318)	**(36 698)**	(137 536)
Net cash flow for the year	**(14 926)**	6 360	**–**	–	**–**	(109 969)	**–**	16 872	**–**	(981)	**(14 926)**	(87 688)

	Notes	**2023 R'000**	2022 R'000
14.5 Impairment of assets			
Impairment of property, plant, equipment[1]	18.2	**–**	(4 418)
Impairment of inventory		**–**	(21 632)

[1] In the prior year the impairment relates to the assets of Mac Brothers, the value was based on the auction proceeds of the assets.

15. INVESTMENT IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATES

15.1 Accounting policy

The Group has interests in joint ventures, whereby the joint ventures have a contractual arrangement that establishes control over the economic activities of the entity. The contractual arrangement implies unanimous agreement for financial and operating decisions amongst the joint ventures.

The Group also has investments in associates. An associate is an entity over which the Group has significant influence.

The Group recognises its interests in joint ventures and associates using the equity method. The financial results of the joint ventures and associates are prepared for the same reporting period as the parent company.

Under the equity method, the investments in joint ventures and associates are carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the joint ventures or associates. Goodwill relating to joint ventures and associates is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

Losses of a joint venture or associates in excess of the Group's interest therein (which includes any long-term interest that, in substance, forms part of the Group's net investment in the joint venture and associate) are not recognised unless the Group has a legal or constructive obligation in respect of those joint ventures or associates. If a joint venture or associate subsequently reports profits, the Group resumes recognising it share of those profits only after its share of the profits equals the share of losses not recognised.

After application of the equity method, the Group assesses whether there is any objective evidence that the investment in joint ventures and associates is impaired. If any such indicators exist, the entire carrying amount of the investment in joint ventures and associates is tested for impairment by comparing the recoverable amount with its carrying amount, to determine whether it is necessary to recognise any impairment losses.

The Group makes an assessment at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indicators exist, the Group estimates the investment in joint venture or associate's recoverable amount and reverses the impairment to the lower of the recoverable amount or carrying amount, that would have been determined had no impairment losses been recognised in prior periods. Such reversals are recognised in profit or loss.

The statement of comprehensive income reflects the share of the results of operation of joint ventures and associates. Where there has been a change recognised directly in the other comprehensive income or equity of the joint venture or associates, the Group recognises its share of any changes and discloses this, where applicable, in other comprehensive income or in the statement of changes in equity.

Where a Group entity transacts with a joint venture or associate, unrealised profits and losses are eliminated to the extent of the Group's interest in the joint venture or associate. Joint ventures and associates are equity-accounted until the date on which the Group ceases to have joint control or significant influence over the investment. Upon loss of significant influence or joint control over the associate or joint venture, the Group measures and recognises any retaining investments at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss. Upon derecognition of the investment in a joint venture or associate, previously recognised gains or losses in other comprehensive income will be released to profit or loss for the period.

15. INVESTMENT IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (CONTINUED)

15.2 Investment in jointly controlled entities

The Group's investments of 15.1% (2022: 15.1%) in SunWest has been classified as a jointly controlled entity. SunWest holds 100% of Grandwest Casino and Entertainment World and 100% of the Table Bay Hotel. Their principal place of business is in Western Cape, South Africa.

15.2.1 Reconciliation of carrying value

	Note	**2023 R'000**	2022 R'000
Carrying amount of the investment – 1 July		**624 485**	638 160
Profit from jointly controlled entities	11.1	**61 989**	39 175
Dividends received		**(47 565)**	(52 850)
Carrying amount of the investment – 30 June		**638 909**	624 485

An annual impairment test was performed on the investment and it was determined that the value-in-use amount is higher than the carrying value.

15.2.2 Investment in jointly controlled entity's financial results

Set out below is the summarised financial information, as well as a reconciliation of that information to the carrying amount of the Group's jointly controlled entity which is accounted for using the equity method.

	2023 R'000	2022 R'000
Summarised statement of profit or loss and other comprehensive income		
Revenue	**2 245 992**	1 666 352
Cost of sales and operating costs	**(1 517 252)**	(1 111 751)
Depreciation and amortisation	**(131 807)**	(139 153)
Finance income	**19 326**	42 841
Finance cost	**(64 374)**	(87 804)
Profit before tax	**551 885**	370 485
Taxation	**(141 362)**	(111 048)
Profit for the year	**410 523**	259 437

	2023 R'000	2022 R'000
Summarised statement of financial position		
Non-current assets	**1 161 641**	1 122 318
Current assets excluding cash and cash equivalents	**32 466**	44 519
Cash and cash equivalents included in current assets	**202 532**	108 351
Non-current liabilities (excluding trade and other payables and provisions)	**(106 157)**	(144 609)
Current liabilities (excluding trade and other payables and provisions)	**(745 471)**	(669 117)
Current trade and other payables and provisions	**(210 796)**	(222 773)
Equity	**334 215**	238 689

15. INVESTMENT IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (CONTINUED)

15.2 Investment in jointly controlled entities (continued)

15.2.3 Reconciliation between investment in jointly controlled entity's equity and carrying value

	2023 R'000	2022 R'000
SunWest's total equity	**334 215**	238 689
Group's proportionate interest	**15.1%**	15.1%
Group's proportionate share of equity	**50 466**	36 042
Goodwill	**588 443**	588 443
Carrying amount of the investment	**638 909**	624 485

15.3 Investments in associates

The Group's investments that have been classified as associates are:

	Effective Holding		
Investment	**2023[(1)]**	2022[(1)]	**Description of business**
Worcester Casino	15.10%	15.10%	Worcester Casino holds 100% of the Golden Valley Casino situated in Worcester.
Sun Slots	30.00%	30.00%	Sun Slots operates limited pay-out machines throughout the country under different brands.
Infinity Gaming Africa	26.04%	26.04%	Infinity Gaming Africa sells limited pay-out machines throughout the country under different brands.

[(1)] There has been no change in the percentage holding of these investments during the current year.

15.3.1 Reconciliation of carrying value of investment in associate

		Sun Slots		Worcester Casino		Infinity Gaming Africa		Total	
	Notes	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000
Carrying amount of the investment – 1 July		316 083	325 252	23 200	24 757	2 253	1 602	341 536	351 611
Profit/(loss) from associates	11.1	53 905	65 831	(173)	2 248	5 267	651	58 999	68 730
Dividends received		(78 000)	(75 000)	(982)	(3 805)	–	–	(78 982)	(78 805)
Carrying amount of the investment – 30 June		291 988	316 083	22 045	23 200	7 520	2 253	321 553	341 536

15. INVESTMENT IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (CONTINUED)

15.3 Investments in associates (continued)

15.3.2 Investment in associates' financial results

Set out below is the summarised financial information, as well as a reconciliation of that information to the carrying amount of the Group's material associates which are accounted for using the equity method.

	Sun Slots		Worcester Casino	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
Summarised statement of profit or loss and other comprehensive income				
Revenue	1 493 019	1 413 580	**131 118**	120 150
Cost of sales and operating costs	(1 131 295)	(1 011 872)	**(120 121)**	(90 950)
Depreciation and amortisation	(99 759)	(88 901)	**(12 027)**	(14 067)
Finance income	10 795	10 664	**1 036**	1 027
Finance cost	(24 792)	(18 464)	**(1 324)**	(565)
Profit/(loss) before tax	247 968	305 007	**(1 318)**	15 595
Taxation	(68 285)	(85 572)	**172**	(705)
Profit/(loss) for the year	179 683	219 435	**(1 146)**	14 890
Summarised statement of financial position				
Non-current assets	700 313	682 596	**144 709**	150 384
Current assets excluding cash and cash equivalents	77 450	70 286	**7 361**	4 624
Cash and cash equivalents included in current assets	59 190	109 958	**10 087**	15 514
Non-current liabilities (excluding trade and other payables and provisions)	(56 590)	(55 183)	**(9 682)**	(10 530)
Current liabilities (excluding trade and other payables and provisions)	(320 289)	(230 416)	**(17 059)**	(7 908)
Current trade and other payables and provisions	(123 486)	(160 337)	**(15 997)**	(25 019)
Equity	336 588	416 904	**119 419**	127 065

15.3.3 Reconciliation between material Investments in associates' equity and carrying value

	Sun Slots		Worcester Casino		Total	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000
Investment in associates' equity	336 588	416 904	119 419	127 065	456 007	543 969
Group's proportionate interest	30.00%	30.00%	15.10%	15.10%		
Group's proportionate share of equity	100 976	125 071	18 032	19 187	119 008	144 258
Goodwill	191 012	191 012	4 013	4 013	195 025	195 025
Carrying amount of the investment	291 988	316 083	22 045	23 200	314 033	339 283

16. INVESTMENT IN SUBSIDIARIES

16.1 Accounting policy

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies. All intra-group balances, transactions, income, expenses and unrealised profits and losses resulting from intra-group transactions and dividends are eliminated in full on consolidation.

16. INVESTMENT IN SUBSIDIARIES (CONTINUED)

16.2 Summarised financial information of subsidiaries with material non-controlling interest

Burger King South Africa (Pty) Ltd

The Group held a 91.1% investment in Burger King South Africa (Pty) Ltd with the remaining 8.9% held by Burger King Europe. Burger King South Africa (Pty) Ltd holds the master franchise license of Burger King for South Africa.

	2023 R'000	2022 R'000
Portion of equity interest held by non-controlling interests:		
Burger King South Africa (Pty) Ltd	**0.00%**	0.00%

The summarised financial information of the Burger King South Africa – Group is provided below. This information is based on amounts before inter-company eliminations.

Burger King South Africa (Pty) Ltd was disposed of on 3 November 2021. The results of the entity for the prior period is included in discontinued operations. Please see *note 14*.

	2023 R'000	2022 R'000
Summarised statement of profit or loss and other comprehensive income		
Revenue	**–**	512 696
Cost of sales and operating costs	**–**	(477 153)
Operating income	**–**	35 543
Expected credit losses	**–**	(239)
Finance income	**–**	–
Finance expense	**–**	(13 806)
Loss before tax	**–**	21 498
Tax	**–**	(5 587)
Loss after tax	**–**	15 911
Total loss attributable to		
– Ordinary shareholder	**–**	15 752
– Non-controlling interests	**–**	159
Summarised statement of financial position		
Non-current assets	**–**	–
Current assets	**–**	–
Non-current liabilities	**–**	–
Current liabilities	**–**	–
Equity	**–**	–
Total equity attributable to:		
– Ordinary shareholder	**–**	–
– Non-controlling interest	**–**	–
Summarised statement of cash flow information		
Operating	**–**	66 153
Investing	**–**	(37 123)
Financing	**–**	(12 158)
Net decrease in cash and cash equivalents	**–**	16 872

16. INVESTMENT IN SUBSIDIARIES (CONTINUED)

16.3 Disposal of subsidiary

In the prior year the Group sold its interests in BKSA and the GFMP to ECP on 3 November 2021.

	Burger King South Africa	Grand Foods Meat Plant	Total
Net asset value			
Plant and equipment	436 715	19 902	456 617
Intangible assets	24 446	–	24 446
Right-of-use assets	282 641	–	282 641
Deferred tax assets	165 857	10 306	176 163
Goodwill	1 194	53 910	55 104
Inventories	16 665	13 435	30 100
Trade and other receivables	71 765	12 153	83 918
Cash and cash equivalents	35 963	14 101	50 064
Finance lease liability	(45 430)	–	(45 430)
Lease liabilities	(344 538)	–	(344 538)
Provisions	(21 312)	(365)	(21 677)
Trade and other payables	(103 999)	(37 543)	(141 542)
Bank overdraft	(95 130)	(3 715)	(98 845)
Non-controlling interest	18 120	–	18 120
Net asset value	442 957	82 184	525 141
Fair value of proceeds	470 228	20 144	490 372
Profit/(loss) in sale of subsidiary	27 271	(62 040)	(34 769)

16.4 Deconsolidation of subsidiary

Mac Brothers has been in financial difficulties over the last two years and has been a cash drain on the Group. The continued poor performance led the Directors to resolve to liquidate the business. The liquidator was appointed by the Master of the High Court and he assumed control of the business on 4 April 2022.

