
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 5 of this Circular apply *mutatis mutandis* to this cover page.

ACTION REQUIRED BY SHAREHOLDERS

1. This entire Circular is important and should be read with particular attention to the section entitled “*Action required by Shareholders*”, which commences on page 3.
2. If you are in any doubt as to what action to take in relation to this Circular, please consult your CSDP, Broker, banker, attorney, accountant or other professional adviser immediately.
3. If you have disposed of all your Shares in GPI, please forward this Circular to the purchaser of such Shares or to the CSDP, Broker, banker or other agent through whom the disposal was effected.

GPI does not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or Broker including, without limitation, any failure on the part of the CSDP or Broker of any Shareholder to notify such Shareholder of the General Meeting, notice of which is contained in and forms part of this Circular.



GRAND PARADE

INVESTMENTS LIMITED

GRAND PARADE INVESTMENTS LIMITED

Incorporated in the Republic of South Africa

(Registration number: 1997/003548/06)

Share code: GPL ISIN: ZAE000119814

(“GPI” or “the Company”)

CIRCULAR TO GPI SHAREHOLDERS

Relating to the approval of the Transaction, which constitutes a category 1 transaction in terms of the JSE Listings Requirements, and incorporating:

- a Notice of General Meeting of Shareholders; and
- a Form of Proxy (*grey*) (for use by Certificated Shareholders and Dematerialised Shareholders who have selected Own-Name Registration only).

Corporate Advisor and Sponsor



PSG CAPITAL

Auditors and Independent Reporting
Accountants



Legal Adviser



Date of issue: Wednesday, 30 October 2019

Copies of this Circular are available in English only and may, from the date of posting of this Circular until the date of the General Meeting (both days inclusive), be obtained from the registered office of GPI or from the Sponsor, at the addresses set out in the “*Corporate Information*” section of this Circular. A copy of this Circular will also be available on GPI’s website at <https://www.grandparade.co.za/investor-centre/results-reports-notice>.

FORWARD-LOOKING STATEMENT DISCLAIMER

The definitions and interpretations commencing on page 5 of this Circular apply *mutatis mutandis* to this forward-looking statement disclaimer.

This Circular contains statements about GPI and/or the GPI Group that are or may be forward looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “**believe**”, “**aim**”, “**expect**”, “**anticipate**”, “**intend**”, “**foresee**”, “**forecast**”, “**likely**”, “**should**”, “**planned**”, “**may**”, “**estimated**”, “**potential**” or similar words and phrases.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. GPI cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which GPI operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions made by GPI, as communicated in publicly available documents by GPI, all of which estimates and assumptions, although GPI believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to GPI or not currently considered material by GPI.

Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of GPI not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. GPI has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law. Any forward-looking statement has not been reviewed nor reported on by the Auditors.

CORPORATE INFORMATION

The definitions and interpretations commencing on page 5 of this Circular apply *mutatis mutandis* to this “Corporate Information” section.

Directors

Hassen Adams (*Non-Executive Chairman*)
Mohsin Tajbhai (*Chief Executive Officer*)
Colin Michael Priem (*Financial Director*)
Alexander Abercrombie *
Mark Bowman **
Walter Geach ** (Lead Independent)
Ronel van Dijk **
Keshan Pillay**

* Non-executive

Independent

Company Secretary

Statucor Proprietary Limited
52 Corlett Drive, Illovo
Johannesburg, 2196

Registered Address of GPI

33 Heerengracht, Foreshore
Cape Town, 8001
(PO Box 6563, Roggebaai, 8012)

Date of Incorporation of GPI

12 March 1997

Place of incorporation of GPI

Pretoria, South Africa

Transfer Secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg, 2196
(PO Box 61051, Marshalltown 2107)

Sponsor

PSG Capital Proprietary Limited
(Registration Number 2006/015817/07)
1st Floor, Ou Kollege
35 Kerk Street
Stellenbosch, 7600
(PO Box 7403, Stellenbosch 7599)

and

2nd Floor, Building 3, 11 Alice Lane
Sandhurst
Sandton, 2196
(PO Box 650957, Benmore 2010)

Independent Reporting Accountants and Auditors of the GPI Group

Ernst & Young Incorporated
(Practice number: 918288)
3 Dock Road,
Waterway House, V&A Waterfront,
Cape Town, Western Cape 8001, South Africa

Legal Adviser

Cliffe Dekker Hofmeyr Incorporated
(Registration number 2008/018923/21)
11 Buitengracht Street
Cape Town, 8001
(PO Box 695, Cape Town, 8000)

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ENCLOSURES

Notice of General Meeting of Shareholders

Form of Proxy (*grey*) in respect of the General Meeting (only for use by Certificated Shareholders and Dematerialised Shareholders who have selected Own-Name Registration)

ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 5 of this Circular apply *mutatis mutandis* to this section of the Circular.

Please take careful note of the following provisions regarding the action required by Shareholders

1. If you are in any doubt as to what action to take, please consult your CSDP, Broker, banker, attorney, accountant or other professional adviser immediately.
2. If you have disposed of all your Shares in GPI, please forward this Circular to the purchaser of such Shares or to the CSDP, Broker, banker or other agent through whom the disposal was effected.
3. **A General Meeting of Shareholders will be held at Market Hall, Grand West Casino on Thursday, 28 November 2019 at 18:00, to consider and, if deemed fit, to pass the resolutions set out in the Notice of General Meeting attached to this Circular.**
4. **If you hold Certificated Shares or Dematerialised Shares and have selected Own-Name Registration:**
 - 4.1 You are entitled to attend the General Meeting in person and speak, vote or abstain from voting at the General Meeting.
 - 4.2 Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached Form of Proxy (*grey*) in accordance with the instructions it contains and return it to the Transfer Secretaries to be received by them preferably, for administrative purposes, by no later than Tuesday, 26 November 2019, provided that any Form of Proxy not delivered to the Transfer Secretaries by this time may be handed to the chairman of the General Meeting at any time before the appointed proxy exercises any Shareholder rights at the General Meeting.
5. **If you hold Dematerialised Shares and have not selected Own-Name Registration:**
 - 5.1 If your CSDP or Broker has not contacted you, it would be advisable for you to contact your CSDP or Broker and furnish them with your voting instructions. This must be done in terms of the Custody Agreement concluded between you and your CSDP or Broker in the manner and time stipulated therein.
 - 5.2 If your CSDP or Broker does not obtain voting instructions from you, they will be obliged to vote in accordance with the instructions contained in the Custody Agreement concluded between you and your CSDP or Broker.
 - 5.3 In accordance with the Custody Agreement between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to attend or be represented at the General Meeting. Your CSDP or Broker will issue the necessary letter of representation for you to do so.
 - 5.4 **You must not complete the attached Form of Proxy (*grey*).**

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 5 of this Circular apply *mutatis mutandis* to these salient dates and times.

2019

Record date in order to be eligible to receive this Circular, including the Notice of General Meeting	Friday, 25 October
Circular distributed to Shareholders on	Wednesday, 30 October
Announcement providing details of the Transaction, giving salient dates, advising of the distribution of this Circular and giving the date and place of the General Meeting released on SENS on	Wednesday, 30 October
Above announcement published in the press on	Thursday, 31 October
Last day to trade in Shares in order to be eligible to attend, participate in and vote at the General Meeting	Tuesday, 19 November
General Meeting Record Date in order to be eligible to attend, participate in and vote at the General Meeting	Friday, 22 November
For administrative purposes, last day for receipt of Forms of Proxy in respect of the General Meeting by 18:00 on	Tuesday, 26 November
Forms of Proxy not lodged with the Transfer Secretaries to be handed to the chairperson of the General Meeting, at any time before the proxy exercises any rights of the Shareholders at the General Meeting	Thursday, 28 November
General Meeting of Shareholders to be held at 18:00 on	Thursday, 28 November
Results of General Meeting released on SENS on	Friday, 29 November
Results of General Meeting published in the press on	Monday, 2 December
Transaction expected to be implemented on or about	Friday, 6 December

Notes

1. All of the above dates and times are subject to change. Any changes made will be notified to Shareholders on SENS.
2. Shareholders should note that, as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, persons who acquire Shares after the last day to trade in order to be eligible to vote at the General Meeting, namely, Tuesday, 19 November 2019, will not be able to vote thereat.
3. If the General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any such adjournment or postponement.
4. All times given in this Circular are local times in South Africa.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates otherwise, reference to the singular shall include the plural and *vice versa*, words denoting one gender include the other, words and expressions denoting natural persons include juristic persons and associations of persons and the words and expressions in the first column have the meanings stated opposite to them in the second column.

“Board” or “Directors”	the board of directors of GPI;
“Broker”	a “stockbroker” as defined in the Financial Markets Act, or its nominee;
“Business Day”	any day, other than a Saturday, Sunday or public holiday in South Africa;
“Burger King SA”	Burger King (South Africa) RF Proprietary Limited, registration number 2011/143896/07, a limited liability private company duly incorporated in South Africa and a Subsidiary of GPI;
“Certificated Shareholders”	holders of Certificated Shares;
“Certificated Shares”	Shares being “certificated securities” as defined in the Financial Markets Act and having accordingly not been Dematerialised, title to which are evidenced by Documents of Title;
“Circular”	this circular to Shareholders, dated Wednesday, 30 October 2019, including all annexures hereto;
“Companies Act”	Companies Act, No. 71 of 2008, as amended;
“Company Secretary”	Statucor Proprietary Limited;
“Conditions Precedent”	the conditions precedent to the Transaction as set out in paragraph 2.3 of this Circular;
“CSDP”	a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act, with whom a Shareholder holds a Dematerialised share account;
“Custody Agreement”	a custody mandate agreement between a Shareholder and a CSDP or Broker, regulating their relationship in respect of Dematerialised Shares held on GPI’s uncertificated securities register administered by a CSDP or Broker on behalf of that person;
“Dematerialise” or “Dematerialisation”	the process by which Certificated Shares are converted into an electronic format as Dematerialised Shares and recorded in GPI’s uncertificated securities register administered by a CSDP;
“Dematerialised Shareholders”	Shareholders who hold Dematerialised Shares;
“Dematerialised Shares”	Shares which have been Dematerialised and incorporated into the Strate system and which are no longer evidenced by certificates or other physical Documents of Title;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts or any other physical documents of title pertaining to the Shares in question, acceptable to the Board;
“Financial Markets Act”	the Financial Markets Act, No 19 of 2012, as amended;
“Form of Proxy”	for purposes of the General Meeting, the form of proxy (<i>grey</i>) for use only by Certificated Shareholders and Own-Name Dematerialised Shareholders;
“General Meeting”	the general meeting of Shareholders to be held at Market Hall, Grand West Casino on Thursday, 28 November 2019 at 18:00, convened in terms of the Notice of General Meeting enclosed and forming part of this Circular;
“GPI” or “the Company”	Grand Parade Investments Limited, registration number 1997/003548/06, a limited liability public company duly incorporated in South Africa and listed on the JSE;
“GPI Investments 1”	GPI Investments 1 (RF) Proprietary Limited, registration number 2014/094498/07, a limited liability private company duly incorporated in South Africa and a wholly-owned Subsidiary of GPI;
“GPI Properties”	GPI Properties Proprietary Limited, registration number 2011/148809/07, a limited liability private company duly incorporated in South Africa and a wholly-owned Subsidiary of GPI;
“Grand Casino Investments” or “the Seller”	Grand Casino Investments Proprietary Limited, registration number 2000/029598/07, a limited liability private company duly incorporated in South Africa and a wholly-owned Subsidiary of GPI;
“Grand Foods”	Grand Foods Proprietary Limited, registration number 2012/165169/07, a limited liability private company duly incorporated in South Africa and a wholly-owned Subsidiary of GPI;
“Group” or “GPI Group”	GPI and its Subsidiaries from time to time;

