SPUR CORP
LEADING FOR THE GREATER GOOD

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June
2025

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

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

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2025

CONTENTS

The consolidated and separate financial statements on pages 15 to 97 of this report have been audited in accordance with the requirements of section 30 of the Companies Act of South Africa (Act No. 71 of 2008, as amended) and have been prepared under the supervision of the group chief financial officer, Cristina Teixeira CA(SA).

Audit committee report

The audit committee is pleased to present its report for the financial year ended 30 June 2025.

Spur Corporation Limited's audit committee (the committee) is an independent statutory committee constituted in terms of section 94 of the Companies Act (Act No. 71 of 2008, as amended) (the Companies Act). The committee's responsibilities include statutory duties in terms of the Companies Act, as well as responsibilities assigned to it by the group's board of directors (the board).

COMPOSITION, DUTIES AND FUNCTIONING OF THE COMMITTEE

The committee comprises of three independent non-executive directors, Ms Cora Fernandez as the committee chair, Ms Jesmane Boggenpoel and Mr André Parker. The committee members' biographies are available on the group's website.

During the financial year, the committee convened three times, with all members in attendance except Mr André Parker, who attended two out of the three meetings.

The committee discharged its responsibilities as set out in its approved terms of reference for the year ended 30 June 2025. The committee performed the following statutory duties during the year under review:

- Nominated at the AGM the re-appointment of PricewaterhouseCoopers Incorporated (PwC) as the external auditor, with Ms Tarryn Newton as the designated individual audit partner.
- Satisfied itself that the external audit firm, PwC, and designated audit partner, Tarryn Newton, are independent of the group or any company in the group, as set out in section 94(8) of the Companies Act, and are suitable for reappointment and appointment respectively.
- Satisfied itself that the appointment of the auditor complied with the Companies Act and any other legislation relating to the appointment of auditors.
- The committee, in consultation with executive management, agreed to the auditors' engagement letter, terms, audit plan and fees for the 2025 financial year.
- Approved the nature and extent of non-audit services that the external auditors may provide and confirmed that the non-audit services did not compromise the external auditors' independence.
- Satisfied itself, based on the information and explanations supplied by management and obtained through discussions with the independent external auditors and internal auditors, that the system of internal financial controls of all the companies included in the consolidated financial statements is effective and forms a basis for the preparation of reliable financial statements.
- Reviewed the accounting policies and the consolidated and separate financial statements for the year ended 30 June 2025 and, based on the information provided to the committee, considers that the group complies, in all material respects, with the requirements of the Companies Act, and IFRS® Accounting Standards (IFRS).
- Discharged all committee responsibilities on behalf of local subsidiaries of the group and monitoring the international operations responsibilities as shareholder of reference.
- Reviewed and submitted relevant matters concerning the company's accounting policies, financial controls, and reporting to the board.
- Performed functions delegated to the committee by the board.

The committee further performed the duties assigned to it by the board of directors and in its terms of reference, including:

- Reviewed the group's interim and annual results (including the annual financial statements) prior to publication.
- Satisfied itself as to the quality and effectiveness of the external auditor.
- Reviewed the external auditor's reports for the period under review.
- Reviewed and considered significant areas of judgement in the preparation of the financial statements.
- Considered the going concern status of the company and of the group as presented by management and has made recommendations to the board in this regard.
- Reviewed management's assessment of the resources and future cash flow to support the recommendations of dividend payments to the board.
- Satisfied itself that the group's internal auditor is independent and had the necessary capacity and capabilities to enable it to discharge its duties.

- Reviewed the internal audit charter and approved the internal audit plan.
- Considered and noted the annual conclusion on the adequacy and effectiveness of the system of internal controls, risk management and combined assurance by internal audit.
- Reviewed the non-audit services by external auditor policy.
- Reviewed the assessment of information technology (IT) risks insofar as these had an impact on financial reporting and ensuring that these had been mitigated.
- Confirmed that an appropriate anonymous ethics whistleblowing line was in place.
- Satisfied itself, in terms of JSE listings requirement 3.84(g)(i), that the group financial director, Cristina Teixeira, has appropriate expertise and experience to meet her responsibilities in that position.
- Assessed the appropriateness of the expertise and adequacy of resources of the finance function and experience of senior members of management responsible for the finance function and concluded that these are adequate.
- Satisfied itself, as contemplated in paragraph 3.84(g)(ii) of the JSE listings requirements, that appropriate financial reporting procedures exist and are working, including consideration of all the entities included in the consolidated financial statements.
- Determined that the arrangements for combined assurance have been established.
- The committee chair met in confidence with the external auditors, as well as the head of internal audit, in order to review the overall health of the control environment.
- Reviewed the committee's terms of reference.
- Reported summaries of committee meeting proceedings to the board.

Cora Fernandez
Audit committee chair

Directors' responsibility and approval

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements of Spur Corporation Ltd, comprising the consolidated and separate statements of financial position at 30 June 2025, the consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and the notes to the financial statements, which include a summary of material accounting policies and other explanatory notes, in accordance with IFRS and the requirements of the Companies Act of South Africa. In addition, the directors are responsible for preparing the directors' report.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the company and group to continue as going concerns, and have concluded that the businesses will be going concerns in the year ahead.

The auditor is responsible for reporting on whether the consolidated and separate financial statements are fairly presented in accordance with IFRS.

APPROVAL OF THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

The consolidated and separate financial statements of Spur Corporation Ltd, as identified in the first paragraph were approved by the board of directors on Wednesday, 20 August 2025 and are signed by

Mike Bosman
Chairman
(Authorised director)

Val Nichas
Group chief executive officer
(Authorised director)

CEO AND CFO RESPONSIBILITY STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Each of the directors, whose names are stated below, hereby confirm that:

(a) the annual financial statements set out on pages 15 to 97 fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;

(b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

(c) internal financial controls have been put in place to ensure that material information relating to the issuer has been provided to effectively prepare the annual financial statements of the issuer;

(d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;

(e) where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and

(f) we are not aware of any fraud involving directors.

Val Nichas
Group chief executive officer
20 August 2025

Cristina Teixeira
Group chief financial officer
20 August 2025

Declaration by company secretary

In terms of section 88(2)(e) of the Companies Act (Act No. 71 of 2008, as amended), I certify that the company has lodged with the Commissioner all such returns and notices as required by the Companies Act and that all such returns and notices appear to be true, correct and up to date.

Donfrey Meyer
Company secretary
20 August 2025

Directors' report

The directors present their twenty-sixth annual report for the year ended 30 June 2025.