Mac Brothers was a wholly-owned subsidiary of the Group and was consolidated into the results of the Group.

As a result of the appointment of the liquidators by the Master of the High Court, management effectively lost control of the business as all powers reside with the liquidator and the Master of the High Court. Management have assessed the loss of control, from the date that the liquidators were appointed and classified Mac Brothers as a discontinued operation. As at the date of liquidation in the prior year Mac Brothers has been deconsolidated from the Group in terms of IFRS 10 Consolidated Financial Statements.

The fair value of the consideration receivable is deemed to be Rnil as a return on the liquidation is unlikely. The liquidation has not been completed at year-end. The fair value of the retained interest approximates Rnil as the underlying entity is being liquidated.

16. INVESTMENT IN SUBSIDIARIES (CONTINUED)

16.5 Deconsolidation of subsidiary continued)

	2022 R'000
Fair value of the consideration receivable	–
Net liability position	54 913
Impairment of receivable	13 282
Fair value of retained interest	–
Gain on deconsolidation of subsidiary	68 195
The carrying value of assets and liabilities as at the date of deconsolidation were:	
Property, plant and equipment	13 656
Inventories	4 692
Trade and other receivables	3 878
Total assets	22 226
Shareholder loans	45 953
Trade and other payables	11 224
Bank overdraft	11 550
Finance lease liability	107
Income received in advance	8 305
Total liabilities	77 140
Net liabilities	54 913

17. INVESTMENT PROPERTY

17.1 Accounting policy

Investment properties are measured initially at cost, including transaction costs. Costs include costs incurred initially and cost incurred subsequently to add to, or to replace a part of the property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Investment property is subsequently measured at cost less accumulated depreciation less any accumulated impairment losses. Depreciation is provided to write down the cost of the property to the estimated residual value by equal instalments over the useful life of the property.

The useful lives are as follows:

Buildings	20 years

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to/(or from) investment property only when there is a change in the use of the property and the property is transferred at its carrying value. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated above.

17. INVESTMENT PROPERTY (CONTINUED)

17.2 Reconciliation of investment property

	Office Building R'000	Total R'000
2023		
Cost	**84 140**	**84 140**
Accumulated depreciation	**(7 640)**	**(7 640)**
Carrying value at 1 July 2022	**76 500**	**76 500**
Impairment[1]	**(18 500)**	**(18 500)**
Transfer to non-current assets held for sale	**(58 000)**	**(58 000)**
Carrying value at 30 June 2023	**–**	**–**

[1] *During the current year, the Group entered into an agreement for the sale of the building. The building was impaired to the fair value in terms of the IFRS5 requirements. Refer to note 20.2.*

	Office Building R'000	Total R'000
2022		
Cost	–	–
Accumulated depreciation	–	–
Carrying value at 1 July 2021	–	–
Transfer from property, plant and equipment (cost)	84 140	84 140
Transfer from property, plant and equipment (accumulated depreciation)	(1 214)	(1 214)
Impairment	(6 426)	(6 426)
Carrying value at 30 June 2022	76 500	76 500
Made up of:		
Cost	84 140	84 140
Accumulated depreciation	(7 640)	(7 640)

17.3 Fair value of investment properties carried at cost

The fair values of the investment properties carried at cost are as follows:

			2023		2022	
Property	**Class**	**Location**	**Fair value R'000**	**Carrying value R'000**	Fair value R'000	Carrying value R'000
GPI House, 33 Heerengracht	A-Grade office building	Foreshore, Cape Town	**–**	**–**	76 500	76 500

The building was transferred from property, plant and equipment in the prior year once the premises was no longer considered as owner-occupied. The office space utilised by the GPI group is excluded from the carrying value of the investment property based on the square metres occupied by the Group, compared to the total square metres that is both leased out and available for rental to external parties. During the current year an offer was accepted for the sale of the building and the building was transferred from Investment Property to Non-current assets held for sale. The transfer was finalised in August 2023 and the purchase price settled.

The fair value of investment property is classified as level 1 in the fair value hierarchy.

The property and its value-forming attributes are benchmarked against the current market and fair consideration is then made in order to indicate what value the property may realise in the broader investment or end-user market based on the principal of willing buyer and willing seller.

17. INVESTMENT PROPERTY (CONTINUED)

17.3 Fair value of investment properties carried at cost (continued)

Inputs and assumptions used include property nature/use, building grade, lettable area. Competent property management, reasonably stable economic conditions and stable interest rates which influence real-estate value are assumed. It is assumed that, on lease expiry, the rental achievable from the property may increase if the rent has lagged the market or revert to market if the rent is higher than market.

The fair value is based on recent market valuations performed.

18. PROPERTY, PLANT AND EQUIPMENT

18.1 Accounting policy

Property, plant and equipment are initially recognised at cost, being the cash price equivalent at the recognition date. The cost of an asset comprises directly attributable costs and any costs incurred in bringing the asset to the location and condition necessary for it to operate as intended by management.

Property, plant and equipment are subsequently stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent costs are included in the asset's carrying amount or are recognised as separate assets, as appropriate, only when it is probable that future economic benefits will flow to the Group and the cost of the item can be measured reliably.

Maintenance and repairs, which do not meet these criteria, are charged against profit or loss as incurred. Property, plant and equipment are depreciated on the straight-line basis over the estimated useful lives of the assets to the current values of their expected residual values. The assets' residual values and useful lives are reviewed, and adjusted prospectively if appropriate, at each reporting date.

Depreciation and impairment losses are included in profit or loss. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on derecognition of assets are included in profit or loss in the year that the asset is derecognised.

The useful lives are as follows:

Computer equipment	3 years
Furniture and fittings	5 to 6 years
Leasehold improvements	4 to 10 years
Motor vehicles	5 years
Plant and equipment	5 years
Premises soft furnishings	5 to 15 years
Buildings	20 years
Plant and equipment: Food Group	5 to 15 years
Lift, Generators and security systems	5 to 15 years

18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

18.2 Reconciliation of property, plant and equipment

	Computer equipment R'000	Furniture and fittings R'000	Leasehold improve-ments R'000	Motor vehicles R'000	Plant and equipment R'000	Projects under develop-ment R'000	Total R'000
2023							
Cost	1 166	2 810	7 379	143	10 720	–	22 218
Accumulated depreciation and impairment	(1 077)	(2 734)	(7 379)	(143)	(9 470)	–	(20 803)
Carrying value at 1 July 2022	89	76	–	–	1 250	–	1 415
Additions	–	–	–	–	–	728	728
Depreciation	(43)	(4)	–	–	(798)	–	(845)
Transfers to non-current assets held for sale	–	–	–	–	(452)	–	(452)
Carrying value at 30 June 2023	46	72	–	–	–	728	846
Made up of:							
Cost	1 166	2 810	7 379	143	–	728	22 946
Accumulated depreciation and impairment	(1 120)	(2 738)	(7 379)	(143)	–	–	(21 648)

18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

18.2 Reconciliation of property, plant and equipment (continued)

	Computer equipment R'000	Furniture and fittings R'000	Leasehold improvements R'000	Motor vehicles R'000	Plant and equipment R'000	Premises soft furnishings R'000	Projects under development R'000	Land and buildings[1] R'000	Plant and equipment: Food Group R'000	Total R'000
2022										
Cost	41 432	37 384	9 578	3 984	63 195	306 404	4 492	108 511	334 828	909 808
Accumulated depreciation and impairment	(30 553)	(28 731)	(912)	(3 798)	(49 668)	(105 168)	–	(2 375)	(133 788)	(354 993)
Carrying value at 1 July 2021	10 879	8 653	8 666	186	13 527	201 236	4 492	106 136	201 040	554 815
Additions	11 453	979	–	–	–	12 832	223	–	17 411	42 898
Transfers to investment property	–	–	–	–	–	–	–	(82 927)	–	(82 927)
Transfers to non-current assets held for sale	–	–	–	–	–	–	–	(19 600)	–	(19 600)
Depreciation	(1 260)	(1 164)	–	(186)	(2 027)	(6 814)	–	–	(133)	(11 584)
Impairment	(55)	(19)	(7 422)	–	(4 418)	–	–	–	–	(11 914)
Assets disposed with sale of BKSA and GFMP and derecognition of Mac Brothers	(20 928)	(8 373)	(1 244)	–	(5 832)	(207 254)	(4 715)	(3 609)	(218 318)	(470 273)
Carrying value at 30 June 2022	89	76	–	–	1 250	–	–	–	–	1 415
Made up of:										
Cost	1 166	2 810	7 379	143	10 720	–	–	–	–	22 218
Accumulated depreciation and impairment	(1 077)	(2 734)	(7 379)	(143)	(9 470)	–	–	–	–	(20 803)
The depreciation reflected above is made up of:										
– Continuing operations										(1 116)
– Discontinued operations										(10 468)
										(11 584)
The impairment reflected above is made up of:										
– Continuing operations										(7 422)
– Discontinued operations										(4 492)
										(11 914)

[1] Land and buildings includes land, buildings, generators, air conditioners, lifts and security systems.

[2] Refer to Note 23.2 and Note 24 for details of property, plant and equipment pledged as security.

18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

18.3 Impairment

Discontinuing operations:

The assets impaired in the prior year relate to the discontinued operations of Mac Brothers.

	2023 R'000	2022 R'000
Impairment per category:		
Land and buildings	**–**	–
Computer Equipment	**–**	(55)
Plant and equipment	**–**	(4 418)
Furniture and fittings	**–**	(19)
	–	(4 492)

In the prior year the impairment relates to the assets of Mac Brothers, the value was based on the auction proceeds of the assets.

19. INTANGIBLE ASSETS

19.1 Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Intangibles are amortised over the useful life on a straight line basis. Internally generated intangible assets excluding capitalised development costs, are not capitalised and the expenditure is reflected in profit or loss in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on derecognition of assets are included in profit or loss in the year that the asset is derecognised.

The useful lives are as follows:

Master franchise licence	20 years
Franchise licences	5 to 10 years
Computer software	3 years

19. INTANGIBLE ASSETS (CONTINUED)

19.2 Reconciliation of intangible assets

	Master franchise licence R'000	Franchise licences R'000	Computer software R'000	Total R'000
2023				
Cost	–	–	2 296	2 296
Accumulated amortisation and impairment	–	–	(2 284)	(2 284)
Carrying value at 1 July 2022			12	12
Amortisation	–	–	(1)	(1)
Carrying value at 30 June 2023	–	–	11	11
Made up of:				
Cost	–	–	2 295	2 295
Accumulated amortisation and impairment	–	–	(2 284)	(2 284)
2022				
Cost	2 572	29 221	17 430	49 223
Accumulated amortisation and impairment	(1 421)	(13 282)	(13 817)	(28 520)
Carrying value at 1 July 2021	1 151	15 939	3 613	20 703
Additions	–	–	–	–
Amortisation	(43)	(1 048)	(30)	(1 121)
Impairment	–	–	–	–
Disposal of BKSA	(1 108)	(14 891)	(3 571)	(19 570)
Carrying value at 30 June 2022	–	–	12	12
Made up of:				
Cost	–	–	2 296	2 296
Accumulated amortisation and impairment	–	–	(2 284)	(2 284)

At 30 June 2023, the Group's intangible assets are made up of computer software and no internally generated or indefinite useful life intangibles have been recognised.

20. NON-CURRENT ASSETS HELD FOR SALE

20.1 Accounting policy

The Group classifies non-current assets and disposal groups as held-for-sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such assets and disposal groups classified as held-for-sale or are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the sale, excluding the finance costs and income tax expense.

The criteria for held-for-sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Management must be committed to the sale expected within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held-for-sale.

Assets and liabilities classified as held-for-sale are presented separately in the statement of financial position.