“IFRS”	International Financial Reporting Standards;
“Independent Reporting Accountants” or “Auditors”	Ernst & Young Incorporated, with practice number: 918288, the independent reporting accountant and auditor of the GPI Group;
“JSE”	the exchange, licensed under the Financial Markets Act, operated by the JSE Limited, registration number 2005/022939/06, a limited liability public company duly incorporated in South Africa;
“JSE Listings Requirements”	the Listings Requirements of the JSE in force as at the Last Practicable Date;
“Last Practicable Date”	the last practicable date before finalisation of this Circular, which date was Friday, 18 October 2019;
“LPM”	limited pay-out machine;
“Mac Brothers”	Mac Brothers Catering Equipment Proprietary Limited, registration number 2002/005422/07, a limited liability private company duly incorporated in South Africa and a wholly-owned Subsidiary of Grand Foods;
“Major Subsidiaries”	those Subsidiaries of GPI which represent 25% or more of the total assets or revenue of the consolidated GPI Group based on the latest published results, being Grand Foods, Grand Casino Investments and GPI Investments 1;
“MOI”	the memorandum of incorporation of GPI;
“Notice of General Meeting”	the notice of the General Meeting enclosed and forming part of this Circular;
“Own-Name Registration” or “Own-Name Dematerialised Shareholders”	Shareholders who hold Shares that have been Dematerialised and are recorded by the CSDP on the sub-register kept by that CSDP in the name of such Shareholder;
“PSG Capital” or “Sponsor”	PSG Capital Proprietary Limited, registration number 2006/015817/07, a limited liability private company duly incorporated in South Africa, further particulars of which appear in the “Corporate Information” section of this Circular;
“Rand” or “R”	South African Rand;
“Rapvest”	Rapvest Investments Proprietary Limited, registration number 2009/022852/07, a limited liability private company incorporated in South Africa, a wholly-owned Subsidiary and special purpose funding vehicle of The Standard Bank of South Africa Limited;
“Rapvest Settlement Amount”	the amount required to be paid to Rapvest in order to settle the preference share funding associated with the Repurchase Shares on the Transaction Closing Date;
“Register”	the register of Shareholders;
“Repurchase Agreement”	the repurchase agreement concluded between SunSlots and Grand Casino Investments on or about 30 August 2019, in respect of the Transaction;
“Repurchase Price”	the aggregate consideration of R504,331,186, payable for the Repurchase Shares under the Transaction;
“Repurchase Shares”	means the shares proposed to be repurchased from Grand Casino Investments in terms of the Transaction, being all of the ordinary shares held by Grand Casino Investments in SunSlots, being 300 ordinary SunSlots shares comprising 30% of SunSlots’s entire issued ordinary share capital;
“SAICA”	South African Institute of Chartered Accountants
“SENS”	the Stock Exchange News Service of the JSE;
“Shareholders” or “GPI Shareholders”	registered holders of Shares;
“Shares” or “GPI Shares”	ordinary no par value shares in the share capital of GPI and which shares are listed on the JSE;
“South Africa”	the Republic of South Africa;
“SIL”	Sun International Limited, registration number 1967/007528/06, a limited liability public company duly incorporated in South Africa and listed on the JSE;
“SISA”	Sun International (South Africa) Limited, registration number 1977/071333/06, a limited liability public company duly incorporated in South Africa and wholly-owned Subsidiary of SIL;

“Spur Agreement”	the share buyback agreement entered into between GPI’s wholly-owned Subsidiary, GPI Investments 1, Spur Group Proprietary Limited and Spur Corporation on or about 26 June 2019 in respect of the Spur Disposal;
“Spur Corporation” or “Spur”	Spur Corporation Limited, registration number 1998/000828/06, a limited liability public company duly incorporated in South Africa and 7.79% of which company’s issued shares are, as at the Last Practicable Date, owned by GPI, as beneficial owner and registered holder;
“Spur Disposal”	the disposal by GPI’s wholly-owned Subsidiary, GPI Investments 1, of a 10% interest in Spur Corporation to Spur by way of a repurchase by Spur Corporation as contemplated in the Spur Agreement, the details of which was announced on SENS on 27 June 2019;
“Strate”	Strate Proprietary Limited, registration number 1998/022242/07, a limited liability private company duly incorporated in South Africa, a central securities depository licensed in terms of the Financial Markets Act and responsible for the electronic clearing and settlement system provided to the JSE;
“Subsidiary”	a subsidiary as defined in the Companies Act;
“SunSlots”	Sun Slots (RF) Proprietary Limited, registration number 2003/005175/07, a limited liability private company duly incorporated in South Africa with its registered office at 6 Sandown Valley Crescent, Sandown, Sandton, Gauteng, 2196, and which company’s issued ordinary shares are owned 30% by Grand Casino Investments and 70% by SISA (two directors of GPI are also directors of SunSlots, being Colin Priem and Alexander Abercrombie);
“SunWest”	SunWest Proprietary Limited, registration number 1994/003869/07, a limited liability private company duly incorporated in South Africa, and 15.1% of which company’s issued shares are, as at the Last Practicable Date, owned by GPI;
“Transaction”	the repurchase of the Repurchase Shares by SunSlots from Grand Casino Investments for the Repurchase Price, as contemplated in the Repurchase Agreement, in terms of section 48 of the Companies Act;
“Transaction Closing Date”	the 5th business day following the date on which the last Condition Precedent is fulfilled or waived, as the case may be;
“Transfer Secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited, registration number 2004/003647/07, a limited liability private company duly incorporated in South Africa, further particulars of which appear in the “ <i>Corporate Information</i> ” section of this Circular; and
“Worcester Casino”	Worcester Casino Proprietary Limited, registration number 1998/016221/07, a limited liability private company duly incorporated in South Africa, and 15.1% of which company’s issued shares are, as at the Last Practicable Date, owned by GPI.



GRAND PARADE

INVESTMENTS LIMITED

GRAND PARADE INVESTMENTS LIMITED

Incorporated in the Republic of South Africa

(Registration number: 1997/003548/06)

Share code: GPL ISIN: ZAE000119814

("GPI" or "the Company")

Directors

Hassen Adams (*Non-Executive Chairman*)

Mohsin Tajbhai (*Chief Executive Officer*)

Colin Michael Priem (*Financial Director*)

Alexander Abercrombie *

Mark Bowman **

Walter Geach ** (Lead Independent)

Ronel van Dijk **

Keshan Pillay **

* Non-executive

Independent

CIRCULAR TO GPI SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

- 1.1 Shareholders are referred to the Company's announcement on SENS on 30 August 2019 advising that GPI's wholly-owned subsidiary, Grand Casino Investments, had concluded the Repurchase Agreement and that a circular would be distributed to Shareholders containing further details of the Transaction.
- 1.2 In terms of the Transaction, it is proposed that Grand Casino Investments will dispose of the Repurchase Shares, being GPI's indirect 30% shareholding in SunSlots, to SunSlots, who will repurchase the Repurchase Shares.
- 1.3 The purpose of this Circular is to:
 - 1.3.1 provide Shareholders with the requisite information in accordance with the JSE Listings Requirements regarding the Transaction so as to enable Shareholders to make an informed decision on how they will vote on the resolutions set out in the Notice of the General Meeting enclosed with this Circular; and
 - 1.3.2 convene the General Meeting of Shareholders in order to pass such resolutions as are necessary to authorise and implement the Transaction.

2. DETAILS OF THE TRANSACTION

2.1 Overview

- 2.1.1 The Transaction entails GPI (via Grand Casino Investments) disposing of its 30% shareholding in SunSlots, to SunSlots, by way of a repurchase by SunSlots in terms of section 48 of the Companies Act, for the Repurchase Price.
- 2.1.2 An aggregate dividend of R9 000 000 has been declared by SunSlots to the holders of shares in SunSlots (including to Grand Casino Investments) in respect of the financial period of SunSlots ended 30 June 2019. The record date for participation in such dividend shall occur prior to the Transaction Closing Date and, accordingly, the repurchase of the Repurchase Shares shall be made ex such dividend.

2.2 Rationale for the Transaction and use of proceeds

- 2.2.1 The Transaction will unlock significant value for Shareholders and represents an excellent return on investment. The Transaction will further allow GPI to reduce its debt obligations specifically as mentioned in paragraph 2.4.2 and free up cash from its remaining gaming investments. In June 2010, GPI initially acquired 100% of SunSlots, which was operated by GPI until 2016. In 2016 GPI sold 70% of its stake in SunSlots to SIL in three tranches, reducing its interest in SunSlots to 30%. GPI believes that the timing and terms of the Transaction are aligned to GPI's objective to focus on its investments in the food industry, reduce debt and remain dividend active.

- 2.2.2 The proceeds of the Transaction place GPI in a strong cash position with the flexibility to:
- reduce the debt obligations of the GPI Group to within the target debt/EBITDA ratio of below 4 times;
 - return capital to shareholders through a special dividend and/or share buy-back; and
 - invest in its existing food-related assets.

