

Annual General Meeting Presentation December 2020





Mission 2020

To protect and advance the interests of all owners, while ensuring an excellent racehorse ownership experience and playing a leading role in the inevitable restructure, transformation and re-capitalization of the horseracing industry



2020 Year in Review

- COVID 19
 - Global pandemic
 - National Lockdown
 - Suspension of Racing
- Phumelela in Business Rescue
 - Racing Operator in Eastern and Northern Cape as well as in Gauteng
 - Severe cash flow constraints
- Impact on The Racing Association as well as impact on the Industry as a whole

Support Measures



- COVID Assistance
 - Assistance to grooms R 72 000
 - Task Committee Contribution R 150 000
 - Relief Grants to Owners R 4 100 000
- Relocation assistance to Northern Cape Owners and Trainers R 341 000
- SAEHP Contributions – R 1 Million
- Stake Subsidies – R5,2 Million

Initiatives



- Restructuring of the Racing Association in terms of the following committees;
 - **Social, Ethics and Transformation** – Chair Garth Towell
 - **Finance, Audit and Risk** – Chair – Peter Riskowitz
 - **Sales, Marketing and Racing Operations** – Chair Brian Riley
- Changes to the RA Memorandum of Incorporation
- Improved transparency and communication
- RA Investment in Western Cape Racing – Marketing and Events Specialist and the revamp and renovation of the RA Facilities at Kenilworth Race Course
- Randjesfontein Redevelopment Project



Changes to the MOI

- Our aim was to change the MOI to be more progressive and in line with the future strategy of The Racing Association. We want to modernise the document in line with the current legislation and include the more relevant changes
- We have broadened the transformation objectives to ensure a more holistic transformation of the membership base by including not just a more racially representative membership but one that is more diverse from both a gender and ethnic perspective
- Provision for a new class of non-voting members, this allows the Board to explore new membership initiatives and grow and develop interest in ownership
- Dissolution of Regional Chapters and election of a maximum number of regional members onto the National Board allows for the various regional members to have more appropriate representation and involvement in the overall strategy of the Board.

Randjesfontein Redevelopment Project





Randjesfontein Redevelopment Project

- RA Vision – Change, Restructure and Reinvent
 - Develop the Sport – Spectacle and Entertainment
 - Diversity – Transform the Reach
 - Grow the Tote and the number of Owners - Grow the Return
- Randjesfontein the Property
 - Strategic Location – Zoned and Secure
- The RA Board has invested in a preliminary design and budget assessment for the redevelopment of Randjesfontein into a fully functional racecourse.
- Randjesfontein - a country racecourse

Randjesfontein Redevelopment Project



Randjesfontein Redevelopment Project



- Professional Team includes: An Architect, QS, C&S Engineers, Electrical specialists, Track Design experts and Digital Product specialists. This team is headed by our project development manager Judith Smith
- Design and Development Key Requirements include the following:
 - Get people closer to the horses
 - Synthesize the drama of the Sport of Horseracing with the suburbanite's desire for outdoor living
 - Light footprint – Containerised and prefab solutions integrated into a landscaped and pedestrianised multifunctional precinct
 - Digital product is to be integrated into the design

Randjesfontein Redevelopment Project



Randjesfontein Redevelopment Project



- The provisional racecourse budget - including the building costs, track upgrades, development costs and professional fees - is approximately R 87 Million
- The timelines - on the assumption that the existing design team continue on the project – is approximately 9 months and this includes the track widening and grass establishment, the importation and installation of the running rails and starting stalls, general construction, fitout and commissioning.
- **The RA does not consider itself to be in the business of property ownership and we have produced this preliminary design concept and budget with the intention of finding an investor** in order to bring the vision to life or to buy the property as a whole with the intention of going ahead with the race course development as envisaged in this design. The sale of the property will be conditional and must be in line with the long term objective and protection of horseracing

Randjesfontein Redevelopment Project



Racing Association Future Outlook



The Racing Association's future objectives:

- To grow a more diverse ownership base
- To improve the overall owner experience
- To negotiate a new Stakes Agreement with the Operator
- To play a vital role in the overall transformation of the industry
- To play a leading role in unifying the industry stakeholders



Industry Future Outlook

- We are positive on the future of the Industry. We are very bullish in the medium to long term, however we do envisage some shrinkage in the short term
- We are aligned with the new Operator and believe in this new era of racing, where a unified and positive approach will navigate us through successfully
- We are confident that a new more appropriate and adequate Stakes Agreement will be agreed as soon as all legal requirements for the new Operator are met
- Thanks must go to all Owners for your unwavering support and commitment. For your spirit and resilience in difficult circumstances. I believe we have turned a corner and the new year will bring welcomed and positive change for all stakeholders in racing.

Thank you