20. NON-CURRENT ASSETS HELD FOR SALE (CONTINUED)

20.1 Accounting policy (continued)

If the asset (or disposal group) is a subsidiary, joint venture or an associate the Group restates the results for all periods since the initial classification as held-for-sale to no longer recognise the asset (or disposal group) as held-for-sale in those periods.

20.2 The assets included in non-current assets held for sale are as follows:

Non-current assets	Notes	2023 R'000	2022 R'000
Land and buildings	20.2.1	**67 090**	38 700
Property, plant and equipment	20.2.2	**677**	5 950
		67 767	44 650

20.2.1 Reconciliation of land and buildings

	Notes	2023 R'000	2022 R'000
Opening balance[1]		**38 700**	19 100
Transfers from property, plant and equipment[2]	18.2	**–**	19 600
Transfers from investment property[3]	17.2	**58 000**	
Disposal[2]		**(19 600)**	–
Impairment	20.2.3	**(10 010)**	–
Closing balance		**67 090**	38 700

20.2.2 Reconciliation of property, plant and equipment

	Notes	2023 R'000	2022 R'000
Opening balance[1]		**5 950**	5 950
Transfers from property, plant and equipment[2]		**452**	–
Impairment	20.2.3	**(5 725)**	–
Closing balance		**677**	5 950

20.2.3 Impairment of non-current assets-held-for-sale

	Notes	2023 R'000	2022 R'000
Land and buildings	20.2.1	**(10 010)**	–
Property, plant and equipment	20.2.2	**(5 725)**	–
		(15 735)	–

(1) The 2023 opening balance consists of the meat production facility situated in Epping Industria, the industrial building situated in Thornton and the property, plant and equipment, previously used by Grand Bakery to produce the doughnuts for Dunkin Donuts and the property, plant and equipment that was previously used. The sale of the meat production facility was concluded during the year and transfer took place on 11 August 2022. The sale of the industrial building in Thornton was finalised in July 2023 and transfer took place on 21 July 2023.

(2) In the 2022 financial year the meat production facility situated in Epping Industria was transferred from property, plant and equipment to non-current asset held for sale.

(3) During the current year the office building situated on the Foreshore, Cape Town was transferred to non-current-assets held for sale when it met the requirements. The building was previously classified as investment property (see note 17). The sale of the building was concluded during August 2023 and transfer took place on 22 August 2023.

21. FINANCIAL INSTRUMENTS – FINANCIAL ASSETS

21.1 Accounting policy

i) Initial recognition and measurement of financial assets

Financial assets are classified, at initial recognitio and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

ii) Subsequent measurement of financial assets

Financial assets are classified into three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes:

- cash and cash equivalents;
- trade and other receivables; and
- loans receivable.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

The Group classifies its investments in unlisted and listed equity instruments, excluding investments in subsidiaries, joint ventures and associates, at fair value through OCI.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as revenue in profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group's financial assets measured at fair value through OCI includes the investment held in Spur.

21. FINANCIAL INSTRUMENTS – FINANCIAL ASSETS (CONTINUED)

21.1 Accounting policy (continued)

iii) Derecognition of financial assets

A financial asset or portion of a financial asset is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without any material delay to a third party under a pass through arrangement; and
- the Group has transferred its rights to receive cash flows from the asset and has either;
  (i) transferred substantially all rights and rewards of the asset or;
  (ii) has neither transferred nor retained substantially all the rights and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuous involvement in the asset.

iv) Impairment of financial assets

Impairment of financial assets carried at amortised cost

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For loans receivable with no fixed terms of repayment, ECLs are based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, the probability of default is usually small and the ECL is immaterial as a result. If the borrower could not repay the loan if demanded at the reporting date, the group considers the expected manner of recovery to measure ECLs.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Generally, trade receivables are written-off if past due for more than two years and are not subject to enforcement activity as that is when it is determined that there is no reasonable expectation of recovering a financial asset or portion thereof.

21.2 Cash and cash equivalents

Cash and cash equivalents and overnight borrowings are measured at amortised cost, using the EIR method, less accumulated impairments. The EIR amortisation is included in finance income or costs in the statement of comprehensive income. Cash and cash equivalents comprise cash on hand and amounts held on short-term deposit at financial institutions. Overnight borrowings include short-term borrowings repayable on demand.

		2023 R'000	2022 R'000
21.2.1	Cash and cash equivalents	81 773	186 912
	Total cash and cash equivalents	**81 773**	186 912

Cash and cash equivalents include Money Market call accounts with floating interest rates that fluctuated between 4.70% and 8.20% during the year (2022: between 2.95% and 4.70%). All cash and cash equivalents are on demand with no set maturities. At year end the Group had no overdraft facilities.

21. FINANCIAL INSTRUMENTS – FINANCIAL ASSETS (CONTINUED)

21.3 Trade and other receivables

Trade and other receivables and loans are measured at amortised cost, using the EIR method, less impairment losses. The EIR amortisation is included in finance income in the statement of comprehensive income.

21.3.1 Reconciliation of trade and other receivables

	2023 R'000	2022 R'000
Trade receivables	**141**	517
Less: Expected credit loss	**–**	(64)
	141	453
Deposits and other receivables*	**3 953**	2 949
Prepayments**	**728**	557
VAT receivable	**5 991**	–
	10 813	3 959

* Deposits and other receivables include deposits and miscellaneous receivables.

** Prepayments includes insurance premiums paid in advance.

The fair value of trade and other receivables approximates their carrying value due to the short-term nature thereof.

Group receivables are considered overdue 30 days from the invoice date. Refer to Note 23.3.2 for the maturity analysis of trade and other receivables financial assets.

21.4 Investments held at fair value

These investments are measured at fair value with the fair value movement included in Other Comprehensive Income. In terms of IFRS 9 these fair value adjustments will never be recycled to profit or loss.

21.4.1 Investments held at fair value through OCI

	Effective Holding		
Investment	**2023**	2022	**Description of business**
Spur	**0.66%**	**0.66%**	Spur Corporation operates a franchise restaurant business with multiple brands in South Africa and internationally.

	Spur[1]	
	2023 R'000	2022 R'000
Opening balance	**14 695**	162 619
Disposals	**–**	(151 096)
Spur shares acquired	**1 190**	
Realised fair value losses	**–**	2 242
Unrealised fair value gains/losses	**2 075**	930
	17 960	14 695

	2023 R'000	2022 R'000
Balance made up as follows:		
Current portion	**–**	–
Non-current portion	**17 960**	14 695
	17 960	14 695

Unrealised fair value losses do not have related tax consequences as the resultant deferred tax asset is not considered recoverable.

[1] The Spur shares held by the Group was distributed as a dividend to all shareholders registered on or before 17 June 2022 in the prior year, a portion of this investment is still held by the Group due to the treasury shareholders.

21. FINANCIAL INSTRUMENTS – FINANCIAL ASSETS (CONTINUED)

21.4 Trade and other receivables (continued)

21.4.2 Investments held at fair value reserve

The movements in the unrealised gains relating to the Group's Investments held at fair value through OCI are as follows:

	Notes	Spur 2023 R'000	 2022 R'000
Opening balance – 1 July		**(8 638)**	(113 028)
Movement during the year:			
Realised fair value credit gains	23.2	**–**	2 242
Unrealised fair value gains	23.2	**2 075**	930
Realised fair value gains released to accumulated profit		**–**	101 218
Closing balance – 30 June		**(6 563)**	(8 638)

22. FINANCIAL INSTRUMENTS – FINANCIAL LIABILITIES

22.1 Accounting policies

i) Initial recognition and measurement of financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and preference shares.

ii) Subsequent measurement of financial liabilities

The subsequent measurement of financial liabilities depends on the classification as follows:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

iii) Derecognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or has expired.

22.2 Preference shares

Preference shares that are redeemable on a specific date or at the option of the shareholder are classified as financial liabilities and are held at amortised cost using the EIR method. The dividends paid on these preference shares are recognised in profit or loss as interest expense.

	Notes	2023 R'000	2022 R'000
Standard Bank (SunWest)	22.2.1	**–**	–
RMB (SunWest)	22.2.2	**50 000**	100 000
		50 000	100 000
Balance below including interest accrual approximates fair value:			
Current portion		**–**	–
Non-current portion		**50 000**	100 000
		50 000	100 000

22. FINANCIAL INSTRUMENTS – FINANCIAL LIABILITIES (CONTINUED)

22.2 Preference shares (continued)

22.2.1 Preference shares – Standard Bank (SunWest)

	2023 R'000	2022 R'000
Authorised		
233 395 authorised preference shares of R1 per share (2022: 233 395)		
Issued		
7 283 redeemable preference shares of R25 400 per share were in issue in the 2022 financial year, these shares were redeemed in full during December 2021.		
Opening balance	**–**	186 971
Amortisation of capitalised fee	**–**	775
Interest accrued	**–**	5 316
Interest paid	**–**	(8 074)
Redemption of preference shares	**–**	(184 988)
Closing balance	**–**	–

10 000 authorised preference shares were issued at a value of R25 400 each during previous years with a final redemption date of 21 December 2022. Interest was paid semi-annually on 31 March and 30 September at a rate of 85% of the prime interest rate. The shares held in SunWest, were held as security against the preference shares.

The shares have the following mandatory redemptions:

- 632 shares on 22 December 2020
- 2 067 shares on 21 December 2021
- 5 216 shares on 21 December 2022

The preference share agreement had the following financial covenants:

- A share cover ratio of at least 4.75 (2021: 4.75) must be maintained
- A Debt Service Cover ratio of at least 1.2 (2021: 1.2) must be maintained

During December 2021 the shares were redeemed in full and all assets secured by the preference shares were released.

22.2.2 Preference shares – Rand Merchant Bank (SunWest)

	RMB Preference shares	
	2023 R'000	2022 R'000
Authorised		
233 395 authorised preference shares of R1 per share (2022: 233 395)		
Issued		
5 000 redeemable preference shares of R10 000 per share (2022: 10 000)		
Opening balance	**100 000**	–
Preference shares issued		100 000
Redemption	**(50 000)**	–
Interest accrued	**7 809**	–
Interest paid	**(7 809)**	–
Closing balance	**50 000**	100 000

22. FINANCIAL INSTRUMENTS – FINANCIAL LIABILITIES (CONTINUED)

22.2 Preference shares (continued)

22.2.2 Preference shares – Rand Merchant Bank (SunWest) (continued)

10 000 authorised preference shares were issued at a value of R10 000 each during previous financial year with a final redemption date of 30 June 2025. The total subscription amount amounted to R100.0 million.

Dividends will accrue daily, compounded monthly and serviced semi-annually. The preference dividend rate is at 85% of prime.

The Group has also provided the following security in respect of the preference shares:

- the Group's 15.1% stake in SunWest.
- the Group's 30% stake in Sun Slots.
- cession and pledge of the issuer bank accounts.
- A subordination agreement relating to the subordination of any amount due to the shareholder of the issuer in favour of the Subscriber.

The shares do not have mandatory redemptions, the total issued preference share capital is redeemable on 30 June 2025.

The preference share agreement has the following financial covenants:

- An Asset Cover Ratio of at least 4.50 times must be maintained. The value of the secured assets will be determined with reference to a 5.5x EV/EBITDA multiple. The cover at 30 June 2023 amounted to 24.06 times.

During the financial year 5 000 preference shares were redeemed.

The fair value of the term loan approximates its carrying value as the terms are market related.

22.3 Interest-bearing borrowings

Interest-bearing borrowings are classified as financial liabilities and are held at amortised cost using the EIR method. The interest paid is recognised in profit or loss as interest expense.