2.3 The Conditions Precedent

- 2.3.1 The Repurchase Agreement is subject to the fulfilment or waiver (as the case may be) of the following outstanding conditions precedent, that:
- 2.3.1.1 by not later than 31 December 2019, the board of directors of SunSlots approving the Transaction in terms of section 46 as read with section 48 of the Companies Act;
- 2.3.1.2 by not later than 31 December 2019, the shareholders of SunSlots approving the Transaction, as required by section 48(8)(b) of the Companies Act, by way of a special resolution adopted in accordance with the requirements of section 115 of the Companies Act;
- 2.3.1.3 by not later than 31 December 2019, the shareholders of GPI approving the Transaction in accordance with section 9 of the JSE Listings Requirements; and
- 2.3.1.4 by not later than 31 December 2019, various national and provincial Gambling Board approvals are obtained unconditionally, or subject to conditions which are reasonably acceptable to the parties, across South Africa.
- 2.3.2 The parties will be entitled to waive fulfilment of or extend the dates for fulfilment of any of the Conditions Precedent, to the extent permissible in law, in whole or in part, by written agreement. The date of fulfilment of the Conditions Precedent may be extended by the parties in writing.
- 2.3.3 Should any of the Conditions Precedent not be fulfilled or waived (as applicable) by the due date for fulfilment or waiver thereof, the *status quo* in regard to GPI's interests in SunSlots will remain.

2.4 The Repurchase Price

- 2.4.1 SunSlots will repurchase the Repurchase Shares from Grand Casino Investments for the Repurchase Price, being an aggregate amount of R504,331,186.
- 2.4.2 SunSlots will pay the Repurchase Price in cash on the Transaction Closing Date by (i) paying the Rapvest Settlement Amount on behalf of Grand Casino Investments to Rapvest to settle its outstanding preference share funding in the amount of approximately R227,975,122 as indicated in more detail in **Annexure 4** and (ii) paying the balance of the Repurchase Price to Grand Casino Investments.

2.5 The effective date of the Transaction

The effective date of the Transaction will be the Transaction Closing Date.

2.6 Other significant terms of the Repurchase Agreement

The Repurchase Agreement contains warranties and indemnities that are customary for agreements of this nature.

2.7 Categorisation of the Transaction

- 2.7.1 As the value of the Repurchase Price exceeds 30% of GPI's market capitalisation, it meets the definition of a category 1 transaction as contemplated in terms of section 9 of the JSE Listings Requirements. For the avoidance of doubt, the Repurchase Shares do not constitute the greater part of the assets or undertaking of GPI, as contemplated in section 112 of the Companies Act.
- 2.7.2 As a result, the General Meeting will be convened and an ordinary resolution in respect of the Transaction will be required to be approved by Shareholders at the General Meeting.
- 2.7.3 The Transaction is not made to a related party and there are accordingly no related party transaction implications in terms of the JSE Listings Requirements.

3. THE BUSINESS OF THE GPI GROUP (INCLUDING SUNSLOTS)

- 3.1 GPI is an empowered investment holding company that actively manages investments in its current focus areas in the South African hospitality, gaming and food-related industries. The Company was founded in 1997 for the express purpose of partnering with SIL as its primary black economic empowerment partner in the Western Cape. In recent years, while still maintaining a core focus on maximising the potential of new and existing hospitality and gaming investments, GPI has also positioned itself to take advantage of high growth opportunities beyond this sector, particularly where there are strong synergies with existing investments.
- 3.2 The business of GPI can be summarised as follows:
- 3.2.1 gaming and leisure investments comprising non-controlling interests in SunWest, Worcester Casino and SunSlots;
- 3.2.2 food-related investments comprising a minority interest in Spur Corporation and controlling interests in Burger King SA, Mac Brothers and Grand Foods; and
- 3.2.3 other investments comprising early-stage gaming-related (machine and equipment manufacture and assembly) opportunities and various commercial and industrial properties.

3.3 Gaming and leisure investments

3.3.1 SunWest

3.3.1.1 SunWest holds 100% of Grand West Casino and Entertainment World and 100% of the Table Bay Hotel .

3.3.1.2 GrandWest Casino is situated in Goodwood, Cape Town, and provides a diverse entertainment offering. Operations include gambling (casino tables and slot machines), together with a host of entertainment facilities, from restaurants to bars, fast food outlets, cinemas, a theatre, and retail shops. Visitors have a choice of the 4-star Grand Hotel or the City Lodge for accommodation. GrandWest also offers full conference and banqueting facilities and has played host to a variety of events, exhibitions and gala dinners. Its multi-purpose arena with seating for more than 5 000 people, has hosted world-class shows and concerts.

3.3.1.3 The Table Bay Hotel is situated in the historic Victoria & Alfred Waterfront in Cape Town. This luxury 5-star hotel has 329 rooms, three restaurants, a pool, gymnasium, health spa, conference facilities, chauffeur service and underground parking.

3.3.2 Worcester Casino

Worcester Casino holds 100% of the Golden Valley Casino and Golden Valley Lodge, comprising a casino, hotel, conference centre and other leisure facilities in Worcester in the Western Cape. The casino was the fifth and final casino to be opened in the Western Cape, and has both slot machines and tables in operation, as well as a conference centre, restaurant and other entertainment facilities. Golden Valley Lodge is a 98 room, 3-star hotel located adjacent to the casino and conference centre.

3.3.3 SunSlots

SunSlots installs and operates LPMs in the premises of licensed sites, primarily with age-controlled access. SunSlots is primarily involved in the operation of LPMs with Route Operator Licences in the Western Cape, KwaZulu-Natal, Gauteng and Mpumalanga. Each Route Operator Licence entitles the holder to manage and operate 1 000 LPMs within the respective province, except in Mpumalanga where the licensing process differs and where the entity currently operates approximately 168 LPMs.

3.4 Food-related investments

3.4.1 Burger King SA

3.4.1.1 GPI and Burger King Worldwide have formed Burger King SA, which holds the long-term master franchise agreement for Burger King in South Africa and will have exclusive rights to develop and expand the BURGER KING® brand in the country's quick service restaurant market.

3.4.1.2 GPI has an effective 91.1% interest in Burger King SA. GPI opened the first Burger King restaurant in Cape Town at 33 on Heerengracht in May 2013 and has established a meaningful presence in the quick-service restaurant market during its first 3 years of operations. As at the Last Practicable Date, 92 restaurants have been opened.

3.4.2 Mac Brothers

3.4.2.1 Mac Brothers was established in 2002 and is today, one of the largest catering equipment manufacturers in South Africa and one of the leading suppliers of catering equipment and related services to the food service industry in Africa.

3.4.2.2 Mac Brothers manufactures and supplies its own extensive range of stainless steel catering and refrigeration equipment and has well established agency agreements in place to import, supply and service some of the top international brands of food service equipment. Its footprint extends across a well-established and varied client-base supplying Burger King SA, local coffee shops, bakeries and restaurants through to franchise groups, hotel groups, golf and wine estates, staff canteen feeding organisations, prisons, hospitals, mines as well as a large number of South Africa's finest and world renowned restaurants. Mac Brothers is also a patron sponsor of the South African Chefs Association and is part of their program to inspire, train and promote up-and-coming chefs to the industry.

3.4.3 Grand Foods meat plant

The Grand Foods' meat plant is a state-of-the-art burger production facility built to EU standards and a Halaal-certified supplier.

3.4.4 Spur Corporation

Spur Corporation operates Spur Steak Ranches, Panarottis Pizza Pasta, John Dory's Fish Grill Sushi, Captain DoRegos, The Hussar Grill and RocoMamas restaurant franchises. The group also operates its own central kitchen facility which manufactures certain of the group's unique sauces and has a recently acquired minority interest in a rib processing plant.

3.5 Other Investments

- 3.5.1 The initial investment by GPI in Atlas Gaming Holdings (Pty) Limited has recently been converted into a 26% equity holding in DR Gaming Technology (“**DRGT**”) Africa. DRGT is fast growing independent global supplier of integrated, scalable casino management and jackpot system solutions.
- 3.5.2 GPI Properties operated as a property holding and management company. The properties are leased to Subsidiaries of GPI.

4. EXTRACTED FINANCIAL INFORMATION OF SUNSLOTS

- 4.1 The extracted financial information of SunSlots included in this Circular has been extracted from (i) the annual financial statements of SIL for the years ended 31 December 2016, 31 December 2017 and 31 December 2018 and the unaudited interim results for the six-month period ended 30 June 2019 and (ii) the annual financial statements of GPI for the years ended 30 June 2017, 30 June 2018 and 30 June 2019, and is attached hereto as **Annexure 1**.
- 4.2 Copies of the aforementioned extracted financial information of SunSlots will also be available for inspection by Shareholders during normal business hours at the registered office of GPI and at the offices of the Sponsor from Wednesday, 30 October 2019 until the date of the General Meeting (both days inclusive).
- 4.3 The aforementioned extracted financial statements are the responsibility of the Directors.

5. PRO FORMA FINANCIAL INFORMATION OF GPI

- 5.1 The consolidated *pro forma* financial information of the Transaction, as set out below, are the responsibility of the Directors. The consolidated *pro forma* financial effects are presented in a manner consistent with the basis on which the audited financial information of the GPI Group has been prepared and in terms of the Group’s accounting policies. The *pro forma* financial information has been presented for illustrative purposes only and, because of its nature, may not fairly present the Group’s financial position and results of operations post the implementation of the Transaction.
- 5.2 The consolidated *pro forma* financial information set out below should be read in conjunction with the *pro forma* condensed Group statement of financial position as at 30 June 2019 and the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019 as set out in **Annexure 2**, together with the assumptions upon which the *pro forma* financial information is based, as indicated in the notes thereto in **Annexure 2**.
- 5.3 The amounts in the adjusted columns, as presented in **Annexure 2** have been extracted from the audited financial information of the GPI Group, where applicable. Please refer to **Annexure 2** for further information.
- 5.4 The assurance report of the Independent Reporting Accountant in respect of the *pro forma* financial information referred to in paragraph 5.2 above, appears in **Annexure 3** to this Circular.

