

SPUR CORPORATION LIMITED

(Incorporated in the Republic of South Africa

Registration number 1998/000828/06

Share code: SUR

ISIN: ZAE 000022653

("Spur Corporation" or "the company" or "the group")

**TRADING STATEMENT AND SALES UPDATE FOR THE YEAR ENDED 30 JUNE 2023****Trading statement**

In terms of the Listing Requirements of the JSE Limited, a listed company is required to publish a trading statement as soon as it becomes satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on next will differ by at least 20% from those of the previous corresponding period.

Shareholders are hereby advised that Spur Corporation is currently finalising its annual financial results for the year ended 30 June 2023 (the 2023 financial year). The group is expecting to report earnings per share (EPS) and headline EPS (HEPS) compared to those of the year ended 30 June 2022 (the prior financial year) as follows:

	2023 expected range	2022 ^a reported	% change
EPS (cents)	256.91 – 264.12	144.33	78.0% – 83.0%
Diluted EPS (cents)	255.96 – 263.15	143.80	78.0% – 83.0%
HEPS (cents)	256.70 – 263.91	144.22	78.0% – 83.0%
Diluted HEPS (cents)	255.75 – 262.93	143.68	78.0% – 83.0%

^a Shareholders are reminded that the profit for the prior financial year included the one-off income tax charge of R13.996 million and non-deductible interest on tax liabilities of R8.038 million. These charges followed the final resolution of the group's dispute with the South African Revenue Service (SARS) in October 2021 over the treatment of its 2004-2009 share incentive scheme, as detailed in the group's SENS announcement dated 18 October 2021.

During the 2023 financial year, the company repurchased 1 499 891 ordinary shares, of which 1 309 000 are treasury shares, and 190 891 are shares acquired as part of the group's long-term forfeitable share scheme. 1 475 000 shares were acquired during the prior year. This resulted in the reduction in the dilutive weighted average number of shares in issue from 84.3 million at 30 June 2022 to 82.0 million at 30 June 2023.

The financial information on which this trading statement is based is the responsibility of the directors of Spur Corporation and has not been reviewed or reported on by the group's independent auditor.

Sales Update**Franchised restaurant sales**

The group achieved a strong trading performance for the 2023 financial year with franchised restaurant sales increasing by 23.0% over that of the prior financial year.

In the first half of the 2023 financial year franchised restaurant sales grew by 31.5% over the comparable period of the prior financial year. Although economic conditions remain challenging in the face of higher inflation and severe pressure on consumer disposable income, the group's business model continues to demonstrate its resilience. In the second half of the 2023 financial year group sales increased by 15.1% over the comparable period of the prior financial year.

In this constrained consumer trading environment, the group accelerated its marketing activity and amplified brand awareness with value added campaigns, engaging sponsorship activity and outdoor exposure that resulted in an increase in restaurant footcount of 13%. Restaurants remained focused on product quality and enhanced customer experience which increased customer loyalty and spend.

Restaurant sales	Total restaurant sales growth (%)		
	6 months to Dec 2022 vs 6 months to Dec 2021	6 months to June 2023 vs 6 months to June 2022	Full year to June 2023 vs full year to June 2022
Spur	33.6	16.9	24.9
Panarottis	28.5	9.6	18.6
John Dory's	19.2	-1.0	8.7
RocoMamas	14.6	4.7	9.6
Speciality brands ^b	62.3	27.2	42.2
Total South Africa	31.3	14.4	22.5
Total International	33.0	22.5	27.6^c
Total group	31.5	15.1	23.0

^b Speciality brands include The Hussar Grill, Casa Bella and Nikos.

^c International restaurant turnovers increased by 17.8% on a constant exchange rate basis.

Group revenue and profit

The improved trading performance, together with the high growth achieved by the retail company owned stores, led to a continued strong recovery in both group revenue and profit. As detailed above the earnings in the prior financial year included a one-off charge of R22,034 million relating to the SARS dispute.

The group's results for the year ended 30 June 2023 are expected to be released on 22 August 2023.

Cape Town

7 August 2023

Sponsor



Questco Corporate Advisory Proprietary Limited