	2023 R'000	2022 R'000
Sanlam Capital Markets – Term loan 1	–	10 471
Sanlam Capital Markets – Term loan 3	–	25 397
	–	35 868
Balance made up as follows:		
Current portion	–	35 868
Non-current portion	–	–
	–	35 868

22.3.1 Sanlam Capital Markets – Term loan 1

The Sanlam Capital Markets ("SCM") term loan 1 bears interest at the three-month JIBAR rate plus 3.15% and interest is paid quarterly on 30 June, 30 September, 31 December and 31 March annually. The interest rate at 30 June 2022 was 7.52%. The loan is repayable in 40 quarterly instalments of R1.9 million each, with the final instalment being due in June 2023. The proceeds from the loan were used to acquire an office building in the Cape Town central business district, which is occupied by Group companies and was recognised under Investment Property, the property was transferred to Assets classified as held for sale during the year (Note 20.2). The carrying value of the office building is R58 million (2022: R76.5 million).

The Group has also provided the following security in respect of the loan:

- A cession in security of any lease agreements in respect of the property that was transferred to non-current assets held for sale;
- A cession of all material cash flows payable by any tenant under any lease agreements relating to the property;
- A mortgage bond to the value of R100.0 million registered over the property in favour of SCM;
- A cession of all the Group's rights under the insurance policy over the property; and
- A cession of GPI Properties' bank account.

The loan has the following financial covenant:

- Group must maintain a debt to tangible net worth ratio of no greater than 40%. The ratio was 14.9% at 30 June 2022.

The fair value of the term loan approximates its carrying value as the terms are market related.

The loan was settled in full on 31 March 2023 and all security in respect of the loan was released.

22. FINANCIAL INSTRUMENTS – FINANCIAL LIABILITIES (CONTINUED)

22.3 Interest-bearing borrowings (continued)

22.3.2 Sanlam Capital Markets – Term loan 3

The SCM term loan 3 bears interest at the three-month JIBAR rate plus 3% which equalled 7.37% at 30 June 2022. The interest is payable quarterly on 30 June, 30 September, 31 December and 31 March each year. There are no capital repayments during the term of the loan, however, the total outstanding capital amount of R25.4 million is repayable on the maturity date of the loan on 1 June 2023. This was originally due in January 2021 and have subsequently been extended by agreement to June 2023. With no modification to the underlying terms.

The proceeds from the term loan 3 funds were used to fund the acquisition of two properties situated in Goodwood, Erf 33996 and Erf 33997. Erf 33996 is a meat processing plant tenanted by a Group company and was recognised in property, plant and equipment (Note 18). Erf 33997 is vacant land and was classified as investment property (Note 17). This property was sold during prior years. The meat processing plant (Erf 33996) was sold during the financial year and transfer took place in August 2022.

The Group has provided the following security in respect of the loan:

- A cession in security of any lease agreements in respect of the two properties;
- A cession of all material cash flows payable by any tenants under any lease agreements relating to the two properties;
- A mortgage bond to the value of R30 million, registered over the two properties in favour of SCM;
- Cession of GPI Properties' bank account; and
- An unconditional demand guarantee in favour of SCM issued by the Group.

The loan has the following financial covenant:

- The Group must maintain a debt to tangible net worth ratio of no greater than 40.0%. The ratio was 14.7% at 30 June 2022; and
- The GPI Group must maintain an interest cover ratio of greater than 2.5 times the reporting periods. The interest cover ratio is calculated as EBITDA divided by net interest and was 2.30 times at 30 June 2022.

The fair value of the term loan approximates its carrying value as the terms are market related.

The loan was settled in full on 31 March 2023 and all security in respect of the loan was released.

22.4 Trade and other payables

After initial recognition, trade and other payables are subsequently measured at amortised cost using the effective interest (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through interest based on the EIR method.

Trade and other payables are short-term in nature and are classified as current liabilities in the statement of financial position.

	2023 R'000	2022 R'000
Reconciliation of trade and other payables		
Trade payables and expense accruals	**1 963**	223
Other payables and accruals	**8 241**	5 485
Annual leave accrual	**503**	1 198
Audit fee accrual	**6 117**	3 507
Payroll accruals	**771**	307
Sundry accruals	**528**	473
Other payables*	**322**	–
	10 204	5 708

* Other payables includes Deposits held, tenant installation allowances and contingent rent provisions.

Trade payables are repaid on average of 30 days from the invoice date. The trade and other payables carrying amount approximates fair value.

23. FINANCIAL INSTRUMENTS – DISCLOSURE

23.1 Classification of financial instruments

The Group's principal financial assets are investments held at fair value through OCI, trade and other receivables, related party loans receivables and cash. The Group's principal financial liabilities are preference shares, interest-bearing borrowings, lease liabilities, trade and other payables. The main purpose of these instruments is to raise finance for the Group's operations and investments. The main risks arising from financial instruments are market risk (comprising interest rate risk and other price risk), liquidity risk and credit risk. The fair values of each class of the financial instrument approximate the carrying amounts.

23.1.1 Financial assets

	Notes	Financial assets measured at amortised cost R'000	Financial assets measured at fair value through other compre-hensive income R'000	Non-financial assets[1] R'000	Total R'000
2023					
Cash and cash equivalents	21.2.1	**81 733**	**–**	**–**	**81 733**
Trade and other receivables	21.3.1	**4 094**	**–**	**6 719**	**10 813**
Investments held at fair value	21.4.1	**–**	**17 960**	**–**	**17 960**
Deferred proceeds	31	**13 889**	**–**	**–**	**13 889**
Total		**99 716**	**17 960**	**6 719**	**124 395**
2022					
Cash and cash equivalents	21.2.1	186 912	–	–	186 912
Related party loans	9	6 032	–	–	6 032
Trade and other receivables	21.3.1	3 402	–	557	3 959
Investments held at fair value	21.4.1	–	14 695	–	14 695
Deferred proceeds	31	13 957	–	–	13 957
Total		210 303	14 695	557	225 555

[1] The non-financial assets are made up of the year-end prepayments and VAT receivables balances.

23.1.2 Financial liabilities

	Notes	Financial liabilities measured at amortised cost[1] R'000	Non-financial liabiliities[2] R'000	Total R'000
2023				
Trade and other payables	22.4	**(9 701)**	**(503)**	**(10 204)**
Dividends payable	28.3	**(21 887)**	**–**	**(21 887)**
Preference shares	22.2	**(50 000)**	**–**	**(50 000)**
Interest-bearing borrowings	22.3	**–**	**–**	**–**
Total		**(81 588)**	**(503)**	**(82 091)**
2022				
Trade and other payables	22.4	(4 510)	(1 198)	(5 708)
Dividends payable	28.3	(21 267)		(21 267)
Preference shares	22.2	(100 000)		(100 000)
Interest-bearing borrowings	22.3	(35 868)		(35 868)
Total		(161 645)	(1 198)	(162 843)

[1] The fair value of the financial liabilities approximates the cost thereof.

[2] The non-financial liabilities are made up of the year-end operating lease straight-lining, VAT, deferred income and annual leave accrual.

23. FINANCIAL INSTRUMENTS – DISCLOSURE (CONTINUED)

23.2 Fair value of financial instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2*: Other techniques for which all inputs which have a significant effect on the recorded fair value and are observable, either directly or indirectly.
Level 3*: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

(*) There are no financial instruments classified as level 2 and 3.

As at 30 June, the Group held the following instruments measured at fair value:

	Level 1 R'000	Total R'000
2023		
Investments held at fair value – Spur[1]	**17 960**	**17 960**
Total	**17 960**	**17 960**
2022		
Investments held at fair value – Spur[1]	14 695	14 695
Total	14 695	14 695

	2023 R'000	2022 R'000
Current asset	**–**	–
Non-current asset	**17 960**	14 695
	17 960	14 695

(1) The Groups investment, in the Spur Corporation was unbundled and distributed as a dividend in specie on 17 June 2022, which amounted to a dividend of 36 cents, a portion of this investment is still held by the Group due to the treasury shareholders.

Investments held at fair value – Spur	Level 1 R'000	Total R'000
2023		
Opening balance – 1 July	**14 695**	**14 695**
Fair value adjustments	**2 075**	**2 075**
Additions	**1 190**	**1 190**
Carrying value – 30 June	**17 960**	**17 960**
2022		
Opening balance – 1 July	162 619	162 619
Fair value adjustments	3 172	3 172
Disposal	(151 096)	(151 096)
Closing balance – 30 June	14 695	14 695

23. FINANCIAL INSTRUMENTS – DISCLOSURE (CONTINUED)

23.3 Financial risk management

The Group and Company have exposure to the following risks from its use of financial instruments:

- Market risk;
- Credit risk; and
- Liquidity risk.

This note presents information about the Group's and Company's exposure to each of the above risks, the Group's objectives, policies and processes for measuring these risks, and the Group's and Company's management of capital. Further quantitative disclosures are included throughout these Consolidated and Company Annual Financial Statements. The Group's and Company's objective is to effectively manage each of the above risks associated with its financial instruments, in order to limit the Group's and Company's exposure as far as possible to any financial loss associated with these risks.

23.3.1 Market risk

Market risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Group and Company are not exposed to any significant currency risks.

Market risk: Currency risk

Currency risk is the risk that the cash flows of a financial instrument will fluctuate due to changes in the price of a foreign currency in relation to the ZAR.

At the reporting date, the exposure to foreign currency was Rnil (2022: Rnil). An increase or decrease of 10% in the exchange rates would have no impact on the profit or loss of the Group (2022: Rnil).

Market risk: Interest rate risk

Interest rate risk is the risk that the cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to the risk of changes in interest rates relates to the Group's obligation in terms of the preference shares, interest-bearing borrowings, leases and bank accounts. The Group manages this risk by factoring in forecast movements in the market interest rates into its cash flow projections and by ensuring that sufficient available funds are maintained in bank accounts to cover the cash flows affected by the movements in the forecast market interest rate. The Group does not have fixed rate financial instruments. The table below reflects the interest rate sensitivity analysis. The analysis was calculated by increasing or decreasing the Group's interest rate by 100 basis points assuming all other variables remain constant.

	Increase in basis points	Effect on pre-tax profit R'000	Decrease in basis points	Effect on pre-tax profit R'000
2023	**100**	**(317)**	**100**	**317**
2022	100	(510)	(100)	510

Market risk: Other price risk

The Group's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group is exposed to other price risk through its investment in Spur.

At the reporting date, the exposure to listed equity securities at fair value was R18.0 million (2022: R14.7 million). An increase or decrease of 10% on the JSE market index would have an impact of approximately R0.2 million (2022: R0.08 million) on other comprehensive income to the Group.

23. FINANCIAL INSTRUMENTS – DISCLOSURE (CONTINUED)

23.3.2 Credit risk

Credit risk is the risk of financial loss caused by the inability or unwillingness of a counterparty to a financial instrument to discharge contractual obligations. There is no independent rating procedure for customers as the credit quality for customers is assessed by taking into account their financial position, past experience and other factors are used in evaluating the acceptability of clients.

The Group's and Company's maximum exposure to credit risk in terms of cash and cash equivalents, loans and receivables equals the carrying amounts of these instruments are as disclosed below.

Cash and cash equivalents

The Group and Company only deposit cash surpluses with major banks of high quality and credit standing. The cash and cash equivalents are deposited with three financial institutions. The maximum exposure is the carrying values as per Note 21.2.

Trade receivables, other receivables and related party loans

At year-end, the Group did not consider there to be any significant concentration of credit risk and all assets that have been identified as impaired, after taking the Group's credit policy into account, have been appropriately provided for. Related party credit risk is managed by each business unit in terms of the Group's policy. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date based on payment history and the financial position of the counterparty.

The following table presents the maturity analysis of related party loans and trade receivables.

	Notes	Current R'000	30 to 60 days R'000	60 to 120 days R'000	Over 120 days R'000	Total R'000
2023						
Trade receivables	21.3.1	**141**	**–**	**–**	**–**	**141**
Total		**141**	**–**	**–**	**–**	**141**
2022						
Related party loans	9	6 032	–	–	–	6 032
Trade receivables	21.3.1	269	184	–	–	453
Total		6 301	184	–	–	6 485

23. FINANCIAL INSTRUMENTS – DISCLOSURE (CONTINUED)

23.3 Financial risk management (continued)

23.3.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial liabilities. The Group monitors its risk of a shortage of funds based on future cash flow commitments. The Group's and Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans. The Group and Company manage the liquidity risk by considering all future cash flows associated with financial liabilities in the cash flow projections and ensure that adequate funds are held to meet their commitments. In addition the short-term risks are managed by ensuring that adequate banking facilities are in place.

