Grand Parade Investments Limited
Registration number: 1997/003548/06
Share code: GPL
ISIN: ZAE000119814
("GPI" or "the Company" or "the Group")

ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

SALIENT FEATURES

25% increase in revenue (R'millions)

30 June 2017	30 June 2016
R963	R772

331% decrease in headline (loss)/ earnings (cents per share)

30 June 2017	30 June 2016
(4.59)	1.99

90% decrease in basic earnings (cents per share)

30 June 2017	30 June 2016
4.39	43.01

2.5% increase in intrinsic NAV (cents per share)

30 June 2017	30 June 2016
698	681

38% decrease reduction in debt equity ratio

30 June 2017	30 June 2016
16.8%	27.1%

INTRODUCTION

GPI's major investments in the Food and Gaming and Leisure industries continued to face significant pressure from the South African consumer during the year. South Africa is currently in the midst of economic and political uncertainty which was evidenced by the ratings downgrades which occurred during the financial year. Consumer spending will continue to be strained in the short to medium term due to the impact of these downgrades starting to negatively affect food and fuel prices through higher inflation and import costs.

GPI has remained focussed on driving operational efficiencies and identifying opportunities to increase revenues across its Food operations. Total revenue for the year has increased by 25% from R772 million in the prior year to R963 million in the current year. The increase is largely driven by the commencement of trading in Dunkin Brands and an increase in revenue in Burger King driven from higher traffic across the stores resulting from more consumer-focussed value offerings. Our operational efficiencies focus stemming from a management restructure as well as an integrated approach to procurement has resulted in a reduction in costs, the benefits which will be fully realised in the coming years.

GPI's limited exit from the Gaming and Leisure investments has continued in the current year with the disposal of a 19.9% equity interest in Sun Slots (Pty) Ltd (Sun Slots), being the third and final tranche of the staged disposal. After these disposals, GPI's Gaming and Leisure investment portfolio consists of a 15.1% holding in Sunwest (Pty) Ltd (SunWest) and Worcester Casino (Pty) Ltd (Worcester) and a 30% holding in Sun Slots.

Overall headline earnings per share have reduced to a loss of 4.59 cents per share from 1.99 cents per share profit in the prior year, which is as result of the reduced stake in SunWest which contributed 9.20 cents per share to the decrease.

INVESTMENT ACTIVITIES

During the past financial year, the Group continued to restructure its investment portfolio in line with its strategy of increasing its investments in food, moving towards strategic investments in gaming and leisure and completely divesting from its non-core investments. Details of these transactions are set out below.

FOOD

The recently acquired brands, namely Dunkin' Donuts and Baskin-Robbins, were successfuly launched in the Western Cape and were received exceptionally well by the local consumer.

GAMING AND LEISURE

The Group's exit from its gaming assets is indicative of the Group's intention to remain a strategic investment player with significant minority stakes in its Assets.

The final disposal of Sun Slots during the year, reduced the Group's holding down to 30% with Sun International holding 70%.

The transaction to dispose of a 10.0% holding in both SunWest and Worcester Casino to Tsogo Sun Gaming (Pty) Ltd (Tsogo), concluded in the prior year, with a deferred payment arrangement was accelerated in the current year.

The details of these transactions are as follows:

Sun Slots Disposal

On 16 November 2016, GPI concluded the disposal of a 19.9% equity interest in Sun Slots, being the third and final tranche of the staged deal to dispose of a 70% equity investment in Sun Slots to Sun. GPI received proceeds of R262.5 million and recognised a profit on disposal of R32.4 million, net of Capital Gains Tax, in profit or loss for the period.

Payment of deferred proceeds from disposal of casino assets

In terms of the disposal of 10.0% of SunWest and Worcester, Tsogo had agreed to pay a total of R675.0 million for the investments by way of an upfront payment of R112.5 million and the balance by way of 15 equal monthly instalments of R37.5 million ending September 2017. GPI received the R112.5 million upfront payment during the prior financial period and R187.5 million in installments up to 30 November 2016. On 30 November 2016, GPI concluded an agreement with Tsogo to accelerate the payment of the remaining R375.0 million in deferred proceeds. A total payment of R360.0 million was made by Tsogo, which represented a R15.0 million discount on the outstanding balance of R375.0 million.

NON-CORE INVESTMENTS

During the year the Group entered into an agreement to dispose of the Mac Brothers properties located in Epping and Sebenza. Both properties were sold for a total consideration of R59.5 million. This resulted in a profit on sale of R4.5 million before tax, net of attorneys fees of R1.5 million and other costs to sell of R1.6 million.

The Group also disposed of its property situated in Atlantis for a total consideration of R35 million, resulting in a profit before tax, after selling costs, of R12.9 million.

GPI exited two non-core investments during the period by concluding sale agreements in respect of Grand Linkstate (Pty) Ltd and Grand Sport (Pty) Ltd. Subsequent to year end GPI also concluded an agreement to sell its 51% share in Grand Tellumat Manufacturing (Pty) Ltd. Furthermore the Group also entered into a agreement to swap its stake in Atlas Gaming Australia for a 26% stake in a local company called Infinity Gaming Africa (Pty) Ltd (IGA). The sale of these non-core investments will enable GPI to dedicate resources efficiently to its core investments in the coming financial year.

