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LEADING FOR THE GREATER GOOD

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 December

2024

Prepared under the supervision of the group chief financial officer, Cristina Teixeira CA(SA)

Spur Corporation Limited
(Registration number: 1998/000828/06)

HIGHLIGHTS

Franchised restaurant turnovers
up 10.0% to
R5.9 billion

Earnings per share
up 12.1% to
178.84 cents

Headline earnings per share
up 11.8% to
178.35 cents

Revenue
up 13.8% to
R2.0 billion

Diluted earnings per share
up 10.1% to
172.62 cents

Interim dividend per share
up 11.6% to
106 cents
(2024: 95 cents)

Profit before income tax
up 12.9% to
R216.6 million

Diluted headline earnings per share
up 9.7% to
172.14 cents

Cash generated from operations
R179.5 million
(2024: R100.2 million)

Unaudited condensed consolidated financial statements

for the six months ended 31 December 2024

CONTENTS

NOTE: Following the group's acquisition of a 60% interest in Doppio Collection (DC), effective 1 December 2023 (refer note 2), the group's results for the:

- six months ended 31 December 2023 include one month's contribution from DC
- year ended 30 June 2024 include seven months' contribution from DC; and
- six months ended 31 December 2024 include six months' contribution from DC.

Commentary on results and cash dividend

Introduction

Spur Corporation is a leading casual dining restaurant franchise group with 726 outlets trading across South Africa and 14 countries in the rest of Africa, Mauritius and India. The group owns 10 well-established and complementary restaurant brands as well as six virtual kitchen (VK) brands.

The group's proven capability in casual dining hospitality remains its strategic competitive advantage in the restaurant industry on the African continent. The group also trades in the fast casual segment with the RocoMamas brand and in the speciality dining segment with bespoke brands, The Hussar Grill, Doppio Zero, Piza e Vino, Casa Bella, Nikos and Modern Tailors.

Total restaurant sales for the six months increased by 10.0% to R5.9 billion.

The growth in the speciality dining portfolio was accelerated with the acquisition of a 60% interest in Doppio Collection, effective 1 December 2023. Doppio Collection restaurant sales for the six months contributed R350.8 million to total group restaurant sales compared to R66.7 million for the one month traded to December 2023. Excluding the contribution from the Doppio Collection, total restaurant sales increased by 4.8% for the period.

The Spur brand accounts for 64% of the group's South African restaurant sales, followed by RocoMamas and Panarottis each representing 10% of South African restaurant sales. The international restaurants comprise 9% of group restaurant sales.

The repositioning of Panarottis continues to gain momentum with positive customer sentiment supporting the trading performance. The Panarottis' small-town strategy has contributed to the double-digit growth over the past two reporting periods. This is reflected in high levels of franchisee interest for new restaurants and confirms that the brand is well positioned to be a dominant brand in the pizza casual-dining category.

Similarly, the marketing and product innovation strategy of RocoMamas has yielded good results with solid growth and strong like-on-like restaurant sales growth of 6.9%. As part of its repositioning strategy, the second new-look John Dory's restaurant was opened in KwaZulu-Natal in the period.

Brand evolution and enhanced designs have been applied to new The Hussar Grill and Doppio Zero restaurants and the group plans to launch its full revised look for The Hussar Grill brand by revamping one of the group's company-owned restaurants in Cape Town during 2025.

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The VK brands are fully integrated into the brand offerings, with the number of restaurants participating increasing to 392. The VK offerings have consistently maintained their market share of the online ordering channel and continue to allow the group's full-service restaurants to leverage their existing infrastructure. Pizza Pug and Just Wingz remain the top performing VK brands. Mac&Rib, the Doppio Zero VK brand that was introduced with the Doppio acquisition, brings the total number of VK brands in the group's portfolio to six.

Strategy and focused business model delivering returns

The core of the group's business model is 'Brands Lead the Experience'. The group continues to refine and innovate so that its brands remain relevant and appealing to customers. The group continues to offer a high standard of family dining experiences, supported by targeted marketing activity to ensure the maximum awareness and utilisation of its brands.

The leadership positioning of 'owning the casual dining experience' in the industry has been well entrenched with the recent evolution of the Spur brand restaurant concept and new brand identity. The group now has over 36 new-look Spur restaurants that have provided consumers with a refreshed family dining experience, and leading-edge themed and safe interactive children play areas. Most of the revamped Spur restaurants are reporting double-digit turnover increases.

Our purpose of *Leading for the Greater Good* has been carefully defined and woven into the fabric of the Spur Corporation business model where everyone has a seat at the table. All are welcome and valued, not only with a seat in our restaurants but also a place in our organisation, our value chain, and our journey of leading for the great good.

Although month-to-month food inflation has steadily declined to reach 1.7% by December 2024 compared to 7% in January 2024, the supply chain was faced with global geopolitical challenges and sudden inclement weather locally during the period. Despite these challenges, the business delivered improved supply chain results and constant availability of quality products for our franchisees and customers.

The group's growth strategy is being supported by its capital management programme and principles, and is founded on assessing efficient and effective allocation of capital for the sustainable long-term growth of the group and returns to its stakeholders. Capital which is surplus to the needs of the business will be returned to shareholders through consistent dividend payments and share repurchases, and will be applied to accelerate the group's expansion into new categories and markets where the opportunity arises.

Trading conditions

Although the South African Reserve Bank's October and November 2024 leading business cycle indicators^ reported a 2.4% rise, this improvement is based on interest rate-sensitive areas benefiting from recent interest rate cuts, including sales of new vehicles and increases in volumes of manufacturing orders and major purchases. The cost of living and economic constraints continue to impact on general household spend, with the reduction in both borrowing costs and food inflation not yet sufficient to increase disposable income and discretionary spend.

As confirmed by the Commissioner of the South African Revenue Services (SARS), the two-pot retirement system resulted in R11 billion being collected by SARS, significantly higher than budgeted. The anticipated increase in discretionary spending by consumers arising from the R43 billion withdrawn savings did not materialise, indicating that the additional funds were most likely applied to priority areas such as debt reduction.

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

^ Per the *Composite Business Cycle Indicators* publications issued by the South African Reserve Bank.

The marketing and operations teams continue to activate new value-added campaigns to bolster marketing activity, including robust loyalty campaigns and incentives to attract customers to our restaurants. Menu engineering and product innovation remain key. Annual customer count numbers slightly reduced from the previous comparable period but pleasingly average-spend-per-head grew above menu-price inflation.

The group enjoys the support of its loyal customers, evidenced by the continued increase of the Spur Family Club loyalty voucher redemption rate of 75%. Sales generated by Family Club members represent just over half of the Spur brand's restaurant turnover.

Operating costs continue to place pressure on franchisee profitability. The group continues to engage with its franchisee network and consider requests for short-term financial support.

Trusted brands drive restaurant sales growth of 10.0% with fierce competition for market share

The group achieved a solid trading performance with franchised restaurant sales increasing by 10.0% over the prior comparable period.

	Total restaurant sales (R'000)			Total restaurant sales growth (%)
	Six months to Dec 2024	Six months to Dec 2023	Six months to June 2024	**Six months to Dec 2024 vs six months to Dec 2023**
Spur	**3 434 994**	3 340 033	2 999 119	**2.8**
Panarottis	**535 423**	469 602	448 526	**14.0**
John Dory's	**231 663**	235 385	209 791	**(1.6)**
RocoMamas	**520 184**	480 014	452 736	**8.4**
Speciality brands[1]	**646 139**	347 476	598 051	**86.0[2]**
Total South Africa	**5 368 403**	4 872 510	4 708 223	**10.2[3]**
Total International	**558 319**	513 750	524 354	**8.7[4]**
Total group	**5 926 722**	5 386 260	5 232 577	**10.0[5]**

1 Speciality brands comprise The Hussar Grill, Casa Bella, Nikos, Doppio Zero, Piza e Vino and Modern Tailors.
2 Excluding Doppio Collection restaurants, sales in Speciality brands increased by 5.2%.
3 Excluding Doppio Collection restaurants, sales in South Africa increased by 4.4%.
4 International restaurant turnovers increased by 20.3% on a constant currency basis.
5 Excluding Doppio Collection restaurants, total group restaurant sales increased by 4.8%.

In South Africa, volume growth was driven mainly by the Spur brand which increased restaurant sales by 2.8%. Menu innovations made a notable contribution to sales growth and cash-strapped customers responded well to the value-added campaigns.

Panarottis increased restaurant sales by 14.0% and RocoMamas by 8.4%. Panarottis has excelled with a value proposition that is appealing and sustainable. The RocoMamas brand produced excellent like-on-like growth.

Despite securing some strategic sites, John Dory's sales were 1.6% lower. Some key shifts need to occur in the new year to ensure this brand's performance increases in this challenging category.

The Speciality brands increased sales by 86.0% amplified with the inclusion of sales from the Doppio Collection brands for this six-month period compared to one month trade only in the comparable period. Excluding the three Doppio Collection brands, the existing Speciality brands increased restaurant turnovers by 5.2% which was mainly driven by The Hussar Grill brand.

The group continues to capitalise on consumer demand for convenience. Local takeaway sales represent 13% of total local restaurant sales, with 48% as collect orders (call, click or walk in). The balance is delivered by Mr D and Uber Eats. The group has recently enhanced its mobile apps capability and is focused on driving digital innovation.

Mauritius represents 22.6% of international franchised restaurant sales. The Spur brand represents 40% of the group's international restaurant sales, followed by Panarottis at 33% and RocoMamas at 27%.

Restaurant footprint

At December 2024, the group traded out of 726 restaurants in 15 countries (June 2024: 701; December 2023: 687).

In South Africa, 21 restaurants were opened during the period, comprising six Spur, six Panarottis, one John Dory's, three RocoMamas, three Doppio Zero, one Piza e Vino and one Modern Tailors restaurant, bringing the South African restaurant footprint to 619. Five restaurants were closed in South Africa in the period.

Internationally, the group opened 12 new restaurants in the rest of Africa during the period to bring the international store network to 107. A highlight was the implementation of the new Spur branding, with Namibia welcoming the first revamped Spur outlet and Botswana being home to the first newly-built Spur restaurant featuring the updated look and feel. Three restaurants were closed during the period including the two RocoMamas stores in Saudi Arabia as the group exited this underperforming region.

The global macro-environment shaped by geopolitical tensions, political uncertainty and supply chain challenges continues to place pressure on the economies of the African countries in which the group trades, with significant currency devaluations against the ZAR in certain African markets, including Zambia, Ghana and Nigeria.

The group's network development strategy, known as the 'R8 model', which focuses on restaurant revamps, relocations and revival strategies, remains a key tool in evolving the brand networks into leading experiences for customers.