	Unadjusted and audited results for the year ended 30 June 2019	Adjustments for the disposal of 10% of Spur Corporation	Spur adjusted results for the year ended 30 June 2019	Adjustments for the 30% exit from SunSlots	Adjusted results for the year ended 30 June 2019	Change %
Net asset value per share (cents)	4.34	0.07	4.41	0.34	4.75	9.4%
Tangible net asset value per share (cents)	4.06	0.07	4.13	0.34	4.47	10.1%
Earnings per Share (cents)	(8.48)	2.26	(6.22)	26.95	20.73	344.5%
Headline earnings per share (cents)	8.91	2.26	11.17	(9.67)	1.50	83.2%
Number of Shares in issue excluding Treasury Shares (million)	426 223	426 223	426 223	426 223	426 223	0.0%
Weighted average number of Shares in issue (million)	426 223	426 223	426 223	426 223	426 223	0.0%

Notes and Assumptions:

The “Unadjusted audited results for the year ended 30 June 2019” column presents the consolidated statement of comprehensive income of the GPI Group which has been extracted, without adjustment, from the audited consolidated statement of comprehensive income of the GPI Group for the year ended 30 June 2019, as presented in the Audited Group and Company Annual Financial Statements of GPI at 30 June 2019.

Further detailed notes and assumptions to the *pro forma* financial information of the GPI Group are set out in Annexure 2.

6. INFORMATION RELATING TO THE GPI GROUP

6.1 Share capital

The authorised and issued share capital of GPI as at the Last Practicable Date, before and after the Transaction, is set out below:

Before and After	Number of Shares	Stated Capital R'000
Authorised		
Ordinary Shares of no par value	2 000 000 000	–
Issued		
Ordinary shares of no par value	470 022 741	798 586
Treasury shares held by the Grand Parade Share Incentive Trust, the GPI Women's Empowerment Trust and the GPI Management Services Proprietary Limited	43 800 055	(166 286)
		632 300

6.2 Major Shareholders and interests

6.2.1 As far as GPI is aware, as at the Last Practicable Date the following persons, other than Directors, are beneficially interested, directly or indirectly, in 5% or more of the Shares in issue:

Name of Shareholder	Total number of Shares	Percentage of Shares in issue
Value Capital Partners Proprietary Limited	96 595 318	20.55
The Chandos Trust ¹	47 268 792	10.06
Kagiso Asset Management	27 241 901	5.80
GPI Management Services Proprietary Limited	24 000 000	5.11
Total	195 106 011	41.52

Notes:

1. No Director of GPI is a trustee or a beneficiary of the Chandos Trust.

6.2.2 There has been no change in the controlling Shareholder nor trading objects of GPI in the five years prior to the Last Practicable Date, nor in respect of any of its Major Subsidiaries and there will be no change in the shareholding in GPI as a result of the Transaction.

6.3 Material changes

There have been no material changes in the financial or trading position of the GPI Group or SunSlots since the publication of the audited financial results for the year ended 30 June 2019, until the Last Practicable Date.

6.4 Prospects

The Board of GPI is of the view that the business of the GPI Group has attractive growth prospects over the medium to long-term. The management team is well placed to take advantage of new opportunities that have already been identified as potential investments, and to continue to identify suitable new investment and growth opportunities.

6.5 Material Borrowings

6.5.1 Details of the material borrowings of GPI and its Subsidiaries are disclosed in **Annexure 4**.

6.5.2 All payments due in respect of the preference shares and material loans set out in **Annexure 4** in the 12 months following the Last Practicable Date, will be paid from the Group's free cash flow and no refinancing will be required.

6.5.3 A portion of the proceeds of the Transaction in the amount of approximately R227,975,122 will be used to reduce the material borrowings as specified in **Annexure 4** and as stated in paragraph 2.4.2.

6.5.4 SunSlots does not have any material borrowings.

6.6 Material contracts

6.6.1 In addition to the Repurchase Agreement, GPI entered into the Spur Agreement. The details of the Spur Agreement was announced on SENS on 27 June 2019. Refer to the *pro forma* financial information of the GPI Group, as presented in **Annexure 2**, for further information on this category 2 transaction.

6.6.2 Save for the Repurchase Agreement and the Spur Agreement, there have been no material contracts entered into either verbally or in writing by GPI or its Subsidiaries or SunSlots being restrictive funding arrangements and/or a contract entered into otherwise than in the ordinary course of the business carried on or proposed to be carried on by GPI and/or its Subsidiaries and/or SunSlots, within the two years preceding the date of this Circular, or concluded at any time, and which contain an obligation or settlement that is material to GPI and/or its Subsidiaries and/or SunSlots at the date of this Circular.

6.7 Acquisition of material assets

No material assets have been acquired by SunSlots during the last three years preceding the date of this Circular.

7. INFORMATION RELATING TO DIRECTORS

7.1 Directors' interests in the issued Shares of GPI

The table below sets out the direct and indirect beneficial interests of the Directors (and their associates), including any directors who may have resigned during the last 18 months, in GPI's issued share capital as at the Last Practicable Date:

Director	Direct Beneficial	Indirect Beneficial	Total	% Held
Hassen Adams	6 506 066	37 316 501	43 822 567	9.32
Mohsin Tajbhai	41 536	–	41 536	0.01
Alex Abercrombie	–	7 300 069	7 300 069	1.55
Colin Michael Priem	–	–	–	0.00
Walter Geach	–	–	–	0.00
Mark Bowman	12 600	175 520	188 120	0.04
Ronel van Dijk	–	–	–	0.00
Keshan Pillay	–	–	–	0.00
Norman Victor Maharaj ¹	–	10 339	10 339	0.00
Prabashinee Moodley ²	–	–	–	0.00
Rasheed Ahmed Hargey ³	–	–	–	0.00
Nombeko Mlambo ³	19 824	43 000	62 824	0.01
Shaun Barends ⁴	–	–	–	0.00
Tasneem Karriem ⁵	–	–	–	0.00
Total	6 580 026	44 845 429	51 425 455	10.93

Notes:

1. Dr Norman Victor Maharaj resigned as independent non-executive director of GPI, with effect from 30 April 2019
2. Ms Prabashinee Moodley resigned as executive director of GPI, with effect from Friday, 7 December 2018
3. Mr Rasheed Ahmed Hargey and Ms Nombeko Mlambo were removed as non-executive directors of the Company with effect from 5 December 2018
4. Mr Shaun Barends resigned as executive director of GPI, with effect from 30 June 2018
5. Ms Tasneem Karriem resigned as executive director of GPI, with effect from 2 April 2018

7.2 Directors' remuneration

The remuneration of the Directors will not be varied as a result of the Transaction.

7.3 Directors' Interests in the Transaction

7.3.1 Save for being a Shareholder of GPI, no Director (including any person who may have resigned as a director within the last 18 months) has any material beneficial interest, directly or indirectly in the Transaction or in any transactions that were:

7.3.1.1 effected by GPI during the current or immediately preceding financial year; or

7.3.1.2 during an earlier financial year and remain in any respect outstanding or unperformed.

7.4 Service contracts of executive Directors

7.4.1 Each of the executive Directors has concluded service contracts with terms and conditions that are standard for such appointments, which are available for inspection in terms of paragraph 15 below.

7.4.2 No restraints of trade have been imposed by GPI on any Directors in respect of the business conducted by GPI and the contracts of all executive Directors are terminable on three months' notice.

7.4.3 The duration of each executive Director's appointment is determined by the service contracts referred to in paragraph 7.4.1 above, whilst the duration of the appointment of non-executive Directors is determined by the MOI which is also available for inspection in terms of paragraph 15 below.

8. WORKING CAPITAL STATEMENT

The Directors are of the opinion that the working capital available to the GPI Group is sufficient for the GPI Group's present working capital requirements and will, post-implementation of the Transaction be adequate for at least 12 months from the date of issue of this Circular.

9. LITIGATION STATEMENT

There are no legal or arbitration proceedings (including any such proceedings that are pending or threatened) of which the Company is aware, which may have or have over the previous 12 months had a material effect on the financial position of the GPI Group or SunSlots.

10. EXPENSES

The estimated costs of preparing and distributing this Circular, holding the General Meeting and implementing the Transaction, including the fees payable to professional advisers, are approximately R7.105 million, including Value Added Tax (where applicable), and include the following:

		R'000
Corporate advisor and Sponsor	PSG Capital	1,092
JSE documentation fees	JSE	100
Independent Reporting Accountants	Ernst & Young	345
Legal Adviser	Cliffe Dekker Hofmeyr	705
Printing, publication, distribution and advertising expenses	Greymatter Finch	136
Warranty and indemnity insurance ¹	Third party provider	4,500
Contingency		227
TOTAL²		7,105

Notes:

1. Warranty and indemnity insurance has been taken out against any potential warranty or indemnity claims that may arise under the Repurchase Agreement.
2. Other than as set out above, GPI has incurred no preliminary expenses in relation to the Transaction during the three years preceding this Circular.

11. GENERAL MEETING AND VOTING

- 11.1 A General Meeting of Shareholders will be held at Market Hall, Grand West Casino on Thursday, 28 November 2019 at 18:00, to consider and, if deemed fit, to pass, with or without modification, the requisite resolutions required to give effect to the Transaction.
- 11.2 A notice convening the General Meeting is attached hereto and forms part of this Circular and contains the resolutions to be considered at the General Meeting. Full details of the action required by Shareholders are set out in the "Action required by Shareholders" section of this Circular.
- 11.3 The ordinary resolutions relating to the Transaction set out in the Notice of General Meeting is subject to more than 50% of the votes cast by the Shareholders, present in person or represented by proxy at the General Meeting, being cast in favour thereof.

12. OPINIONS AND BOARD'S RECOMMENDATION

The Board has considered the terms and conditions of the Transaction and the resolutions and is of the opinion that they are in the interests of Shareholders.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are given in the "Corporate Information" section of this Circular collectively and individually accept full responsibility for the accuracy of the information furnished relating to the GPI Group and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made, and that this Circular contains all information required by law and the JSE Listings Requirements.

14. ADVISERS' CONSENTS

Each of the advisers, whose names appear on the "Corporate Information" section of this Circular, have consented in writing to act in the capacities stated and to the inclusion of their names and, where applicable, to the inclusion of their reports in this Circular in the form and context in which they appear and have not withdrawn their consents prior to the publication of this Circular.

15. **DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents, or copies thereof, will be available for inspection by Shareholders during normal business hours at the registered office of GPI and at the offices of the Sponsor from the date of posting of this Circular, until the date of the General Meeting (both days inclusive) –

- 15.1 the MOI and the memoranda of incorporation of the Major Subsidiaries;
- 15.2 Extracted financial information of SunSlots, as set out in **Annexure 1**;
- 15.3 *Pro forma* financial information of the GPI Group, as set out in **Annexure 2**;
- 15.4 a signed copy of the Independent Reporting Accountants' assurance report on the *pro forma* financial information of the GPI Group, as set out in **Annexure 3**;
- 15.5 the Repurchase Agreement;
- 15.6 the written consents from each of the advisers referred to in paragraph 14;
- 15.7 the executive Directors' service contracts entered into in the three years preceding the Last Practicable Date; and
- 15.8 a copy of this Circular and all annexures hereto.

