



## **SPUR CORPORATION LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number 1998/000828/06)

Share Code: SUR

ISIN: ZAE000022653

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

## **SHORT-FORM ANNOUNCEMENT**

### **CONDENSED CONSOLIDATED UNAUDITED GROUP INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2023 AND PAYMENT OF CASH DIVIDEND**

#### **KEY FEATURES**

Franchised restaurant turnovers up 10.4% to R5.386 billion (up 9.0% excluding Doppio Collection)

Earnings per share up 16.3% to 159.53 cents

Diluted headline earnings per share up 14.8% to 156.85 cents

Revenue up 15.2% to R1.766 billion (up 13.5% excluding Doppio Collection)

Diluted earnings per share up 14.7% to 156.79 cents

Interim dividend per share 95 cents (2023: 82 cents)

Profit before income tax up 13.9% to R191.8 million (up 12.1% excluding Doppio Collection)

Headline earnings per share up 16.4% to 159.59 cents

Unrestricted cash and cash equivalents at 31 December 2023 is R288.0 million (31 December 2022: R293.5 million)

Net gearing - Nil

#### **TRADING PERFORMANCE**

Trading conditions remained challenging, owing to pressure on consumer spending in the weak macroeconomic climate. Lower- and middle-income consumers are diverting a greater share of their wallets to fund the increasing cost of food, housing, energy and transport.

Despite the mounting pressure on disposable income, the group continued to attract customers into restaurants with its distinct and differentiated value proposition. The group enjoys the support of its loyal customers, evident in the Spur Family Club loyalty voucher redemption rate of 76%.

The first quarter of the reporting period delivered a strong performance off a high base which translated to increased customer foot traffic. While the second quarter was marked by slower trading patterns, restaurant turnovers were boosted by strong trading in December 2023.

High tourism numbers in the Western Cape enabled the group to deliver double-digit growth for the festive season trading period. The group's brands also performed well in KwaZulu-Natal in December 2023.

The group traded through 687 restaurants in 14 countries at the end of December 2023 (June 2023: 639). In South Africa, 14 new restaurants were opened during the period and four closed. Two new restaurants opened internationally and one closed. 37 restaurants were added to the group's restaurant profile with the acquisition of a majority share in the Doppio Collection, as previously reported, effective from 1 December 2023.

### **FINANCIAL PERFORMANCE**

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

The revenue growth was supported by higher sales in the retail company stores (+47.4%) (excluding Doppio Collection, +0.3%), increased sales from the manufacturing and distribution division (+12.4%) (excluding Doppio Collection, +12.2%) and improved franchised restaurant turnovers.

Group profit before income tax increased by 13.9% to R191.8 million (H1 2023: R168.4 million).

Group headline earnings increased by 15.4% to R129.5 million (H1 2023: R112.2 million), with diluted headline earnings per share 14.8% higher at 156.85 cents (H1 2023: 136.65 cents).

The balance sheet remains ungeared. The allocation of the group's 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 27 February 2024, resolved to declare an interim gross cash dividend for the six months ended 31 December 2023 of R86.447 million, which equates to 95.0 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 76.0 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:

| <b>Event</b>                          | <b>Date</b>            |
|---------------------------------------|------------------------|
| Last day to trade “cum dividend”      | Monday, 18 March 2024  |
| Shares commence trading “ex dividend” | Tuesday, 19 March 2024 |
| Record date                           | Friday, 22 March 2024  |
| Payment date                          | Monday, 25 March 2024  |

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 Tuesday, 19 March 2024 and Friday, 22 March 2024, both days inclusive.

## **OUTLOOK**

While South Africa’s GDP growth is forecast by some to double in the year ahead, this is unlikely to translate into improved trading conditions.

Supported by a portfolio of ten distinctive restaurant brands, Spur Corporation is well positioned to gain market share in various categories, regions and countries.

The group plans to open 41 new restaurants in South Africa and 12 internationally by the end of financial year.

For and on behalf of the board

**Mike Bosman**

*Independent non-executive chairman*

29 February 2024

**Val Nichas**

*Group chief executive officer*



**Directors****Independent non-executive:**

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

**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/2024/jse/isse/SUR/H12024.pdf> and on the company's website at <https://spurcorporation.com/investor-hub/financial-results/>. 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](mailto: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 group chief financial officer, Cristina Teixeira CA (SA).

**WEBCAST AND INVESTOR PRESENTATION**

The interim results presentation webcast will be broadcast live at 11:00 today via a live video feed at the following link: <https://www.corpcam.com/SPUR29022024>

A recording of the webcast will be available shortly afterwards on the company's website: <https://spurcorporation.com/investor-hub/presentations/>

The interim results investor presentation slide deck will be available from 11:00 today at the following link: <https://spurcorporation.com/investor-hub/presentations/>