GROUP FINANCIAL REVIEW

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

The Group's headline earnings have continued to come under pressure since its initial investment into food during the 2013 financial year with the total headline earnings per share declining from 18.23 cents per share for the year ended 30 June 2013 to a headline loss of 4.59 cents per share in the current year. The decline in headline earnings is largely due to the commencement of trading in respect of Dunkin' Donuts and Baskin-Robbins which collectively contributed a R35.7 million headline loss for the period but was offset by an improvement in Burger King for the period which reduced its loss to R11.0 million. The decreased holding in SunWest of 15.1% (2016: 25.1%) also contributed to the decline in earnings, with SunWest contribution decreasing by R40.3 million to R70.3 million.

GPI showed an overall decrease in its headline earnings from core investments for the year, which declined by R60.0 million from a profit of R96.3 million last year to R36 million this year. The core investment headline earnings decrease is attributed to the sale of the 10% stake in SunWest.

During the current year, Grand Sport and Grand Linkstate was sold which is in line with the Group's strategy to divest of non-core investments and subsequent to year end GPI signed a sale agreement in respect of Grand Tellumat subject to certain conditions. These non-core investments collectively contributed R12.4 million losses to the headline loss in the financial year.

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

Company	30 June 2017 R'000s	30 June 2016 R'000s	Movement R'000s	%
Food	(67 657)	(33 895)	(33 762)	(100)
Burger King	(10 953)	(29 938)	18 985	63
Dunkin'Donuts	(22 254)	(3 713)	(18 541)	(499)
Baskin-Robbins	(13 481)	(1 856)	(11 625)	(626)
Mac Brothers	(8 051)	7 493	(15 544)	(207)

Spur	(4 939)	(5 816)	877	15
Grand Foods Meat Plant	(7 979)	(65)	(7 914)	(12 175)
Gaming and Leisure	103 755	130 209	(26 454)	(20)
SunWest	70 354	110 665	(40 311)	(36)
Sun Slots	30 102	27 734	2 368	9
Worcester Casino	3 299	(8 190)	11 489	140
Central costs	(43 816)	(73 508)	29 692	40%
GPI properties	2 158	(6 241)	8 399	135%
Central costs	(45 974)	(67 267)	21 293	32%
Non-core Investments	(12 408)	(13 421)	1 013	8
GTM	(9 350)	(5 118)	(4 232)	(83)
Grand Sport	(3 058)	(7 455)	4 397	59
Grand Linkstate	-	(848)	848	100
Headline (loss)/earnings	(20 126)	9 385	(29 511)	(314)

INTRINSIC NET ASSET VALUE (iNAV)

As at 30 June 2017, GPI's management has valued the GPI Group on a sum of the parts (SOTP) basis at 698 cents per share (excluding head office costs and CGT impact). This represents a 2.5% increase in the intrinsic net asset value in the year since 30 June 2016, where management's valuation of the Group was 681 cents per share (excluding head office costs and CGT impact).

The GPI closing share price at 30 June 2017 was 291 cents per share, which when compared against the year-end iNAV implies it is trading at a 58% share price discount.

The values of most of the investments held by GPI are not regarded as complex valuations. The Group attributes the discount to its share mainly to the early stage food investment which is still at the bottom of the J-curve, save for Burger King, which recently has started to move into the early growth phase of its life cycle. The GPI management team are confident that the forecasts used in determining the discounted cash flows for Food Assets are both conservative and achievable.

The table below provides a detailed breakdown of the 30 June 2017 iNAV by investment:

Company	Valuation methodology R'000s	100% Equity value R'000s	GPI Holding % R'000s	GPI Equity value R'000s	Related Holding co borrowings R'000s	Intrinsic NAV R'000s	% of port-folio %
Food	-	-	-	1 514 212	(240 742)	1 273 470	42
BKSA	DCF	854 236	91,1	778 209	-	778 209	26
Dunkin' Donuts	NAV	35 681	100,0	35 681	-	35 681	1
Baskin-Robbins	NAV	16 371	100,0	16 371	-	16 371	1
Spur	Traded price	3 048 314	17,5	514 650	(240 742)	273 908	9
Mac Brothers	DCF	120 429	100,0	120 429	-	120 429	4
Grand Foods Meat Plant	DCF	50 435	96,6	48 872	-	48 872	22
Gaming and Leisure	-	-	-	1 539 142	-	1 539 142	51
SunWest	EV/EBITDA	5 737 496	15,1	866 362	-	866 362	29
Worcester Casino	EV/EBITDA	180 571	15,1	27 266	-	27 266	1
GPI Slots	EV/EBITDA	2 151 715	30,0	645 514	-	645 514	22
Other investments	-	-	-	235 800	(74 903)	160 897	5
GPI properties	Various	235 800	100	235 800	(74 903)	160 897	5
Other Group companies cash and cash equivalents						22 020	
Other Group companies net assets						5 946	
iNAV: Ordinary shareholders (pre-head office costs)						3 001 475	
Number of issued ordinary shares ('000s) excluding treasury shares						429 989	
iNAV per share (cents)						698	

DIVIDENDS

On 25 November 2016 GPI declared a dividend of 25.0 cents per share in respect of the 2016 financial year, which amounted to R122.2 million of which R9.1 million related to GPI shares held as treasury shares. GPI is committed to remaining dividend-active. Any distribution relating to 2017 profits will be considered once future cash flows can be determined with more certainty.

CAPITAL STRUCTURE

The Group has recognised that whilst its food investments are in its early or start-up phase and currently not contributing significantly to the Group's earnings, the Group will continue to adopt a conservative approach on its gearing for existing operations. Over the past 36 months the Group decreased its gearing levels from 35.5% to 16.8% as a result of part disposals in its gaming and leisure investments. The proceeds received from its part disposal of SunWest were utilised to repay the full Standard Bank revolving credit facility of R225.0 million. The Group's targeted debt equity range is set between 20.0% and 35.0%. At 30 June 2017, the debt equity ratio decrease by 10.3% from 27.1% last year to 16.8%, which is below the targeted range and will potentially allow the Group to raise funding at more preferential rates.