	Dec 2024			June 2024		
Number of restaurants	**South Africa**	**International**	**Group**	South Africa	International	Group
Spur	**312**	**32**	**344**	307	30	337
Panarottis	**92**	**45**	**137**	88	40	128
John Dory's	**47**	**2**	**49**	46	1	47
RocoMamas	**87**	**27**	**114**	85	26	111
Speciality brands	**81**	**1**	**82**	77	1	78
The Hussar Grill	**26**	**–**	**26**	27	–	27
Doppio Zero	**30**	**1**	**31**	27	1	28
Piza e Vino	**10**	**–**	**10**	9	–	9
Casa Bella	**7**	**–**	**7**	7	–	7
Nikos	**6**	**–**	**6**	6	–	6
Modern Tailors	**2**	**–**	**2**	1	–	1
Total	**619**	**107**	**726**	603	98	701

Good growth in revenue and profitability

R'000	H1 F2025	H1 F2024	% change
South Africa			
External revenue	**1 966 484**	1 730 931	13.6
Profit before income tax	**203 677**	181 271	12.4
International			
External revenue	**43 388**	35 279	23.0
Profit before income tax	**12 425**	10 423	19.2
Group			
External revenue	**2 009 872**	1 766 210	13.8[6]
Profit before income tax	**216 596**	191 843	12.9[7]

[6] Excluding Doppio Collection, group revenue increased by 7.6%.
[7] Excluding Doppio Collection, group profit before income tax increased by 10.7%.

The competitive trading performance of the brands led to continued strong growth in both group revenue and profit.

Group revenue increased by 13.8% to R2.0 billion (H1 F2024: R1.8 billion). The Doppio Collection was only included for one month in the prior period. Excluding the contribution from Doppio Collection, group revenue increased by 7.6%.

Revenue growth was driven by a significant increase in sales in the retail company stores, which rose by 130.8%. Excluding the contributions from the company-owned Doppio Collection stores, as well as the RocoMamas in Green Point and the pilot Modrockers store, which both closed in the prior year, the four company-owned The Hussar Grill stores reported a revenue increase of 4.3% over the prior period.

The manufacturing and distribution division also reported a strong increase in revenue of 9.9% (8.7% excluding Doppio Collection) on the prior period. Furthermore, improved franchised restaurant turnovers provided an additional boost to revenue growth.

Revenue in the South African operations includes marketing fund revenue of R186.2 million (H1 F2024: R176.7 million) and international revenue includes marketing fund revenue of R5.4 million (H1 F2024: R3.6 million). Marketing fund revenue is used exclusively to fund marketing-related costs and is therefore not for the benefit of shareholders.

Group profit before income tax increased by 12.9% to R216.6 million (H1 F2024: R191.8 million).

Profit before income tax in the South African operations grew by 12.4% to R203.7 million (H1 F2024: R181.3 million) and includes a marketing fund surplus of R3.8 million (H1 F2024: R2.3 million deficit).

In the international operations, profit before income tax increased to R12.4 million (H1 F2024: R10.4 million).

Interest income decreased due to lower prevailing interest rates and the cash outflow in December 2023 relating to the Doppio Collection acquisition. Interest expense increased with the introduction of lease liabilities in the retail company stores of the Doppio Collection.

Group headline earnings increased by 11.5% to R144.4 million (H1 F2024: R129.5 million), with diluted headline earnings per share 9.7% higher at 172.14 cents (H1 F2024: 156.85 cents). Profit attributable to shareholders increased by 11.8% to R144.8 million (H1 F2024: R129.5 million), with diluted earnings per share 10.1% higher at 172.62 cents (H1 F2024: 156.79 cents).

During the six months to 31 December 2024, the company repurchased 714 526 ordinary shares, while 535 112 shares were issued, as part of the group's long-term forfeitable share scheme. This resulted in the reduction in the weighted average number of shares in issue to 81.0 million (F2024: 81.1 million).

The decrease in cash and cash equivalents referenced in the statement of cash flows (which includes bank overdrafts and restricted cash) is a result of the net utilisation of marketing fund cash balances (included in restricted cash) during the period. Unrestricted cash increased slightly to R368.4 million (F2024: R365.7 million). Pleasingly, cash generated from operations was R179.5 million (H1 F2024: R100.2 million).

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

Update on legal dispute with GPS Foods – contingent liability

As previously reported, on 24 December 2019, two companies within the group were served with a summons by GPS Food Group RSA (Pty) Ltd containing two alternative claims (which were then further amended): Claim A for the amount of R167.0 million and Claim B for the amount of R95.8 million.

The parties agreed to refer the matter to arbitration which commenced on 23 October 2023. Following a number of adjournments, the arbitration was concluded on 9 December 2024 and the parties currently await the outcome of the arbitration.

No liability has been raised at the reporting date regarding the matter. Refer to note 14.1 of the unaudited condensed consolidated financial statements for further details.

Cash dividend

Shareholders are advised that the board of directors of the company has, on 3 March 2025, resolved to declare an interim gross cash dividend for the six months ended 31 December 2024 of R96.457 million (31 December 2023: R 86.447 million) which equates to 106.0 cents per share (31 December 2023: 95 cents per share), and an increase of 11.6% on the prior period, 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 84.8 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, 25 March 2025
Shares commence trading 'ex dividend'	Wednesday, 26 March 2025
Record date	Friday, 28 March 2025
Payment date	Monday, 31 March 2025

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, 26 March 2025 and Friday, 28 March 2025, both days inclusive.

Outlook

The global outlook is increasingly fractured across geopolitical, environmental, societal and economic domains. Over the past year, we have witnessed a multitude of extreme weather events amplified by climate change and widespread societal and political polarisation placing increased pressure on supply chain and input costs*.

Locally, the Government of National Unity (GNU) has been in place since June 2024, which the markets have welcomed. The GNU faces difficult challenges: declining GDP per capita, high unemployment, poverty and inequality, and rising public debt and debt servicing costs, which crowd out other urgent spending needs. Its fresh mandate represents an opportunity to pursue ambitious reforms to safeguard macro-economic stability and address these challenges**.

The stable electricity supply in the country over the past months, lower inflation and three successive reductions in interest rates totalling 75 basis points are all levers to ease consumers' debt burdens and support increased consumer spending and confidence. This may however be negated by an increase in taxation rates, and in particular VAT which impacts all consumers, as well as the recent recurrence of intermittent load shedding.

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.

Economic growth and prosperity in our country will become a reality through sustained job creation. Spur Corporation is playing its part in supporting the GNU by creating employment opportunities to build a better South Africa with approximately 23 thousand people employed in South Africa across out network of restaurants. The restaurant industry offers access to the workplace for young individuals through entry-level roles, as franchisees offer good first-time jobs and employment paths, together with impactful training and skills development. The restaurant franchise model provides business opportunities for aspirant business owners.

Supported by its portfolio of 10 distinctive restaurant brands, the group is well positioned to gain market share across categories, regions and countries by providing growing middle-income markets with casual dining restaurant experiences through our family sit-down and fast-casual restaurants and higher income customers with speciality dining experiences.

* Allianz Risk Barometer 2025 Report
** International Monetary Fund Report

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Our brands have not reached saturation levels in South Africa or beyond. Restaurant set-up costs and refinement to business models continue to be key focus areas. Secondary channels are also expected to grow. We will continue to focus on our growth on the continent of Africa and leveraging value from the Doppio Collection transaction.

We will continue to amplify our supply chain initiatives to improve quality, availability, food safety and traceability, as well as pricing for franchisees. This should increase franchisee participation in central procurement. We will focus on the transformation and acceleration of our ESG strategy as the guide to an environmentally sustainable future. In addition, we will focus on resource and organisational structure for a greater return on human capital.

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

While trading conditions will remain challenging in the short to medium term owing to pressure on consumer spending in the weak macro-economic climate, the group is positive on the longer-term prospects.

For and on behalf of the board

Mike Bosman
Independent non-executive chairman

Val Nichas
Group chief executive officer

5 March 2025

Unaudited condensed consolidated statement of profit or loss and other comprehensive income

for the six months ended 31 December 2024

	Note	**Unaudited six months ended 31 December 2024 R'000**	Unaudited six months ended 31 December 2023 R'000	% Change	Audited year ended 30 June 2024 R'000
Revenue	4	**2 009 872**	1 766 210	13.8	3 473 648
Cost of sales[1]		**(1 370 798)**	(1 232 651)	11.2	(2 360 644)
Gross profit		**639 074**	533 559	19.8	1 113 004
Other income	5	**6 551**	3 423	91.4	6 848
Administration expenses		**(124 845)**	(110 519)	13.0	(228 163)
Impairment losses – expected and actual credit losses – financial instruments	6	**(3 330)**	(2 877)	15.7	(6 301)
Marketing expenses[2]		**(165 526)**	(168 058)	(1.5)	(344 695)
Operations expenses		**(76 464)**	(55 556)	37.6	(124 005)
Other non-trading losses	6	**–**	–		(5 815)
Retail company store expenses		**(71 696)**	(25 004)	186.7	(98 857)
Operating profit before net finance income	6	**203 764**	174 968	16.5	312 016
Net finance income		**12 338**	16 726	(26.2)	29 580
Interest income[3]		**16 488**	18 702	(11.8)	35 722
Interest expense[4]		**(4 150)**	(1 976)	110.0	(6 142)
Share of profit of equity-accounted investee (net of income tax)[5]		**494**	149	231.5	145
Profit before income tax		**216 596**	191 843	12.9	341 741
Income tax expense	7	**(63 050)**	(55 177)	14.3	(97 079)
Profit		**153 546**	136 666	12.4	244 662
Other comprehensive income[6]		**1 632**	(818)		(1 793)
Foreign currency translation differences for foreign operations		**1 751**	(855)		(1 854)
Foreign exchange (loss)/gain on net investments in foreign operations		**(157)**	48		80
Current tax on foreign exchange loss/(gain) on net investments in foreign subsidiaries		**38**	(11)		(19)
Total comprehensive income		**155 178**	135 848	14.2	242 869
Profit attributable to:					
Equity owners of the company		**144 787**	129 490	11.8	233 598
Non-controlling interests[7]		**8 759**	7 176	22.1	11 064
Profit		**153 546**	136 666	12.4	244 662
Total comprehensive income attributable to:					
Equity owners of the company		**146 419**	128 672	13.8	231 805
Non-controlling interests[7]		**8 759**	7 176	22.1	11 064
Total comprehensive income		**155 178**	135 848	14.2	242 869
Earnings per share (cents)					
Basic earnings	8	**178.84**	159.53	12.1	287.92
Diluted earnings	8	**172.62**	156.79	10.1	281.31

Refer note 2 for details of the impact on the statement of profit or loss and other comprehensive income of the Doppio Collection acquisition during the prior period.

1 Includes cost of inventory expense of R1 203.4 million (H1 F24: R1 124.5 million; FY F24: R2 155.9 million).
2 Marketing expenses are those items of expenditure that are incurred by the marketing funds administered by the group on behalf of the respective bodies of franchisees and which are funded by marketing fund contributions, sales of marketing materials and marketing supplier contributions (refer note 4).
3 Interest income comprises interest revenue calculated using the effective interest method. Interest income has decreased relative to the prior comparable period due to lower prevailing interest rates and the cash outflow in December 2023 relating to the Doppio Collection acquisition (refer note 2).
4 Interest expense includes interest on lease liabilities of R4.0 million (H1 F24: R1.9 million; FY F24: R6.0 million).
5 The share of profit of equity-accounted investee relates to the 50% equity interest held by Doppio Collection in an entity which operates a retail company store (refer note 2).
6 All items included in other comprehensive income are items that are, or may be, reclassified to profit or loss.
7 Refer note 2 for the profit attributable to non-controlling interests of Doppio Collection.

