

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")

ABRIDGED PRE-LISTING STATEMENT

This abridged pre-listing statement is not an invitation to the public to subscribe for shares in GPI, but is issued in compliance with the JSE Listings Requirements for the purpose of providing information to the public with regard to GPI.

1. Introduction and background

GPI was incorporated in 1997 as an investment holding company, embracing a shareholder base of approximately 17 000 people with the particular objective of providing a vehicle through which historically disadvantaged persons resident in the Western Cape could participate in the growth of the gaming industry in that province.

GPI's BEE credentials, are, and were, from the outset, impeccable so as to align itself with the BEE objectives sought to be achieved by the Western Cape Gaming Board, in the award of the casino licence in such province, and also to ensure that the company endured as a stand-alone, viable BEE investment holding company in the future.

GPI was chosen as Sun International Limited's ("Sun International") BEE partner in the Western Cape and acquired a shareholding in SunWest International (Pty) Limited ("SunWest"). In a hotly contended bidding process, SunWest ultimately emerged triumphant in the award of the exclusive licence for the GrandWest casino in Goodwood, Cape Town, in 1999. This casino is today, arguably, the most lucrative in the country.

For most of its founding shareholders, all of whom were from previously economically marginalised communities across the Western Cape, the preferential offer undertaken by the company in 2000 provided a real opportunity for meaningful participation for grass root BEE shareholders, in what was for many their first ever equity investment.

The initial cash raised by GPI of R28 million was utilised by the company in subscribing for SunWest ordinary shares and in repaying certain bridging loan obligations that existed at the time. Since then, the company has steadily increased its stake in SunWest through the exercise of options in SunWest, and the acquisition of SunWest ordinary shares from Sun International (South Africa) Limited. As at the last practicable date, GPI has a 26.41% economic interest in SunWest, with options to increase this interest further to 29.9%.

The board of directors of GPI ("the board") continue to strive to enhance and sustain the company's empowerment credentials. To this extent, GPI undertook a BEE transaction in 2006 and, more recently, a BEE private placement in 2007, entrenching its black owned and controlled status further.

GPI played a key role in the award of one of the Western Cape's limited pay-out machine licences, and its investment in Thuo Gaming ("Grandslots") remains a bright prospect

anticipated to bear fruits in the near future.

It has long been the stated intention of the board to list GPI on the JSE. However, bringing GPI to the market has been a course fraught with various hurdles, mostly as a result of factors beyond the board's control.

The board takes pleasure in now being able to list GPI on the JSE and believes the timing to be opportune for investors to take advantage of the strong growth opportunities at GPI.

2. Group structure

See press announcement.

3. Overview of GPI

GPI's various investments can be described as follows:

3.1 SunWest International (Pty) Limited ("SunWest") (26.41% economic interest and 50.001% voting interest)

(i) GrandWest

The GrandWest casino is undoubtedly the darling in Sun's stable generating substantial returns since its establishment in 2001, outperforming all of its gaming peers in the Sun group. GrandWest's turnover for the 2007 financial year was approximately R1.6 billion (2006: R1.4 billion) while its closest rival, Sun City, showed revenues of just over R1 billion. With turnover generating an operating profit of R594 million for the 2007 financial year (2006: R504 million), GrandWest makes GPI's continued and increased investment in SunWest through the new SunWest options an absolute imperative.

(ii) Table Bay Hotel

Like GrandWest, it too is a SunWest asset that has shown remarkable performance in the buoyant inbound tourism market. Its 2007 financials show an increased average room occupancy of 72% (2006: 70%) with an average room rate of R1 558 per room (an increase of 11% to the prior period). EBITDA contribution of R63 million for the 2007 financial year represents an improvement of 21% to 2006. This is as a result of improved margins arising from the steady increase in tourist numbers.

(iii) CTICC

This is a world-class convention centre that, since its completion in 2003, has seen thousands of visitors across all walks of life attending consumer exhibitions, conferences and trade shows.

The CTICC generated a turnover of R100 million for the year ended 30 June 2007. The fifth annual independent study on the impact of the CTICC showed that the CTICC contributed approximately R2,4 billion to South Africa's Gross Domestic Product, resulting in the direct employment of nearly 3 796 people.

3.2 Thuo Gaming Western Cape (Pty) Limited (GrandSlots)("Thuo Gaming")(25.1%)

GrandSlots is a brand owned by Thuo Gaming. In 2003, GrandSlots was launched with a vision to be the dominant operator of limited payout machines in South Africa. The company benefits extensively from synergistic partnerships with leading operators of casinos, lotteries, wagering and electronic gaming

machines.