The continued local political and economic environment has resulted in uncertainty in the credit markets and the Group's exposure to the South African consumer has created further uncertainty which has resulted in a significant increase over the past year in the cost of debt available. Therefore as part of the debt reduction process, the Group has identified the facilities which are relatively cheap in comparison to the prevailing market rates and will look to retain those facilities, such as the Spur preference share facilities. The facilities which are being reduced are the Group's most expensive facilities and are costly in comparison to the prevailing market rates.

		30 June 2017 R'000s	30 June 2016 R'000s	Movement R'000s	%
Holding company facilities		240 401	459 671	(219 270)	(48)
Burger King	Credit facilities	-	225 000	(225 000)	(100)
Spur	Preference shares	240 401	234 671	5 730	2
Subsidiary facilities		113 973	183 191	(69 218)	(38)
GPI Properties	Term loans (Mortgage)	74 641	131 999	(57 358)	(43)
Mac Brothers	Finance leases	12 880	16 486	(3 606)	(22)
GF Meat Plant	Finance leases	24 246	32 235	(7 989)	(25)
Burger King	Finance leases	1 594	1 898	(304)	(16)
Baskin-Robbins	Finance leases	146	-	146	100
Dunkin' Donuts	Finance leases	357	434	(77)	(18)
GPIMS	Finance leases	109	139	(30)	(22)
Total debt		354 374	642 862	(288 488)	(45)
Debt/Equity		16.8	27.1	10.3	(38)

REVIEW OF INVESTMENT OPERATIONS

FOOD

BURGER KING

Stand Alone Results for the year:
The total number of Burger King restaurants at 30 June 2017 closed at 61. The net restaurant movement included the opening of four new restaurants and closure of five unprofitable restaurants, located in the Johannesburg CBD and Kwa-Zulu Natal. The average monthly restaurant revenues (ARS) increased by 9.26% from R0.785 million last year to R0.865 million this year, largely as a result of positive restaurant comparative sales of 1.82% (2016: -27.23%) and a proportional increase in revenue from Drive Thru sites opened towards the end of the 2016 financial year. Despite a reduction in the net restaurant count, Burger King's total revenue for the year increased by 22.19% from R485.2 million in the prior year to R623.5 million in the current year.

Burger King continued to improve the restaurant operating model during the financial year with active food cost management and labour cost control. This resulted in an increase in the restaurant EBITDA margin from 3% in the prior year to 9% in the current year.

Of significant importance is the improvement of Company EBITDA from a loss of R37.5 million to a profit of R11.1 million in the current financial period. Included in the Company EBITDA are charges that relate to once off lease settlement and de-commission costs of R3.7 million in respect of stores closed during the year.
The depreciation and amortisation costs for the year of R60.9 million was R15.2 million higher than the R45.4 million cost incurred in the prior year. This includes impairment costs of R11.8 million, before taxation, in respect of the stores closed. The interest expense increased significantly during the year from R20.8 million last year to R49.3 million this year as a result of interest being charged on the shareholder loan from GPI with effect from 1 January 2016. After the tax charge for the year this resulted in an increase in the net loss for the year from R76.6 million to R80.9 million.

Investment's contribution to Group headline earnings for the year:
Burger King's contribution to the Group headline earnings for the year amounts to a loss of R11.0 million (2016: R29.9 million loss), which is after the elimination of depreciation and equity accounted earnings of R8.0 million (2016: R12.5 million) and inter-group interest of R45.6 million (2016: R20.4 million); adding back non-controlling interests of R7.9 million (2016: R12.4 million), losses on property, plant and equipment of R0.3 million (2016: R0.7 million) and impairment of property, plant and equipment of R8.5 million.

DUNKIN' DONUTS

Dunkin' Donuts opened its first outlet on 13 October 2016 and the response from the local consumer was overwhelming, with over 330 000 doughnuts sold in the outlet's first month of trade. A further five outlets were opened subsequently; bringing the total outlets to six at 30 June 2017. All the outlets are corporate-owned.

The outlets reported sales of R24 million and a gross profit of R6.2 million for the period. The gross margin achieved for the period of 25.7% is well below the target as a result of doughnuts being imported via airfreight due to higher than anticipated demand. Dunkin' Donuts achieved an EBITDA loss of R24.5 million for the period which was due to the initial marketing and launch costs to build brand awareness and the importation of the majority of the product offerings. Dunkin' Donuts has subsequently embarked on a programme of localisation to reduce the reliance on foreign suppliers and has commenced the construction of a local bakery to lower the overall doughnut unit cost.

BASKIN-ROBBINS

Following on the success of the Dunkin' Donuts launch, Baskin-Robbins opened its first store on 9 December 2016. Two additional stores were subsequently opened taking the total number of stores to three at 30 June 2017.

The three stores reported revenue of R5.5 million and collectively contributed to a Company EBITDA loss for the period of R14.4 million. Similar to Dunkin' Donuts the majority of the costs incurred in the current year were in relation to marketing and launch cost to build brand awareness.

SPUR

GPI increased its shareholding in Spur by 7.48% to 17.48% by year end. A total dividend of R16.9 million was received during the period with a related finance charge of R21.7 million, resulting in a R4.9 million reported net loss for the period.