The following table presents the contractual maturity analysis of financial liabilities:

	On demand R'000	Less than 3 months R'000	3–12 months R'000	1–2 years R'000	>2 years R'000	Total R'000
2023						
Trade and other payables	**–**	**(9 701)**	**–**	**–**	**–**	**(9 701)**
Preference shares	**–**	**–**	**–**	**(50 000)**	**–**	**(50 000)**
Interest on preference shares	**–**	**–**	**(5 413)**	**(5 112)**	**–**	**(10 525)**
Dividends payable	**(21 887)**	**–**	**–**	**–**	**–**	**(21 887)**
Total	**(21 887)**	**(9 701)**	**(5 413)**	**(55 112)**	**–**	**(92 113)**
2022						
Trade and other payables	–	(4 510)	–	–	–	(4 510)
Preference shares	–	–	–	–	(100 000)	(100 000)
Interest on preference shares	–	–	–	–	–	–
Interest-bearing borrowings	–	–	(35 868)	–	–	(35 868)
Interest on interest-bearing borrowings	–	(248)	(634)	–	–	(882)
Bank overdraft	–	–	–	–	–	–
Dividends payable	(21 267)	–	–	–	–	(21 267)
Total	(21 267)	(4 758)	(36 502)	–	(100 000)	(162 527)

23.4 Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholders' value.

The Group carefully manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the Group investment strategy. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, repurchase shares or issue new shares. The primary source of capital is issued ordinary share capital and preference share capital. Acquisitions may be geared to those levels which investments may support and the funders will allow. The entity is subject to an externally imposed maximum debt to equity ratio of 40% and this is monitored by management on an ongoing basis. The Group has complied with all external capital requirements imposed.

24. INVENTORY

24.1 Accounting policies

Inventories are valued at the lower of cost and net realisable value. Cost is measured using standard costing in the Meat Plant and cost of purchases is used in the manufacturing and retail businesses and revised in light of current conditions as necessary. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: Purchased cost on a first in, first out basis
- Finished goods and work in progress: Cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

24.2 Composition of inventory

	2023 R'000	2022 R'000
Consumables	**–**	305
Spare parts	**–**	–
	–	305

The amount of write downs of inventory recognised as expenses amounts to R0.3 million (2022 R0.5 million) which is recognised in operating costs.

25. PROVISIONS

25.1 Accounting policy

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the obligation at the reporting date.

25. PROVISIONS (CONTINUED)

25.2 Reconciliation of provisions

	Dismantling provision[1] R'000	Long service leave[2] R'000	Employee bonuses[3] R'000	Total R'000
2023				
Opening balance	**–**	**120**	**316**	**436**
Provision raised during the year	**–**	**22**	**1 998**	**2 020**
Provision released during the year	**–**	**(46)**	**(296)**	**(342)**
Amount utilised	**–**	**(10)**	**(218)**	**(228)**
Closing balance	**–**	**86**	**1 800**	**1 886**
2022				
Opening balance	9 992	588	12 996	23 576
Provision raised during the year	508	91	1 351	1 950
Provision released during the year	(179)	(40)	(614)	(833)
Transferred to discontinued operations	(9 637)	(489)	(11 552)	(21 678)
Amount utilised	(684)	(30)	(1 865)	(2 579)
Closing balance	–	120	316	436

	2023 R'000	2022 R'000
Balance made up as follows:		
Current portion	**1 800**	316
Non-current portion	**86**	120
	1 886	436

(1) *This provision relates to the contractual obligation of Burger King to restore leased premises for their stores back to their original state at the end of the lease term. The expected costs for "white boxing" of the stores are discounted over the lease term of the store at the prime lending rate.*

(2) *The provision relates to the Group's policy of rewarding employees for their loyalty and long service to the company. It is uncertain how many employees will remain in the Group's employment for the prescribed period of time to qualify for long service rewards.*

(3) *The provision relates to incentive bonuses for employees, the value of the bonus is depende nt on whether the specified KPIs were met for the employee and whether the employee is still in the Group's employment at the date that the bonus is rewarded.*

26. STATED CAPITAL

26.1 Ordinary Share Capital

26.1.1 Accounting policy

Ordinary shares are classified as equity. Issued share capital is stated in the statement of changes in equity at the amount of the proceeds received less directly attributable costs.

		2023 R'000	2022 R'000
26.1.2	Authorised share capital		
	2 000 000 000 ordinary shares of no par value	**–**	–
26.1.3	Reconciliation of issued share capital		
	Opening balance	**798 586**	798 586
	Closing balance (issued and fully paid)	**798 586**	798 586
		R'000s	R'000s
26.1.4	Reconciliation of number of shares in issue		
	Opening balance	**470 023**	470 023
	Closing balance	**470 023**	470 023

26. STATED CAPITAL (CONTINUED)

26.2 Treasury shares

26.2.1 Accounting policy

Own equity instruments which are re-acquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

		2023 R'000	2022 R'000
26.2.2	Reconciliation of treasury shares		
	Opening balance – 1 July	**(152 790)**	(153 079)
	Treasury shares allocated to employees	**2 941**	289
	Closing balance – 30 June	**(149 849)**	(152 790)
26.2.3	Reconciliation of number of treasury shares		
	Opening balance – 1 July	**(40 046)**	(40 305)
	Shares allocated to employees	**775**	259
	Closing balance – 30 June	**(39 271)**	(40 046)

At 30 June 2023, the Grand Parade Share Incentive Trust holds 0.49 million GPI shares (2022: 1.23 million GPI Shares) in treasury for the purpose of hedging GPI's Employee Share Scheme. During the year, the Grand Parade Share Incentive Trust repurchased no GPI Shares (2022: nil) and allocated 0.23 million GPI Shares (2022: 0.23) to employees under the GPI Employee Share Scheme. At 30 June 2023, the GPI Women's BBBEE Empowerment Trust holds 14.82 million GPI shares (2022: 14.82 million GPI Shares) in treasury to maintain the Company's minimum black female ownership. The trust did not repurchase any GPI shares during the year. At 30 June 2023, GPI Management Services holds 24 million GPI Shares (2022: 24 million GPI Shares) in treasury. During the year, GPI Management Services repurchased no GPI Shares (2021: nil).

27. DIVIDENDS DECLARED AND PAID

A dividend of 12 cents per share was declared and paid on 5 December 2022. In the prior year, a dividend of 88 cents per share was declared and paid and the Spur investment held by the Group was distributed as a dividend *in specie*, which amounted to a dividend of 37 cents per share.

28. NOTES TO THE CASH FLOW STATEMENT

28.1 Cash outflow from operations

	Notes	2023 R'000	*Restated 2022 R'000
(Loss)/profit before taxation from continuing operations		**20 075**	(24 774)
Profit before taxation from continuing operations		**20 075**	(24 774)
Adjustments for:			
– Depreciation	11.2	**48**	1 116
– Amortisation	19.2	**–**	15
– Finance income		**(7 972)**	(4 297)
– Finance costs	13	**7 809**	11 663
– Dividends received	10.2	**(1 147)**	(10 729)
– Profit on disposal of property, plant and equipment		**(220)**	20
– Share-based payments expense	6.2	**–**	374
– Impairment of loan		**3 862**	–
– Impairment of inventory	24	**305**	500
– Expected credit losses		**–**	50 820
– Profit from equity accounted investments	11.1	**(120 988)**	(107 905)
Operating cash flows before working capital changes		**(98 228)**	(83 197)
Decrease in trade and other receivables		**(1 740)**	38 041
Increase in trade and other payables		**(5 695)**	15 133
Net cash outflow from operations		**(105 663)**	(30 023)

28.2 Taxation paid

	Notes	2023 R'000	*Restated 2022 R'000
Taxation – beginning of the year		**(1 215)**	(3 812)
Taxation – discontinued operations		**–**	2 186
Amount per statement of comprehensive income (Note 5)			
– current year	5.2	**(1 051)**	149
Taxation – closing balance		**1 276**	1 215
Taxation paid during the year		**(990)**	(262)
The closing tax balances comprises of the following:			
– Income tax receivable		**1 329**	1 329
– Income tax liabilities		**(53)**	(114)
		1 276	1 215

28.3 Dividends paid

	Notes	2023 R'000	*Restated 2022 R'000
Opening balance		**21 267**	10 129
Dividends declared		**51 991**	544 212
Dividend *in specie*		**–**	(150 800)
Taxation owing		**–**	(12 362)
Closing balance		**(21 887)**	(21 267)
Dividends paid		**51 371**	369 912

* The prior year comparatives have been restated to separately reflect the results of discontinued operations (refer note 14)

28. NOTES TO THE CASH FLOW STATEMENT (CONTINUED)

28.4 Dividends received

	Notes	2023 R'000	2022 R'000
SunWest	15.2.1	**47 565**	52 850
Sun Slots	15.3.1	**78 000**	75 000
Spur		**1 147**	10 729
Worcester	15.3.1	**982**	3 805
		127 694	142 384

28.5 Disclosure of changes in liabilities arising from financing activities

	Opening balance R'000	Non-cash movement R'000	Cash movement R'000	Interest incurred R'000	Interest paid R'000	Amortisation of capital raising fee R'000	Closing balance R'000
2023							
Preference shares (RMB)	**100 000**	**–**	**(50 000)**	**7 809**	**(7 809)**	**–**	**50 000**
Interest-bearing borrowings	**35 868**	**–**	**(35 868)**	**998**	**(998)**	**–**	**–**
	135 868	**–**	**(85 868)**	**8 807**	**(8 807)**	**–**	**50 000**
2022							
Preference shares (Standard Bank)	186 971	–	(184 988)	5 316	(8 074)	775	–
Preference shares (RMB)	–	–	100 000	–	–	–	100 000
Interest-bearing borrowings	43 365	–	(7 500)	2 763	(2 763)	3	35 868
Lease liabilities	76 076	(76 076)					–
	306 412	(76 076)	(92 488)	8 079	(10 837)	778	135 868

29. SUBSEQUENT EVENTS

During July 2023 the transfer of the Thornton property was finalised and the funds was received. The net proceeds received amounted to R9.09 million. The transfer of the building situated on 33 Heerengracht was completed during August 2023 and the net proceeds of R58.0 million was received. The total outstanding preference share capital was redeemed during August 2023. The final redemption including the outstanding interest amounted to R50.7 million.

30. GOING CONCERN

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

Management performed various scenario analysis considering a variety of factors that could influence the Group or its underlying subsidiaries.

Based on this assessment and the financial resources of the Group together with anticipated cash flows, which were stress tested, management is satisfied and comfortable to present the going concern assumption to the Board. The Board has performed a review of the Group and Company's ability to continue trading as a going concern in the foreseeable future and based on this review, consider that the presentation of the financial statements on this basis is appropriate. There are no pending or threatened legal or arbitration proceedings which have had or may have a material effect on the financial position of the Group.

31. DEFERRED PROCEEDS

31.1 Accounting policy

Financial assets are classified at fair value on initial recognition and subsequently measured at amortised cost.