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Unaudited condensed consolidated statement of financial position

as at 31 December 2024

	Note	Unaudited as at 31 December 2024 R'000	Unaudited as at 31 December 2023 R'000	Audited as at 30 June 2024 R'000
ASSETS				
Non-current assets		**675 282**	687 097	674 420
Property, plant and equipment[1]		**108 686**	103 762	105 988
Right-of-use assets[2]		**61 410**	76 024	63 040
Intangible assets and goodwill[3]		**499 074**	500 044	499 552
Interest in equity-accounted investee[4]		**2 742**	2 252	2 317
Deferred tax		**3 370**	5 015	3 523
Current assets		**749 755**	730 680	713 486
Inventories[5]		**148 077**	192 153	136 125
Tax receivable		**391**	207	277
Trade and other receivables[6]		**185 543**	198 113	148 662
Loans receivable		**167**	569	–
Restricted cash[7]		**47 196**	51 618	62 677
Cash and cash equivalents		**368 381**	288 020	365 745
TOTAL ASSETS		**1 425 037**	1 417 777	1 387 906
EQUITY				
Total equity		**875 866**	795 849	835 058
Ordinary share capital		**1**	1	1
Share premium		**34 309**	34 309	34 309
Shares repurchased by subsidiaries	9.1	**(109 316)**	(83 815)	(83 815)
Foreign currency translation reserve		**30 803**	30 146	29 171
Share-based payments reserve	9.2	**34 620**	27 351	39 090
Retained earnings		**868 201**	773 793	802 135
Total equity attributable to owners of the company		**858 618**	781 785	820 891
Non-controlling interests		**17 248**	14 064	14 167
LIABILITIES				
Non-current liabilities		**132 153**	145 323	124 663
Contract liabilities[8]		**29 911**	25 431	25 880
Lease liabilities[2]		**52 578**	61 126	52 939
Deferred tax		**49 664**	58 766	45 844
Current liabilities		**417 018**	476 605	428 185
Bank overdrafts		**1 254**	–	–
Tax payable		**8 805**	10 951	10 664
Trade and other payables	10	**266 245**	303 610	278 003
Loans payable	11	**71 961**	70 780	70 780
Provision for lease obligation[9]		**7 806**	8 335	8 142
Contract liabilities[8]		**38 579**	59 290	37 391
Lease liabilities[2]		**20 545**	21 951	21 457
Shareholders for dividend		**1 823**	1 688	1 748
TOTAL EQUITY AND LIABILITIES		**1 425 037**	1 417 777	1 387 906

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Refer note 2 for details of the impact on the statement of financial position of the Doppio Collection acquisition during the prior period.

1 Property, plant and equipment comprises predominantly owner-occupied land and buildings, but includes plant and equipment relating to the group's corporate offices, manufacturing facilities and retail company stores. Refer note 6.1 for prior year impairment.

2 Right-of-use assets and related lease liabilities are in respect of primarily the group's Johannesburg corporate office and retail company store premises, but includes the group's fleet of vehicles used by operations employees. Refer note 6.1 for prior year impairment.

3 Intangible assets and goodwill comprises predominantly:
- the values of the Spur, Panarottis, John Dory's, The Hussar Grill, RocoMamas, Nikos, Doppio Zero and Piza e Vino trademarks and related intellectual property; and
- goodwill relating to The Hussar Grill restaurant and franchise operations, RocoMamas franchise operations, and Doppio Collection restaurant and franchise operations,

but includes software licences. In terms of the group's accounting policies, intangible assets (which have an indefinite useful life) and goodwill are tested for impairment annually. No assets were impaired during the current or prior periods.

4 The interest in equity-accounted investee relates to the 50% equity interest held by Doppio Collection in an entity which operates a retail company store (refer note 2 and footnote 5 to the statement of profit or loss and other comprehensive income).

5 The reduction in inventories relative to H1 F24 relates primarily to the reduction in inventory held at the group's outsourced distributor, which at the reporting date amounted to R125.0 million (H1 F24: R169.4 million; FY F24: R118.0 million). H1 F24 inventory levels were higher than normal, as the group had invested in additional inventory to take advantage of preferential pricing on key items available at the time.

6 Trade and other receivables comprise largely accruals for ongoing franchise fee revenue, marketing fund contribution revenue, and related income receivable as well as receivables from the group's outsourced distributor for manufactured sauce sales and sales agent for retail sauce sales in respect of the last month of the financial reporting period. Due to the seasonal nature of the group's business, trade receivables are generally higher at December than June. The decrease relative to H1 F24 relates largely to a reduced receivable from the group's outsourced distributor in respect of manufactured sauce sales, which is impacted by the timing of purchases by the distributor to replenish inventory levels.

7 Restricted cash balances represent:
- cash surpluses in the group's marketing funds that may be used exclusively for marketing purposes in accordance with the franchise agreements concluded between franchisees and the group, other than those cash balances that have been funded by the respective franchise businesses;
- cash held in reserve to honour unredeemed gift vouchers;
- bank deposits pledged as security in respect of certain Doppio Collection retail company store property leases; and
- cash relating to consolidated structured entity, The Spur Foundation Trust. While the group controls the trust, it is not a beneficiary of the trust and accordingly is not entitled to utilise any of the cash owned by the trust for its own use.

8 Contract liabilities relate to:
- the initial franchise fees paid by franchisees to the group on conclusion of franchise agreements: revenue is recognised over the period of the franchise agreement; and
- marketing fund contributions paid by franchisees to the respective brands' marketing funds: revenue is recognised over time as the marketing fund contributions are utilised to fund marketing-related expenditure on behalf of franchisees. To the extent that the marketing fund contributions are not utilised at the reporting date, the related revenue is deferred until such time as the funds are utilised, at which point they are recognised as revenue. The reduction relative to H1 F24 is largely due to marketing spend exceeding marketing fund contributions received in H2 F24, thereby reducing the cumulative surpluses in the marketing funds.

9 The lease obligation relates to a lease concluded by the group for a retail property for the Apache Spur in Australia, which was sublet to the franchisee operating the restaurant. During the 2021 financial year, the landlord terminated the head lease due to non-payment by the sublessee who had commenced liquidation proceedings. The lease makes provision for the lessee continuing to be liable for the aggregate rental payments due for the remainder of the unexpired lease term (to March 2024), notwithstanding the cancellation, on demand. The provision, raised in previous years, comprises the total gross value of the contractual lease payments due from the cancellation date to the end of the original lease term.

SPUR CORP
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Unaudited condensed consolidated statement of changes in equity

for the six months ended 31 December 2024

		Attributable to equity owners of the company								
R'000	Note	Ordinary share capital	Share premium	Shares repurchased by subsidiaries	Foreign currency translation reserve	Share-based payments reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 July 2023		1	34 309	(76 848)	30 964	18 205	731 511	738 142	13 567	751 709
Total comprehensive income for the period		–	–	–	(818)	–	129 490	128 672	7 176	135 848
Profit		–	–	–	–	–	129 490	129 490	7 176	136 666
Other comprehensive income		–	–	–	(818)	–	–	(818)	–	(818)
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners		–	–	(6 967)	–	9 146	(87 208)	(85 029)	(6 679)	(91 708)
Equity-settled share-based payment	9.2	–	–	–	–	9 146	2 446	11 592	–	11 592
Indirect costs arising on intragroup sale of shares related to equity-settled share-based payment	9.2	–	–	–	–	–	(178)	(178)	–	(178)
Purchase of treasury shares	9.1	–	–	(6 967)	–	–	–	(6 967)	–	(6 967)
Dividends		–	–	–	–	–	(89 476)	(89 476)	(6 679)	(96 155)
Balance at 31 December 2023		1	34 309	(83 815)	30 146	27 351	773 793	781 785	14 064	795 849
Total comprehensive income for the period		–	–	–	(975)	–	104 108	103 133	3 888	107 021
Profit		–	–	–	–	–	104 108	104 108	3 888	107 996
Other comprehensive income		–	–	–	(975)	–	–	(975)	–	(975)
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners		–	–	–	–	11 739	(75 766)	(64 027)	(3 785)	(67 812)
Equity-settled share-based payment	9.2	–	–	–	–	11 739	2 262	14 001	–	14 001
Dividends		–	–	–	–	–	(78 028)	(78 028)	(3 785)	(81 813)
Balance at 30 June 2024		**1**	**34 309**	**(83 815)**	**29 171**	**39 090**	**802 135**	**820 891**	**14 167**	**835 058**
Total comprehensive income for the period		**–**	**–**	**–**	**1 632**	**–**	**144 787**	**146 419**	**8 759**	**155 178**
Profit		**–**	**–**	**–**	**–**	**–**	**144 787**	**144 787**	**8 759**	**153 546**
Other comprehensive income		**–**	**–**	**–**	**1 632**	**–**	**–**	**1 632**	**–**	**1 632**
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners		**–**	**–**	**(25 501)**	**–**	**(4 470)**	**(78 721)**	**(108 692)**	**(5 678)**	**(114 370)**
Equity-settled share-based payment	9.2	**–**	**–**	**–**	**–**	**10 934**	**2 266**	**13 200**	**–**	**13 200**
Transfer within equity on vesting of equity-settled share-based payment	9.2	**–**	**–**	**–**	**–**	**(15 404)**	**15 404**	**–**	**–**	**–**
Purchase of treasury shares	9.1	**–**	**–**	**(25 501)**	**–**	**–**	**–**	**(25 501)**	**–**	**(25 501)**
Dividends		**–**	**–**	**–**	**–**	**–**	**(96 391)**	**(96 391)**	**(5 678)**	**(102 069)**
Balance at 31 December 2024		**1**	**34 309**	**(109 316)**	**30 803**	**34 620**	**868 201**	**858 618**	**17 248**	**875 866**

Unaudited condensed consolidated statement of cash flows

for the six months ended 31 December 2024

	Note	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Cash flow from operating activities				
Operating profit before working capital changes	12	**230 691**	174 898	344 501
Working capital changes		**(51 192)**	(74 744)	(14 045)
Cash generated from operations		**179 499**	100 154	330 456
Interest income received		**16 161**	18 434	35 119
Interest expense paid[1]		**(4 150)**	(1 976)	(6 142)
Tax paid		**(58 711)**	(54 913)	(106 885)
Dividends paid		**(101 994)**	(95 900)	(177 027)
Net cash flow from operating activities		**30 805**	(34 201)	75 521
Cash flow from investing activities				
Additions of intangible assets		**–**	–	(2)
Additions of property, plant and equipment		**(9 609)**	(2 227)	(14 572)
Proceeds from disposal of property, plant and equipment		**571**	153	537
Repayment of loans receivable		**69**	–	500
Cash outflow arising from business combination	2	**–**	(67 433)	(67 433)
Net cash flow from investing activities		**(8 969)**	(69 507)	(80 970)
Cash flow from financing activities				
Acquisition of treasury shares	9.1	**(25 501)**	(6 967)	(6 967)
Payment of lease liabilities		**(11 545)**	(6 088)	(15 709)
Loans advanced by non-controlling shareholders		**900**	–	–
Other loans received		**281**	–	–
Net cash flow from financing activities		**(35 865)**	(13 055)	(22 676)
Net movement in cash and cash equivalents		**(14 029)**[2]	(116 763)	(28 125)
Effect of foreign exchange fluctuations		**(70)**	(87)	59
Net cash and cash equivalents at beginning of period		**428 422**	456 488	456 488
Net cash and cash equivalents at end of period		**414 323**	339 638	428 422

1 Interest expense paid includes interest on lease liabilities of R4.0 million (H1 F24: R1.9 million; FY F24: R6.0 million).
2 The net movement in cash and cash equivalents for the current period relates to a reduction in restricted cash.

