

GRAND PARADE INVESTMENT LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 1997/003548/06)
Share code: GPL
ISIN: ZAE000119814
("GPI", "the Group" or "the Company")

TRADING STATEMENT

GPI is currently finalising its results for the year ended 30 June 2022, which will be published on or about 30 September 2022.

In terms of the JSE Limited Listings Requirements, a listed company is required to publish a trading statement as soon as it becomes reasonably certain that the financial results for the period to be reported on next will differ by 20% or more from the financial results for the previous corresponding period.

For the financial year ended 30 June 2022, Burger King South Africa and Grand Foods Meat Plant will be treated as discontinued operations as the sale of these assets was concluded on 3 November 2021.

Furthermore, on 4 April 2022, Mac Brothers was put into voluntary liquidation with a liquidator appointed by the Master of the High Court. In accordance with IFRS 10, Mac Brothers has been deconsolidated from the Group. In accordance with IFRS 9, the Group is required to impair its intercompany loans and write-off receivables held with Mac Brothers at the end of the period. This resulted in an impairment / loss of R61.7 million being accounted for in the financial year. In terms of IFRS 9, this non-cash, non-recurring loss must be included in headline earnings.

Below is a breakdown of the ranges relating to loss per share and headline loss per share, as well as the resultant effect on the range if the non-cash impairment is excluded from headline earnings.

The Company hereby advises that a reasonable degree of certainty exists that for the year ended 30 June 2022:

- headline loss per share for the Group will be between 2.75 cents and 4.00 cents, representing an improvement of between 56% and 36% compared to the headline loss per share for the group of 6.29 cents reported for the year ended 30 June 2021; and
- loss per share for the Group will be between 1.55 cents and 2.93 cents, representing an improvement of between 77% and 57% compared to the loss per share for the Group of 6.75 cents reported for the year ended 30 June 2021.
- if the impairment of the Mac Brothers loans and write-off of receivables are excluded, then adjusted headline earnings per share for the Group will be between 10.36 cents and 11.62 cents, representing an increase of between 16.65 cents and 17.91 cents compared to the headline loss per share for the group of 6.29 cents reported for the year ended 30 June 2021.

Adjusted headline earnings per share improved mainly due to a recovery in the gaming assets and a reduction in corporate costs including finance-related expenses, which decreased as a result of the reduction in debt.

The financial information on which this trading statement is based has not been reviewed or reported on by the auditor of the Company.

Cape Town
26 September 2022

Sponsor
PSG Capital