GRAND FOODS MEAT PLANT

Stand Alone results for the year:
Grand Foods Meat Plant is exposed to Burger King indirectly through their agreement with Burger King's main supplier, Vector. As a result of Burger Kings's 30% increase in revenue, Grand Foods Meat Plant's revenue increased by 33% from R69.1 million last year to R92 million this year. Cost of sales in the current year increased by 55.6% from R53.9 million to R83.9 million. This is a direct result of higher input costs due to increased food inflation. Grand Foods Meat Plant's earnings for the year resulted in a R9.3 million loss after tax, which was 107% higher than the R1.5 million net loss after tax incurred last year.

Investment's contribution to Group headline earnings for the year:
Grand Foods Meat Plant's net loss after tax for the year of R9.3 million (2016: R1.5 million loss) decreased by R1.3 million after eliminating the inter-group interest expense. As a result of this adjustment, Grand Foods Meat Plant contributed a loss of R8.0 million (2016: R0.1 million loss) to the Group headline earnings for the year.

MAC BROTHERS CATERING EQUIPMENT

Stand Alone results for the year:
Amidst tough trading conditions experienced in the manufacturing sector, Mac Brothers revenue decreased by 21.8% to R209.4 million (2016: R267.7 million). Mainly as a result of a 2% decrease in local catering equipment sales (excluding Grand Foods) which decreased from R71.1 million last year to R27.9 million this year, and a 51.1% decrease in cold room and extraction sales which decreased from R25.3 million last year to R12.4 million this year. The operating costs for the year amounted to R59.6 million which is 10.0% lower than the operating costs of R66.2 million incurred last year. The decrease in costs is mainly attributable to decreases in head count.

The EBITDA for the year of R1.4 million is 92.5% lower than the R18.2 million EBITDA from last year. Depreciation for the year of R4.2 million increased slightly by R95k and the interest costs of R4.7 million increased by R1.0 million when compared to last year.

Mac Brothers recorded a loss after tax for the year of R5.3 million, representing a 173% decrease from the net profit after tax of R7.3 million in the prior year.

Investment's contribution to Group headline earnings for the year:
Mac Brothers net loss after tax for the year of R5.3 million was increased by R5.2 million (2016: R7.3 million) to eliminate inter-group profits for the year and decreased by R2.4 million (2016: R1.3 million) to eliminate the inter-group interest expense. After these adjustments, Mac Brothers contributed a loss of R8.1 million (2016: R7.5 million profit) to the Group headline earnings.

GAMING

SUNWEST

Stand-alone results for the year:
SunWest's revenue for the year decreased by 0.4% from R2 488.0 million last year to R2 478.0 million this year. Its EBITDA decreased by 3.1% to R912.2 million for the year (2016: R941.8 million) and its net profit after tax decreased by 6.4% to R465.9 million for the year (2016: R497.9 million).

Investment's contribution to Group headline earnings for the year:
GPI's remaining 15.1% share of SunWest's earnings for the year amounts to R70.3 million compared to R110.7 million in the prior year. The decrease is due to the sale of 10% in SunWest in the prior year.

SUN SLOTS

Stand-alone results for the year:
Sun Slots increased their revenue by 9% from R934.7 million last year to R1 019.5 million this year. This was as a result of an addition of 153 Limited Pay-out Machines (LPMs) being added to the national network during the year and a 4.7% increase in the average Gross Gaming Revenue (GGR) per machine per day from R721.52 last year to R755.40 this year. Sun Slots EBITDA increased by 10% from R217.2 million in the prior year to R239.6 million in the current year. This resulted in a marginal increase in their EBITDA percentage increasing from 23.4% last year to 23.5% this year. Their depreciation for the year of R89 million was 19% higher than last year due to the increase in the number of active LPMs. Their finance costs for the year of R20.1 million decreased by 22.4% when compared to last years' costs of R25.9 million, which is due to a decrease in the shareholder loans of R120 million in respect of repayments during the year. Sun Slots Net Profit After Tax decreased by 14% from R108 million in the prior year to R92.8 million in the current year.

Investment's contribution to Group headline earnings for the year:
GPI's 30.0% share of Sun Slot's earnings for the year amounted to R30.1 million, which increased by R2.9 million from the prior year of R27.7 million. The current year earnings includes an impairment recognised for Grand Sport of R2.3 million which was added back in respect of headline earnings.

OTHER

CENTRAL COSTS

The Group's net central costs for the year amounted to R46.0 million, which is 31% lower than the central costs of R67.3 million last year as a result of lowered interest expense from reduced gearing for the financial year.

SHARE CAPITAL

The Company bought back 15.0 million shares during the year at a average price of R3.52. These shares were subsequently cancelled. No new shares were issued during the year.

TREASURY SHARES

At 30 June 2017 a total of 43.8 million GPI shares were held as treasury shares by the Grand Parade Share Incentive Trust, GPI Management Servcices and the GPI Women's BBBEE Empowerment Trust. These entities are controlled by the Group, with the Grand Parade Share Incentive Trust holding 4.98 million treasury shares, GPI Management Services holding 24 million shares and the GPI Womens' BBBEE Empowerment Trust holding 14.82 million treasury shares.

DIRECTORS

Tasneem Karriem was previously appointed to the GPI board on 9 September 2016 and on 1 July 2017 has been appointed as Chief Executive Officer of the Group. Alan Keet resigned as Chief Executive Officer and Director of the Group on 3 April 2017. Dylan Pienaar, who stepped down from Financial Director was appointed as the Chief Executive Officer of the Food Group whilst still remaining on the GPI Board of Directors as an Executive Director effective 1 July 2017. On 1 July 2017, Shaun Barends was appointed as Financial Director of the Group.