SPUR CORP
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Notes to the unaudited condensed consolidated financial statements

for the six months ended 31 December 2024

1. Basis of preparation and accounting policies

The unaudited condensed consolidated financial statements for the six months ended 31 December 2024 (condensed financial statements) are prepared in accordance with the requirements of the JSE Ltd Listings Requirements (Listings Requirements) and the requirements of the Companies Act of South Africa (No. 71 of 2008 amended). The Listings Requirements require condensed consolidated financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards (IFRS) and Financial Pronouncements as issued by the Financial Reporting Standards Council, and the *SAICA Financial Reporting Guides* as issued by the Accounting Practices Committee and to also, as a minimum, contain the information required by *IAS 34 – Interim Financial Reporting*.

The accounting policies applied in the preparation of the condensed financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated financial statements for the year ended 30 June 2024 (F24 financial statements). The group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Throughout these condensed financial statements, the comparative six-month period ended 31 December 2023 is referenced as 'H1 F24', while the comparative year ended 30 June 2024 is referenced as 'FY F24'. The six-month period from January 2024 to June 2024 is referenced as 'H2 F24'.

The condensed financial statements have not been reviewed or audited by the group's external auditors.

The condensed financial statements are presented in South African rands, which is the group's presentation currency, rounded to the nearest thousand, unless otherwise stated. They are prepared on the going concern basis. The condensed financial statements have been prepared on the historical cost basis.

The condensed financial statements were prepared under the supervision of the group chief financial officer, Cristina Teixeira CA(SA), and authorised for issue by the directors on Monday, 3 March 2025. The condensed financial statements were published on Wednesday, 5 March 2025.

2. Prior period acquisition of Doppio Collection

With effect from 1 December 2023, the group, through a 60%-owned subsidiary company, Doppio Collection (Pty) Ltd (Doppio Collection), acquired an interest in certain business units of Nadostax (Pty) Ltd et al (Doppio Group). These business units (Target Business) included speciality restaurant brands Doppio Zero, Piza e Vino and Modern Tailors. Additional business units acquired included certain company-owned restaurants, a bakery and central supply business.

The Doppio Group is owned by founders, Paul Christie (50%) and Miki Milovanovic (50%) (collectively, the Sellers, via intermediate legal entities). The Sellers each own 20% of the equity interests in Doppio Collection.

2. Prior period acquisition of Doppio Collection continued

ASSETS AND LIABILITIES ACQUIRED

The fair value of identifiable assets and liabilities acquired on 1 December 2023 comprise:

	1 December 2023 R'000
Intangible assets (trademarks and related intellectual property)	73 587
Right-of-use (ROU) assets[1]	47 861
Property, plant and equipment (PPE)[2]	18 511
Inventory	3 788
Interest in equity-accounted investee[3]	2 672
Trade and other receivables	
Lease deposits	2 851
Contract liabilities	
Deferred marketing fund contributions revenue[4]	(4 449)
Lease liabilities[1]	(47 861)
Trade and other payables	(3 729)
Loans owing to non-controlling interests (NCI)[5]	(16 432)
Deferred tax[6]	(19 054)
Fair value of identifiable net assets acquired	57 745
Purchase consideration for equity in Doppio Collection	–
Purchase consideration for net assets acquired funded by the group	73 069
Settled in cash on shareholder's loan account	67 433
Consideration still owing[7]	5 636
Purchase consideration for net assets acquired funded by non-controlling shareholders on loan account	48 712
Total purchase consideration	121 781
Less: fair value of identifiable net assets acquired	(57 745)
Goodwill recognised on acquisition of Doppio Collection	64 036

Subsequent to the acquisition date, certain property, plant and equipment and a right-of-use asset relating to one of the retail company stores, Ciccio Melrose, were impaired during the prior year (refer note 6.1).

1 Right-of-use assets and lease liabilities comprise the property leases for the retail company stores and the Doppio Collection head office and bakery. The leases concluded by Doppio Collection for the Doppio Collection head office and bakery are with entities related to the Sellers. The terms of the leases are considered to be market-related.
2 Property, plant and equipment relates primarily to the restaurant fit-out and equipment assets in the company retail stores acquired as well as the equipment in the bakery.
3 The interest in equity-accounted investee comprises a 50% interest in a legal entity operating a retail company store. The group exercises joint control (with the other 50% shareholder) of the key activities of the investee.
4 The contract liabilities relate to marketing fund contributions received by the Doppio Group from franchisees which are in excess of the amounts spent by the Doppio Group on marketing for the respective brands as provided for in the respective franchise agreements concluded between the Doppio Group and its franchisees. The revenue will be recognised in future periods as it is used to fund future marketing expenditure on behalf of the bodies of franchisees.
5 Loans owing to non-controlling interests included in the identifiable net assets acquired relate to Doppio Collection shareholders' loans to the extent that the loans are in excess of the *pro rata* shareholding of the respective shareholders. The excess loans arose from the sale of the Target Business by Doppio Group to Doppio Collection on loan account (which was subsequently ceded and assigned to the Sellers in equal share). The loans have no fixed repayment terms. The non-controlling shareholders have a preferential right to repayment of these loans before any amount may be repaid on other shareholder loans which are in proportion to the respective shareholders' shareholding.
6 Deferred tax arises on the initial recognition of the intangible assets, right-of-use assets, lease liabilities and certain of the amounts owing to Doppio Group (included in trade an other payables).
7 This represents the balance of the purchase consideration for the net assets acquired due by Spur Group to Doppio Collection in order for Doppio Collection to settle the remaining amount owing by Doppio Collection to the Doppio Group for the acquisition of the Target Business.

CASH FLOW IMPACT

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Shareholder's loan advanced by Spur Group to Doppio Collection	–	(67 433)	(67 433)

The proceeds of the shareholder's loan were paid by Doppio Collection to the Sellers in part-settlement of their shareholders' loan accounts as referred to above.

IMPACT ON RESULTS REPORTED

	Six months 1 July to 31 December 2024 R'000	One month 1 December to 31 December 2023 R'000	Seven months 1 December 2023 to 30 June 2024 R'000
Revenue	**136 374**	24 683	152 398
EBITDA*	**12 218**	3 678	12 936
Net interest expense excl. IFRS 16 interest	**(109)**	(6)	(36)
Depreciation excl. IFRS 16 depreciation	**(3 120)**	(337)	(3 162)
Profit excl. impairments & IFRS adjustments below	**8 989**	3 335	9 738
Impairment (refer note 6.1)			
PPE	**–**	–	(3 285)
ROU asset	**–**	–	(2 530)
IFRS 9 Expected Credit Losses	**(523)**	–	(2 373)
IFRS 16 Leases	**(981)**	(373)	(2 674)
Depreciation of ROU assets	**(6 873)**	(1 162)	(8 188)
Interest on lease liabilities	**(2 541)**	(456)	(3 237)
Reversal of lease cash payments	**8 433**	1 245	8 751
IFRS 15 Deferred initial franchise fee revenue	**(393)**	–	(249)
Earnings from equity-accounted investee	**494**	149	145
Reported profit/(loss) before income tax	**7 586**	3 111	(1 228)
Reported net profit/(loss)	**5 076**	2 312	(859)
Profit/(loss) attributable to equity owners of the company	**3 046**	1 388	(515)
Profit/(loss) attributable to non-controlling interests	**2 030**	924	(344)

* EBITDA: Earnings before interest, tax, depreciation and amortisation from trading.

Transaction costs included in profit before income tax for H1 F24 and FY F24 amounted to R2.533 million and relate largely to due diligence and legal professional services. The costs were included in *Administrative expenses* in the *statement of profit or loss and other comprehensive income* and within the *Shared services* operating segment.

3. Operating segments

External revenue	Note	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	% Change	Audited year ended 30 June 2024 R'000
South Africa					
Franchise		**258 649**	234 294	10.4	460 890
Spur		**170 939**	165 399	3.3	314 473
Panarottis		**24 930**	21 652	15.1	42 554
John Dory's		**10 422**	10 284	1.3	19 578
RocoMamas		**25 571**	23 351	9.5	45 333
Speciality brands[1]		**26 787**	13 608	96.8	38 952
Manufacturing and distribution[2]		**1 342 379**	1 221 297	9.9	2 321 673
Retail company stores[3]		**141 379**	61 260	130.8	190 115
Marketing[4]		**186 150**	176 697	5.3	366 655
Other segments[5]		**37 799**	37 328	1.3	61 366
Total South African segments		**1 966 356**	1 730 876	13.6	3 400 699
Shared services		**128**	55	132.7	134
Total South Africa		**1 966 484**	1 730 931	13.6	3 400 833
International					
Franchise – Australasia[6]		**250**	305	(18.0)	599
Franchise – Rest of Africa and Middle East[7]		**37 696**	31 367	20.2	63 627
Marketing[4]		**5 442**	3 607	50.9	8 589
Total International		**43 388**	35 279	23.0	72 815
Total external revenue		**2 009 872**	1 766 210	13.8	3 473 648
Profit/(loss) before income tax					
South Africa					
Franchise		**209 482**	197 385	6.1	378 693
Spur		**149 279**	146 082	2.2	273 744
Panarottis		**18 311**	15 628	17.2	29 946
John Dory's		**5 942**	6 198	(4.1)	11 081
RocoMamas		**19 723**	17 872	10.4	35 157
Speciality brands[1]		**16 227**	11 605	39.8	28 765
Manufacturing and distribution[2]		**56 597**	47 417	19.4	84 784
Retail company stores[3]		**8 677**	7 406	17.2	2 238
Marketing[4]		**3 798**	(2 278)		(3 573)
Other segments[5]		**2 590**	745	247.7	683
Total South African segments		**281 144**	250 675	12.2	462 825
Shared services	a	**(77 467)**	(69 404)	(11.6)	(144 260)
Total South Africa		**203 677**	181 271	12.4	318 565
International					
Franchise – Australasia[6]		**(40)**	(43)	7.0	(198)
Franchise – Rest of Africa and Middle East[7]		**16 755**	13 437	24.7	29 544
Total International segments		**16 715**	13 394	24.8	29 346
Shared services	b	**(4 290)**	(2 971)	(44.4)	(6 315)
Total International		**12 425**	10 423	19.2	23 031
Profit before income tax and share of profit of equity-accounted investee		**216 102**	191 694	12.7	341 596
Share of profit of equity-accounted investee		**494**	149	231.5	145
Profit before income tax		**216 596**	191 843	12.9	341 741

Refer note 4 for further details of revenue.