GrandSlots' revenue for the 2007 financial year was up 67% to R140 773 193 (2006: R84 249 458). This resulted in a profit after tax for the year of R11 984 805 (2006: R1 565 201).

3.3 Worcester Casino (Pty) Limited (Golden Valley) ("Worcester Casino") (36.7%)

Golden Valley, which opened in November 2006, is situated on the N1 Highway in Worcester and is the fifth and the final casino to be opened in the Western Cape. Construction of the 98-room Golden Valley Hotel began in February 2007 and was completed in April 2008.

Golden Valley has traded in line with expectations since its opening and remains a prime gambling asset in both Sun's and GPI's portfolio. Revenues for the year ended 30 June 2007 were R46 million, with a loss after tax of R8,6 million, mainly as a result of the write-off of opening costs.

3.4 Western Cape Casino Resort Manco (Proprietary) Limited ("Western Manco")(50%) and National Casino Resort Manco (Proprietary) Limited ("National Manco")(5.67%) Western Manco is responsible for SunWest's empowerment programme, which includes setting empowerment targets, designing empowerment programmes and ensuring the implementation of such programmes. GPI has 50% of Western Manco, with the balance being held by National Manco.

GPI has acquired approximately 5.7% of National Manco. National Manco was established for the purpose of applying for casino licences in the Western Cape, Gauteng, Mpumalanga, KwaZulu-Natal and the Eastern Cape and to ensure that those bids that were unsuccessful recuperated their costs through the revenues generated by the successful bids.

3.5 Akhona Gaming Portfolio Investments (Pty) Limited ("Akhona")(50%)

Akhona is an investment holding entity based in KwaZulu-Natal holding interests in gaming assets in that province. Its interests include 20% of KingdomSlots and 6% of Dolcoast, which in turn holds 22% in Afrisun KZN. The shareholders of Dolcoast are all BEE parties, with its main shareholders being KwaZulu-Natal broad-based community groups. The Akhona transaction represented the perfect opportunity for GPI to diversify its gaming interests into KwaZulu-Natal. GPI is looking to increase this investment, thereby expanding its foothold in KwaZulu-Natal, which it views as a very lucrative gaming market.

Given that Akhona is currently in a start-up phase, it has not generated any profits to date. Once the roll-out of the allotted limited-payout machines has been completed, it is expected that Akhona will then contribute to GPI's profits.

3.6 Real Africa Holdings Limited ("RAH")(23%)

RAH is a JSE-listed investment holding company that holds its core investments in gaming assets in the Western Cape, KwaZulu-Natal, Gauteng and the Eastern Cape. The gaming industry continues to enjoy favourable trading conditions in South Africa, notwithstanding the general slow-down in consumer spending, and it is expected that the resilience of earnings in the industry will continue. RAH's principal assets are its interests in four casinos, being Carnival City,

Sibaya, Boardwalk and GrandWest. In addition, RAH has interests in the management companies of each of the aforementioned casinos, as well as Sun's national casino management company. In addition to the above interests, RAH has recently acquired an interest in the Worcester Casino, and has also disposed of its investments in the health-care sector.

4. Prospects

4.1 GPI's most significant investments viz. its approximately 26.41% economic interest in SunWest and its newly acquired interest in RAH which in turn owns key stakes in four major casinos, are anticipated to continue to deliver stellar returns in the foreseeable future.

4.2 In amplification of 4.1 above, the recently negotiated new SunWest options provide GPI with the opportunity to further increase its economic interest in SunWest to 29.9%, which will prove to be even more earnings enhancing for the company over the long-term.

4.3 All of GPI's investments are quality assets in the leisure and gaming industry that have shown strong growth and solid earnings performance over the years.

4.4 GPI's newer interests, such as its investment in Golden Valley and its stake in Thuo Gaming i.e Grandslots, also show immense promise going forward. Although the aforementioned investment is relatively new, and has yet to result in the income streams that GPI's other, more mature investments are generating, the board is of the opinion that this venture will also make a valuable contribution in the future as the number of limited pay-out machine sites increase.

4.5 The company has the executive capability to identify new opportunities in the leisure and gaming sector, and is presently investigating other exciting investment opportunities throughout South Africa. The company's deal making track record is indicative of a strong management team who can implement transactions and deliver returns to GPI shareholders.