	2023			2022		
	Burger King South Africa R'000	**Grand Foods Meat Plant R'000**	**Total R'000**	Burger King South Africa R'000	Grand Foods Meat Plant R'000	Total R'000
Total proceeds	**472 327**	**20 266**	**492 593**	472 327	20 266	492 593
Cash received	**(458 139)**	**(20 266)**	**(478 405)**	(458 139)	(19 254)	(477 393)
Interest	**(299)**	**–**	**(299)**	(1 160)	(83)	(1 243)
Deferred proceeds	**13 889**	**–**	**13 889**	13 028	929	13 957

Sale of Burger King and Grand Foods Meat Plant

The sale of Burger King and Grand Foods Meat Plant was concluded on 3 November 2021. As per the sales agreement the purchase price was to be received in three tranches:

- Tranche 1 payment equals to 90% purchase price (received on 3 November 2021)
- Tranche 2 payment equals to 5% purchase price (received on 10 May 2022)
- Tranche 3 payment equals to 5% purchase price (due 3 November 2023)

Tranche 3 for Grand Foods Meat Plant was accelerated and received in March 2023.

The future receipts are discounted at a rate of 6.04% to value the deferred proceeds as at 30 June 2023.

32. CONTINGENT LIABILITIES

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

THE COMPANY ANNUAL FINANCIAL STATEMENTS AND NOTES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 R'000	2022 R'000
Revenue	2.2	**137 985**	635 907
Operating costs		**(140 653)**	(851 206)
Profit/(loss) from operations		**(2 668)**	(215 299)
Expected credit losses		**–**	(12 296)
Profit/(loss) before interest and taxation		**(2 668)**	(227 595)
Finance income	4	**2 843**	2 581
Finance costs	5	**–**	(2)
Profit/(loss) before taxation		**175**	(225 016)
Taxation	6.2	**1 176**	(464)
Profit/(loss) for the year		**1 351**	(225 480)

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Notes	2023 R'000	2022 R'000
ASSETS			
Non-current assets		**251 287**	294 906
Investments in subsidiaries	10.2	**222 109**	262 960
Investments in associates	11.2	**25 076**	30 972
Investments held a fair value through OCI	20	**1 272**	–
Property, plant and equipment	12.2	**780**	99
Intangible assets	13.2	**11**	12
Deferred tax asset	6.3	**2 039**	863
Current assets		**54 604**	69 275
Related party receivables	9.1	**15 425**	10 215
Trade and other receivables	14.3.1	**20 952**	18 141
Cash and cash equivalents	14.2	**18 138**	40 831
Income tax receivable	19.2	**89**	88
Total assets		**305 891**	364 181
EQUITY AND LIABILITIES			
Capital and reserves			
Total equity			
Stated capital	18.3	**798 586**	798 586
Accumulated profit		**(551 910)**	(496 858)
IFRS 2 share-based payment reserve		**867**	867
Investments held a fair value through reserve		**82**	–
Total shareholders' equity		**247 625**	302 595
Non-current liabilities		**86**	120
Provisions	17.2	**86**	120
Current liabilities		**58 180**	61 466
Provisions	17.2	**1 800**	316
Trade and other payables	15.2	**17 493**	10 521
Inter-company loans	21	**17 000**	17 000
Dividends payable	19.3	**21 887**	21 267
Dividend tax payable	19.3	**–**	12 362
Total equity and liabilities		**305 891**	364 181

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

	Stated capital R'000	Accumulated profits R'000	IFRS 2 Share-based payment reserve R'000	Investments held at fair value reserve R'000	Total equity R'000
Balance at 30 June 2021	798 586	319 673	867	–	1 119 126
Total comprehensive loss for the year	–	(225 480)	–	–	(225 480)
– Loss for the year	–	(225 480)	–	–	(225 480)
– Other Comprehensive loss	–	–	–	–	–
Share-based payment expense	–	–	–	–	–
Dividends declared		(591 051)		–	(591 051)
Balance at 30 June 2022	**798 586**	**(496 858)**	**867**	**–**	**302 595**
Total comprehensive loss for the year	**–**	**1 351**	**–**	**82**	**1 433**
– Profit for the year	**–**	**1 351**	**–**	**–**	**1 351**
– Other Comprehensive loss	**–**	**–**	**–**	**82**	**82**
Share-based payment expense				**–**	**–**
Dividends declared	**–**	**(56 403)**	**–**	**–**	**(56 403)**
Balance at 30 June 2023	**798 586**	**(551 910)**	**867**	**82**	**247 625**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 R'000	2022 R'000
Cash flows from operating activities			
Net cash utilised in operations	19.1	**(71 116)**	(45 001)
Income tax refunded/(paid)	19.2	**–**	–
Finance income received	4	**2 843**	2 581
Net cash outflow from operating activities		**(68 273)**	(42 420)
Cash flows from investing activities			
Acquisition of property, plant and equipment	12.2	**(728)**	(75)
Inter-group loans received		**–**	17 000
Inter-group loans advanced	19.4	**(10 500)**	(12 296)
Inter-group loans repaid	19.5	**3 000**	2 500
Dividends received		**123 143**	468 567
Net cash inflow from investing activities		**114 915**	475 696
Cash flows from financing activities			
Dividends paid	19.3	**(69 335)**	(402 482)
Net cash outflow from financing activities		**(69 335)**	(402 482)
Net decrease in cash and cash equivalents		**(22 693)**	30 794
Cash and cash equivalents at the beginning of the year		**40 831**	10 037
Total cash and cash equivalents at the end of the year		**18 138**	40 831

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial results

Refer to Note 1.1 of the Consolidated Annual Financial Statements for details regarding the basis of preparation of the Companies financial results.

1.2 Statement of compliance

Refer to Note 1.2 of the Consolidated Annual Financial Statements for details regarding the statement of compliance of the Companies financial statements.

The change to the presentation of the Statement of Profit or Loss and Other Comprehensive Income in the prior year to a functional presentation had no impact on headline earnings per share or earnings per share.

2. REVENUE

2.1 Accounting policy

Revenue consists of management services provided, this is recognised at a point in time. There are no contracts with variable consideration components as well as multiple performance obligations. All revenue is recognised in terms of IFRS 15 – Revenue from Contracts with Customers. Dividends are recognised in profit and loss when the company's right to receive payment has been established.

2.2 Disaggregation of revenue

	Notes	2023 R'000	2022 R'000
Revenue from transactions with customers			
Management fee income		**2 272**	2 271
Other revenue			
Dividends received		**135 504**	633 636
– Grand Casino Investments		**134 437**	165 069
– Grand Foods	19.6	**–**	464 762
– Worcester	19.6	**981**	3 805
– Spur Corporation	19.6	**86**	–
Directors' fees received		**209**	–
		137 985	635 907
Total Revenue			
Revenue from contracts with customers		**2 272**	2 271
Other revenue		**135 713**	633 636
		137 985	635 907

3. PROFIT BEFORE FINANCE COSTS AND TAXATION

Profit before finance and taxation cost is stated after:

3.1 Expenses:

3.1.1 Auditors' remuneration

	Notes	2023 R'000	2022 R'000
Audit fees		**(9 422)**	(2 340)
– current year		**(3 559)**	(2 340)
– prior year		**(5 863)**	–

3.1.2 Staff costs

	Notes	2023 R'000	2022 R'000
Staff costs		**(24 936)**	(12 964)
Salaries and wages		**(2 544)**	(2 140)
Directors' remuneration	7	**(22 058)**	(9 535)
Share-based payments expense	7	**–**	(374)
Provident fund contributions		**(334)**	(915)

4. FINANCE INCOME

	Notes	2023 R'000	2022 R'000
Short-term cash deposits		**2 843**	2 581

5. FINANCE COSTS

Interest on facilities		**–**	(2)

6. TAXATION

6.1 Accounting policy

For detailed information about the accounting policy applied refer to Note 5.1 of the Consolidated Annual Financial Statements.

6.2 Reconciliation of tax:

	2023 R'000	2022 R'000
South African normal tax		
Deferred tax	**1 176**	(464)
	1 176	(464)

	%	%
Standard rate	**(27.00)**	28.00
Rate change	**(17.45)**	–
Non taxable income: dividends received	**20 725.00**	78.82
Non deductible expenses: legal fees, investment costs and impairments	**(16 792.00)**	(101.02)
Tax loss not recognised[1]	**(3216.55)**	(5.60)
Effective tax rate	**672.0**	0.20

6.3 The deferred tax balance is made up as follows:

	2023 R'000	2022 R'000
Provisions and accruals	**2 160**	966
Prepayments	**(121)**	(103)
	2 039	863
Reconciliation of net deferred tax asset		
Opening balance	**863**	1 327
Amount for the period recognised in profit or loss	**1 176**	(464)
– Change in rate	**(31)**	–
– Provisions and accruals	**(22)**	(460)
– Prepayments	**1 229**	(4)
Closing balance	**2 039**	863

[1] Deferred tax assets relating to losses of R141.7 million (2022: R121.05 million) have not been recognised.

7. DIRECTORS' EMOLUMENTS

7.1 Accounting policy

For detailed information about the accounting policy applied refer to Note 6.1 of the Consolidated Annual Financial Statements.

7.2 Directors' emoluments

For detailed information about director emoluments refer to Note 6.2 of the Consolidated Annual Financial Statements.

8. SHARE-BASED PAYMENTS

8.1 Accounting policy

Refer to Note 7.1 of the Consolidated Annual Financial Statements for the accounting policies.

8.2 Reconciliation of GPI share options granted in terms of the Grand Parade Share Incentive Trust

Refer to Note 7.2 of the Consolidated Annual Financial Statements for the accounting policies.

8.3 Share options per strike price held at 30 June

Refer to Note 7.3 of the Consolidated Annual Financial Statements for the accounting policies.

8.3.1 Share options outstanding at the end of the year have the following vesting dates and exercise prices:

Refer to Note 7.4.1 of the Consolidated Annual Financial Statements for the accounting policies.

8.3.2 Information on options granted during the year

Refer to Note 7.4.2 of the Consolidated Annual Financial Statements for details regarding the options granted during the year.

9. RELATED PARTY BALANCES

9.1 Related party receivables

			2023 R'000	2022 R'000
Interest-free loans	**Nature of relationship**			
– Grand Casino Investments[1]	Subsidiary	(Direct)	**–**	3 000
– GPI Properties[1]	Subsidiary	(Indirect)	**15 425**	4 925
			15 425	7 925
Related party receivable	**Nature of relationship**			
– Infinity Gaming Africa[1]	Associate	(Direct)	**–**	2 290
Total current assets			**15 425**	10 215

[1] *These loans are unsecured, bear no interest and is repayable on demand.*

The loan to Infinity Gaming Africa was impaired during the current year.

9. RELATED PARTY BALANCES (CONTINUED)

9.2 Trade receivables

	Nature of relationship		Notes	2023 R'000	2022 R'000
– GPI Investments 1	Subsidiary	(Direct)		**–**	30
– GPI Management Services	Subsidiary	(Direct)		**–**	30
– GPI Properties	Subsidiary	(Indirect)		**15 185**	13 639
– Grand Casino Investments	Subsidiary	(Direct)		**–**	649
– Grand Foods Management Services	Subsidiary	(Indirect)		**–**	6 737
– Grand Parade Share Incentive Trust				**102**	30
– Sebenza Manufacturing Systems	Associate	(Indirect)		**12**	12
– Utish	Subsidiary	(Indirect)		**–**	31
				15 299	21 158
Expected credit loss			14.3.3	**–**	(6 563)
Grand Foods Management Services	Subsidiary	(Indirect)		**–**	(6 533)
GPI Investments 1	Subsidiary	(Direct)		**–**	(30)
				15 299	14 595

9.3 Trade payables

	Nature of relationship		2023 R'000	2022 R'000
– GPI Management Services	Subsidiary	(Direct)	**(6 328)**	(6 287)
– GPI Properties	Subsidiary	(Indirect)	**–**	(326)
– Grand Foods Management Services	Subsidiary	(Indirect)	**–**	(2)
			(6 328)	(6 615)

10. INVESTMENTS IN SUBSIDIARIES

10.1 Accounting policy

Investments in subsidiaries are measured at cost.