1 Speciality brands comprise the group's franchise operations for The Hussar Grill, Casa Bella, Nikos Coalgrill Greek and, with effect from 1 December 2023, Doppio Zero and Piza e Vino (refer note 2).

2 Manufacturing and distribution comprises the group's sauce manufacturing, warehousing and product distribution business including sales by the group's outsourced distributor to franchisees, rebates and sales of retail sauces to supermarkets. Revenue includes sales by the group's outsourced distributor of R1.258 billion (H1 F24: R1.154 billion; FY F24: R2.190 billion). The Doppio Collection bakery and product distribution business has been included in this segment with effect from 1 December 2023 (refer note 2).

3 Retail company stores comprises four The Hussar Grills, six Doppio Zero, three Piza e Vino and two Modern Tailor restaurants with one of these Modern Tailors opening in July 2024 and one Piza e Vino commencing trading in December 2024. As previously reported, the FY F24 segment result includes property, plant and equipment and right-of-use asset impairment losses (refer note 6.1) of R3.285 million and R2.530 million respectively.

4 These segments comprise the surplus or deficit of marketing fund contributions from franchisees relative to marketing fund expenses for the period. The group is obligated, in accordance with the franchise agreements concluded between franchisees and the group, to spend the marketing fund contributions for the benefit of franchisees. Any surplus recognised in profit is in respect of the recovery of a prior period's cumulative marketing fund deficit and is accordingly not for the benefit of the owners of the company and will not, in the ordinary course of business, be distributable to shareholders. Losses are recognised to the extent that a marketing fund is in a cumulative deficit position. The surplus recognised in the current period reflects the recovery of prior year cumulative deficits recognised as losses in the prior period and year. The Doppio Zero and Piza e Vino marketing funds have been included in this segment with effect from 1 December 2023 (refer note 2).

5 Other segments include the group's training division, export business, décor manufacturing business and call centre which are each individually not material. The improvement in the segment result for the period is due to a greater contribution from the group's decor manufacturing facility in support new restaurant development and revamps.

6 Franchise – Australasia now comprises two franchised RocoMamas restaurants operating in Australia.

7 Franchise – Rest of Africa and Middle East comprises the group's franchise operations in the rest of Africa (including Mauritius), India and the Middle East. Rest of Africa comprises the majority of the segment. India and Middle East components are not individually material, operate on the same basis as the rest of Africa and are exposed to similar risks. Segment revenue includes sales by the group's outsourced distributor of R12.7 million (H1 F24: R9.3 million; FY F24: R18.6 million).

a) South Africa Shared services

The segment loss includes:	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Marketing fund administration cost recoveries (intersegment)[8]	**8 675**	8 209	16 253
Net finance income[9]	**14 375**	15 251	29 202
Impairment loss – net expected credit losses (ECLs) – financial instruments (refer footnote 2 to note 6)	**(1 754)**	(2 326)	(4 593)
Equity-settled share-based payment charge (refer note 9.2)	**(10 934)**	(9 146)	(20 885)
Consulting and legal fees - due diligence costs (refer note 2)	**–**	(2 533)	(2 533)
Litigation costs – GPS (refer note 14.1)	**(4 064)**	(3 181)	(5 950)
Loss (before net finance income) of The Spur Foundation Trust, all of which is attributable to non-controlling interests	**(193)**	(298)	(4)
Non-executive directors' fees (including VAT where applicable)[10]	**(2 799)**	(2 696)	(5 806)

8 The group recovers certain of the costs of administering the marketing funds on behalf of franchisees from the marketing funds.

9 Net finance income has decreased due to lower prevailing interest rates and the cash outflow in December 2023 relating to the Doppio Collection acquisition.

10 The non-executive directors fees are paid by a company which cannot claim VAT inputs where applicable. Notwithstanding that the company is not able to claim VAT input credits on these services, the VAT paid is not for the benefit of the directors in question.

3. Operating segments continued

b) International Shared services

The segment loss includes:	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Impairment (loss)/reversal – net ECLs – financial instruments (refer footnote 2 to note 6)	**(349)**	41	(9)
Foreign exchange loss	**(1 655)**	(461)	(478)

4. Revenue

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Sales-based royalties	**275 947**	252 637	495 685
Ongoing franchise fee income	**275 947**	252 637	495 685
Recognised at a point in time	**1 536 291**	1 330 657	2 597 661
Sales of franchisee supplies (outsourced distributor)	**1 270 832**	1 163 642	2 208 263
Sales of purchased and manufactured sauces	**86 380**	61 359	101 420
Retail company stores' sales	**136 318**	61 260	190 115
Sales of franchisee supplies	**31 729**	36 687	78 697
Sales of marketing materials	**5 985**	4 520	11 543
Rebate income	**5 047**	3 189	7 623
Recognised over time	**197 634**	182 916	380 302
Initial franchise fee income	**4 143**	3 510	7 107
Marketing fund contributions	**179 429**	172 192	353 750
Services rendered	**6 743**	3 590	8 645
Marketing supplier contributions	**7 319**	3 624	10 800
Total external revenue	**2 009 872**	1 766 210	3 473 648

Revenue is disaggregated based on the method of recognition by segment as follows:

	Sales-based royalties R'000	Recognised at a point in time R'000	Recognised over time R'000	Total R'000
Unaudited six months ended 31 December 2024				
South Africa				
Franchise	**251 993**	**1 777**	**4 879**	**258 649**
Spur	**169 550**	**–**	**1 389**	**170 939**
Panarottis	**24 440**	**–**	**490**	**24 930**
John Dory's	**10 111**	**–**	**311**	**10 422**
RocoMamas	**24 759**	**–**	**812**	**25 571**
Speciality brands	**23 133**	**1 777**	**1 877**	**26 787**
Manufacturing and distribution	**–**	**1 342 379**	**–**	**1 342 379**
Retail company stores	**–**	**141 379**	**–**	**141 379**
Marketing	**–**	**5 985**	**180 165**	**186 150**
Other segments	**–**	**31 601**	**6 198**	**37 799**
Total South African segments	**251 993**	**1 523 121**	**191 242**	**1 966 356**
Shared services	**–**	**128**	**–**	**128**
Total South Africa	**251 993**	**1 523 249**	**191 242**	**1 966 484**
International				
Franchise – Australasia	**250**	**–**	**–**	**250**
Franchise – Rest of Africa and Middle East	**23 704**	**13 042**	**950**	**37 696**
Marketing	**–**	**–**	**5 442**	**5 442**
Total International	**23 954**	**13 042**	**6 392**	**43 388**
Total external revenue	**275 947**	**1 536 291**	**197 634**	**2 009 872**
Unaudited six months ended 31 December 2023				
South Africa				
Franchise	231 941	–	2 353	234 294
Spur	164 418	–	981	165 399
Panarottis	21 437	–	215	21 652
John Dory's	10 194	–	90	10 284
RocoMamas	22 721	–	630	23 351
Speciality brands	13 171	–	437	13 608
Manufacturing and distribution	–	1 221 297	–	1 221 297
Retail company stores	–	61 260	–	61 260
Marketing	–	4 520	172 177	176 697
Other segments	–	34 031	3 297	37 328
Total South African segments	231 941	1 321 108	177 827	1 730 876
Shared services	–	55	–	55
Total South Africa	231 941	1 321 163	177 827	1 730 931
International				
Franchise – Australasia	296	–	9	305
Franchise – Rest of Africa and Middle East	20 400	9 494	1 473	31 367
Marketing	–	–	3 607	3 607
Total International	20 696	9 494	5 089	35 279
Total external revenue	252 637	1 330 657	182 916	1 766 210

4. Revenue continued

	Sales-based royalties R'000	Recognised at a point in time R'000	Recognised over time R'000	Total R'000
Audited year ended 30 June 2024				
South Africa				
Franchise	452 920	1 800	6 170	460 890
Spur	312 234	–	2 239	314 473
Panarottis	42 160	1	393	42 554
John Dory's	19 199	–	379	19 578
RocoMamas	44 071	–	1 262	45 333
Speciality brands	35 256	1 799	1 897	38 952
Manufacturing and distribution	–	2 321 673	–	2 321 673
Retail company stores	–	190 115	–	190 115
Marketing	–	11 543	355 112	366 655
Other segments	–	53 509	7 857	61 366
Total South African segments	452 920	2 578 640	369 139	3 400 699
Shared services	–	134	–	134
Total South Africa	452 920	2 578 774	369 139	3 400 833
International				
Franchise – Australasia	581	–	18	599
Franchise – Rest of Africa and Middle East	42 184	18 887	2 556	63 627
Marketing	–	–	8 589	8 589
Total International	42 765	18 887	11 163	72 815
Total external revenue	495 685	2 597 661	380 302	3 473 648

5. Other income

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Expired gift vouchers[1]	**558**	840	617
Gain on derecognition of lease	**10**	86	86
Derecognition of lease liabilities on early termination of leases	**230**	551	561
Derecognition of right-of-use assets on early termination of leases	**(220)**	(465)	(475)
Profit on disposal of property, plant and equipment	**476**	–	35
Rental income[2]	**363**	175	–
Restaurant operations management fee[3]	**320**	493	1 425
Salary recoveries[4]	**2 407**	–	–
Spur Foundation donation income[5]	**2 303**	1 591	3 704
Other	**114**	238	981
Total other income	**6 551**	3 423	6 848

1 Expired gift vouchers relate to the value of gift vouchers sold to customers which have not been redeemed within a period of three years from date of issue. The validity period of three years is prescribed by local legislation.

2 Rental income comprises income earned on short-term leases in respect of certain group-owned properties rented to external parties.

3 The restaurant operations management fee related to the use of the premises and equipment of one of the group's retail company stores granted to a franchisee. In exchange for the use of the assets and premises, the franchisee paid the group a percentage of the sales generated from the premises. The arrangement was effective from 1 October 2023 and terminated on 30 September 2024.

4 Salary recoveries relate to the recovery of employment-related costs charged to related entities which are not consolidated.

5 Spur Foundation donation income relates to donations received by The Spur Foundation Trust, a consolidated structured entity, from parties external to the group. The income may be used exclusively for the benefit of the beneficiaries of the trust in accordance with the trust deed (which exclude any group entities). Related expenditure is included in *Administration expenses* in the statement of profit or loss and other comprehensive income.