5. Directors

The full names, ages, business address and capacities of the directors of GPI are outlined below:

Full name	Age	Capacity	Business Address
Hassen Adams	55	Non-Executive Chairman	15th Floor Triangle House 22 Riebeeck Street Cape Town 8001
Richard Julian Hopton	48	Chief executive officer	15th Floor Triangle House 22 Riebeeck Street Cape Town 8001
Alexander Abercrombie *	56	Non-executive	21st Floor 2 Long Street

			Cape Town 8001
Ralph Gordon Freese *	48	Non-executive	15th Floor Triangle House 22 Riebeeck Street Cape Town 8001
Nombeko Mlambo *	61	Non-executive	15th Floor Triangle House 22 Riebeeck Street Cape Town 8001
Anthony William Bedford *	52	Non-executive	10 Elizabeth Lane Constantia 7785

* Independent

6. Listing on JSE

6.1 JSE Approval

The JSE has formally approved the listing of the entire issued ordinary share capital in GPI (including the effects of the RAH acquisition) on the main board of the JSE in the "General Financial" sector of the JSE list under the abbreviated name "Granprade", share code "GPL" and ISIN ZAE000119814 with effect from the commencement of trade on Friday, 6 June 2008.

7. Purpose of Listing

7.1 Shareholders will now have a formal platform to trade their GPI shares and a mechanism to realise maximum value for their shares.

7.2 The listing will also allow GPI to raise funding in order to pursue growth opportunities.

7.3 GPI can boldly seek out new areas of investment, and provide its investment partners with the profile, standing and credibility that comes with operating in a listed environment.

8. Financial information

The historical and pro forma consolidated balance sheets and income statements of the GPI group at 30 June 2007, adjusted in terms of the pro forma financial effects of all of the transactions undertaken by the company since 30 June 2007, are set out in the Pre-listing statement, available as per paragraph 10 below.

9. Shareholders wishing to trade their GPI shares on listing date

9.1 Shareholders of the company who presently hold share certificates in respect of their unlisted GPI shares but who wish to trade their shares in electronic form on listing date, should immediately contact the company's transfer secretaries (Computershare) on 0861 100 934 or (or +27 11 870-8237 if phoning from outside South Africa).

9.2 The company's transfer secretaries will be able to advise such shareholders as to the appropriate steps to take in ensuring that they receive their shares in dematerialised form on listing date, and accordingly are able to trade immediately therein.

9.3 Such steps include inter alia opening a CSDP / broker's account (if shareholders have not done so already) and providing certain information in respect thereof to the company's transfer secretaries on or before Friday, 30 May 2008.

9.4 The shareholders' register will be closed from Friday, 30 May 2008 until listing date. No transfers of shares will be effected during such period.

9.5 All shareholders should note that on listing date the company will issue new GPI share certificates to all shareholders who have not taken the necessary steps to dematerialise their GPI shares timeously. Accordingly, original certificates for the unlisted GPI shares will not be valid for delivery on listing date.

9.6 After listing date, the dematerialisation process for such original share certificates can take between five to ten business days.

9.7 Shareholders are accordingly urged to act promptly in anticipation of the listing date in terms of paragraph 9.1 above should they specifically wish to trade their GPI shares on listing date. Failing which, they will be receiving a new GPI share certificate.

9.8 Full details as to the action(s) such shareholders should take appear at paragraph 5.3 of the pre-listing statement, as well as in the newsletter to be included together with the pre-listing statement, to be posted to all shareholders as per paragraph 10 below.

10. Copies of the pre-listing statement

Copies of the pre-listing statement, and the newsletter referred to in paragraph 9.8 above, will be posted to all GPI shareholders on Monday, 19 May 2008, as well as being made available during normal business hours until Friday, 6 June 2008 at the registered office of GPI at 15th Floor, Triangle House, 22 Riebeeck Street, Cape Town, and at the offices of PSG Capital at Building 8, Woodmead Estate, 1 Woodmead Drive, Woodmead, Johannesburg, and at 1st Floor Ou Kollege, 35 Kerk Street, Stellenbosch.

The pre-listing statement, together with the newsletter as referred to in 9.8 above can be downloaded from the company's website at www.grandparade.co.za

16 May 2008
Cape Town

Sponsor and transactional corporate adviser - PSG Capital (Pty) Limited
Corporate adviser - Leaf Capital (Pty) Limited
Attorneys - Bernadt Vukic Potash & Getz Attorneys
Reporting accountants and auditors - Ernst & Young Inc.
Transfer secretaries - Computershare Investor Services (Pty) Limited