10.2 Investments in subsidiaries

	2023 R'000	2022 R'000
Grand Foods	**17 587**	20 801
Grand Capital	**44 634**	71 531
GPI Management Services	**79 483**	79 483
Grand Casino Investments	**31 294**	31 294
Rilapath	**47 519**	55 260
Grand Parade Share Incentive Trust	**1 592**	4 591
	222 109	262 960
During the year the following investments were impaired:		
Impairment	**(40 851)**	(799 790)
Grand Foods[1]	**(3 214)**	(730 819)
Grand Capital[2]	**(26 897)**	(25 658)
GPI Management Services[1]	**–**	(22 158)
Rilapath[1]	**(7 741)**	(2 051)
Grand Parade Share Incentive Trust[1]	**(2 999)**	(19 104)

(1) The fair value of the investment in subsidiaries is based on the net asset value of the subsidiary entity and the recoverable amount is fair value less cost of disposal, classified as a level 3 in the fair value hierarchy. The decrease in the underlying NAV, mostly as a result of decreases in listed equity investments within the entities, was the driver of impairment.

(2) The impairment is due to the devaluation of the underlying property portfolio.

Refer to Appendix 1 for details on investments in subsidiaries.

11. INVESTMENT IN ASSOCIATES

11.1 Accounting policy

Investments in associates are measured at cost.

11.2 Reconciliation of investment in associates

	Worcester Casino	
	2023 R'000	2022 R'000
Carrying amount value as at 1 July 2022	**30 972**	30 972
Impairment	**(5 896)**	–
Carrying amount	**25 076**	30 972

At the end of each reporting period, the company's 15.1% equity interest in Worcester is assessed for any indication of impairment, recognising any impairments through profit and loss. The investment has been remeasured at 30 June 2023 to R25.07 million (2022: R30.97 million), with a R5.9 million impairment realised during the period. A discounted cash flow valuation was used to estimate the fair value. The valuation model consider the present value of net cash flows to be generated by Worcester Casino, together with the operating capital expenditures taking into account expected growths from both the gaming and non-gaming operations. These cash flow forecasts are aligned to the financial reporting periods of the Worcester Casino, being 12 months to December each year. The expected net cash flows are discounted using a risk-adjusted post-tax discount rate (11.50%).

Refer to Appendix 2 for details on investments in associates.

12. PROPERTY, PLANT AND EQUIPMENT

12.1 Accounting policy

For detailed information regarding the accounting policy applied refer to Note 18.1 of the Consolidated Annual Financial Statements.

The useful lives are as follows:

Computer equipment	3 years
Furniture and fittings	5 years

12.2 Reconciliation of property, plant and equipment

2023	Computer equipment R'000	Furniture and fittings R'000	Work in progress R'000	Total R'000
Cost	**216**	**20**	**–**	**236**
Accumulated depreciation	**(129)**	**(8)**	**–**	**(137)**
Carrying value at 1 July 2022	**87**	**12**	**–**	**99**
Additions	**–**	**–**	**728**	**728**
Disposals	**–**	**–**	**–**	**–**
Depreciation	**(43)**	**(4)**	**–**	**(47)**
Carrying value at 30 June 2023	**44**	**8**	**728**	**780**
Made up of:				
Cost	**216**	**20**	**728**	**964**
Accumulated depreciation	**(172)**	**(12)**	**–**	**(184)**

2022			
Cost	219	20	239
Accumulated depreciation	(125)	(4)	(129)
Carrying value at 1 July 2021	94	16	110
Additions	75		75
Disposals	(30)	–	(30)
Depreciation	(52)	(4)	(56)
Carrying value at 30 June 2022	87	12	99
Made up of:			
Cost	216	20	236
Accumulated depreciation	(129)	(8)	(137)

13. INTANGIBLE ASSETS

13.1 Accounting policy

For detailed information regarding the accounting policy applied refer to Note 19.1 of the Consolidated Annual Financial Statements.

The useful lives are as follows:

Computer software	3 years

13. INTANGIBLE ASSETS (CONTINUED)

13.2 Reconciliation of intangible assets

	Computer software R'000	Total R'000
2023		
Cost	**94**	**94**
Accumulated amortisation	**(82)**	**(82)**
Carrying value at 1 July 2022	**12**	**12**
Disposal	**–**	**–**
Amortisation	**(1)**	**(1)**
Carrying value at 30 June 2023	**11**	**11**
Made up of:		
Cost	**94**	**94**
Accumulated amortisation	**(83)**	**(83)**
2022		
Cost	94	94
Accumulated amortisation	(67)	(67)
Carrying value at 1 July 2021	27	27
Disposal	–	–
Amortisation	(15)	(15)
Carrying value at 30 June 2022	12	12
Made up of:		
Cost	94	94
Accumulated amortisation	(82)	(82)

14. FINANCIAL INSTRUMENTS – FINANCIAL ASSETS

14.1 Accounting policy

For detailed information regarding the accounting policy applied refer to Note 21.1 of the Consolidated Annual Financial Statements.

14.2 Cash and cash equivalents

Cash and cash equivalents include Money Market call accounts with floating interest rates that fluctuated between 4.2% and 5.1% during the year (2022: between 2.95% and 3.50%).

	2023 R'000	2022 R'000
Cash and cash equivalents	**18 138**	40 831

14. FINANCIAL INSTRUMENTS – FINANCIAL ASSETS (CONTINUED)

14.3

14.3.1 Trade and other receivables

	2023 R'000	2022 R'000
Gross trade receivables	**15 524**	21 354
Less: expected credit loss	**–**	(6 563)
Net trade receivables	**15 524**	14 791
Prepayments	**521**	427
VAT	**4 850**	2 923
Deposits	**57**	–
	20 952	18 141

14.3.2 Gross accounts receivable

	2023 R'000	2022 R'000
0 to 30 days	**197**	721
30 to 60 days	**399**	268
60 to 120 days	**395**	556
Over 120 days	**14 533**	19 809
	15 524	21 354

14.3.3 Past due and impaired accounts receivable

	2023 R'000	2022 R'000
0 to 30 days	**–**	–
30 to 60 days	**–**	–
60 to 120 days	**–**	–
Over 120 days	**–**	(6 563)
	–	(6 563)

14.3.4 Reconciliation of expected credit loss

	2023 R'000	2022 R'000
Opening balance	**(6 563)**	–
Increase in expected credit loss raised	**–**	(6 563)
Allowance utilised	**6 563**	
Closing balance	**–**	(6 563)

Impairment of trade and other receivables

Trade receivables are grouped according to their credit risk profiles based on account behaviour and market information to more accurately measure the expected credit losses. Each major account grouping is aged according to days outstanding in order to apply a general or specific default rate percentage commensurate with the risk of default.

The default rate percentage is informed by historical data and management best judgement based on the current status of the book, the projected economic outlook (GDP growth, inflation and interest rates) over the short term and our current collections rate achieved.

All trade and other receivables are related parties within the same group, based on past experience and projected economic outlook these receivables are all considered to be recoverable. In the prior year the company provided for GPI Investments 1 and Grand Foods Management services which stopped operation during the 2020 financial year. The debtors were subsequently written off in full during the current year.

15. FINANCIAL INSTRUMENTS – FINANCIAL LIABILITIES

15.1 Accounting policy

For detailed information regarding the accounting policy applied refer to Note 22.1 of the Consolidated Annual Financial Statements.

15.2 Trade and other payables

	2023 R'000	2022 R'000
Trade payables	**8 188**	7 048
Other payables and accruals	**9 305**	3 473
Audit fee accrual	**5 610**	1 815
Sundry accruals	**3 163**	114
Annual leave accrual	**503**	1 198
Payroll accruals	**29**	346
	17 493	10 521

16. FINANCIAL INSTRUMENTS – DISCLOSURE

16.1 Classification of financial instruments

The Company's principal financial assets are investments held at fair value through OCI, trade and other receivables, related party loans receivables and cash. The Company's principal financial liabilities are trade and other payables. The main risks arising from financial instruments are market risk (comprising interest rate risk and other price risk), liquidity risk and credit risk. The fair values of each class of the financial instrument approximate the carrying amounts.

16.2 Financial assets

	Notes	Financial assets measured at amortised cost R'000	Financial assets measured at fair value through other comprehensive income	Non-Financial assets R'000	Total R'000
2023					
Cash and cash equivalents	14.2	18 138	–	**–**	**18 138**
Related party loans	9	15 425	–	**–**	**15 425**
Trade and other receivables	14.3.1	15 581	–	**5 371**	**20 952**
Total		49 144	–	**5 371**	**54 515**
2022					
Cash and cash equivalents	14.2	40 831	–	–	40 831
Related party loans	9	10 215	–	–	10 215
Trade and other receivables	14.3.1	14 791	–	3 350	18 141
Total		65 837	–	3 350	69 187

16.3 Financial liabilities

	Notes	Financial liabilities measured at amortised cost R'000	Non-financial liabilities R'000	Total R'000
2023				
Trade and other payables	15.2	**16 961**	**532**	**17 493**
Dividends payable	19.3	**21 887**	**–**	**21 887**
Total		**38 848**	**532**	**39 380**
2022				
Trade and other payables	15.2	8 977	1 544	10 521
Dividends payable	19.3	21 267	–	21 267
Dividends tax payable	19.3	12 362		12 362
Total		42 606	1 544	44 150

16. FINANCIAL INSTRUMENTS – DISCLOSURE (CONTINUED)

16.4 Market risk

Market risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market prices.

The Market risk the Group is exposed to is interest rate risk.

Market risk: Interest rate risk

Interest rate risk is the risk that the cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates relates to the Company's short term investments in terms of bank accounts. The table below reflects the interest rate sensitivity analysis. The analysis was calculated by increasing or decreasing the Company's interest rate by 100 basis points assuming all other variables remain constant.

	Increase in basis points	Effect on pre-tax profit	Decrease in basis points	Effect on pre-tax profit
2023	**100**	**180**	**(100)**	**(180)**
2022	100	408	(100)	(408)

16.5 Credit risk

Credit risk is the risk of financial loss caused by the inability or unwillingness of a counter-party to a financial instrument to discharge contractual obligations. There is no independent rating procedure for customers as the credit quality for customers is assessed by taking into account their financial position, past experience and other factors are used in evaluating the acceptability of clients.

Cash and cash equivalents

The Company only deposits cash surpluses with major banks of high quality and credit standing. At year end, the Company did not consider there to be any significant concentration of credit risk and all assets that have been identified as impaired, after taking the Company's credit policy into account, have been appropriately provided for. The cash and cash equivalents are deposited with two financial institutions. The Company's maximum exposure to credit risk in terms of cash and cash equivalents, loans and receivables equals the carrying amounts of these instruments as disclosed above.

Related party loans receivables

Related party credit risk is managed by each business unit in terms of the Company's policy. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date based on payment history and the financial position of the counterparty.

The following table presents the maturity analysis of related party loans and trade and other receivables.

	Current R'000	30 to 60 days R'000	60 to 120 days R'000	Over 120 days R'000	Total R'000
2023					
Related party loans	**15 425**	**–**	**–**	**–**	**15 425**
Trade and other receivables	**197**	**399**	**53**	**14 875**	**15 524**
Total	**15 622**	**399**	**53**	**14 875**	**30 949**
2022					
Related party loans	10 215	–	–	–	10 215
Trade and other receivables	721	268	556	13 246	14 791
Total	10 936	268	556	13 246	25 006

16. FINANCIAL INSTRUMENTS – DISCLOSURE (CONTINUED)

16.6 Liquidity risk

Refer to *Note 23.3.3* of the Consolidated Annual Financial Statements for an explanation on liquidity risk and how it is managed.

The following table presents the contractual maturity analysis of financial liabilities:

	On demand R'000	Less than 3 months R'000	3–12 months R'000	1–2 years R'000	> 2 years R'000	Total R'000
2023						
Trade and other payables	**–**	**16 961**	**–**	**–**	**–**	**16 961**
Dividends payable	**21 887**	**–**	**–**	**–**	**–**	**21 887**
Total	**21 887**	**16 961**	**–**	**–**	**–**	**38 848**
2022						
Trade and other payables	–	8 977	–	–	–	8 977
Dividends payable	21 267	–	–	–	–	21 267
Dividends tax payable	12 362					12 362
Total	33 629	8 977	–	–	–	42 606

17. PROVISIONS

17.1 Accounting policy

For detailed information about the accounting policy applied refer to *Note 25.1* of the Consolidated Annual Financial Statements.