6. Operating profit before net finance income

The following expenses have been taken into account in determining operating profit before net finance income (other than those items disclosed in other income (refer note 5)):

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Amortisation – intangible assets	**478**	536	1 030
Consulting fees	**14 260**	11 713	21 578
Depreciation – property, plant and equipment	**6 816**	3 954	10 510
Depreciation – right-of-use assets	**11 912**	6 170	17 563
Employment costs	**170 566**	131 611	254 226
Salaries and wages[1]	**159 632**	122 465	233 341
Share-based payments expense – equity-settled – long-term employee share incentive schemes (refer note 9.2)	**10 934**	9 146	20 885
Foreign exchange loss	**1 765**	360	589
Impairment losses – expected and actual credit losses – financial instruments	**3 330**	2 877	6 301
Trade receivables	**2 676**	2 609	5 773
Bad debts – trade receivables (actual credit loss)	**45**	133	3 489
Movement in impairment allowance[2]	**2 631**	2 476	2 284
Loans receivable	**654**	268	528
Movement in impairment allowance	**654**	268	603
Reversal of impairment allowance	**–**	–	(75)
Loss on disposal of property, plant and equipment	**–**	71	–
Other non-trading losses	**–**	–	5 815
Impairment of plant, property and equipment (refer note 6.1)	**–**	–	3 285
Impairment of right-of-use asset (refer note 6.1)	**–**	–	2 530
Outsourced restaurant operations costs[3]	**–**	5 755	40 407
Subscriptions[4]	**15 330**	11 215	23 515

[1] Includes short-term performance bonuses and short-term incentive scheme costs (refer note 10.1). The full employment costs of Doppio Collection employees are included in employment costs from 1 July 2024; prior to this, the cost of employees was included in the outsourced restaurant operations costs (refer footnote 3).

[2] The increase in the allowance for ECLs is largely as a result of an increase in gross trade receivables in line with trading activities.

[3] As part of the acquisition of the Doppio Collection (refer note 2), Doppio Collection concluded an agreement with Doppio Group for the use of the services of certain of Doppio Group's staff and equipment on a recovery of cost basis. The arrangement terminated on 30 June 2024, whereafter employment of the relevant employees moved from Doppio Group to the group (refer footnote 1).

[4] Subscriptions comprise recurring service costs and include software-as-a-service costs, certain annual IT-related licence costs, wide area network (WAN) IT infrastructure costs and outsourced call centre costs.

6.1 PRIOR PERIOD IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

Following the acquisition of the Doppio Collection (refer note 2), one of the retail company stores, Ciccio Melrose (previously a Piza e Vino, which was converted into this prototype pilot test concept), continues to fall short of performance expectations and trading prospects are not expected to improve. In the event of an early termination of the lease, the leasehold improvements will not be recovered through use. The carrying amount of the leasehold improvements was accordingly impaired in full in H2 F2024. It is anticipated that the remaining assets could be utilised elsewhere in the group, or sold to a franchisee and no significant loss is anticipated in this regard. In addition, the carrying amount of the right-of-use asset associated with the property lease was partially impaired in H2 F2024. The extent of the impairment was based on the expected costs of trading through the lease until it is terminated.

	Audited year ended 30 June 2024 R'000
Impairment of property, plant and equipment relating to Ciccio Melrose	3 285
Impairment of right-of-use asset relating to Ciccio Melrose	2 530
Total impairment loss	5 815

The impairments are attributable to the *retail company stores* operating segment.

7. Tax rate reconciliation

	Unaudited six months ended 31 December 2024 %	Unaudited six months ended 31 December 2023 %	Audited year ended 30 June 2024 %
South African corporate income tax rate	**27.0**	27.0	27.0
Non-deductible listings related costs	**0.7**	0.7	0.8
Non-deductible marketing expenditure	**22.1**	24.7	28.5
Non-deductible other expenditure (capital items and items not in production of income)	**0.4**	0.6	0.6
Non-taxable marketing income	**(22.4)**	(24.4)	(28.1)
Prior year net under/(over) provision	**–**	0.2	(0.6)
Special tax incentive in respect of learnerships	**–**	–	(0.1)
Share of profit of equity-accounted investee	**(0.1)**	–	–
Tax at rates other than corporate income tax rate	**0.1**	(1.4)	(0.7)
Tax losses on which deferred tax asset not recognised	**0.1**	0.1	0.1
Tax losses utilised on which deferred tax asset not previously recognised	**(0.1)**	–	(0.1)
Tax on foreign attributed income not included in profit	**0.5**	0.2	–
Withholding taxes	**0.8**	1.1	1.0
Effective tax rate	**29.1**	28.8	28.4

The statutory rates of tax applicable to group entities in the Netherlands, Australia and Namibia are 25.8%, 25% and 32% respectively. The tax rate in the Netherlands operates on a sliding scale.

SPUR CORP
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8. Earnings per share

8.1 STATISTICS

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	% Change	Audited year ended 30 June 2024 R'000
Total shares in issue	**90 997**	90 997		90 997
Less: shares repurchased by wholly-owned subsidiary companies (refer note 10.1)	**(3 696)**	(3 517)		(3 517)
Less: shares held by The Spur Management Share Trust (consolidated structured entity)	**(5 886)**	(5 886)		(5 886)
Less: shares held by The Spur Foundation Trust (consolidated structured entity)	**(500)**	(500)		(500)
Net shares in issue	**80 915**	81 094		81 094
Weighted average number of shares in issue	**80 958**	81 172		81 134
Diluted weighted average number of shares in issue	**83 876**	82 589		83 040
Earnings per share (cents)				
Basic earnings	**178.84**	159.53	12.1	287.92
Diluted earnings	**172.62**	156.79	10.1	281.31
Headline earnings per share (cents)				
Basic headline earnings	**178.35**	159.59	11.8	291.02
Diluted headline earnings	**172.14**	156.85	9.7	284.34
Dividend per share (cents)[1]	**106.00**	95.00	11.6	213.00

[1] Refers to interim and final dividend declared for the respective financial year, as applicable.

8.2 RECONCILIATION OF WEIGHTED AVERAGE NUMBER OF SHARES IN ISSUE

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Gross shares in issue at beginning of period	**90 997**	90 997	90 997
Less: Cumulative shares repurchased by subsidiary companies and consolidated structured entities at beginning of period	**(9 903)**	(9 654)	(9 654)
Less: Shares repurchased during period weighted for period held by the group	**(298)**	(171)	(209)
Plus: Shares issued during the period weighted for period in issue (vested long-term share-linked incentive awards) (refer note 9.2)	**162**	–	–
Weighted average number of shares in issue for the period	**80 958**	81 172	81 134
Dilutive potential ordinary shares weighted for period outstanding (non-vested long-term share-linked incentive awards) (refer note 9.2)	**2 918**	1 417	1 906
Dilutive weighted average number of shares in issue for the period	**83 876**	82 589	83 040

8.3 RECONCILIATION OF HEADLINE EARNINGS

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	% Change	Audited year ended 30 June 2024 R'000
Profit attributable to equity owners of the company	**144 787**	129 490	11.8	233 598
Headline earnings adjustments:				
Impairment of property, plant and equipment	**–**	–		3 285
Impairment of right-of-use asset	**–**	–		2 530
(Profit)/loss on disposal of property, plant and equipment	**(476)**	71		(35)
Income tax impact of above adjustments	**43**	(19)		(1 561)
Amount of above adjustments attributable to non-controlling interests	**32**	–		(1 698)
Headline earnings	**144 386**	129 542	11.5	236 119

9. Capital and reserves

9.1 SHARES REPURCHASED

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Shares repurchased by subsidiaries			
Acquired by wholly-owned subsidiary, Spur Group (Pty) Ltd, for FSPs (refer note 9.2)			
Number of shares	**208 786**	248 661	248 661
Average cost per share (R)	**35.30**	28.02	28.02
Total cost (R'000)	**7 370**	6 967	6 967
Acquired by wholly-owned subsidiary, Spur Group (Pty) Ltd, for settlement of SARs (refer note 9.2)			
Number of shares	**505 740**	–	–
Average cost per share (R)	**35.85**	–	–
Total cost (R'000)	**18 131**	–	–
Total cost of shares repurchased during the period (R'000)	**25 501**	6 967	6 967
Shares transferred from Spur Group (Pty) Ltd to participants of SARs on exercising of rights (refer note 9.2)			
Number of shares	**535 112**	–	–

9.2 SHARE-BASED PAYMENTS RESERVE

At the annual general meeting (AGM) of 23 December 2020, shareholders approved new equity-settled long-term incentive schemes: the Spur Group Forfeitable Share Plan (FSP) and Spur Group Share Appreciation Rights (SAR) Scheme. All current tranches of long-term incentive awards were issued in terms of these new schemes.

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Balance at beginning of period	**39 090**	18 205	18 205
Share-based payments expense for the period	**10 934**	9 146	20 885
FSP – October 2021 tranche	**551**	759	1 801
SAR – October 2021 tranche	**1 390**	2 599	4 736
FSP – November 2022 tranche	**662**	575	1 688
SAR – November 2022 tranche	**3 979**	4 444	8 382
FSP – November 2023 tranche	**654**	185	904
SAR – November 2023 tranche	**2 501**	584	3 374
FSP – October 2024 tranche	**454**	–	–
SAR – October 2024 tranche	**743**	–	–
Transfer to retained earnings on vesting of shares/rights	**(15 404)**	–	–
Balance at end of period	**34 620**	27 351	39 090
Comprising:			
FSP – October 2021 tranche	**4 797**	3 204	4 246
SAR – October 2021 tranche	**–**	11 877	14 014
FSP – November 2022 tranche	**3 298**	1 523	2 636
SAR – November 2022 tranche	**17 895**	9 978	13 916
FSP – November 2023 tranche	**1 558**	185	904
SAR – November 2023 tranche	**5 875**	584	3 374
FSP – October 2024 tranche	**454**	–	–
SAR – October 2024 tranche	**743**	–	–

SPUR CORP
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9. Capital and reserves continued

9.2 SHARE-BASED PAYMENTS RESERVE CONTINUED

Number of shares/rights in issue	Unaudited six months ended 31 December 2024 FSP shares	Unaudited six months ended 31 December 2024 SAR rights	Unaudited six months ended 31 December 2023 FSP shares	Unaudited six months ended 31 December 2023 SAR rights
Balance at beginning of period	**815 551**	**8 224 975**	692 114	5 250 095
Change in estimate	**(13 366)**[1]	**–**	(69 343)[2]	–
Granted during the period	**266 858**	**1 905 278**	285 181	3 200 624
Forfeited during the period	**(37 156)**	**(282 693)**	(8 870)	(37 651)
Vested during the period	**–**	**(1 816 498)**	–	–
Balance at end of period	**1 031 887**	**8 031 062**	899 082	8 413 068
Comprising:				
October 2021 tranche	**282 707**	**–**	305 659	2 035 279
November 2022 tranche	**283 567**	**3 024 880**	308 242	3 177 165
November 2023 tranche	**198 755**	**3 100 904**	285 181	3 200 624
October 2024 tranche	**266 858**	**1 905 278**	–	–

Number of shares/rights in issue	Audited year ended 30 June 2024 FSP shares	Audited year ended 30 June 2024 SAR rights
Balance at beginning of year	692 114	5 250 095
Change in estimate	(69 343)[2]	–
Granted during the year	222 152	3 200 624
Forfeited during the year	(29 372)	(225 744)
Vested during the year	–	–
Balance at end of year	815 551	8 224 975
Comprising:		
October 2021 tranche	296 367	1 967 063
November 2022 tranche	297 032	3 086 857
November 2023 tranche	222 152	3 171 055

1 The value of FSP shares awarded in respect of the November 2023 tranche was calculated with reference to the participants' short-term incentive (STI) payments relating to the financial year ended 30 June 2024. The value of the FSP shares awarded was converted into a number of FSP shares based on the share price prevailing at the time of being allocated to the participants. The shares were therefore contingently issuable upon the determination of the STI. As at 30 June 2024, the number of shares previously estimated to be issued was 222 152. Subsequent to the finalisation of the STI payments for the 2024 financial year during the current period, the actual number of FSP shares was determined.