SUBSEQUENT EVENTS

Disposal of Properties

On 9 March 2017 the Group entered into a sales agreement with UBUD Developments (Pty) Ltd to sell its property, with a carrying value of R40.2 million, situated at 1 Heerengracht for R52.5 milion. The property was transferred on 18 August 2017.

On 19 July 2017 the Group entered into a sale agreement to dispose of its property situated on Sandton Drive, with a carrying value of R11.3 million, for R11.5 million.

Disposal of GTM

On 1 August 2017, the Group entered into a share sale agreement for its 51% holding in Grand Tellumat Manufacturing for R15.0 million. The conclusion of the disposal is contingent on obtaining any necessary regulatory approvals, which are expected to be obtained before the end of September 2017.

Disposal of Atlas Gaming Africa

On 29 August 2017, the Group entered into a share swap agreement with DRGT International SARL, for its 4.95% holding in Atlas Gaming Holdings and its 100% holding in Atlas Gaming Africa in exchange for a 26% stake in DRGT's local wholly-owned subsidiary Infinit-e Gaming Africa. This swap is subject to certain conditions precedent, including SARB approval, which are expected to be fulfilled by 31 October 2017. Infinit-e Gaming Africa is an industry-leading gaming systems supplier servicing licenced customers in Africa and the Indian Ocean islands.

RELATED PARTIES

The Group, in the ordinary course of business, entered into various transactions with related parties consistent with those as reported at 30 June 2016.

During the period, employees exercised share options with the strike price settled by loan financing.

PROSPECTS

The Group's focus during the next financial year will be to continue on delivering on its strategy to grow its food business which includes the continued improvement in the profitability of Burger King, roll out of both Dunkin' Donuts and Baskin-Robbins and unlocking the synergies between the various food investments. In addition the Group will look to continue investing in food businesses via premium restaurant brands and supply chain services and product to support the restaurant brands. The Group will remain dividend active and will look to realign its dividend policy to align its ordinary dividends with the Group's earnings profile. Special dividends will be paid out of surplus proceeds from the realisation of the Group's investments.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 R'000s	2016 R'000s
Revenue		962 998	772 344
Cost of Sales		(508 724)	(385 229)
Gross Profit		454 274	387 115
Operating costs		(515 342)	(462 788)
Loss from operations		(61 068)	(75 673)
Profit from equity-accounted investments		96 094	144 168
Profit on disposal of investments	3.2	91 929	270 565
Reversal of impairment of investment		-	21 362
Impairment of property, plant, equipment and intangible assets		(18 549)	-
Impairment of investment		(8 271)	(3 468)
Impairment of loans		(4 701)	-
Remeasurement of investments		-	18 687
Depreciation		(66 083)	(45 876)
Amortisation		(4 906)	(2 975)
Profit before finance costs and taxation		24 445	326 790
Finance income		31 583	23 660
Finance costs		(50 093)	(72 537)
Profit before taxation		5 935	277 913
Taxation		5 018	(85 394)
Profit for the year		10 953	192 519
Other comprehensive (loss)/income			
Items that will be reclassified subsequently to profit or loss			
Unrealised fair value adjustments on available-for-sale investments, net of tax		(51 099)	(37 009)
Total comprehensive (loss)/income for the year		(40 146)	155 510
Profit/(loss) for the year attributable to:			
- Ordinary shareholders		19 281	202 809
- Non-controlling interest		(8 328)	(10 290)
		10 953	192 519
Total comprehensive (loss)/income attributable to:			
- Ordinary shareholders		(31 818)	165 800
- Non-controlling interest		(8 328)	(10 290)
		(40 146)	155 510
		Cents	Cents
Basic earnings per share	4	4.39	43.01

Diluted earnings per share	4	4.39	42.80
Headline (loss)/earnings per share	4	(4.59)	1.99
Diluted headline (loss)/earnings per share	4	(4.59)	1.98
Ordinary dividend per share		25.00	15.00

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 R'000s	2016 R'000s
ASSETS			
Non-current assets		2 361 016	2 189 326
Investments in jointly controlled entities		616 099	629 635
Investments in associates		358 157	327 768
Available-for-sale investment		520 435	307 355
Investment properties		6 821	69 798
Property, plant and equipment		575 789	626 045
Intangible assets		44 079	40 599
Goodwill		92 508	92 885
Deferred tax assets		147 128	95 241
Assets classified as held-for-sale	2	40 175	192 479
Current assets		230 023	842 970
Inventory		88 763	91 231
Deferred proceeds		-	528 445
Trade and other receivables		64 135	106 794
Related party loans		44 774	36 452
Cash and cash equivalents		22 911	65 594
Income tax receivable		9 440	14 454
Total assets		2 631 214	3 224 775
EQUITY AND LIABILITIES			
Capital and reserves			
Total equity		2 141 147	2 397 492
Ordinary share capital		806 707	859 517
Treasury shares		(166 286)	(105 971)
Accumulated profit		1 532 361	1 626 255
Available-for-sale reserve at fair value		(43 044)	8 055
Share based payment reserve		11 409	9 636
Non-controlling interest		(29 754)	(28 038)
Total shareholder's equity		2 111 393	2 369 454
Non-current liabilities		337 912	381 448
Preference shares		238 390	232 560
Interest-bearing borrowings		67 238	102 096
Finance lease liabilities		25 023	38 103
Deferred tax liabilities		4 469	6 245
Provisions		2 792	2 444
Liabilities associated with assets held-for-sale		-	16 690
Current liabilities		181 909	457 183
Trade and other payables		103 877	149 955
Provisions		17 833	16 636
Bank overdraft		25 474	7 919
Preference shares		2 011	2 111
Interest-bearing borrowings		7 403	254 903
Finance lease liabilities		14 309	13 089
Dividends payable		9 744	8 826
Income tax payable		1 258	3 744