17.2 Reconciliation of provisions

	Long service leave[1] R'000	Employee bonuses[2] R'000	Total R'000
2023			
Opening balance	**120**	**316**	**436**
Provision raised during the year	**22**	**1 998**	**2 020**
Provision released during the year	**(46)**	**(296)**	**(342)**
Amount utilised	**(10)**	**(218)**	**(228)**
Closing balance	**86**	**1 800**	**1 886**
2022			
Opening balance – 1 July	155	2 239	2 394
Provision raised during the year	43	1 365	1 408
Provision released during the year	(48)	(1 423)	(1 471)
Amount utilised	(30)	(1 865)	(1 895)
Closing balance – 30 June	120	316	436

	2023 R'000	2022 R'000
Balance made up as follows:		
Non-current provisions	**86**	120
Current provisions	**1 800**	316
	1 886	436

[1] The provision relates to the Group's policy of rewarding employees for their loyalty and long service to the company. It is uncertain how many employees will remain in the Group's employment for the prescribed period of time to qualify for long service rewards.

[2] The provision relates to incentive bonuses for employees, the value of the bonus is dependant on whether the specified KPIs were met for the employee and whether the employee is still in the Group's employment at the date that the bonus is rewarded.

18. STATED CAPITAL

18.1 Accounting policy

For detailed information about the accounting policy applied refer to Note 26.1.1 of the Consolidated Annual Financial Statements.

18.2 Authorised share capital

	2023 R'000	2022 R'000
2 000 000 000 ordinary shares of no par value	–	–

18.3 Reconciliation of issued share capital

	2023 R'000	2022 R'000
Opening balance – 1 July	798 586	798 586
Reclassification of reserve	–	–
Closing balance (issued and fully paid) – 30 June	**798 586**	798 586

18.4 Number of shares in issue

	000s	000s
Opening balance – 1 July	470 023	470 023

19. NOTES TO THE CASH FLOW STATEMENT

19.1 Cash generated from operations

	Notes	2023 R'000	2022 R'000
Loss before taxation		177	(225 016)
Adjustments for:			
– Depreciation	12.2	47	56
– Amortisation	13.2	1	15
– Finance income	4	(2 843)	(2 581)
– Finance costs	5	–	2
– Dividends received	2.2	(135 505)	(633 636)
– Non-cash item dividend paid		12 362	–
– Share-based payment expense	3.1.2	–	–
– Impairment of subsidiaries	10.2	40 851	799 790
– Impairment of associates	11.2	5 896	(7)
– Impairment of loans	9.1	2 290	12 296
Operating cash flows before working capital changes		(76 724)	(49 081)
(Increase)/Decrease in trade and other receivables		(2 848)	11 096
Increase/(Decrease) in trade and other payables		8 456	(7 016)
Net cash utilised in operations		(71 116)	(45 001)

19.2 Taxation paid

	2023 R'000	2022 R'000
Opening balance	(89)	(88)
Current tax per statement of comprehensive income		
– current year	–	–
– prior year under provision	–	–
Closing balance	89	88
	–	–
The closing tax balances comprises of the following:		
– Income tax refunds	89	88
– Income tax payable	–	–
	89	88

19. NOTES TO THE CASH FLOW STATEMENT (CONTINUED)

19.3 Dividends paid

	Notes	2023 R'000	2022 R'000
Opening balance – 1 July		**(21 267)**	(10 129)
Dividends declared		**(56 403)**	(591 051)
Dividend *in specie*		**(1 190)**	165 069
Taxation owing		**(12 362)**	12 362
Closing balance – 30 June		**21 887**	21 267
		(69 335)	(402 482)

Dividends paid relate to prior years.

19.4 Inter-group loans advanced

	2023 R'000	2022 R'000
– GPI Properties	**(10 500)**	–
– Mac Brothers	**–**	(12 296)
	(10 500)	(12 296)

19.5 Inter-group loans repaid

	2023 R'000	2022 R'000
– Infinity Gaming Africa	**–**	2 500
– Grand Casino Investments	**3 000**	–
	3 000	2 500

19.6 Dividends received

	2023 R'000	2022 R'000
– Grand Casino Investments	**134 438**	–
– Grand Foods	**–**	464 762
– Worcester	**981**	3 805
– Spur Corporation	**86**	–
	135 505	468 567

20. INVESTMENTS HELD AT FAIR VALUE

The company holds 54 469 shares in Spur Corporation

	2023 R'000	2022 R'000
Opening balance	**–**	–
Acquisition	**1 190**	–
Unrealised fair value gains/losses	**82**	–
	1 272	–
Balance made up as follows:		
Current portion	**–**	–
Non-current portion	**1 272**	–
	1 272	–

Unrealised fair value losses do not have related tax consequences as the resultant deferred tax asset is not considered recoverable.

21. INTERCOMPANY LOANS

Interest-free loan

	2023 R'000	2022 R'000
– Grand Parade Investments Management Services	**(17 000)**	(17 000)
	(17 000)	(17 000)

The loans are unsecured, bear no interest and is repayable on demand. None of the above related party loans are past due.

22. CONTINGENT LIABILITIES

The company is not aware of any contingent liabilities at year end as it is not involved in any dispute or litigation at year end.

23. GUARANTEES

The company has provided guarantees for the following related parties debts:

Lease of premises by Mac Brothers with a remaining lease liability of R41.0 million for the remaining lease term.

1) Overdraft facilities for Burger King and Mac Brothers, refer to Note 22.2 of the Consolidated Annual Financial Statements for details regarding the overdraft facilities.
2) Lease of premises by Mac Brothers with minimum lease payments of R41.0 million for the remaining lease term, for which the company provided a guarantee.
3) Sanlam Capital loans on properties by GPI Properties, refer to Note 22.3 of the Consolidated Annual Financial Statements for details regarding these interest-bearing borrowings.

The guarantees relating to the overdraft facility are not applicable due to the investment in Burger King being sold in the prior year and all guarantees and securities extinguished. The guarantee for the lease of the Mac Brothers premise has been released as the company has been liquidated and all guarantees to the landlord has been extinguished. The loan form Sanlam Properties has been settled during the financial year and there are no further guarantees or securities.

24. SUBSEQUENT EVENTS

Refer to Note 29 of the Consolidated Annual Financial Statements.

APPENDIX 1

Principal Subsidiary Companies at 30 June 2023:

At year-end the Group consisted of GPI and principal subsidiaries as listed below:

	Ordinary share capital and premium		Effective percentage holding	
	2023 R	2022 R	**2023 R**	2022 R
GPI Investments 1 (Pty) Ltd	**72 327 960**	72 327 960	**100.00**	100.00
GPI Management Services (Pty) Ltd	**137 761 600**	137 761 600	**100.00**	100.00
GPI Properties (Pty) Ltd	**126 156 336**	126 156 336	**100.00**	100.00
GPI Women's BBBEE Empowerment Trust	**–**	–	**100.00**	100.00
Grand Capital Investment Holdings (Pty) Ltd	**126 395 955**	126 395 955	**100.00**	100.00
Grand Casino Investments (Pty) Ltd	**33 531 498**	33 531 498	**100.00**	100.00
Grand Foods (Pty) Ltd	**1 254 800 382**	1 254 800 382	**100.00**	100.00
Grand Foods Bakery (Pty) Ltd	**21 884 520**	21 884 520	**100.00**	100.00
Grand Parade Share Incentive Trust	**1 000**	1 000	**100.00**	100.00
Utish Investments (Pty) Ltd	**820 933 283**	820 933 283	**100.00**	100.00

The principle place of business of the subsidiaries is in South Africa.

APPENDIX 2

Investments, associates and joint ventures

	30 June 2023			30 June 2022		
	Shares held	**Effective Interest**	**Voting Interest**	Shares held	Effective Interest	Voting Interest
FOOD						
Spur	**715 097**	**0.66%**	**0.66%**	715 097	0.66%	0.66%
GAMING						
SunWest	**2 220 278**	**15.10%**	**Joint control**	2 220 278	15.10%	Joint control
Worcester Casino	**4 738 755**	**15.10%**	**15.10%**	4 738 755	15.10%	15.10%
Sun Slots	**300**	**30.00%**	**30.00%**	300	30.00%	30.00%
MANUFACTURING						
Impala Lily Property Investments (Pty) Ltd	**10**	**100%**	**–**	10	100%	–
Sabenza (Pty) Ltd	**10**	**100%**	**–**	10	100%	–
Mac Brothers Catering Equipment (Pty) Ltd	**102 141**	**100%**	**–**	102 141	100%	–

APPENDIX 3

Directors' interests in shares

As at 30 June, the Directors of the Company beneficially held direct and indirect ordinary shares in the issued share capital of the Company as follows:

As at 30 June 2023

			Total shares	
Director Ordinary Shares	**Direct Beneficial 000s**	**Indirect Beneficial 000s**	**Beneficial 000s**	**Beneficial %**
G Bortz	**–**	**240 621**	**240 621**	**51.19**
	–	**240 621**	**240 621**	**51.19**

As at 30 June 2022

			Total shares	
Director Ordinary Shares	**Direct Beneficial 000s**	**Indirect Beneficial 000s**	**Beneficial 000s**	**Beneficial %**
A Abercrombie[1]	5	7 000	7 005	1.49
M Bowman	13	–	13	–
M Tajbhai	164	–	164	0.03
J October	16		16	
	198	7 000	7 198	1.52

[1] *These shares are encumbered by a maximum debt of R1 million.*

There were no changes in directors interest in shares between year end and date of approval of the financial statements.

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

APPENDIX 4

Shareholder spread	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
1 – 1 000	1 757	26.25%	441 981	0.09%
1 001 – 10 000	3 618	54.06%	17 283 697	3.68%
10 001 – 100 000	1 224	18.29%	31 746 617	6.75%
100 001 – 1 000 000	86	1.28%	21 145 194	4.50%
Over 1 000 000	8	0.12%	399 405 252	84.98%
Total	**6 693**	**100.00%**	**470 022 741**	**100.00%**

Distribution of Shareholders	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Banks, Brokers & Nominees	7	0.10%	515 273	0.11%
Close Corporations	23	0.34%	2 555 592	0.54%
Employee Share Schemes	2	0.03%	496 130	0.11%
Non-SA Custodians	3	0.04%	204 410	0.04%
NPO & Charity Funds	2	0.03%	4 022	0.00%
Private Companies	53	0.79%	246 530 578	52.45%
Public Companies	1	0.01%	107 279 427	22.82%
Retail Individuals	6 549	97.85%	64 132 002	13.64%
Treasury Shares	1	0.01%	24 000 000	5.11%
Trusts & Investment Partnerships	52	0.78%	24 305 307	5.17%
	6 693	**100.00%**	**470 022 741**	**100.00%**

Shareholder type	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Non-public shareholders	**4**	**0.06%**	**265 117 499**	**56.41%**
Employee Share Schemes	2	0.03%	496 130	0.11%
Directors and Associates (Indirect Holding)	2	0.03%	264 621 369	56.30%
Public shareholders	**6 689**	**99.94%**	**204 905 242**	**43.59%**
Total	**6 693**	**100.00%**	**470 022 741**	**100.00%**

Beneficial shareholders with a holding greater than 3% of the issued shares	Number of shares	% of issued capital
GMB Liquidity Corporation (Pty) Ltd	240 621 369	51.19%
Sun International Ltd	107 279 427	22.82%
GPI Management Services (Pty) Ltd	24 000 000	5.11%
GPI Woman's BBBEE Empowerment Trust	14 814 815	3.15%
Total	**386 715 611**	**82.28%**

GRAND PARADE
INVESTMENTS LIMITED