2 The value of FSP shares awarded in respect of the November 2022 tranche was calculated with reference to the participants' STI payments relating to the financial year ended 30 June 2023. The value of the FSP shares awarded was converted into a number of FSP shares based on the share price prevailing at the time of being allocated to the participants. The shares were therefore contingently issuable upon the determination of the STI. As at 30 June 2023, the number of shares previously estimated to be issued was 381 645. Subsequent to the finalisation of the STI payments for the 2023 financial year during the prior period, the actual number of FSP shares was determined.

The terms of each tranche are as follows:

FSP	October 2021 tranche	November 2022 tranche	November 2023 tranche	October 2024 tranche
Date of grant	7 October 2021	17 November 2022	16 November 2023	17 October 2024
Number of shares awarded	327 104	312 302	208 786[1]	266 858[5]
Initial vesting date	16 August 2025	14 August 2026	18 August 2027[4]	16 November 2028[6]
Date from which shares may be traded	16 August 2025	14 August 2026	18 August 2027[4]	16 November 2028[6]
Service condition	Period from grant date to initial vesting date	Period from grant date to initial vesting date	Period from grant date to initial vesting date	Approximately four years from grant date
Performance conditions	N/A[3]	N/A[3]	N/A[3]	N/A[3]
Grant-date fair value per share (R)	18.10	16.46	26.08	32.68
Proportion of shares expected to vest as assessed at reporting date (based on number of employees expected to meet service condition) (%)	86.4	90.8	95.2	100.0
Number of shares that vested	N/A	N/A	N/A	N/A

3 As the FSPs were/are awarded (and the actual number of shares determined) based on the group's STI (which incorporates performance conditions), no further performance conditions apply.

4 The initial vesting date is three years from the date on which the final number of shares awarded is determined (i.e. only when the STI amount is finalised and paid). The date included previously at 30 June 2024 of 16 November 2027 was an estimate.

5 The number of FSP shares awarded in respect of the October 2024 tranche is calculated with reference to the participants' STI payments relating to the financial year ending 30 June 2025. The shares are therefore contingently issuable upon the determination of the STI. The number of shares included is an estimate based on expected STI payments for the 2025 financial year, and is subject to change pending a final determination of the STI payments due subsequent to 30 June 2025 (refer note 10.1).

6 The initial vesting date is three years from the date on which the final number of shares awarded is determined (i.e. only when the STI amount is finalised and paid). The date included is an estimate, and is subject to change, but in any event will not be later than 30 November 2028.

9. Capital and reserves continued

9.2 SHARE-BASED PAYMENTS RESERVE CONTINUED

The October 2021 to November 2023 tranches of forfeitable shares were acquired by the group and are held in escrow on behalf of the participants pending the fulfilment of the service condition. The shares are treated as treasury shares for the duration of the initial vesting period as ownership is not unconditional. The participants are entitled to dividends and are able to exercise the voting rights attached to the shares from the date that the shares are allocated. The shares held were acquired as follows:

No. of shares	October 2021 tranche	November 2022 tranche	November 2023 tranche
Shares held in respect of FSPs previously forfeited	132 106	20 635	–
Shares newly acquired off the market (refer note 9.1)	190 891	248 661	208 786
Shares held by The Spur Management Share Trust	4 107	43 006	–
	327 104	312 302	208 786

Costs and capital gains tax associated with the intercompany transfer amounted to:

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Costs on intercompany transfer of shares	–	16	16
Current tax on intercompany transfer of shares	–	162	162
Total costs charged to equity	–	178	178

The October 2024 forfeitable shares are contingently issuable shares determined with reference to the participants' short-term incentive (STI) payments calculated for the financial year ending 30 June 2025 which will only be finalised subsequent to 30 June 2025.

SAR	October 2021 tranche	November 2022 tranche	November 2023 tranche	October 2024 tranche
Date of grant	7 October 2021	17 November 2022	16 November 2023	17 October 2024
Number of shares awarded	2 409 745	3 238 776	3 200 624	1 905 278
Strike price per right (R)	19.14	21.04	27.70	35.50
Initial vesting date	7 October 2024	17 November 2025	13 November 2026	15 October 2027
Date from which shares may be traded	Dependent on exercise date[7]	Dependent on exercise date[7]	Dependent on exercise date[7]	Dependent on exercise date[7]
Service condition	3 years from grant date	3 years from grant date	3 years from grant date	3 years from grant date
Performance conditions	Growth in adjusted headline earnings and adjusted HEPS and personal performance[8]	Growth in adjusted headline earnings and adjusted HEPS and personal performance[8]	Growth in adjusted headline earnings and adjusted HEPS, new business return on investment (ROI) and personal performance[9]	Growth in adjusted headline earnings and adjusted HEPS, new business ROI and personal performance[9]
Grant-date fair value per share (R)	8.48	8.97	6.21	8.46
Proportion of rights expected to vest as assessed at reporting date (based on number of employees expected to meet service condition) (%)	N/A	93.4	96.9	100.0
Proportion of rights expected to vest based on meeting of non-market performance conditions (%)	N/A	93.1	81.1	67.2
No. of rights that vested	1 816 498	N/A	N/A	N/A
No. of rights exercised	1 152 640	N/A	N/A	N/A

The value of each vested share appreciation right, determined as the difference between the share price of the company's shares at the exercise date and the strike price, is to be settled by the issue of an equivalent number of full-value shares at the exercise date. Once the rights have been exercised, the resulting shares will be held in escrow until the participants are free to trade in the shares. The participants are entitled to exercise the voting rights that attach to the shares and receive dividends accruing on the shares, from the exercise date.

[7] Participants will have a two-year period (starting from the initial vesting date) during which to exercise vested rights. Participants who are executive directors are required to hold the shares for a period of two years following the date that the SARs are exercised. Other participants are not subject to this restriction.

[8] Performance conditions for participants who are executive directors include only the financial performance measures stipulated, although the participant must maintain a 'meets expectations' personal performance rating during the initial vesting period for the rights to vest. For all other participants, the performance conditions are split 50/50 between the financial performance measures stipulated and personal performance rating.

[9] Performance conditions for participants who are executive directors are: 80% based on average of growth in adjusted headline earnings and adjusted HEPS; 20% based on return on investment in respect of any acquired businesses, and the participant must maintain a 'meets expectations' personal performance rating during the initial vesting period for the rights to vest. For all other participants, the performance conditions are: 50% based on growth in average adjusted headline earnings and adjusted HEPS; 50% based on personal performance rating.

9. Capital and reserves continued

9.2 SHARE-BASED PAYMENTS RESERVE CONTINUED

Performance conditions applicable to SARs:	November 2022 tranche[10] Criteria	November 2023 tranche[10] Criteria	October 2024 tranche[10] Criteria	Vesting (%)
Adjusted headline earnings growth at compounded annual growth rate (%)	CPI+GDP+0.5 to CPI+GDP+3.5	CPI+GDP to CPI+GDP+3.5	CPI+GDP+1.0 to CPI+GDP+4.0	30 to 100
Adjusted HEPS growth at compounded annual growth rate (%)	CPI+GDP+0.5 to CPI+GDP+3.5	CPI+GDP to CPI+GDP+3.5	CPI+GDP+1.0 to CPI+GDP+4.0	30 to 100
New Business Return on Investment (%)[11]	N/A	17.4 to 22.2	17.4 to 22.2	50 to 100

[10] Performance criteria are assessed on an average basis (i.e. the year-on-year growth in the financial performance measures relative to the preceding year are compared to the targets stipulated for each of the financial years during the vesting period separately, and an average of the vesting percentages over the three years is then applied).
[11] Return on investment (ROI) in respect of acquisitions (from 1 July 2023), calculated as the group's share of the target's profit after tax before interest, expressed as a percentage of the group's initial cost of the acquisition plus the group's share of any increase in the target's tangible assets and working capital from acquisition date; calculated as an average of the annual ROI for each full-financial-year included in the Performance Period.

Fair value measurement
The grant-date fair values of the FSP shares and SARs were determined at the grant date by an independent external professional financial instruments specialist using, in the case of the SARs, a Monte-Carlo pricing model and, in the case of the FSPs, the Black-Scholes European Call Option pricing model, based on the following assumptions:

	October 2021 tranche	November 2022 tranche	November 2023 tranche	October 2024 tranche
Risk-free rate (based on R186 South African Government bond) (%)	7.1	8.8	9.1	8.2
Expected dividend yield (based on historic dividend yield over historic period equivalent to vesting period) (%)	3.7	7.3	7.8	6.1
Expected volatility (based on historic volatility over historic period equivalent to vesting period) (%)	40.0	45.8	30.8	31.2

Dilution

The instruments in issue have resulted in the following dilutive potential ordinary shares:	**Unaudited six months ended 31 December 2024 R'000**	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
FSP – October 2021 tranche	**256 092**	219 294	235 183
SAR – October 2021 tranche	**1 194 979**	600 619	745 085
FSP – November 2022 tranche	**211 149**	176 535	176 503
SAR – November 2022 tranche	**908 700**	398 742	680 291
FSP – November 2023 tranche	**94 023**	21 963	36 790
SAR – November 2023 tranche	**241 249**	–	31 728
FSP – October 2024 tranche	**12 244**	–	–
SAR – October 2024 tranche	**–**	–	–
Total dilutive potential ordinary shares weighted for period in issue	**2 918 436**	1 417 153	1 905 580

10. Trade and other payables

	Unaudited as at 31 December 2024 R'000	Unaudited as at 31 December 2023 R'000	Audited as at 30 June 2024 R'000
Trade payables	**198 500**	245 589	203 075
Group payables	**71 119**	73 997	80 327
Payable to outsourced distributor[1]	**127 381**	171 592	122 748
Income received in advance[2]	**1 181**	1 604	1 487
Short-term employee benefits	**29 421**	27 976	43 686
Short-term incentive accrual (refer note 10.1)	**14 378**	14 232	24 041
Leave pay accrual and other short-term employee benefits[3]	**15 043**	13 744	19 645
VAT and other indirect taxes payable	**20 570**	15 359	11 430
Unredeemed gift vouchers	**16 525**	13 082	15 425
Trade payable owing to Doppio Group[4]	**–**	–	2 821
Other sundry payables	**48**	–	79
Total trade and other payables	**266 245**	303 610	278 003

[1] This payable relates to inventory held by the group's outsourced distributor which is recognised as inventory of the group (refer footnote 5 to the statement of financial position) as the group is considered to act as principal in relation to the sales of this inventory.
[2] Income received in advance comprises predominantly initial franchise fee receipts where the related franchise agreement has not been signed as at the reporting date.
[3] Other short-term employee benefits include an accrual for bonuses to employees who are not participants of the group's short-term incentive scheme. The bonus pool available is determined as one month's guaranteed remuneration for eligible employees and is allocated to individuals based on line manager recommendations and approval by the board. While no contractual obligation exists to pay these bonuses, there is a constructive obligation based on past experience.
[4] As noted in footnote 3 to note 6, in relation to the acquisition of the Doppio Collection, the group had concluded an agreement with the Doppio Group to provide the group with the use of the services of certain staff and equipment on a recovery of cost basis. Employee benefits related to Doppio Group employees were therefore previously recognised as a trade payable to Doppio Group. The agreement expired on 30 June 2024, whereafter the employment of the employees in question was transferred to the group, and the employee benefit accruals are accordingly included in short-term employee benefits in the current period.