NATURE OF THE BUSINESS

Spur Corporation Limited (company registration number: 1998/000828/06), which is domiciled and incorporated in the Republic of South Africa and listed on the JSE Ltd, the recognised securities exchange in South Africa, is an investment holding company. Through various subsidiaries, the group carries on the business of franchisor in predominantly casual dining hospitality. The group also trades in the fast casual segment and speciality dining segment with bespoke brands. Through other subsidiaries, the group provides marketing and promotional services to franchisees. A subsidiary of the company, Spur Group Properties (Pty) Ltd, owns certain properties which are owner-occupied from a group perspective. A subsidiary, Share Buy-back (Pty) Ltd, holds treasury shares as authorised by shareholders by way of special resolution on an annual basis. The company also has indirect interests in five local entities that operate four The Hussar Grills and one Piza e Vino restaurant in South Africa. During the prior year, with effect from 1 December 2023, the company acquired an indirect 60% interest in the Doppio Collection (Pty) Ltd, an entity operating as the franchisor of the Doppio Zero and Piza e Vino brands and, as at 30 June 2025, operating seven Doppio Zero, one Piza e Vino and two Modern Tailors company-owned restaurants.

The group operates as franchisor for the following brands:

- Spur Steak Ranches
- Panarottis Pizza Pasta
- John Dory's Fish Grill Sushi
- The Hussar Grill
- RocoMamas (including RocoGo)
- Casa Bella
- Nikos
- Doppio Zero
- Piza e Vino

It trades predominantly in South Africa and certain other African countries, including Botswana, Eswatini, Kenya, Mauritius, Namibia, Nigeria, Zambia and Zimbabwe, but has a presence in Australia.

FINANCIAL REVIEW

The group's statement of profit or loss and other comprehensive income is presented on page 15 and reflects the group's financial results.

The South Africa Restaurant Market Report* indicates that the South African Reserve Bank's strategic interest rate cuts have bolstered consumer spending, providing a favourable climate for restaurants. Despite reductions in borrowing costs and food inflation, disposable income and discretionary spend have not yet seen significant increases. The competitive landscape continues to evolve with a broader range of players vying for market share. Beyond traditional competitors, the group now faces challenges from supermarket retailers' product offerings.

Despite the market conditions, our franchisees and operational teams have remained resilient and have navigated this year with great momentum, working in unison to execute strategic initiatives.

The group achieved a solid trading performance with franchised restaurant sales increasing by 8.3% over the prior year.

Doppio Collection, which includes a portfolio of franchised and company-owned restaurants, as well as a bakery and central supply business, is now fully integrated in the group. Doppio Collection contributed R709.9 million to total group restaurant sales in the current year, compared to R393.5 million for the seven months traded to June 2024.

* reportlinker.com South Africa Restaurant Market Report - Q1 2025, issued April 2025.

Franchised restaurant turnovers by brand are listed below:

Brand	2025 R'm	2024 R'm	% Change
Spur	**6 644.3**	6 339.2	4.8
Panarottis	**1 043.0**	918.1	13.6
John Dory's	**422.2**	445.2	(5.2)
RocoMamas	**979.2**	932.8	5.0
Speciality brands[1]	**1 287.7**	945.6	36.2[2]
Total South Africa	**10 376.4**	9 580.9	8.3
International	**1 118.9**	1 038.1	7.8[3]
Total group	**11 495.3**	10 619.0	8.3[4]

1 Speciality brands comprise The Hussar Grill, Casa Bella, Nikos, Doppio Zero, Piza e Vino (including Ciccio) and Modern Tailors.
2 Excluding Doppio Collection restaurants, sales in Speciality brands increased by 4.7%.
3 International restaurant turnovers increased by 15.4% on a constant currency basis.
4 Excluding Doppio Collection restaurants, total group restaurant sales increased by 5.5%.

The number of restaurants are listed below:

	30 June 2025			30 June 2024		
Brand	**South Africa**	**International**	**Total**	South Africa	International	Total
Spur	**316**	**31**	**347**	307	30	337
Panarottis	**92**	**47**	**139**	88	40	128
John Dory's	**44**	**2**	**46**	46	1	47
RocoMamas	**88**	**24**	**112**	85	26	111
Speciality brands	**79**	**1**	**80**	77	1	78
Total group	**619**	**105**	**724**	603	98	701

During the year, 31 restaurants were opened in South Africa and 15 internationally, while 15 restaurants closed permanently in South Africa and eight internationally.

Group revenue increased by 11.2% to R3 863.2 million (2024: R3 473.6 million).

Group profit before income tax increased by 17.5% to R401.7 million (2024: R341.7 million).

Headline earnings increased by 16.5% to R275.0 million, with diluted headline earnings per share 16.4% higher at 331.02 cents. Earnings increased by 16.9% to R273.1 million, with diluted earnings per share 16.8% higher at 328.71 cents.

SHARE CAPITAL

The number of authorised shares has remained at 201 000 000 ordinary shares of 0.001 cents each, for the year ended 30 June 2025.

During the year, a wholly-owned subsidiary of the company, Share Buy-back (Pty) Ltd, acquired 159 264 shares at a cost of R5.1 million. In addition, a wholly-owned subsidiary of the company, Spur Group (Pty) Ltd, acquired 959 714 (2024: 248 661) shares at a cost of R33.6 million (2024: R7.0 million), to allocate to participants of the Spur Group Forfeitable Share Plan (FSP) relating to the November 2023 (2024: November 2022) tranche of FSPs (which are being held for the benefit of the FSP participants pending their vesting), as well as to settle the October 2021 Share Appreciation Rights (SARs) that vested during the year.

781 700 shares were issued to SAR scheme participants during the year, upon the vesting of the aforementioned October 2021 SARs.

At the reporting date, the group owned 3 854 049 (2024: 3 516 771) treasury shares held by Share Buy-back (Pty) Ltd and Spur Group (Pty) Ltd. In addition, 5 885 998 (2024: 5 885 998) shares are held by The Spur Management Share Trust and 500 000 (2024: 500 000) by The Spur Foundation Trust. The Spur Management Share Trust and The Spur Foundation Trust are special purpose entities that are required to be consolidated by the group for financial reporting purposes only. Consequently, the net number of shares in issue at 30 June 2025 was 80 756 885 (2024: 81 094 163).

EMPLOYEE SHARE-LINKED INCENTIVE SCHEMES

Details of employee share-linked incentive schemes are detailed in note 22.4 of the consolidated financial statements.

INTEREST IN SUBSIDIARY COMPANIES

Details of the share capital and the company's interests in the subsidiary companies are included in note 4 of the consolidated financial statements.

