

**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****CONSOLIDATED AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 ("ANNUAL FINANCIAL STATEMENTS") AND PAYMENT OF CASH DIVIDEND**

Shareholders of Spur Corporation are advised that the group's Annual Financial Statements and a summary thereof ("Summary Financial Statements"), were published on the websites of the JSE Limited and the group, today, 21 August 2024.

**KEY FEATURES**

Franchised restaurant turnovers up 11.5% to R10.62 billion

Revenue up 14.1% to R3.47 billion

Earnings per share up 10.7% to 287.92 cents

Diluted earnings per share up 8.7% to 281.31 cents

Diluted headline earnings per share up 9.4% to 284.34 cents

Dividend per share increased by 10.9% to 213 cents (2023: 192 cents)

Profit before income tax up 7.3% to R341.7 million

Headline earnings per share up 11.4% to 291.02 cents

Unrestricted cash and cash equivalents at 30 June 2024 is R365.7 million

Return on equity 29.6%

**TRADING PERFORMANCE**

At 30 June 2024, the group traded out of 701 restaurants in 15 countries (2023: 639). In South Africa, 27 new restaurants were opened during the period and 9 closed. 11 new restaurants opened internationally and 4 closed. 37 restaurants were added to the group's restaurant profile with the acquisition of a 60% share in the Doppio Collection, as previously reported, effective from 1 December 2023.

Trading patterns have been volatile over the past year owing to pressure on consumer spending in the difficult macroeconomic climate.

The first quarter of the reporting period delivered a strong performance off a high base. While the second quarter was marked by slower trading patterns, restaurant turnovers were boosted by robust

trading in December 2023. The second half of the financial year continued with slower trading volumes. A positive upturn in trade was experienced in June during the mid-year school holidays.

Despite the mounting pressure on disposable income, the group continued to attract customers into restaurants with its distinct and differentiated value proposition. Significant brand innovation initiatives permeated across the group which included the rebranding of the 57-year-old Spur Steak Ranches brand that has created a new interest among both consumers and franchisees. In addition, the increased marketing investment in a Family Club advertising campaign attracted 1.1 million new loyalty club members resulting in a record high 3.1 million active Family Club members in the financial year. The Spur brand's voucher redemption rate of 78% is evidence that consumers are seeking value and rewards for their strained disposable income. Customer count numbers remain unchanged on the previous year but pleasingly average-spend-per-head grew above menu price inflation.

## **FINANCIAL PERFORMANCE**

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

The revenue growth was supported by improved franchised restaurant turnovers and increased sales from the manufacturing and distribution division which grew by 9.9% (8.7% excluding Doppio Collection). Growth in sales in the retail company stores was a pleasing 119.5% positively impacted by the contribution from the Doppio Collection restaurants. Excluding these restaurants, revenue from retail company stores reports a decline of 4.7% as a result of two less stores trading in F2024. On a like-for-like basis, The Hussar Grill retail company stores report a 5.1% growth in revenue.

Group profit before income tax increased by 7.3% to R341.7 million (F2023: R318.4 million).

Group headline earnings increased by 10.8% to R236.1 million (F2023: R213.1 million), with diluted headline earnings per share 9.4% higher at 284.34 cents (F2023: 260.01 cents).

The company's unrestricted cash balance was R365.7 million at 30 June 2024 (31 December 2023: R288.0 million).

The cash generation and the allocation of the group's capital remains a key focus area of the executive directors and the board.

## **PAYMENT OF CASH DIVIDEND**

Shareholders are advised that the board of directors of the company has, on 20 August 2024, resolved to declare a final gross cash dividend for the year ended 30 June 2024 of R107.4 million, which equates to 118.0 cents per share and the full-year dividend increasing by 10.9% to 213.0 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 94.4 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"	Tuesday, 10 September 2024
Shares commence trading "ex dividend"	Wednesday, 11 September 2024
Record date	Friday, 13 September 2024
Payment date	Monday, 16 September 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 Wednesday, 11 September 2024, and Friday, 13 September 2024, both days inclusive.

## **OUTLOOK**

While South Africa's economic growth is forecast to accelerate in the year ahead, this is unlikely to translate into improved trading conditions in the short term.

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 continues to secure key trading sites and plans to open 47 new restaurants in South Africa and 13 internationally in the 2025 financial year.

For and on behalf of the board



Mike Bosman  
Independent non-executive chairman



Val Nichas  
Group chief executive officer

21 August 2024

This short-form announcement is a summary of the information contained in the Annual Financial Statements and the Summary Financial Statements, which are available as follows:

Annual financial statements at <https://senspdf.jse.co.za/documents/2024/jse/isse/SUR/YE2024.pdf> and on the company's website at <https://spurcorporation.com/investor-hub/financial-results/>; and

Summary Financial Statements on the company's website at <https://spurcorporation.com/investor-hub/financial-results/>

The Annual Financial Statements are available for inspection, at no charge, at the company's registered office and at the offices of the company's sponsor, Questco Corporate Advisory Proprietary Limited (Ground Floor, Block C, Investment Place, 10<sup>th</sup> Road, Hyde Park, Johannesburg), and electronic copies may be requested from the company secretary at [companysecretary@spur.co.za](mailto:companysecretary@spur.co.za) and from the sponsor at [sponsor@questco.co.za](mailto:sponsor@questco.co.za), during business hours.

Any investment decision in relation to the company's shares should be based on consideration of the Annual Financial Statements. 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).

The Annual Financial Statements have been audited by the group's auditors, PricewaterhouseCoopers Inc., who expressed an unmodified audit opinion thereon. This auditor's report, along with the Annual Financial Statements for the year ended 30 June 2024, can be downloaded from <https://spurcorporation.com/investor-hub/financial-results/>. The integrated annual report and notice of annual general meeting is expected to be published on or before 31 October 2024.

#### WEBCAST AND INVESTOR PRESENTATION

The results presentation webcast will be broadcast live at 11:00 today via a live video feed at the following link: <https://www.corpcam.com/SPUR21082024>

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

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

#### 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