Total equity and liabilities	2 631 214	3 224 775

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Ordinary share capital R'000s	Treasury shares R'000s	Accumulated profits R'000s	Available for-sale reserve at fair value R'000s	Share based payment reserve R'000s	Capital redemption reserve fund R'000s	Non-controlling interest R'000s	Total equity R'000s
Balance at 30 June 2015	859 517	(76 222)	1 494 635	45 064	10 289	301	(17 575)	2 316 009
Total comprehensive income/(loss) for the year	-	-	202 809	(37 009)	-	-	(10 290)	155 510
- Profit/(loss) for the year from continuing operations	-	-	202 809	-	-	-	(10 290)	192 519
- Other comprehensive loss	-	-	-	(37 009)	-	-	-	(37 009)
Dividends declared	-	-	(71 455)	-	-	-	-	(71 455)
Treasury shares acquired	-	(40 330)	-	-	-	-	-	(40 330)
Share based payment reserve expense	-	-	-	-	1 915	-	-	1 915
IFRS 2 charge relating to equity accounted investments	-	-	-	-	329	-	-	329
Acquisition of non-controlling interest	-	-	(6 700)	-	-	-	4 700	(2 000)
Decrease of interest in subsidiary	-	-	4 873	-	-	-	(4 873)	-
Treasury shares allocated to employees	-	10 581	1 792	-	(2 897)	-	-	9 476
Release of capital redempton reserve	-	-	301	-	-	(301)	-	-
Balance at 30 June 2016	859 517	(105 971)	1 626 255	8 055	9 636	-	(28 038)	2 369 454
Total comprehensive income/(loss) for the year	-	-	19 281	(51 099)	-	-	(8 328)	(40 146)
- Profit/(loss) for the year from continuing operations	-	-	19 281	-	-	-	(8 328)	10 953
- Other comprehensive loss	-	-	-	(51 099)	-	-	-	(51 099)
Dividends declared	-	-	(113 070)	-	-	-	-	(113 070)
Shares cancelled(*)	(52 810)	-	-	-	-	-	-	(52 810)
Treasury shares acquired	-	(69 317)	-	-	-	-	-	(69 317)
Share based payment reserve expense	-	-	-	-	3 453	-	-	3 453
Sale of subsidiary	-	-	-	-	-	-	6 612	6 612
Treasury shares allocated to employees	-	9 002	(105)	-	(1 680)	-	-	7 217
Balance at 30 June 2017	806 707	(166 286)	1 532 361	(43 044)	11 409	-	(29 754)	2 111 393

Notes
* Shares bought back are deducted from share capital at cost.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 R'000s	2016 R'000s
Cash flows from operating activities			
Net cash utilised from operations		(95 787)	(86 697)
Income tax paid		(60 501)	(145 145)
Finance income		31 583	23 660
Net cash outflow from operating activities		(124 705)	(208 182)
Cash flows from investing activities			
Acquisition of plant and equipment		(80 941)	(179 926)
Acquisition of land and buildings		(7 799)	(23 027)
Acquisition of investment properties		(15)	(7 127)
Acquisition of intangibles		(8 694)	(30 269)
Proceeds from disposal of property, plant and equipment		61 862	1 724
Proceeds from disposal of investment property		56 000	-
Loans advanced		(6 849)	(4 842)
Loan repayment received		1 128	192 367
Cash paid through business combinations		-	(39 259)
Investments made		(266 555)	(35 906)

Consideration received from the disposal of subsidiaries	3.1	10 215	-
Consideration received from the disposal of equity accounted investment		790 937	382 760
Dividends received		87 829	170 855
Net cash inflow from investing activities		637 118	427 350
Cash flows from financing activities			
Dividends paid		(112 152)	(70 905)
Consideration on exercise of employee options		-	1 658
Treasury shares acquired		(69 317)	(40 330)
Shares bought back for cancellation		(52 810)	-
Acquisition of minority interest		-	(2 000)
Loans received		-	400 000
Repayment of loans		(301 754)	(631 439)
Finance costs		(36 618)	(60 786)
Net cash outflow from financing activities		(572 651)	(403 802)
Net decrease in cash and cash equivalents		(60 238)	(184 634)
Cash and cash equivalents at the beginning of the year		57 675	242 309
Total cash and cash equivalents at the end of the year		(2 563)	57 675
Total cash and cash equivalents at year-end comprises:		(2 563)	57 675
Cash and cash equivalents		22 911	65 594
Overdraft		(25 474)	(7 919)

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2017

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The abridged audited Group financial statements for the period ended 30 June 2017 are prepared in accordance with the requirements of the JSE Listings Requirements for abridged reports, and the requirements of the Companies Act applicable to summarised financial statements. The Listing Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting.

The abridged Group financial statements do not include all the information required by IFRS for full financial statements and should be read in conjunction with the 2017 audited Group annual financial statements. The accounting policies applied in the preparation of the audited Group annual financial statements, from which the abridged Group financial statements were derived, are in terms of IFRS and are consistent with the accounting policies applied in the preparation of previous audited Group financial statements. During the period, various new and revised accounting standards became effective, however, their implementation had no impact on the results of either the current or prior year.