CASH DIVIDEND

At its meeting on 3 March 2025, the board of directors declared an interim dividend for the 2025 financial year of 106.0 cents per share. At its meeting on 20 August 2025, the board of directors has approved a final dividend of 193.0 cents per share in respect of the 2025 financial year, funded by income reserves, to be paid in cash on 15 September 2025. The dividend is subject to the applicable tax levied in terms of the Income Tax Act (Act No. 58 of 1962, as amended) (dividend withholding tax) of 20%. The net dividend is therefore 154.4 cents per share for shareholders liable to pay dividend withholding tax.

SPECIAL RESOLUTIONS

On 5 December 2024, at the company's annual general meeting (AGM), a special resolution was passed in terms of which the directors were granted the authority to contract the company, or one of its wholly-owned subsidiaries, to acquire shares in the company issued by it, should the company comply with the relevant statutes and authorities applicable thereto. Further special resolutions were passed in terms of which the directors were granted the authority to cause the company to provide financial assistance to any entity which is related or inter-related to the company, and to remunerate non-executive directors for their services as directors.

Full details of the special resolutions passed will be made available to shareholders on request.

DIRECTORS AND SECRETARY

Details of the directors as at the date of this report, together with the name, business and postal address of the company secretary, are set out on page 98.

At the AGM of 5 December 2024, shareholders confirmed the re-election of Mr Mike Bosman and Ms Cora Fernandez, who retired by rotation at the AGM in accordance with the company's MOI, to the board.

In terms of the company's MOI, Ms Jesmane Boggenpoel and Dr Shirley Zinn retire at the forthcoming AGM and, being eligible, offer themselves for re-election. Resolutions to this effect will be tabled at the AGM of 4 December 2025.

Service agreements with the directors of Spur Corporation at the date hereof do not impose any abnormal notice periods on the company or the directors in question.

The board has considered, and is satisfied, that Mr Donfrey Meyer has the necessary competence, qualifications and experience to adequately fulfil the role of company secretary.

DIRECTORS' INTERESTS

No contracts in which the directors or officers of the company or group had an interest and that significantly affected the affairs or business of the company or any of its subsidiaries were entered into during the year, save for those disclosed in note 39 of the consolidated financial statements.

Shares

Details of directors' interests in the ordinary shares as at the reporting date are as follows:

	2025			2024		
	Direct beneficial	**Indirect beneficial**	**Held by associates**	Direct beneficial	Indirect beneficial	Held by associates
Val Nichas	**242 204[1]**	**–**	**–**	–	–	–
Cristina Teixeira	**96 920[1]**	**–**	**–**	–	–	–
Kevin Robertson	**74 670[1]**	**–**	**–**	15 700[2]	–	–
Total	**413 794**	**–**	**–**	15 700	–	–
% interest*	**0.5**	**–**	**–**	0.0	–	–

1 These shares arose upon the exercising of the vested October 2021 SARs during the year. The shares are subject to a trade restriction for a period of two years from the date of exercise.

2 Of these shares, 5 000 shares were subject to a holding period which expired on 22 November 2024.

* These percentages are based on shares in issue less shares repurchased by subsidiary companies, Share Buy-back (Pty) Ltd and Spur Group (Pty) Ltd.

In addition to the above shares, pursuant to the group's long-term FSP (as detailed in note 22.4 of the consolidated financial statements), certain shares have been acquired by a wholly-owned subsidiary to hold in escrow on behalf of the participants of the scheme but have not vested at the reporting date. In respect of these shares held at 30 June 2025 and 30 June 2024, during the vesting period of three years from grant date, the participants are not permitted to trade in these shares, but are able to exercise any voting rights attached to these shares, and are entitled to any dividends accruing to these shares. Details of these shares are as follows:

	2025	2024
Val Nichas	**66 797**	52 151
Cristina Teixeira	**54 836**	43 305
Kevin Roberson	**42 629**	33 530

There have been no changes in directors' interests in share capital from 30 June 2025 to the date of issue of this report.

SHAREHOLDERS' INTEREST IN SHARES

Major shareholders

The following are shareholders (excluding directors and consolidated structured entities) holding 3% or more of the company's issued share capital at 30 June 2025:

	No. of shares	**%***
Coronation Fund Managers	**13 894 970**	**15.9**
Allan Gray	**8 726 651**	**10.0**
Foord Asset Management	**4 631 737**	**5.3**
Aylett & Co	**4 438 926**	**5.1**
Government Employees Pension Fund	**4 332 364**	**5.0**
Goldman Sachs (Custodian)	**3 300 000**	**3.8**
Momentum Metropolitan Holdings	**3 062 583**	**3.5**

* These percentages are based on shares in issue less shares repurchased by subsidiary companies, Share Buy-back (Pty) Ltd and Spur Group (Pty) Ltd.

Public/non-public shareholders

An analysis of public and non-public shareholders is presented below:

	No. of shareholders	**No. of shares**	**%**
Non-public shareholders			
Directors and associates	**3**	**413 794**	**0.5**
Subsidiaries holding treasury shares	**2**	**3 854 049**	**4.2**
The Spur Foundation Trust	**1**	**500 000**	**0.5**
The Spur Management Share Trust	**1**	**5 885 998**	**6.5**
Major shareholder	**1**	**13 894 970**	**15.3**
Public shareholders	**12 553**	**66 448 121**	**73.0**
Total	**12 561**	**90 996 932**	**100.0**

Analysis of shareholding

An analysis of the spread of shareholding is presented below:

Shareholder spread	No. of shareholders	%	No. of shares	%
1 – 10 000 shares	12 148	96.7	4 224 312	4.6
10 001 – 25 000 shares	174	1.4	2 860 517	3.1
25 001 – 50 000 shares	70	0.6	2 459 349	2.7
50 001 – 100 000 shares	55	0.4	4 046 486	4.5
100 001 – 500 000 shares	82	0.7	18 576 793	20.5
500 001 – 1 000 000 shares	13	0.1	8 682 938	9.5
1 000 001 shares and over	19	0.1	50 146 537	55.1
Total	12 561	100.0	90 996 932	100.0

Distribution of shareholders	No. of shareholders	%	No. of shares	%
Banks/brokers	42	0.3	6 153 427	6.8
Endowment Funds	26	0.2	935 941	1.0
Individuals	11 680	93.0	5 138 886	5.6
Insurance companies	19	0.1	1 476 510	1.6
Medical funds	7	0.1	412 761	0.5
Mutual funds	120	1.0	49 048 600	53.9
Pension and retirement funds	147	1.2	13 550 241	14.9
Own holdings	3	0.0	4 267 843	4.7
Spur Management Share Trust	1	0.0	5 885 998	6.5
The Spur Foundation Trust	1	0.0	500 000	0.5
Other corporate bodies	515	4.1	3 626 725	4.0
Total	12 561	100.0	90 996 932	100.0

BORROWINGS

In terms of the MOI of the company and its main local operating entity, Spur Group (Pty) Ltd, the borrowing powers of the directors of these companies are unlimited. Save for the loans owing to non-controlling shareholders relating to the acquisition of Doppio Collection during the prior year (as detailed in note 28 to the consolidated financial statements), the group has no formal borrowings as at 30 June 2025.