SIGNED AT CAPE TOWN ON WEDNESDAY, 30 OCTOBER 2019 BY MOHSIN TAJBHAI ON BEHALF OF ALL THE DIRECTORS OF GRAND PARADE INVESTMENTS LIMITED, IN TERMS OF POWERS OF ATTORNEYS SIGNED BY SUCH DIRECTORS



Mohsin Tajbhai

Hassen Adams
Mohsin Tajbhai
Colin Michael Priem
Alexander Abercrombie
Mark Bowman
Walter Geach
Ronel van Dijk
Keshan Pillay

EXTRACTED FINANCIAL INFORMATION OF SUNSLOTS

GPI is a minority shareholder (30%) of SunSlots and SIL is the controlling shareholder. Therefore the financial information of SunSlots has been extracted from the published annual financial statements of GPI for the years ended 30 June 2017, 30 June 2018 and 30 June 2019 (Part A), from the published annual financial statements of SIL for the years ended 31 December 2016, 31 December 2017, 31 December 2018 and from the unaudited interim results of SIL for the six-month period ended 30 June 2019 (Part B). This extracted financial information is the responsibility of the Directors of GPI.

PART A – EXTRACTED FROM GPI'S ANNUAL FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2017, 30 JUNE 2018 AND 30 JUNE 2019

SunSlots

	2019	2018	2017
Effective Holding	30%	30%	30%

	2019 R'000s	2018 R'000s	2017 R'000s
Reconciliation of carrying value of SunSlots			
Carrying amount of the investment – beginning of the year	348 205	329 583	301 723
Transferred from Jointly controlled entities	–	–	–
Profit from associates	55 159	36 622	27 860
Dividends received	(48 000)	(18 000)	–
Reversal of share-based payment reserve	(1 524)	–	–
Carrying amount of the investment – end of the year	353 840	348 205	329 583

	2019 R'000s	2018 R'000s	2017 R'000s
Summarised statement of comprehensive income			
Revenue	1 236 103	1 117 890	1 019 561
Cost of sales and operating costs	(919 693)	(855 996)	(779 966)
Finance income	8 852	8 594	9 706
Finance cost	(11 158)	(12 422)	(20 184)
Depreciation and amortisation	(56 463)	(89 828)	(89 021)
Profit before tax	257 641	168 238	140 096
Taxation	(73 780)	(46 169)	(47 228)
Profit for the year	183 861	122 069	92 868

	2019 R'000s	2018 R'000s	2017 R'000s
Reconciliation between Investment in SunSlots' equity and carrying value			
Investment in associates' equity	547 839	518 897	456 824
Group's proportionate interest	30%	30%	30%
Group's proportionate share of equity	164 352	155 669	137 047
Goodwill	191 012	191 012	191 012
Proportionate share of share-based payment reserve	(1 524)	1 524	1 524
Carrying amount of the investment	353 840	348 205	329 583

	2019 R'000s	2018 R'000s	2017 R'000s
Summarised statement of financial position			
Non-current assets	678 297	600 811	598 908
Current assets excluding cash and cash equivalents	67 582	66 748	53 093
Cash and cash equivalents included in current assets	79 911	45 272	82 049
Non-current liabilities (excluding trade and other payables and provisions)	(34 589)	(22 213)	(26 413)
Current liabilities (excluding trade and other payables and provisions)	(106 553)	(67 160)	(134 268)
Current trade and other payables and provisions	(136 809)	(104 561)	(116 545)
Equity	547 839	518 897	456 824

**PART B – EXTRACTED FROM SIL’S ANNUAL FINANCIAL STATEMENTS FOR THE YEARS ENDED
31 DECEMBER 2016, 31 DECEMBER 2017 AND 31 DECEMBER 2018 AND THE UNAUDITED INTERIM RESULTS
OF SIL FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019**

SunSlots

	2019 HY	2018 FY	2017 FY	2016 FY
Statement of comprehensive income:	R'000s	R'000s	R'000s	R'000s
Total net gaming winnings	637	1 162	1 060	753
Adjusted EBITDA*	NA	287	249	182
Profit/(loss) after tax	NA	156	103	NA
Non-controlling interest (“NCI”)	NA	30%	30%	NA
NCI profit/(loss) after tax	NA	47	31	NA

* Adjusted EBITDA is the statutory operating profit adjusted by reversing depreciation and amortisation as well as all adjusted headline earnings adjustments (“AHEA”) incurred during the reporting period. AHEA are defined as gains and losses included in the statement of comprehensive income from events, which is unusual and infrequent nature and are the result of unforeseen and atypical events. Refer to notes in the annual financial statements for further detail.

	2019 HY	2018 FY	2017 FY	2016 FY
Statement of financial position:	R'000s	R'000s	R'000s	R'000s
Current assets	NA	117	108	NA
Non-current assets	NA	911	580	NA
Current liabilities	NA	191	213	NA
Non-current liabilities	67*	31	4	NA
Net assets	NA	806	471	NA
Net assets attributable to NCI	NA	242	141	NA

* R41 million is classified as an IFRS 16 lease liability and R26 million as debt. It is unclear what portion of the R67 million total is current. R20 million of the total debt is attributable to NCI.

	2019 HY	2018 FY	2017 FY	2016 FY
Statement of cash flows:	R'000s	R'000s	R'000s	R'000s
Cash flows from operating activities	NA	251	171	NA
Cash flows (used in)/from investing activities	NA	(96)	(70)	NA
Cash flows used in financing activities	NA	(148)	(194)	NA
Net increase/(decrease) in cash and cash equivalents	NA	7	(93)	NA
Dividends paid to non-controlling interests	NA	30	18	NA

PRO FORMA FINANCIAL INFORMATION OF THE GPI GROUP

The definitions and interpretations commencing on page 5 of this Circular apply *mutatis mutandis* to this **Annexure 2**.

The *pro forma* financial information of the GPI Group is set out below. The *pro forma* financial information has been prepared for illustrative purposes only, to show the financial effects of the Transaction on the audited financial information of the GPI Group on the assumption that the Transaction occurred on 1 July 2018 for statement of other comprehensive income purposes and on 30 June 2019 for statement of financial position purposes.

Accordingly, because of its nature, the *pro forma* condensed Group statement of financial position as at 30 June 2019 and the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019 may not fairly present the GPI Group's financial position and results of operations after the Transaction has been implemented.

The *pro forma* financial information is based on the audited financial information of the GPI Group as at and for the year ended 30 June 2019.

The *pro forma* financial information as at 30 June 2019 and for the year then ended is presented in a manner that is consistent with the accounting policies of the GPI Group, which comply with IFRS and are consistent with those applied in the audited financial information. The *pro forma* financial information has been prepared in accordance with the JSE Listings Requirements and in compliance with the revised SAICA Guide on *Pro Forma* Financial Information.

The *pro forma* financial information set out below should be read in conjunction with the Independent Reporting Accountants' assurance report on the *pro forma* financial information of the GPI Group which is included as Annexure 3 to the Circular.

The directors of GPI are responsible for the preparation of the *pro forma* financial information.

PRO FORMA CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

The *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019, presented below, was prepared on the assumption that the Transaction was implemented on 1 July 2018.

	Unadjusted and audited results for the year ended 30 June 2019 R000's 1	Adjustments for the disposal of 10% of Spur Corporation R000's 2,3	Spur adjusted results for the year ended 30 June 2019 R000's 4	Adjustments for the 30% exit from SunSlots R000's 5,6,7,8	Adjusted results for the year ended 30 June 2019 R000's 9
Revenue	1 409 418	(13 343)	1 396 075	–	1 396 075
Cost of Sales	(739 077)	–	(739 077)	–	(739 077)
Gross Profit	670 341	(13 343)	656 998	–	656 998
Operating Costs	(626 129)	–	(626 129)	(7 105)	(633 234)
Profit from Operations	44 212	(13 343)	30 869	(7 105)	23 764
Equity-accounted investments	132 021	–	132 021	(55 159)	76 862
Profit on exit from investment	–	–	–	156 095	156 095
Expected credit losses	2 400	–	2 400	–	2 400
Impairment of assets	(8 933)	–	(8 933)	–	(8 933)
Depreciation	(55 044)	–	(55 044)	–	(55 044)
Amortisation	(3 790)	–	(3 790)	–	(3 790)
Profit before finance costs and taxation	110 866	(13 343)	97 523	93 831	191 354
Finance income	6 535	–	6 535	–	6 535
Finance costs	(59 430)	22 974	(36 456)	21 037	(15 419)
Profit before taxation	57 971	9 631	67 602	114 868	182 470
Taxation	14 885	–	14 885	–	14 885
Profit for the period continuing operations	72 856	9 631	82 487	114 868	197 355
Discontinued operations					
Loss for the period from discontinued operations	(109 436)	–	(109 436)	–	(109 436)
(Loss)/Profit for the period	(36 580)	9 631	(26 949)	114 868	87 919
Other comprehensive income					
Unrealised fair value adjustments on investment held at fair value through OCI	(75 882)	31 487	(44 395)	–	(44 395)
Total comprehensive income for the period	(112 462)	41 118	(71 344)	114 868	43 524
<i>Profit for the period attributable to:</i>					
<i>Continuing Operations</i>					
– Ordinary shareholders	73 299	9 631	82 930	114 868	197 798
– Non-controlling interest	(443)	–	(443)	–	(443)
<i>Discontinued Operations</i>			–		
– Ordinary shareholders	(109 436)	–	(109 436)	–	(109 436)
– Non-controlling interest	–	–	–	–	–
	(36 580)	9 631	(26 949)	114 868	87 919
<i>Total comprehensive income attributable to:</i>					
<i>Continuing Operations</i>					
– Ordinary shareholders	(2 583)	41 118	38 535	114 868	153 403
– Non-controlling interest	(443)	–	(443)	–	(443)
<i>Discontinued Operations</i>					
– Ordinary shareholders	(109 436)	–	(109 436)	–	(109 436)
– Non-controlling interest	–	–	–	–	–
	(112 462)	41 118	(71 344)	114 868	43 524