These abridged Group financial statements are not audited but are extracted from audited information. The audited Group annual financial statements were audited by Ernst & Young Inc., who expressed an unmodified opinion thereon. The audited Group annual financial statements and the auditor's report thereon are available for inspection at the Company's registered office. The Directors take full responsibility for the preparation of these abridged Group financial statements and the financial information has been correctly extracted from the underlying audited Group annual financial statements.

These abridged Group financial statements have been prepared under the supervision of the Financial Director, Mr Shaun Barends CA(SA).

2. ASSETS HELD-FOR-SALE
The assets and liabilities included in assets classified as held-for-sale are as follows:

	2017 R'000s	2016 R'000s
ASSETS		
Non-current assets		
Investment in associate (Sun Slots)	-	171 140
Investment property (1 Heerengracht)	40 175	-
Investment property (21 Friesland Drive)	-	21 339
Assets classified as held-for-sale	40 175	192 479
Non-current liabilities		
Deferred tax liabilities (Sun Slots)	-	16 690

Liabilities associated with assets-held-for sale	-	16 690
Net assets	40 175	175 789

At year end the Group entered into an agreement with UBUD Developments (Pty) Ltd to dispose of its property situated at 1 Heerengracht for R52.5 million. The transfer of the property was affected on 18 August 2017. The property was previously disclosed as investment property. Non-current assets held-for-sale are measured at the lower of carrying amount and fair value less cost of sale.

3. DISPOSAL OF BUSINESSES
3.1 DISPOSAL OF BUSINESSES

The profit or loss on disposal of businesses is included in profit/(loss) for the year in the statement of comprehensive income.

	2017
	R'000s
Cash inflow on disposal of businesses	10 215
Net profit on disposal of investment	1 341

3.1.1 DISPOSAL OF GRAND LINKSTATE

The Group disposed of its interest in Grand Linkstate, effective 12 August 2016, for a gross consideration of R1.0 million. The consideration was received on the effective date.

	2017
	R'000s
Property, plant and equipment	(581)
Intangible assets	(10)
Trade and other receivables	(2 579)
Cash and cash equivalents	(629)
Goodwill	(377)
Trade and other liabilities	1 288
Provisions	639
Non-controlling interest	(6 612)
GPI's share of net asset disposed of	(8 861)
Consideration received in cash and cash equivalents	961
Loss on disposal of business	(7 900)
Net cash inflow on disposal of business	
Consideration received in cash and cash equivalents	961
Less: Cash and cash equivalents balance disposed of	(629)
	332

3.1.2 DISPOSAL OF GRAND SPORT

The Group disposed of its interest in Grand Sport (Pty) Ltd, effective 24 January 2017, for a gross consideration of R10.0 million. The consideration was received on the effective date.

	2017
	R'000s
Property, plant and equipment	(30)
Intangible assets	(369)
Trade and other receivables	(1 158)
Cash and cash equivalents	(117)
Trade and other liabilities	817
Provisions	98
Net asset disposed of	(759)
Consideration received in cash and cash equivalents	10 000
Profit on disposal of business	9 241
Net cash inflow on disposal of business	
Consideration received in cash and cash equivalents	10 000
Less: Cash and cash equivalents balance disposed of	(117)
	9 883

	2017	2016
3.2 PROFIT/(LOSS) ON DISPOSAL OF INVESTMENTS	R'000s	R'000s
Profit on disposal of Sun Slots	90 588	55 258
Loss on disposal of Grand Linkstate	(7 900)	-

Profit on disposal of Grand Sport	9 241	-
Profit on disposal of SunWest and Worcester	-	215 307
	91 929	270 565

4. BASIC AND DILUTED EARNINGS PER SHARE

	2017 R'000s	2016 R'000s
4.1 Reconciliation of the profit for the year		
Basic and diluted earnings per share reconciliation		
Profit for the year	10 953	192 519
Non-controlling interest	8 328	10 290
Profit for the year attributable to ordinary shareholders	19 281	202 809

	R'000s	R'000s
4.2 Reconciliation of headline (loss)/earnings for the year		
Profit for the year attributable to ordinary shareholders	19 281	202 809
Profit on sale of investments	(59 819)	(158 621)
Impairment of investments	4 490	2 691
Reversal of impairments	-	(21 362)
Loss on disposal of property, plant, equipment and intangibles	12 910	769
Remeasurement of investment	-	(17 023)
Adjustments by jointly-controlled entities	3 012	122
- Impairment of investment	2 889	-
- Loss on disposal of plant and equipment	123	122
Headline (loss)/earnings	(20 126)	9 385

	'000s	'000s
4.3 Reconciliation of WANOS - net of treasury shares		
Shares in issue at beginning of the year	461 732	470 076
Shares repurchased during year weighted for period held by Group	(17 020)	(497)
Shares repurchased and cancelled during the year weighted for period held by Group	(7 148)	-
Shares issued during the year weighted for period in issue	1 271	2 003
	438 835	471 582

	'000s	'000s
4.4 Reconciliation of diluted WANOS - net of treasury shares		
WANOS in issue - net of treasury shares	438 835	471 582
Effects of dilution from:		
- Share options	-	2 274
Diluted WANOS in issue - net of treasury shares	438 835	473 856

	Cents	Cents
4.5 Statistics		
Basic earnings per share	4.39	43.01
Diluted earnings per share	4.39	42.80
Headline (loss)/earnings per share	(4.59)	1.99
Diluted (loss)/headline earnings per share	(4.59)	1.98

