






SHORT-FORM ANNOUNCEMENT

**CONDENSED CONSOLIDATED UNAUDITED GROUP INTERIM RESULTS FOR THE SIX MONTHS ENDED
31 DECEMBER 2022 AND PAYMENT OF CASH DIVIDEND**

KEY FEATURES

	Franchised restaurant turnovers up 31.5% to R4.9 billion
	Revenue up 35.0% to R1 533.8 million
	Profit before income tax up 103.0% to R168.4 million
	Interim dividend per share up 67.3% to 82 cents (2022: 49 cents)
	Earnings per share up 198.0% to 137.14 cents
	Diluted headline earnings per share up 198.5% to 136.65 cents
	Unrestricted cash and cash equivalents R293.5 million
	Group in an ungeared financial position at period-end

TRADING PERFORMANCE

South African market conditions remained challenging in the six months to December 2022, with higher inflation and a dramatic increase in the level of load shedding hours, which directly impacted the supply chain.

Despite the mounting pressure on disposable income, the group continued to attract customers into restaurants with its distinct and differentiated value proposition.

The group's 2023 financial year started with a remarkable performance in July 2022 in absolute terms and the group traded consistently, with another peak in sales in December 2022.

Increased tourism in the Western Cape resulted in sales growth of 31% in the province. Restaurants in high traffic national locations experienced strong growth. Several restaurants in casinos and resorts delivered higher than expected results.

The group also reaped the benefits of targeted and leading marketing campaigns. Pleasingly, the group's customer count is up 21%.

The group traded through 642 restaurants in 13 countries at the end of December 2022 (June 2022: 631). In South Africa, 18 new restaurants were opened during the period and nine closed. Four new restaurants opened internationally.

FINANCIAL PERFORMANCE

The improved trading performance led to a continued strong recovery in both group revenue and profit.

The revenue growth was supported by higher sales in the six retail company stores (+50.4%), increased sales from the manufacturing and distribution division (+32.3%) and improved restaurant turnovers. Group revenue increased by 35.0% to R1.5 billion (H1 2022: R1.1 billion).

Group profit before income tax increased by 103.0% to R168.4 million (H1 2022: R82.9 million).

Group headline earnings increased by 190.8% to R112.2 million (H1 2022: R38.6 million), with diluted headline earnings per share 198.5% higher at 136.65 cents (H1 2022: 45.77 cents).

During the period, the group repurchased 1 499 891 of the company's shares at an average cost of R21.33 per share, totalling R32.0 million. This was in addition to the 1 475 000 company shares purchased during the 2022 financial year.

The balance sheet remains ungeared. The allocation of the group's available capital remains a key focus area of the directors.

PAYMENT OF CASH DIVIDEND

Shareholders are advised that the board of directors of the company has, on Wednesday, 22 February 2023, resolved to declare an interim gross cash dividend for the six months ended 31 December 2022 of R74.617 million, which equates to 82.0 cents per share for each of the 90 996 932 shares in issue, subject to the applicable tax levied in terms of the Income Tax Act (Act No. 58 of 1962), as amended (dividend withholding tax).

The dividend has been declared from income reserves. The dividend withholding tax is 20% and a net dividend of 65.6 cents per share will be paid to those shareholders who are not exempt from dividend withholding tax.

The company's income tax reference number is 9695015033. The company has 90 996 932 shares in issue at the date of declaration.

In accordance with the provisions of Strate, the electronic settlement and custody system used by the JSE Limited, the relevant dates for the dividend are as follows:

Event	Date
Last day to trade "cum dividend"	Tuesday, 14 March 2023
Shares commence trading "ex dividend"	Wednesday, 15 March 2023
Record date	Friday, 17 March 2023
Payment date	Monday, 20 March 2023

Those shareholders of the company who are recorded in the company's register as at the record date will be entitled to the dividend.

Share certificates may not be dematerialised or rematerialised between Wednesday, 15 March 2023 and Friday, 17 March 2023, both days inclusive.

OUTLOOK

South Africa is experiencing its most severe load shedding ever. The plan by many companies to address their own power requirements and reduce pressure on the national power grid is encouraging.

Consumer disposable income among the group's core middle-income target market is likely to reduce further as a result of higher food, fuel and electricity costs, rising interest rates and persistent load shedding.

The group is cautiously optimistic on trading for the remainder of the financial year and will continue to navigate the current market challenges by exploring options for innovation, value, and experience.

The group plans to open 17 new restaurants in the second half of the financial year.

For and on behalf of the board

Mike Bosman
Chairman

Val Nichas
Group chief executive officer

24 February 2023

COMPANY INFORMATION

Directors

Independent non-executive:

M Bosman (chairman), Dr S Zinn (lead independent), C Fernandez, J Boggenpoel, L Molebatsi, A Parker, S Phillip

Executive:

V Nichas (CEO), C Teixeira (CFO), K Robertson (COO)

Company secretary

D Meyer

Registered office

14 Edison Way, Century Gate Business Park, Century City, 7441

Transfer secretaries

Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

Sponsor

Questco Corporate Advisory Proprietary Limited

This short-form announcement is a summary of the information contained in the detailed interim results announcement which is available at <https://senspdf.jse.co.za/documents/2023/jse/isse/SUR/H12023.pdf> and on the company's website at www.spurcorporation.com/investors/results-centre. The full announcement is available for inspection, at no charge, at the company's registered office and at the offices of Questco Corporate Advisory (and copies may be requested from the company's registered office during business hours at companysecretary@spur.co.za). Any investment decision in relation to the company's shares should be based on consideration of the full announcement.

This short-form announcement is the responsibility of the board of directors and has been prepared under the supervision of the chief financial officer, Cristina Teixeira CA (SA).