	Unadjusted and audited results for the year ended 30 June 2019 R000's	Adjustments for the disposal of 10% of Spur Corporation R000's	Spur adjusted results for the year ended 30 June 2019 R000's	Adjustments for the 30% exit from SunSlots R000's	Adjusted results for the year ended 30 June 2019 R000's
	1	2,3	4	5,6,7,8	9
Headline Earnings reconciliation					
Profit for the period attributable to ordinary shareholders from continuing operations	72 856	9 631	82 487	114 868	197 355
Profit for the period attributable to ordinary shareholders from discontinued operations	(109 436)	–	(109 436)	–	(109 436)
Non-controlling interest	443	–	443	–	443
Profit for the period	(36 137)	9 631	(26 506)	114 868	88 362
Impairment of property, plant and equipment continuing operations	8 138	–	8 138	–	8 138
Profit on exit from investment	–	–	–	(156 095)	(156 095)
Adjustments by jointly-controlled entities:	–	–	–	–	–
Loss on sale of property, plant and equipment	114	–	114	–	114
Impairment of property, plant and equipment discontinued operations	65 872	–	65 872	–	65 872
Tax on profit from exit from investment	–	–	–	–	–
Headline and diluted headline earnings	37 987	9 631	47 618	(41 227)	6 391
	000's	000's	000's	000's	000's
Reconciliation of the number of shares					
Shares in issue	426 223	426 223	426 223	426 223	426 223
Weighted average number of shares in issue	426 223	426 223	426 223	426 223	426 223
Diluted weighted average number of shares in issue	427 658	427 658	427 658	427 658	427 658
	Cents	Cents	Cents	Cents	Cents
Basic earnings per share	(8.48)	2.26	(6.22)	26.95	20.73
Continuing operations	17.20	2.26	19.46	26.95	46.41
Discontinued operations	(25.68)	–	(25.68)	–	(25.68)
Diluted basic earnings per share	(8.45)	2.25	(6.20)	26.86	20.66
Continuing operations	17.14	2.25	19.39	26.86	46.25
Discontinued operations	(25.59)	–	(25.59)	–	(25.59)
Headline earnings per share	8.91	2.26	11.17	(9.67)	1.50
Continuing operations	19.13	2.26	21.39	(9.67)	11.72
Discontinued operations	(10.22)	–	(10.22)	–	(10.22)
Diluted headline earnings per share	8.88	2.25	11.13	(9.64)	1.49
Continuing operations	19.07	2.25	21.32	(9.64)	11.68
Discontinued operations	(10.19)	–	(10.19)	–	(10.19)
Ordinary dividend per share	–	–	–	–	–

NOTES TO THE PRO FORMA CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019:

1) The “Unadjusted and audited results for the year ended 30 June 2019” column presents the consolidated statement of comprehensive income of the GPI Group which has been extracted, without adjustment, from the audited consolidated statement of comprehensive income of the GPI Group for the year ended 30 June 2019, as presented in the Audited Group and Company Annual Financial Statements of GPI at 30 June 2019.

2) The investment of Spur Corporation is treated as an *Investment held at fair value through OCI*. The GPI Group’s 17.79% investment in Spur Corporation had a carrying value of R488.5 million as at 1 July 2018. The GPI Group will dispose of 10.00% of its 17.79% investment in Spur Corporation, which had a carrying value of R271.0 million as at 01 July 2018, for a consideration of R260.4 million.

As this investment is held at fair value through other comprehensive income, a loss of R10.6 million, calculated as the difference between the selling price of GPI Group’s 10.00% holding in Spur Corporation (R260.4 million) and its carrying value as at 01 July 2018 (R271.0 million), is recognised in other comprehensive income. This is offset by a reversal of a loss of R42.1 million, calculated as the difference between the carrying value of GPI Group’s 10.00% holding in Spur Corporation as at 01 July 2018 (R271.0 million) and the carrying value as at 30 June 2019 (R228.9 million), bringing the total adjustment through other comprehensive income to R31.5 million.

R13.3 million, in respect of the GPI Group’s 10.00% holding in Spur Corporation, of the R23.7 million *Dividends received* as disclosed in the GPI Group statement of comprehensive income for the year ended 30 June 2019 will be reversed, as it relates to the Spur Disposal, and this will have a continuing effect on the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019.

For further details on the Spur Disposal, refer to the SENS announcement dated 27 June 2019.

3) GPI had debt amounting to R255.4 million made up of preference shares, issued to Standard Bank and Spur Corporation Limited as at 1 July 2018. The repayment is assumed to come out of the proceeds, as this asset is held for security against the debt. For the year ended 30 June 2019, R23.0 million of interest was recognised and R23.0 million has been reversed as a result of the repurchase. The interest reversal will have a continuing effect on the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019.

4) The “Spur adjusted results for the year ended 30 June 2019” column presents the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019 after the implementation of the Spur Disposal.

5) The total transaction fees, which amounts to R7.105 million, relates to the exit from the investment in SunSlots. The transaction fees are non-deductible for income tax purposes as they have been considered capital in nature and will be expensed. The transaction fees will not have a continuing effect on the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019.

6) The investment in SunSlots is treated as an associate in the GPI Group results. The GPI Group will dispose of its 30.00% investment in SunSlots and, as a result, R55.2 million earnings from *Profit from equity-accounted investments* recognised during the year to 30 June 2019 has been reversed. This will have a continuing effect on the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019.

7) A R156.1 million profit on the exit of the investment in SunSlots has been recognised, which is based on the difference between the repurchase price received from the Transaction of R504.3 million and the carrying value of the investment at a Group level of R348.2 million as at 1 July 2018. No capital gains tax was raised on the Transaction as it is a share buyback arrangement. The profit on the exit of the investment in SunSlots will not have a continuing effect on the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019.

8) GPI had debt amounting to R251.7 million made up of preference shares, issued to Standard Bank Limited as at 1 July 2018. The repayment is assumed to come out of the proceeds, as the investment is held as joint security for the debt. For the year ended 30 June 2019, R21.0 million of interest was recognised and R21.0 million has been reversed as a result of the repurchase. The interest reversal will have a continuing effect on the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019.

9) The “Adjusted results for the year ended 30 June 2019” column presents the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019 after the implementation of the Transaction.

General

a) Where applicable the tax rate has been assumed at 28.00% for income tax purposes and 22.40% for capital gains tax purposes. It has been assumed that there is no capital gains tax on the Transaction as it is a share repurchase and therefore recognised as a deemed dividend.

b) It has been assumed that there is no change in the tax as a result of the reduction in finance costs as these are preference dividends paid which are non-tax deductible.

c) The amounts in the adjustment columns have been extracted from the audited financial information of the GPI Group.

PRO FORMA CONDENSED GROUP STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

The *pro forma* condensed Group statement of financial position as at 30 June 2019, presented below, was prepared on the assumption that the Transaction was implemented on 30 June 2019.

	Unadjusted and audited results for the year ended 30 June 2019 R000's 1	Adjustments for the disposal of 10% of Spur Corporation R000's 2,3	Spur adjusted results for the year ended 30 June 2019 R000's 4	Adjustments for the 30% exit from SunSlots R000's 5,6,7,8	Adjusted results for the year ended 30 June 2019 R000's 9
ASSETS					
Non-current assets	2 070 370	–	2 070 370	(353 840)	1 716 530
Investment in joint ventures	634 198	–	634 198	–	634 198
Investment in associates	382 092	–	382 092	(353 840)	28 252
Investments held at fair value through OCI	189 523	–	189 523	–	189 523
Goodwill	93 702	–	93 702	–	93 702
Investment property	7 599	–	7 599	–	7 599
Property, plant and equipment	578 947	–	578 947	–	578 947
Intangible assets	29 215	–	29 215	–	29 215
Deferred tax assets	155 094	–	155 094	–	155 094
Assets classified as held for sale	36 193	–	36 193	–	36 193
Current assets	577 462	(228 787)	348 675	266 928	615 603
Inventories	76 034	–	76 034	–	76 034
Trade and other receivables	109 186	–	109 186	–	109 186
Investments held at fair value through OCI	228 868	(228 868)	–	–	–
Related party loans	21 467	–	21 467	–	21 467
Cash and cash equivalents	133 987	81	134 068	266 928	400 996
Income tax receivable	7 920	–	7 920	–	7 920
Total Assets	2 684 025	(228 787)	2 455 238	(86 912)	2 368 326
EQUITY AND LIABILITIES					
Total shareholders' equity	1 881 937	31 497	1 913 434	143 355	2 056 789
State capital	798 586	–	798 586	–	798 586
Treasury shares	(166 286)	–	(166 286)	–	(166 286)
Accumulated profit	1 401 781	(34 291)	1 367 490	143 355	1 510 845
Investments held at fair value reserve	(154 229)	65 788	(88 441)	–	(88 441)
Share-based payment reserve	2 085	–	2 085	–	2 085
Non-controlling interest	(30 000)	–	(30 000)	–	(30 000)
Total equity	1 851 937	31 497	1 883 434	143 355	2 026 789
Non-current liabilities	284 644	–	284 644	(225 190)	59 454
Preference shares	225 190	–	225 190	(225 190)	–
Interest-bearing borrowings	52 276	–	52 276	–	52 276
Finance lease liabilities	1 301	–	1 301	–	1 301
Provisions	634	–	634	–	634
Deferred tax liabilities	5 243	–	5 243	–	5 243
Current liabilities	547 444	(260 284)	287 160	(5 077)	282 083
Trade and other payables	179 773	–	179 773	–	179 773
Provisions	13 659	–	13 659	–	13 659
Bank overdraft	61 529	–	61 529	–	61 529
Dividends payable	10 405	–	10 405	–	10 405
Preference shares	265 361	(260 284)	5 077	(5 077)	–
Interest-bearing borrowings	7 500	–	7 500	–	7 500
Finance lease liabilities	8 723	–	8 723	–	8 723
Income tax payable	494	–	494	–	494
Total Equity & Liabilities	2 684 025	(228 787)	2 455 238	(86 912)	2 368 326
Net asset value share (cents)	4.34	0.07	4.41	0.34	4.75
Tangible net asset value per share (cents)	4.06	0.07	4.13	0.34	4.47

NOTES TO THE *PRO FORMA* CONDENSED GROUP STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019:

- 1) The “Unadjusted and audited results for the year ended 30 June 2019” column presents the consolidated statement of financial position of the GPI Group which has been extracted, without adjustment, from the audited consolidated statement of financial position of the GPI Group for the year ended 30 June 2019, as presented in the Audited Group and Company Annual Financial Statements of GPI at 30 June 2019.
- 2) The investment of Spur Corporation is treated as an *Investment held at fair value through OCI*. The GPI Group will dispose of 10.00% of its 17.79% of its investment in Spur Corporation, which had a carrying value of R228.9 million and a corresponding *Investments held at fair value reserve* of R65.8 million as at 30 June 2019, for a consideration of R260.4 million resulting in a release of R34.3 million.