5. FAIR VALUE MEASUREMENTS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value and are observable, either directly or indirectly.
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

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

2017	Level 1 R'000s	Level 2 R'000s	Level 3 R'000s	Total R'000s
Available-for-sale investment - Spur(i)	228 108	-	286 540	514 648
Available-for-sale investment - Atlas Gaming	-	-	5 787	5 787

Total	228 108	-	292 327	520 435

2016	Level 1 R'000s	Level 2 R'000s	Level 3 R'000s	Total R'000s
Available-for-sale investment - Spur(i)	-	-	305 036	305 036
Available-for-sale investment - Atlas Gaming	-	-	2 319	2 319
Available-for-sale investment - Spur(i)	-	-	-	-
Total	-	-	307 355	307 355

(i) Available-for-sale investment - Spur
The carrying value of the investment in Spur at 30 June 2017 of R514.7 million is made up of the original acquisition price of R294.7 million, the acquisition during current year of R266.6 million and fair value adjustments of R56.9 million (2016: R10.3 million). The Group's initial investment in Spur is subject to a trading restriction linked to the Group's empowerment credentials. The restriction expires on 29 October 2019, after which the instrument may be traded without restriction. The fair value of the investment has been measured by applying a tradability discount of 3% per year remaining on the restriction against the market price of Spur, as quoted on the JSE. The tradability discount was determined with reference to the agreements which govern the trading restrictions and industry standards applied to empowerment transactions. As the terms of the trading restictions are unobservable the instrument has been classified under level 3, had the trading restrictions not been in place, the instrument would have been classified under level 1. A change of 1.0% in the discount rate used to determine the fair value at the reporting date would have increased/decreased other comprehensive income after tax by R2.4 million (2016: R2.6 million). There were no additions to level 3 instruments in the current year.

6. SEGMENT ANALYSIS

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

	External review		Intersegment revenue(1)		Operating costs(2)		Equity-accounted earnings	
	2017 R'000s	2016 R'000s	2017 R'000s	2016 R'000s	2017 R'000s	2016 R'000s	2017 R'000s	2016 R'000s
Food	948 853	743 106	27 919	69 361	(463 284)	(378 995)	-	28
Gaming and leisure	-	-	-	-	836	(3 891)	100 743	149 256
Group costs	13 506	16 237	247 042	247 731	(51 463)	(64 124)	-	-
Non-core	639	13 001	-	9 873	(1 431)	(15 778)	(4 649)	(5 116)
	962 998	772 344	274 961	326 965	(515 342)	(462 788)	96 094	144 168
1 Heerengracht	-	-	-	-	-	-	-	-
21 Friesland	-	-	-	-	-	-	-	-
Sun Slots	-	-	-	-	-	-	-	-
Held-for-sale	-	-	-	-	-	-	-	-

	EBITDA		Net profit/(loss) after tax		Total Assets		Total Liabilities	
	2017 R'000s	2016 R'000s	2017 R'000s	2016 R'000s	2017 R'000s	2016 R'000s	2017 R'000s	2016 R'000s
Food	(32 119)	2 709	(86 123)	(26 193)	1 297 578	1 063 457	(479 264)	(458 493)
Gaming and leisure	101 580	136 866	101 580	83 014	974 256	1 472 928	-	-
Group costs	46 037	249 073	15 805	150 856	304 205	464 910	(40 557)	(377 619)
Non-core	(20 064)	(13 007)	(20 309)	(15 158)	15 000	31 001	-	(2 519)
	95 434	375 641	10 953	192 519	2 591 039	3 032 296	(519 821)	(838 631)
1 Heerengracht	-	-	-	-	40 175	-	-	-
21 Friesland	-	-	-	-	-	21 339	-	-
Sun Slots	-	-	-	-	-	171 140	-	(16 690)
Held-for-sale	-	-	-	-	40 175	192 479	-	(16 690)

(1) Transactions between segments are concluded at arms length.
(2) Certain costs are presented pre elimination of intergroup charges and therefore net profit are after these eliminations.
(3) The income tax expense is based on the net profit before tax and pre elimination of intergroup charges.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of GPI will be held on Thursday, 7 December 2017, at 18:00 in the Ballroom, Table Bay Hotel, Breakwater Boulevard, Victoria Wharf Shopping Centre, V&A Waterfront, Cape Town, Western Cape, to transact the business stated in the notice of annual general meeting.

The notice of annual general meeting will be despatched to shareholders, together with the abridged audited financial statements for the year ended 30 June 2016, on or around 29 September 2017 and will be available on the Company's website at www.grandparade.co.za from that date.

The date on which shareholders must be recorded in the share register of the Company for purposes of being entitled to attend and vote at the annual general meeting is Friday, 1 December 2017, with the last day to trade being Tuesday, 28 November 2017.

14 September 2017
Sponsor: PSG Capital Proprietary Limited
Grand Parade Investments Limited will hold the annual results presentation on the following date:
Cape Town: Thursday 14 September 2017 at 10:30

Please refer to the invitation on the Company's website that includes the dial in details and further information regarding the presentation.
www.grandparade.co.za

Live conference call numbers
Live Call Access Numbers for Participants

Country	Access Number
South Africa - Johannesburg (Neotel)	011 535 3600
South Africa - Johannesburg (Telkom)	010 201 6800
South Africa - Toll-Free	0 800 200 648
Other Countries (Neotel)	+27 11 535 3600
Other Countries (Telkom)	+27 10 201 6800
UK - Toll-Free	0 808 162 4061
USA and Canada - Toll Free	1 855 481 5362