GOING CONCERN

The financial statements have been prepared on the going concern basis.

The board has performed a review of the company and group's ability to continue trading as going concerns in the foreseeable future and, based on this review, considers that the presentation of the financial statements on this basis is appropriate.

There are no pending or threatened legal or arbitration proceedings which have had or may have a material effect on the financial position of the company or group, save for those disclosed in note 41 of the consolidated financial statements.

SUBSEQUENT EVENTS

Details of material events occurring subsequent to 30 June 2025 but prior to the date of issue of this report are detailed in note 40 of the consolidated financial statements. Save for these matters, there have been no material changes in the financial or trading position of the company or group after 30 June 2025 to the date of this report.

COMPLIANCE WITH APPLICABLE LAWS

The board confirms that the company has complied with the provisions of the Companies Act relating to the company's incorporation and that the company is operating in conformity with its MOI.

COMPANY INFORMATION

The company's registration number and registered address are presented on page 98. Shareholders and members of the public are advised that the register of the interests of directors, executives, senior management and other shareholders in the shares of the company is available upon request from the company secretary.

Independent auditor's report

To the shareholders of Spur Corporation Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Spur Corporation Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Spur Corporation Limited's consolidated and separate financial statements set out on pages 15 to 97 comprise:

- the consolidated and separate statements of financial position as at 30 June 2025;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

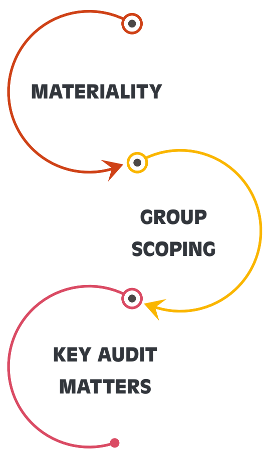
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards).*

Our audit approach

Overview



Final materiality

- R20 000 000 which represents 5% of consolidated profit before income tax.

Group audit scope

- A combination of full scope audits and audits of balances were performed for components that were significant due to size and components scoped in based on indicators such as their contribution to consolidated assets, consolidated revenue and consolidated profit before income tax. Analytical review procedures were performed over the remaining non-significant components.

Key audit matters

- Impairment assessment of goodwill and intangible assets with indefinite useful lives.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report final materiality and group audit scope below.

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated and separate financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and separate financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the final materiality for the consolidated and separate financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated and separate financial statements as a whole.

	Consolidated financial statements	**Separate financial statements**
Final materiality	20 000 000	1 648 000
How we determined it	5% of consolidated profit before income tax	1% of total assets
Rationale for the materiality benchmark applied	We chose consolidated profit before income tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, and is a generally accepted benchmark. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.	We selected total assets as the benchmark because we believe it is suitable for a listed entity that operates primarily as an asset-focused investment holding company.

Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We performed risk assessment procedures to determine which of the Group's components are likely to include risks of material misstatements to the Group financial statements and which further audit procedures to perform at these components to address those risks. Our judgement included assessing the size of the components, nature of assets, liabilities and transactions within the component as well as specific risks. The Group consists of 32 components, which includes trading entities, marketing entities, dormant entities, a property company and two trusts. The consolidated financial statements are a consolidation of all the companies within the Group. Based on the financial significance and audit risks, we performed full scope audits at 5 of the South African components, namely Spur Corporation Limited, Spur Group Proprietary Limited, Spur Advertising Proprietary Limited, RocoMamas Franchise Co Proprietary Limited and Doppio Collection Proprietary Limited. We performed an audit of balances over 9 components based on indicators such as their contribution to consolidated assets, consolidated revenue and consolidated profit before income tax. This, together with additional procedures performed at the group level, including testing of consolidation journals and intercompany elimination, gave us sufficient appropriate evidence regarding the consolidated financial information of the Group. All of the work was performed by the group team in this regard.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report in respect of the separate financial statements.

In terms of ISA 701 *Communicating key audit matters in the independent auditor's report*/the EAR Rule (as applicable), we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of goodwill and intangible assets with indefinite useful lives Refer to the following notes to the consolidated financial statements for disclosures relating to this key audit matter: – Note 2.2.3: Assumptions and estimates: Impairment of non-financial assets; – Note 14: Intangible assets and goodwill; – Note 42.5: Material accounting policies – Intangible assets (other than goodwill); and – Note 42.7.1: Material accounting policies – Impairment – non-financial assets. As at 30 June 2025 the Group recognised goodwill with a carrying value of R135.2 million, which arose from business combinations undertaken in prior years and due to the nature of the business, the Group has also recognised intangible assets with indefinite useful lives relating to trademarks and intellectual property with a carrying value of R364.5 million. IAS® Standards (IAS) 36-Impairment of Assets requires management to conduct an annual impairment test, or more frequently if there is an indication of impairment, to assess the recoverability of the carrying value of goodwill and the indefinite life intangible assets. The Group performs an impairment test on intangible assets with indefinite useful lives and goodwill at every reporting date, irrespective of whether an indication of impairment exists. The recoverable amounts of the cash-generating units (CGUs) to which trademarks and intellectual property and goodwill have been allocated have been determined based on their value-in-use. No impairment was recognised. The key assumptions applied by management in their value-in-use calculation are disclosed in note 14.3 to the consolidated financial statements. The impairment assessment of goodwill and intangible assets with indefinite useful lives was considered to be a matter of most significance to the current year audit due to the following: – significant judgement and estimation applied by management in determining the value-in-use of each CGU or group of CGU's; and – the magnitude of the carrying amounts of intangible assets with indefinite useful lives and goodwill in relation to the consolidated financial statements.	Our audit addressed this key audit matter as follows: We obtained management's value-in-use calculation per CGU which formed the basis of our audit work. With regard to management's value-in-use calculations, our audit procedures included an assessment of the reasonableness of management's key assumptions by performing the following procedures: – We assessed the reasonableness of the budgeting process applied by management, by comparing the current year actual results for the 2025 financial year to the budgeted amounts. – We found management's cash flow forecasts to be within an acceptable range consistent with the historical actual results. – We tested the mathematical accuracy of the value-in-use calculations and found no material exceptions. – We assessed the reasonableness of the cash outflows used in the discounted cash flow analysis through discussions with management to understand the basis for the assumptions used in respect of the cash outflows and corroborated their explanations against historic performance as well as the other strategic initiatives implemented by management. We assessed the cash outflows to be reasonable. – We utilised our valuations experts to independently calculate a discount rate considering independently obtained data. This was compared to the discount rate used by management. We further applied these independently sourced calculated inputs to management's forecasts and compared the recoverable amount of each CGU to the results of our independent calculations and no material differences were noted. – We assessed the reasonableness of the terminal growth rates by comparing the terminal growth rates to long term growth rates obtained from independent sources. The growth rates used by management were assessed as reasonable. – We tested the mathematical accuracy of the discounted cash flow model and compared the model to the prior year model to confirm that there were no changes. We did not note any aspects which required further consideration. – We assessed the reasonableness of the discount rates, long-term growth rates and forecasted cash flows by performing a sensitivity analysis to determine the impact that any changes in discount rates, long-term growth rates and forecast cash flows would have on the discounted cash flow analysis and the resultant recoverable amount. We compared the results of our sensitivity analysis to management's results in order to identify those CGUs considered sensitive to a change in assumptions for disclosure purposes and found no material exceptions.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Spur Corp Annual Financial Statements for the year ended 30 June 2025", which include(s) the Directors' Report, the Audit Committee's Report and the Declaration by Company Secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the document titled "Spur Corp Integrated Annual Report 2025", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the consolidated and separate financial statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the Group, as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Audit tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Spur Corporation Limited for four year(s).