For further details on the Spur Disposal, refer to the SENS announcement dated 27 June 2019.
- 3) *Cash and cash equivalents* decreased by R0.1 million as a result of the Spur Disposal. This is calculated as the R260.4 million consideration received, less debt amounting to R260.3 million as at 30 June 2019.
- 4) The “Spur adjusted results for the year ended 30 June 2019” column presents the *pro forma* condensed Group statement of financial position as at 30 June 2019 after the implementation of the Spur Disposal.
- 5) The investment in SunSlots is treated as an associate in the GPI Group results. The GPI Group will exit from its 30.00% investment in SunSlots and, as a result, the proportionate carrying value of the investment of R353.8 million is adjusted for.
- 6) *Cash and cash equivalents* increased by R267.0 million as a result of the Transaction. This is calculated as the R504.3 million repurchase price received, less current and non-current debt amounting to R230.2 million as at 30 June 2019 and transaction fees of R7.105 million fees related to the exit from the investment in SunSlots.
- 7) The profit on the exit from investment of R150.5 million as at 30 June 2019 being R504.3 million less the carrying value of the investment of R353.8 million and less transaction fees of R7.1 million resulted in *Total shareholders’ equity* increasing by R143.4 million.
- 8) GPI had current and non-current debt amounting to R230.3 million as at 30 June 2019, which consists of preference shares and preference dividends, issued to Standard Bank Limited over which the investment of SunSlots is held as joint security. The repayment is assumed to come out of the proceeds.
- 9) The “Adjusted results for the year ended 30 June 2019” column presents the *pro forma* condensed Group statement of financial position as at 30 June 2019 after the implementation of the Transaction.

General

- a) Where applicable the tax rate has been assumed at 28.00% for income tax purposes and 22.40% for capital gains tax purposes. It has been assumed that there is no capital gains tax on the Transaction as it is a share repurchase and therefore recognised as a deemed dividend.
- b) It has been assumed that there is no change in the tax as a result of the reduction in finance costs as these are preference dividends paid which are non-tax deductible.
- c) The amounts in the adjustment columns have been extracted from the audited financial information of the GPI Group.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE PRO FORMA FINANCIAL INFORMATION OF THE GPI GROUP

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 ey.com
 Co. Reg. No. 2005/002308/21

Independent Reporting Accountants' Assurance Report on the Compilation of *Pro Forma* Financial Information included in a Circular

The Directors of Grand Parade Investments Limited

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Grand Parade Investments Limited ("**GPI**") and its subsidiaries (collectively the "**Group**"), by the directors.

The *pro forma* financial information, as set out in Annexure 2 of the circular, consists of the *pro forma* condensed Group statement of financial position as at 30 June 2019, the *pro forma* condensed Group statement of comprehensive income for the year ended 30 June 2019 and related notes (collectively the "**Pro forma Financial Information**"). The applicable criteria on the basis of which the directors have compiled the *Pro forma* Financial Information are specified in the JSE Limited ("**JSE**") Listings Requirements and described in Annexure 2 of the circular.

The *Pro forma* Financial Information has been compiled by the directors to illustrate the impact of the corporate action or event, described in paragraph 2 of the circular, on the Group's financial position as at 30 June 2019, and the Group's financial performance for the period then ended, as if the corporate action or event had taken place at 30 June 2019 and for the period then ended. As part of this process, information about the Group's financial position and financial performance has been extracted by the directors from the Group's Consolidated Annual Financial Statements for the year ended 30 June 2019, on which an auditor's report was issued on 19 September 2019.

Directors' Responsibility for the Pro forma Financial Information

The directors are responsible for compiling the *Pro forma* Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 2 of the circular.

Our Independence and Quality Control

We are independent of the Group in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together, "**the IRBA Codes**") and other independence requirements applicable to performing audits of financial statements of the Group and in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits of the Group and in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants ("IESBA code")* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively.

The firm applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion about whether the *Pro forma* Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements and described in Annexure 2 of the circular based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus*, which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the *Pro forma* Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *Pro forma* Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *Pro forma* Financial Information.

The purpose of *Pro forma* Financial Information included in a circular is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the Group as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the corporate action or event at 30 June 2019 would have been as presented.

A reasonable assurance engagement to report on whether the *Pro forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the *Pro forma* Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *Pro forma* Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the Group, the corporate action or event in respect of which the *Pro forma* Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *Pro forma* Financial Information.

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

Opinion

In our opinion, the *Pro forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 2 of the circular.

Ernst & Young Inc.

Ernst & Young Inc.
Director: Pierre Gustav du Plessis CA(SA)
Registered Auditor
Reporting Accountant Specialist

23 October 2019

MATERIAL BORROWINGS OF THE GPI GROUP

PART A: DETAILS OF PREFERENCE SHARES BY GPI AND ITS SUBSIDIARIES

Lender/ Subscriber	Issuer	Reason for issue (acquisition of assets or other)	Number of preference shares issued	Loan amount	Interest rate	Terms of repayment/ redemption/date on which must be redeemed	Security furnished	Balance owing on the Last Practicable Date
The Standard Bank of South Africa Limited	GPI	Acquisition of Spur Corporation Equity	90 000 redeemable A-preference shares	R90 000 000	95.00% of Prime (Reduces to 90.00% of Prime when market capitalisation of the GPI Group's interest in Spur Corporation is greater than four times the outstanding balance.)	Capital and interest repayments semi-annually 70 000 shares on 29 October 2019	10 848 093 ordinary shares in Spur Corporation and GPI guarantee	R73,039,294
The Standard Bank of South Africa Limited	GPI	Acquisition of Spur Corporation Equity	60 000 redeemable B-preference shares	R60 000 000	80.00% of Prime	Capital and interest repayments, with mandatory redemptions required to maintain the total balance outstanding below R78.0 million 29 October 2019	GPI Guarantee	R81,004,437
Spur Corporation Limited	GPI	Acquisition of Spur Corporation Equity	72 328 redeemable C-preference shares	R72 328 000	90.00% of Prime	Capital and interest repayments 29 October 2019	A reversionary cession over the Spur Corporation shares ceded to Standard Bank as security for the A preference shares	R113,246,190
The Standard Bank of South Africa Limited**	Grand Casino Investments	Funding the purchase of unencumbered Spur Corp shares	10 000 redeemable A-preference shares	R254 000 000	85.00% of Prime	Interest is paid semi-annually on 31 March and 30 September, with a final redemption date of 21 December 2022	The shares held in Sunwest and SunSlots, are held as security against the preference shares	R227,975,122

* None of the preference shares listed above are convertible into ordinary shares of any company forming part of the Group.

** GPI will use the proceeds received from the Transaction to redeem the preference shares referred to in the last column of the table above

PART B: DETAILS OF MATERIAL LOANS TO GPI AND ITS SUBSIDIARIES

Lender	Borrower	Type of Loan	Reason for loan (acquisition of assets or other)	Loan Amount	Interest Rate	Terms of repayment (i.e. interest only repayments/ capital and interest repayments/no repayments) Date upon which loan must be settled	Security furnished	Balance owing on the Last Practicable Date
Mercantile Bank Limited	Mac Brothers Catering Equipment	Finance lease	Finance lease for manufacturing plant	R10 350 954	Prime less 0.25%	Capital and Interest repayments 30 June 2020	Manufacturing Plant	R1,919,742
The Standard Bank of South Africa Limited	GF Meat Plant	Finance lease	Finance lease for food processing equipment	R40 750 000 (credit facility) R 40 647 803 (principal debt) R 49 389 051 (total debt)	Prime less 1.50%	Monthly capital and interest repayments 31 January 2020	Leased food processing equipment Suretyship by Burger King SA and Grand Foods	R2,585,847
Sanlam Life Insurance Limited	GPI Properties	Term loan 1	Acquisition of immovable property	R75 000 000	JIBAR plus a margin of 3.15%	Interest payable on 31 March, 30 June, 30 September and 31 December of each year until 31 December 2020 Capital repaid by 26 January 2021	Ceded all present and future rights and interest of the property	R30,948,164
Sanlam Life Insurance Limited	GPI Properties	Term loan 3	Acquisition of immovable property	R30 000 000	JIBAR plus a margin of 3%	Interest payable on 31 March, 30 June, 30 September and 31 December of each year until 31 December 2020 Capital repayable by 26 January 2021	Ceded all present and future rights and interest of the property	R30,934,356
Nedbank Limited	BKSA	Over Draft Facility	Working capital	R50 000 000	Prime less 0.75%	Facility reviewed annually on a credit intervention basis	Equity covenant of four times the facility	R50,000,000

* None of the loans listed above are convertible into ordinary shares of any company forming part of the Group.



GRAND PARADE

INVESTMENTS LIMITED

GRAND PARADE INVESTMENTS LIMITED

Incorporated in the Republic of South Africa

(Registration number: 1997/003548/06)

Share code: GPL ISIN: ZAE000119814

("GPI" or "the Company")

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of GPI Shareholders will be held at Market Hall, Grand West Casino on Thursday, 28 November 2019 at 18:00.

The purpose of the General Meeting is to consider and, if deemed fit, to approve, with or without modification, the resolutions set out in this Notice of General Meeting.

Note:

- *The definitions and interpretation commencing on page 5 of the Circular to which this Notice of General Meeting is attached, apply mutatis mutandis to this notice and to the resolutions set out below.*
- *For an ordinary resolution to be approved by Shareholders, it must be supported by more than 50% of the voting rights exercised on the resolution.*
- *The date on which Shareholders must have been recorded as such in the Register for purposes of being entitled to receive this notice is Friday, 25 October 2019.*

ORDINARY RESOLUTION NUMBER 1 – APPROVAL OF THE TRANSACTION

"RESOLVED AS AN ORDINARY RESOLUTION that the Transaction be and is hereby approved by Shareholders and that the Company be and is hereby authorised to implement and to procure the implementation of the Transaction on the terms more fully set out in the Repurchase Agreement, the detail of which has been included in the Circular and copies of which have been made available for inspection by Shareholders."