10. Trade and other payables continued

10.1 SHORT-TERM PROFIT SHARE INCENTIVE SCHEME

	Unaudited as at 31 December 2024 R'000	Unaudited as at 31 December 2023 R'000	Audited as at 30 June 2024 R'000
Balance at beginning of period	**24 041**	28 374	28 374
Payment in respect of prior year incentive	**(23 511)**	(28 960)	(28 960)
Recognised in profit before income tax	**13 848**	14 818	24 627
Balance at end of period	**14 378**	14 232	24 041

The accrual for the short-term incentive (STI) scheme is determined in accordance with the rules of the scheme approved by the group's remuneration committee. Participants include middle management to executive directors. Each participant's incentive is determined with reference to their guaranteed remuneration, divisional performance, group performance and individual performance, subject to certain limits. The accrual represents the best estimate of the incentive payments due as at the date of issue of these financial statements; the actual incentive payments will only be finally determined subsequent to the financial year-end.

In terms of the group's long-term incentive scheme, Forfeitable Share Plan (FSP) shares, the value of which is calculated with reference to the STI payments, are awarded to STI participants at the same time that the STI payments are settled. These FSP shares awarded are subject to the applicable scheme rules (refer note 9.2).

11. Loans payable

	Unaudited as at 31 December 2024 R'000	Unaudited as at 31 December 2023 R'000	Audited as at 30 June 2024 R'000
Doppio Collection shareholder loan: Shumac (Pty) Ltd (Miki Milovanovic)[1]	**33 022**	32 572	32 572
Pro rata shareholder loan	**24 356**	24 356	24 356
Excess shareholder loan	**8 666**	8 216	8 216
Doppio Collection shareholder loan: Stav Holdings (Pty) Ltd (Paul Christie)[1]	**33 022**	32 572	32 572
Pro rata shareholder loan	**24 356**	24 356	24 356
Excess shareholder loan	**8 666**	8 216	8 216
Loan owing to Doppio Group[2]	**5 636**	5 636	5 636
Other	**281**	–	–
Total loans payable (current liabilities)	**71 961**	70 780	70 780

[1] The loans arose as part of the acquisition of Doppio Collection (refer note 2). The loans incur no interest and have no fixed repayment terms. To the extent that the loans are in excess of the pro rata shareholding of the respective shareholders, the non-controlling shareholders have a preferential right to repayment of these loans before any amount may be repaid on other shareholder loans which are in proportion to the respective shareholders' shareholding. During the period, the non-controlling shareholders each provided additional funding in the amount of R450 000.

[2] This represents the balance of the purchase consideration for the net assets acquired due by Spur Group to Doppio Collection in order for Doppio Collection to settle the remaining amount owing by Doppio Collection to the Doppio Group for the acquisition of the Target Business (refer note 2).

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12. Operating profit before working capital changes

	Unaudited six months ended 31 December 2024 R'000	Unaudited six months ended 31 December 2023 R'000	Audited year ended 30 June 2024 R'000
Profit before income tax	**216 596**	191 843	341 741
Adjusted for:			
Amortisation – intangible assets	**478**	536	1 030
Costs arising on intragroup transfer of shares relating to equity-settled share-based payments charged directly to equity (retained earnings)	**–**	(16)	(16)
Depreciation	**18 728**	10 124	28 073
Foreign exchange loss (excluding losses/gains on intercompany accounts)	**1 765**	360	589
Foreign currency translations not disclosed elsewhere in the statement of cash flows	**1 535**	(1 207)	(2 613)
Gain on derecognition of lease	**(10)**	(86)	(86)
Derecognition of right-of-use assets on early termination of leases	**220**	465	475
Derecognition of lease liabilities on early termination of leases	**(230)**	(551)	(561)
Impairment losses – financial instruments	**3 330**	2 877	6 301
Impairment of property, plant and equipment	**–**	–	3 285
Impairment of right-of-use asset	**–**	–	2 530
Interest expense	**4 150**	1 976	6 142
Interest income	**(16 488)**	(18 702)	(35 722)
Movement in bonus, leave pay and short-term incentive accruals	**(14 265)**	(17 301)	(1 591)
Movement in contract liabilities	**4 908**	(4 574)	(25 867)
(Profit)/loss on disposal of property, plant and equipment	**(476)**	71	(35)
Share of profit of equity-accounted investee (net of income tax)	**(494)**	(149)	(145)
Share-based payments expense – equity-settled – long-term employee share incentive schemes	**10 934**	9 146	20 885
Operating profit before working capital changes	**230 691**	174 898	344 501

13. Subsequent events

Subsequent to the reporting date, but prior to the date of issue of this report, the following significant transaction occurred:

13.1 DIVIDEND DECLARATION

On 3 March 2025, the board declared a gross interim cash dividend for the year ending 30 June 2025 of R96.457 million, which equates to 106.0 cents per share for each of the 90 996 932 shares in issue, payable on 31 March 2025.

14. Contingent liabilities

There have been no significant changes to the status of contingent liabilities reported in note 41 to the audited consolidated financial statements for the year ended 30 June 2024 as published on 21 August 2024 other than as disclosed below.

14.1 LEGAL DISPUTE WITH GPS FOODS

As previously reported, two companies within the group (the Defendants) were served with a summons by GPS Food Group RSA (Pty) Ltd (GPS). GPS is a subsidiary of a global business specialising in the management of the procurement, production, logistics and marketing elements of supply chain. The group has engaged with GPS over several years regarding product supply. It also engaged GPS regarding the prospects of concluding a joint venture to establish and acquire a rib processing facility.

GPS alleges that an oral agreement was concluded between GPS and the Defendants in terms of which the parties would, *inter alia*, establish a joint venture to acquire, develop and manage a rib processing facility. No written agreement was ever executed with GPS. GPS further alleges that, over a period, the Defendants repudiated the alleged oral agreement, thereby giving rise to a breach of contract and damages.

GPS alleges in the alternative that, in the event of it being found that the Defendants did not become bound by the oral joint venture agreement, the Defendants' conduct represented that they regarded themselves as bound by the agreement and that GPS could rely on such representations and implement its contribution to the alleged joint venture, thereby giving rise to a delictual claim for damages.

The quantum of GPS's claim was amended on 11 July 2023, as follows:

i) Claim A – GPS claims damages of R167.0 million; alternatively R146.8 million; further alternatively R119.9 million comprising accumulated counterfactual profits less accumulated actual losses for the term of the alleged joint venture of 15 years; alternatively 10 years; further alternatively five years;
ii) Alternative Claim B – a delictual claim in the sum of approximately R95.8 million, comprising GPS's alleged accumulated losses to the date of the claim.

The Defendants have defended the claims in terms of their plea dated 12 February 2021 (consequently amended on 11 October 2023 following GPS's aforementioned amended claim) in which they deny the allegations made, and plead certain defences including that the discussions held with GPS did not amount to the conclusion of a joint venture. In amplification, any joint venture would have been subject to approval of the boards of the respective Defendants, and subject to the agreement(s) being reduced to writing. Neither of these events transpired and the terms of the alleged joint venture agreement constituted an unenforceable agreement to agree.

The matter was set down for trial at 23 October 2023 for a period of three weeks. The parties agreed to refer the matter to arbitration, which commenced on 23 October 2023. Following a number of adjournments, the merits of the case were finalised on 26 July 2024 and the quantum claim was heard on 27 August 2024. Closing arguments were concluded on 9 December 2024 and the parties currently await the outcome of the arbitration.

The Defendants' attorneys, together with senior counsel, assessed and presented a review of the merits of the case and prospects of success, concluding that, based on the information available to them, it is more likely than not that the Defendants will be able to successfully defend the claims. The probability of the occurrence of these losses, at this point in the legal proceedings, is therefore not likely. Supported by the opinion of its legal advisers, the board considers that the probability of the occurrence of the claimed losses, at this point in the legal proceedings, is therefore not likely. No liability has accordingly been raised at the reporting date regarding the matter.

15. Fair value of financial instruments

The group has not disclosed the fair values of loans receivable, financial assets included in trade and other receivables, cash and cash equivalents, loans payable, financial liabilities included in trade and other payables and shareholders for dividend as their carrying amounts are a reasonable approximation of their fair values. In the case of loans receivable and loans payable, the directors consider the terms of the instruments (including in particular, the interest rates applicable) to be commensurate with similar financial instruments between unrelated market participants and the carrying amounts are therefore assumed to approximate their fair values. In the case of financial assets included in trade and other receivables, cash and cash equivalents, financial liabilities included in trade and other payables and shareholders for dividend, the durations of the financial instruments are short and it is therefore assumed that the carrying amounts approximate their fair values.

16. Related parties

The identity of related parties as well as the nature and extent of transactions with related parties are similar to those reported in note 39 to the audited consolidated financial statements for the year ended 30 June 2024 as published on 21 August 2024.

Company information

Administration

Registration number: 1998/000828/06 (Incorporated in the Republic of South Africa)
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Internal auditors: BDO Advisory Services (Pty) Ltd
Attorneys: Bernadt Vukic Potash & Getz
Sponsor: Questco Corporate Advisory (Pty) Ltd
Company secretary
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Directors serving at the date of this report

Independent non-executive directors
Mr Mike Bosman (chair)
Dr Shirley Zinn (lead independent)
Ms Jesmane Boggenpoel
Ms Cora Fernandez
Ms Lerato Molebatsi
Mr André Parker

Executive directors
Ms Val Nichas (group chief executive officer)
Ms Cristina Teixeira (group chief financial officer)
Mr Kevin Robertson (group chief operations officer)

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