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: TL Newton
Registered Auditor
Cape Town, South Africa
20 August 2025

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June

	Note	2025 R'000	2024 R'000	% Change
Revenue	6	**3 863 166**	3 473 648	11.2
Cost of sales		**(2 601 854)**	(2 360 644)	10.2
Gross profit		**1 261 312**	1 113 004	13.3
Other income	7	**19 213**	6 848	180.6
Administration expenses		**(246 035)**	(228 163)	7.8
Reversal of/(allowance for) expected and actual credit losses – financial instruments	8	**2 525**	(6 301)	(140.1)
Marketing expenses		**(347 781)**	(344 695)	0.9
Operations expenses		**(162 204)**	(124 005)	30.8
Other non-trading losses	8	**(6 907)**	(5 815)	18.8
Retail company store expenses		**(144 066)**	(98 857)	45.7
Operating profit before net finance income	8	**376 057**	312 016	20.5
Net finance income	9	**25 180**	29 580	(14.9)
Interest income		**34 492**	35 722	(3.4)
Interest expense		**(9 312)**	(6 142)	51.6
Share of profit of equity-accounted investee (net of income tax)	15	**417**	145	187.6
Profit before income tax		**401 654**	341 741	17.5
Income tax expense	10	**(114 902)**	(97 079)	18.4
Profit		**286 752**	244 662	17.2
Other comprehensive income#		**6 314**	(1 793)	
Foreign currency translation differences for foreign operations		**6 623**	(1 854)	
Foreign exchange (loss)/gain on net investments in foreign operations		**(409)**	80	
Current tax credit/(charge) on foreign exchange loss/(gain) on net investments in foreign subsidiaries		**100**	(19)	
Total comprehensive income		**293 066**	242 869	20.7
Profit attributable to:				
Equity owners of the company		**273 067**	233 598	16.9
Non-controlling interests	23	**13 685**	11 064	23.7
Profit		**286 752**	244 662	17.2
Total comprehensive income attributable to:				
Equity owners of the company		**279 381**	231 805	20.5
Non-controlling interests	23	**13 685**	11 064	23.7
Total comprehensive income		**293 066**	242 869	20.7
Earnings per share (cents)				
Basic earnings	11	**337.51**	287.92	17.2
Diluted earnings	11	**328.71**	281.31	16.8

All items included in other comprehensive income are items that are, or may be, reclassified to profit or loss.

Consolidated statement of financial position

as at 30 June

	Note	2025 R'000	2024 R'000
ASSETS			
Non-current assets		**666 723**	674 420
Property, plant and equipment	12	**101 546**	105 988
Right-of-use assets	13	**58 406**	63 040
Intangible assets and goodwill	14	**500 897**	499 552
Interest in equity-accounted investee	15	**2 665**	2 317
Deferred tax	17	**3 209**	3 523
Current assets		**867 214**	713 486
Inventories	18	**171 960**	136 125
Tax receivable	19	**164**	277
Trade and other receivables	20	**156 108**	148 662
Restricted cash	21	**61 863**	62 677
Cash and cash equivalents	21	**477 119**	365 745
TOTAL ASSETS		**1 533 937**	1 387 906
EQUITY			
Total equity		**925 007**	835 058
Ordinary share capital	22.1	**1**	1
Share premium		**34 309**	34 309
Shares repurchased by subsidiaries	22.2	**(122 578)**	(83 815)
Foreign currency translation reserve	22.3	**35 486**	29 171
Share-based payments reserve	22.4	**47 454**	39 090
Retained earnings		**908 737**	802 135
Total equity attributable to owners of the company		**903 409**	820 891
Non-controlling interests	23	**21 598**	14 167
LIABILITIES			
Non-current liabilities		**123 928**	124 663
Contract liabilities	24	**29 934**	25 880
Lease liabilities	25	**52 897**	52 939
Deferred tax	17	**41 097**	45 844
Current liabilities		**485 002**	428 185
Bank overdrafts		**1 321**	–
Tax payable	26	**11 416**	10 664
Trade and other payables	27	**346 255**	278 003
Loans payable	28	**71 450**	70 780
Provision for lease obligation	29	**7 786**	8 142
Contract liabilities	24	**26 107**	37 391
Lease liabilities	25	**18 608**	21 457
Shareholders for dividend	30	**2 059**	1 748
TOTAL EQUITY AND LIABILITIES		**1 533 937**	1 387 906