Reason for and effect of Ordinary Resolution Number 1

In terms of the JSE Listings Requirements, the Transaction is a category 1 transaction and requires the approval of the Shareholders by way of an ordinary resolution.

The effect of Ordinary Resolution Number 1, if passed by Shareholders, will be that the Company will have the necessary authority in terms of the JSE Listings Requirements to implement, and procure the implementation of, the Transaction in accordance with its terms.

ORDINARY RESOLUTION NUMBER 2 – AUTHORITY OF DIRECTORS

"RESOLVED AS AN ORDINARY RESOLUTION that any Director of the Company and/or the Company Secretary be and is hereby authorised to do all such things and sign all such documentation as are necessary to give effect to Ordinary Resolution Number 1, hereby ratifying and confirming all such things already done and documentation already signed."

Reason for and effect of Ordinary Resolution Number 2

The reason for Ordinary Resolution Number 2 is for Shareholders to authorise the parties referred to in Ordinary Resolution Number 2 to do all things and sign all documentation as is required to give effect to and implement the approvals granted by the Shareholders at the General Meeting.

The effect of Ordinary Resolution Number 2 if passed by the requisite majority of Shareholders will be that the aforementioned parties will be granted the aforementioned authority to act on behalf of the Company and, to the extent that they may have already acted on behalf of the Company in any manner as contemplated by Ordinary Resolution Number 2, any such actions will be ratified.

VOTING AND PROXIES

The date on which Shareholders must be recorded in the Register for purposes of being entitled to receive this Notice of General Meeting is Friday, 25 October 2019.

The date on which Shareholders must be recorded in the Register for purposes of being entitled to attend and vote at the General Meeting, is Friday, 22 November 2019. The last day to trade in order to be entitled to attend and vote at the General Meeting, is Tuesday, 19 November 2019.

Section 63(1) of the Companies Act requires that meeting participants provide satisfactory identification. Accordingly, meeting participants may be required to provide proof of identification to the reasonable satisfaction of the chairman of the General Meeting and must accordingly bring a copy of their identity document, passport or drivers' license to the General Meeting. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the Transfer Secretaries for guidance.

A Shareholder entitled to attend, speak and vote at the General Meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a Shareholder of the Company. For the convenience of Certificated Shareholders and Dematerialised Shareholders with Own-Name Registration, a Form of Proxy (grey) is attached hereto. Completion of a Form of Proxy will not preclude such Shareholder from attending and voting (in preference to that Shareholder's proxy) at the General Meeting.

Duly completed Forms of Proxy and the authority (if any) under which it is signed must reach the Transfer Secretaries at the address given below preferably, for administrative purposes, by not later than Tuesday, 26 November 2019, provided that any Form of Proxy not delivered to the Transfer Secretaries by this time may be handed to the chairman of the General Meeting prior to the commencement of the General Meeting, at any time before the appointed proxy exercises any Shareholder rights at the General Meeting.

Dematerialised Shareholders without Own-Name Registration who wish to attend the General Meeting in person should request their CSDP or Broker to provide them with the necessary letter of representation in terms of their Custody Agreement with their CSDP or Broker. Dematerialised Shareholders without Own-Name Registration who do not wish to attend but wish to be represented at the General Meeting must advise their CSDP or Broker of their voting instructions. Dematerialised Shareholders without Own-Name Registration should contact their CSDP or Broker with regard to the cut-off time for their voting instructions.

Electronic participation at the General Meeting:

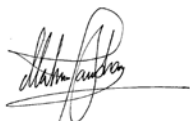
GPI Shareholders or their proxies may participate in (but not vote at) the General Meeting by way of a teleconference call and, if they wish to do so:

- must contact the Company Secretary (by email at the address info@statucor.co.za) no later than 18:00 on Tuesday, 26 November 2019 in order to obtain a pin number and dial-in details for that conference call;
- will be required to provide reasonably satisfactory identification; and
- will be billed separately by their own telephone service providers for their telephone call to participate in the scheme meeting,

provided that GPI Shareholders and their proxies will not be able to vote telephonically at the General Meeting and will still need to appoint a proxy to vote on their behalf at the General Meeting.

SIGNED AT CAPE TOWN ON BEHALF OF THE BOARD OF DIRECTORS OF THE COMPANY ON WEDNESDAY, 30 OCTOBER 2019

By order of the board



Mohsin Tajbhai
Chief Executive Officer

Registered address

33 on Heerengracht
Foreshore
Cape Town, 8001
(PO Box 6563, Roggebaai, 8012)

Transfer Secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
15 Biermann Avenue
Rosebank
Johannesburg, 2196
(PO Box 61051, Marshalltown 2107)



GRAND PARADE

INVESTMENTS LIMITED

GRAND PARADE INVESTMENTS LIMITED

Incorporated in the Republic of South Africa

(Registration number: 1997/003548/06)

Share code: GPL ISIN: ZAE000119814

("GPI" or "the Company")

FORM OF PROXY

TO BE COMPLETED BY CERTIFICATED SHAREHOLDERS AND DEMATERIALISED SHAREHOLDERS WITH OWN-NAME REGISTRATION ONLY

For use by Shareholders at the General Meeting of the Company, to be held at Market Hall, Grand West Casino on Thursday, 28 November 2019 at 18:00, or any adjourned or postponed meeting.

The definitions and interpretation commencing on page 5 of the Circular to which this Form of Proxy is attached ("**the Circular**") apply mutatis mutandis to this Form of Proxy.

If you are a Dematerialised Shareholder without Own-Name Registration you must not complete this Form of Proxy but must instruct your CSDP or Broker as to how you wish to vote. This must be done in terms of the Custody Agreement between you and your CSDP or Broker.

I/We _____ (Please PRINT names in full)

of (address) _____

Telephone number _____ Cellphone number _____

e-mail address _____

being the holder(s) of _____ Certificated Shares or Dematerialised Shares with Own-Name Registration do hereby appoint (see notes 1 and 2):

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the chairman of the General Meeting

as my/our proxy to attend, speak and vote for me/us at the General Meeting (or any adjournment thereof) for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the Shares registered in my/our name(s), in accordance with the following instruction (see notes):

	For*	Against*	Abstain*
Ordinary Resolution Number 1 Approval of the Transaction			
Ordinary Resolution Number 2 Authority of Directors and/or the Company Secretary			

* One vote per Share held by Shareholders. Shareholders must insert the relevant number of votes they wish to vote in the appropriate box provided.

Signed at: _____ on _____ 2019

Signature _____

Capacity of signatory (where applicable) _____

Note: Authority of signatory to be attached – see notes 8 and 9.

Assisted by me (where applicable) _____

Full name _____

Capacity _____

Signature _____

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- A shareholder may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a Shareholders' meeting on behalf of such shareholder.
- A Shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
- A proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy.
- Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder.
- Any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise.
- If an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company.
- A proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise.
- If the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's memorandum of incorporation to be delivered to a shareholder must be delivered by such company to:
 - the relevant shareholder; or
 - the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so.

Notes:

1. Each Shareholder is entitled to appoint 1 (one) (or more) proxies (none of whom need be a Shareholder of the Company) to attend, speak and vote in place of that Shareholder at the General Meeting.
2. A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space/s provided with or without deleting "the Chairman of the General Meeting" but the Shareholder must initial any such deletion. The person whose name stands first on the Form of Proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
3. A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise and direct the chairman of the General Meeting, if the chairman is the authorised proxy, to vote in favour of the resolutions, or any other proxy to vote or abstain from voting at the General Meeting as he/she deems fit, in respect of all the Shareholder's votes exercisable at the meeting.
4. Completed Forms of Proxy must be received by the Transfer Secretaries, namely, Computershare Investor Services Proprietary Limited, at any of the addresses below preferably, for administrative purposes, by not later than 18:00 on Tuesday, 26 November 2019, provided that any Form of Proxy not delivered to the Transfer Secretaries by this time may be handed to the chairman of the General Meeting prior to the commencement of the General Meeting, at any time before the appointed proxy exercises any Shareholder rights at the General Meeting:
 - By telefax: 011 688 5238;
 - By e-mail: proxy@computershare.co.za;
 - By hand: 15 Biermann Avenue, Rosebank,, Johannesburg, 2196
 - By post: (PO Box 61051, Marshalltown 2107) (Note that postal delivery by the due date is at the risk of the Shareholder).
5. The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.
6. The chairman of the General Meeting may accept or reject any Form of Proxy not completed and/or received in accordance with these notes or with the memorandum of incorporation of the Company.
7. Any alteration or correction made to this Form of Proxy must be initialled by the signatory/ies.
8. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to this Form of Proxy, unless previously recorded by the Company or the Transfer Secretaries.
9. Where this Form of Proxy is signed under power of attorney, such power of attorney must accompany this Form of Proxy, unless it has been registered by the Company or the Transfer Secretaries or waived by the chairman of the General Meeting.
10. Where Shares are held jointly, all joint holders are required to sign this Form of Proxy.
11. A minor Shareholder must be assisted by his/her parent/guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company or the Transfer Secretaries.
12. Dematerialised Shareholders without Own Name Registration and who wish to attend the General Meeting, or to vote by way of proxy, must contact their CSDP or Broker who will furnish them with the necessary letter of representation to attend the General Meeting or to be represented thereat by proxy. This must be done in terms of the Custody Agreement between the Shareholder and his/her CSDP or Broker.
13. This Form of Proxy shall be valid at any resumption of an adjourned meeting to which it relates although this Form of Proxy shall not be used at the resumption of an adjourned meeting if it could not have been used at the General Meeting from which it was adjourned for any reason other than it was not lodged timeously for the meeting from which the adjournment took place. This Form of Proxy shall in addition to the authority conferred by the Companies Act except insofar as it provides otherwise, be deemed to confer the power generally to act at the General Meeting in question, subject to any specific direction contained in this Form of Proxy as to the manner of voting.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Share in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Transfer Secretaries before the commencement of the meeting or adjourned meeting at which the proxy is used.
15. In terms of section 58 of the Companies Act, unless revoked, an appointment of a proxy pursuant to this Form of Proxy remains valid only until the end of the General Meeting or any adjournment of the General Meeting.

Registered address

33 on Heerengracht
Foreshore
Cape Town, 8001
(PO Box 6563, Roggebaai, 8012)

Transfer Secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
15 Biermann Avenue
Rosebank
Johannesburg, 2196
(PO Box 61051, Marshalltown 2107)