Consolidated statement of changes in equity

for the year ended 30 June

R'000	Note	Attributable to equity owners of the company							Non-controlling interests	Total equity
		Ordinary share capital	Share premium	Shares repurchased by subsidiaries	Foreign currency translation reserve	Share-based payments reserve	Retained earnings	Total		
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 year		–	–	–	(1 793)	–	233 598	231 805	11 064	242 869
Profit		–	–	–	–	–	233 598	233 598	11 064	244 662
Other comprehensive income		–	–	–	(1 793)	–	–	(1 793)	–	(1 793)
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners		–	–	(6 967)	–	20 885	(162 974)	(149 056)	(10 464)	(159 520)
Equity-settled share-based payment	22.4 & 10.4	–	–	–	–	20 885	4 708	25 593	–	25 593
Indirect costs arising on intragroup sale of shares related to equity-settled share-based payment	22.4 & 10.4	–	–	–	–	–	(178)	(178)	–	(178)
Purchase of treasury shares	22.2	–	–	(6 967)	–	–	–	(6 967)	–	(6 967)
Dividends	30	–	–	–	–	–	(167 504)	(167 504)	(10 464)	(177 968)
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 year		**–**	**–**	**–**	**6 314**	**–**	**273 067**	**279 381**	**13 685**	**293 066**
Profit		**–**	**–**	**–**	**–**	**–**	**273 067**	**273 067**	**13 685**	**286 752**
Other comprehensive income		**–**	**–**	**–**	**6 314**	**–**	**–**	**6 314**	**–**	**6 314**
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners		**–**	**–**	**(38 763)**	**–**	**8 364**	**(166 464)**	**(196 863)**	**(6 254)**	**(203 117)**
Equity-settled share-based payment	22.4 & 10.4	**–**	**–**	**–**	**–**	**23 907**	**965**	**24 872**	**–**	**24 872**
Transfer within equity on vesting of equity-settled share-based payment	22.4	**–**	**–**	**–**	**–**	**(15 543)**	**15 543**	**–**	**–**	**–**
Purchase of treasury shares	22.2		**–**	**(38 763)**	**–**	**–**	**–**	**(38 763)**	**–**	**(38 763)**
Dividends	30	**–**	**–**	**–**	**–**	**–**	**(182 972)**	**(182 972)**	**(6 254)**	**(189 226)**
Balance at 30 June 2025		**1**	**34 309**	**(122 578)**	**35 485**	**47 454**	**908 738**	**903 409**	**21 598**	**925 007**

Consolidated statement of cash flows

for the year ended 30 June

	Note	2025 R'000	2024 R'000
Cash flow from operating activities			
Operating profit before working capital changes	31	**441 745**	344 501
Working capital changes	32	**21 317**	(14 045)
Cash generated from operations		**463 062**	330 456
Interest income received	33	**33 827**	35 119
Interest expense paid	9	**(9 312)**	(6 142)
Tax paid	34	**(117 325)**	(106 885)
Dividends paid	35	**(188 837)**	(177 027)
Net cash flow from operating activities		**181 415**	75 521
Cash flow from investing activities			
Additions of intangible assets	14	**(169)**	(2)
Additions of property, plant and equipment	12	**(13 740)**	(14 572)
Proceeds from disposal of property, plant and equipment	36	**808**	537
Repayment of loans receivable	15 & 16	**69**	500
Cash outflow arising from business combination	3	**–**	(67 433)
Net cash flow from investing activities		**(13 032)**	(80 970)
Cash flow from financing activities			
Acquisition of treasury shares	22.2	**(38 763)**	(6 967)
Payment of lease liabilities	25	**(20 883)**	(15 709)
Loans advanced by non-controlling shareholders	28	**670**	–
Net cash flow from financing activities		**(58 976)**	(22 676)
Net movement in cash and cash equivalents		**109 407**	(28 125)
Effect of foreign exchange fluctuations		**(168)**	59
Net cash and cash equivalents at beginning of year		**428 422**	456 488
Net cash and cash equivalents at end of year	21	**537 661**	428 422

Notes to the consolidated financial statements

for the year ended 30 June

1. ABOUT THESE FINANCIAL STATEMENTS

1.1 Reporting entity

Spur Corporation Limited (the company) is a company domiciled in South Africa. The consolidated financial statements of the company as at and for the year ended 30 June 2025 comprise the company, its subsidiaries, consolidated structured entities and interests in associates together referred to as the group.

Where reference is made to the group in the accounting policies, it should be interpreted as referring to the company where the context requires, unless otherwise stated.

1.2 Basis of accounting

The annual separate and consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards) and IFRIC® Interpretations issued by the IFRS Interpretations Committee, and comply with the Financial Pronouncements as issued by the Financial Reporting Standards Council and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the JSE Listings Requirements and the Companies Act of South Africa (Act no. 71 of 2008, as amended).

Details of the group's accounting policies are set out in note 42 and have been applied consistently, in all material respects, to all years presented in these consolidated and separate financial statements.

The 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 Wednesday, 20 August 2025. The financial statements were published on Thursday, 21 August 2025.

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

The financial statements have been prepared on the historical cost basis.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the consolidated and separate financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements, assumptions and estimates made in applying the group's accounting policies that potentially have a significant effect on the amounts recognised in the financial statements are as follows:

2.1 Judgements

2.1.1 Accounting for marketing funds (notes 6, 21 and 24.1)

The franchise agreements concluded between the group and its franchisees provide for the payment by franchisees to the group of an ongoing franchise fee and a marketing fund contribution. Both the franchise fee and the marketing fund contribution are determined as a percentage of the franchised restaurants' sales. The franchise fee is paid by the franchisee to the group for the franchise support services provided by the group in terms of the franchise agreement, and for the ongoing access to intellectual property required by the franchisee to operate the franchised restaurant. The marketing fund contributions paid by the franchisee to the group are required, in terms of the franchise agreements, to be accounted for by the group separately to its own funds, and must be used on marketing-related costs for the benefit of the respective bodies of franchisees contributing to the respective marketing funds, save to the extent that the group may retain, for its own benefit, that amount of the marketing fund contributions required to defray the costs of administering the respective marketing funds on behalf of the respective bodies of franchisees. The group has accordingly established, and administers, a number of marketing funds, in accordance with the franchise agreements, to discharge its obligations to its franchisees in this regard.

IFRS 15 – Revenue from Contracts with Customers requires that the revenue attributable to a performance obligation be recognised to depict the transfer of control of the promised goods or services. In applying the provisions of IFRS 15, the group has considered whether its separate legal obligations to provide franchise support services to franchisees and administer the marketing fund contributions received from franchisees on their behalf are separate and distinct performance obligations or a single performance obligation. Upon detailed analysis of the obligations specified in the franchise agreements specifically relating to the provision of marketing services and the spending of marketing fund contributions on marketing-related costs, the group has determined that there is sufficient justification to treat the two separate legal obligations referred to above as two distinct performance obligations in terms of IFRS 15. The recognition of revenue relating to the respective performance obligations may accordingly differ.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS continued

2.1 Judgements continued

2.1.1 Accounting for marketing funds (notes 6, 21 and 24.1) continued

Ongoing franchise fee income is treated as a sales-based royalty, with revenue recognised in the period in which the sales (on which the fees are calculated) are made by franchisees to customers (refer note 42.13).

In relation to the marketing services as a distinct performance obligation, the obligation to incur marketing-related costs for the benefit of the respective bodies of franchisees is an obligation that is satisfied over time. Revenue relating to marketing fund contributions is accordingly recognised over time as the performance obligation is satisfied i.e. as the marketing fund contributions are utilised to pay for marketing-related costs incurred (refer note 42.13).

The marketing funds do not operate with a profit motive as any revenue is, in terms of the franchise agreement, required to be utilised for marketing-related expenditure for the benefit of franchisees. The group has assessed that the input method contemplated by IFRS 15 is therefore the most appropriate method to measure progress towards satisfying the obligation over time. The input costs considered in measuring the extent to which the marketing services performance obligation is satisfied includes all costs (direct marketing expenditure as well as employment and administrative costs associated with the provision of the marketing services) which are necessarily incurred and paid for by the marketing fund contributions (as permitted by the franchise agreements).

Any unspent marketing fund contributions represent an unsatisfied obligation to incur marketing costs for the benefit of franchisees in the future.

Marketing fund revenue is therefore recognised to the extent that it has been utilised in satisfying the marketing services performance obligation and deferred to the extent that it has not been utilised. The disbursement of marketing fund contributions on marketing services is recognised as an expense (disclosed as *Marketing expenses* in the statement of profit or loss and other comprehensive income) as incurred (refer note 42.18.3). In the event that a marketing fund incurs marketing-related costs in excess of the revenue collected (which would typically be funded by the franchisor), such excess is effectively accounted for as a loss on the contract and recognised in profit or loss.

To the extent that such a cumulative deficit is recovered from marketing fund contributions received in a subsequent period, a profit is recognised in profit or loss in that subsequent period.

2.1.2 Accounting for initial franchise fees (notes 6 and 24.2)

Franchisees are charged an initial fixed-value franchise fee by the group, as franchisor, upon signature of the franchise agreements concluded with franchisees. The initial franchise fee is non-refundable. The franchise agreements oblige the group to undertake activities for the duration of the franchise agreement to, *inter alia*, support the franchisee's brand, where such activities significantly affect the intellectual property to which the franchisee has rights, without resulting in a transfer of control of specific goods or services. Accordingly, the group's performance obligation in relation to the initial franchise fee is satisfied over time, and IFRS 15 therefore requires that the revenue be recognised on a straight-line basis over the term of the franchise agreement.

2.1.3 Assessment of control and significant influence (note 4)

The group has considered whether it controls certain entities, despite not owning a majority of shareholder rights, in accordance with the requirements of *IFRS 10 – Consolidated Financial Statements*.

The board has determined that the group controls the entities below:

- The Spur Foundation Trust is a benevolent foundation established by the group on Mandela Day 2012. The purpose of the trust is to consolidate and implement the group's corporate social investment projects which have reputational benefits for the group. The reputational benefits are considered to be a key return to the group from its involvement with the trust. The trust deed defines who the beneficiaries of the trust are and these beneficiaries exclude any group entity. While there is no direct economic benefit to the group from the trust, in light of the fact that the trustees of the trust are appointed by the group, the group is able to control the key activities of the trust which affect the intangible returns for the group arising from the trust's activities.
- The Spur Management Share Trust was established in 2004. It initially served as a finance vehicle for the purchase of shares for the group's 2004 – 2009 management share incentive scheme. Upon winding up of that scheme, the trust acquired shares in the company which continue to be used in the group's share incentive schemes. The trustees of the trust serve at the behest of the company. The company is the only capital beneficiary of the trust. The main objective of the trust is to maintain a motivated and aligned work force through monetary and share incentives in order to improve future profitability of the group. On this basis, the group has concluded that it is able to exercise control over the relevant activities of the trust in order to influence the intangible returns for the group arising from the trust's activities.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS continued

2.1 Judgements continued

2.1.3 Assessment of control and significant influence (note 4) continued

The group owns a 50% equity interest in Gremolata (Pty) Ltd (Gremolata), an entity operating a single Doppio Zero restaurant. The remaining 50% equity is owned by a single individual. The shareholders' agreement between the shareholders of Gremolata makes provision for the group to appoint two of the three directors to the board of Gremolata and the group therefore ostensibly is able to control the relevant activities of the entity. However, the shareholders' agreement provides for certain matters to be referred to a shareholders' meeting for a special resolution (requiring at least 75% of the shareholders' voting rights to pass). These matters include *inter alia* entering into any lease agreement, any financing arrangement or capital expenditure above R250 000. As there are only two shareholders, a special resolution will require unanimous shareholders' approval. The matters requiring a shareholders' special resolution are considered to be fundamental to the operation of the retail restaurant and the group has therefore concluded that it jointly controls Gremolata (with the other 50% shareholder). The investment in Gremolata is accordingly equity-accounted in accordance with *IAS 28 – Investments in Associates and Joint Ventures*.

2.1.4 Sales of franchisee supplies by outsourced distributor (notes 6, 18 and 27)

The group has appointed an outsourced distribution company to procure, warehouse, supply and distribute certain restaurant supplies to its franchised restaurants. In accordance with IFRS 15, the group has considered whether it acts as principal or agent with regards to the sale of these supplies. The outsourced distributor procures products from suppliers, warehouses the products and sells and delivers the products to the group's franchisees. The margin earned on the sales by the distributor is determined in consultation between the distributor and the group, such that the margin is sufficient to provide the distributor with its required profit margin, and the remaining margin is then paid by the distributor to the group as a commission.

In assessing whether the group acts as agent or principal, for the purposes of IFRS 15, in this commercial relationship, the following factors have been taken into account:

- The group's internal procurement department is responsible for approving suppliers and products supplied to the distributor, to ensure that these comply with the group's strict food safety and ethical sourcing policies and to ensure that the reputations of the group's brands are protected in this regard.
- The group's procurement department negotiates with these suppliers on behalf of franchisees to secure competitive pricing on goods supplied to the distributor.
- The distributor has a direct relationship with the suppliers of the goods in question and is responsible for placing orders, confirming receipt, processing invoices, and making payment in respect of the goods procured.
- The group has no obligations to the suppliers in question and the suppliers have no recourse to the group for whatever reason.
- The distributor takes physical possession of the goods delivered by the suppliers.
- The distributor has legal title of the goods from the date of delivery by the supplier until the goods are delivered to franchisees and carries substantially all of the day-to-day operational risk of inventory loss (including for insured events).
- The group has indemnified the distributor against losses arising from product defects and deficiencies, claims, damages, and any other liability arising from any cause to the extent that such liability is not directly attributable to the distributor. Such losses have incurred infrequently in the past.
- The distributor is operationally primarily responsible for providing the goods to franchisees and the franchisees interact directly with the distributor.
- The distributor is responsible for invoicing franchisees, maintaining delivery records and collecting the sales proceeds from franchisees.
- The distributor carries the full risk of credit losses arising from the sale of the goods to franchisees.
- While the group has influence in determining the selling price of the goods charged by the distributor to franchisees, the next most significant factor in determining the selling price (other than the cost price of the goods to the distributor) is the distributor's required distribution margin, which is negotiated by the distributor and the group from time to time.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS continued

2.1 Judgements continued

2.1.4 Sales of franchisee supplies by outsourced distributor (notes 6, 18 and 27) continued

The group has considered the provisions of IFRS 15 in relation to a number of related commercial agreements, including the franchise agreements concluded between the group and franchisees, the distribution agreement concluded between the group and the distributor and the agreements concluded between the group and suppliers to the distributor. Critical to the determination of whether the group acts as principal or agent is whether the group obtains control of the inventory in question before the inventory is ultimately sold to customers. In determining whether the group obtains control, it is necessary to assess a number of factors including whether the group is exposed to the significant risks and rewards of ownership of the inventory prior to delivery to franchisees.

In this regard, the group notes:

- The distribution agreement provides for the group indemnifying the distributor for any losses not directly attributable to the distributor.
- The group is obligated to purchase any inventory held by the distributor in the event of termination of the agreement for whatever reason.
- The group has absolute discretion over selling prices to franchisees as well as the products and suppliers of those products supplied by the distributor to franchisees.

The group has therefore concluded that it acts as principal, and not agent, with regards to the sales of product by the distributor to franchisees. Revenue is accordingly recorded on a gross basis, with the cost paid (by the distributor) to the supplier and the distributor's distribution margin (effectively paid by the group to the distributor) recorded in *Cost of sales* in the consolidated statement of profit or loss and other comprehensive income.

2.1.5 Intangible assets (note 14)

The directors reassess at each reporting date the appropriateness of the indefinite useful life assumption with regard to certain of the group's intangible assets, with particular reference to trademarks and related intellectual property.

In this regard, the board considers its strategy relating to the intangible assets in question and the group's ability to execute that strategy, whether there is any technical, technological, commercial or other type of obsolescence applicable to the assets, expected usage and lifecycle of the assets, future costs required to continue to obtain benefits from the assets and the period over which the group is legally able to control the assets. The directors confirm their assessment that the group's trademarks and related intellectual property have indefinite useful lives.

2.1.6 Leases (notes 13 and 25)

Accounting for leases in accordance with IFRS 16 requires an assessment of the term of the lease.

In considering the term of a lease, the board has had to consider the likelihood of the group exercising any contractual option of renewal. In this regard, the board considers each lease on a case-by-case basis. Where the underlying right-of-use asset is considered essential to the ongoing operations of the business, the business in question is a profitable business, and there is no known reasonable alternative, the board is likely to conclude that any renewal option will be exercised.

2.2 Assumptions and estimates

2.2.1 Fair values

A number of the group's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities.

Fair value measurements and adjustments are made under the supervision of the group's chief financial officer. To the extent practicable, fair values are derived by external experts and, as far as possible, utilising market observable data.

Any significant valuation issues are reported to the group's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the following notes:

- At-acquisition fair values of identifiable assets and liabilities acquired as part of a business combination (refer note 3); and
- Grant-date fair values of equity-settled share-based payments (refer note 22.4)

2. ACCOUNTING ESTIMATES AND JUDGEMENTS continued

2.2 Assumptions and estimates continued

2.2.2 Impairment of financial assets

At each reporting date, the group records an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. This requires an assessment of the probability of default as well as the potential loss in the event of default for each financial asset or group of assets. Further information is disclosed in note 37.3.1.

2.2.3 Impairment of non-financial assets (notes 12, 13 and 14)

Goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually. Intangible assets which do not have indefinite useful lives and property, plant and equipment are considered for impairment when an indication of possible impairment exists.

Determining if non-financial assets are impaired requires an estimation of the values-in-use of the cash-generating units to which goodwill, intangible assets, right-of-use assets and property, plant and equipment have been allocated. The value-in-use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable pre-tax discount rate that is reflective of the cash-generating unit's risk profile in order to calculate the present value. The variables applied in determining the above have been disclosed in the relevant notes to the financial statements with specific reference to notes 12, 13 and 14.

2.2.4 Leases (notes 13 and 25)

Accounting for leases in accordance with IFRS 16 requires an assessment of an appropriate discount rate.

In most cases, the interest rate implicit in a lease which is legally structured as an operating lease is not readily determinable. The board has therefore needed to consider the group's incremental borrowing rate to serve as a proxy for an appropriate discount rate in accordance with IFRS 16. The group currently has no formal external debt and an incremental borrowing rate is consequently also not readily determinable. The board has therefore considered the nature of the assets that are the subject of the leases and concluded that the prime overdraft rate of interest is a reasonable proxy for an appropriate discount rate.

2.2.5 Property, plant and equipment (note 12)

Items of property, plant and equipment are depreciated over the assets' remaining useful lives, taking into consideration their estimated residual values. The remaining useful lives and residual values of these assets are reviewed and considered at each reporting date, taking into account the nature and condition of the assets.

2.2.6 Share-based payments (note 22.4)

Accounting for equity-settled share-based payments, specifically relating to the group's Forfeitable Share Plan (FSP) and Share Appreciation Rights (SAR) long-term incentive schemes, requires a determination of the grant-date fair values of the rights/shares awarded. These are subject to a number of variables. In addition, the group is required to estimate the proportion of shares/rights that are likely to vest based on: employees meeting the required service conditions; and the extent to which the group is expected to achieve certain non-market performance conditions.

The detailed inputs into the determination of grant-date fair values, as well as the estimates made with regards to vesting conditions, are detailed in note 22.4.

3. PRIOR YEAR 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 with a portfolio of 37 restaurants (19 franchised and seven company-owned Doppio Zero stores, eight franchised and one company-owned Piza e Vino stores, a company-owned Ciccio restaurant, and a company-owned Modern Tailors store). Additional business units acquired included 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.

3. PRIOR YEAR 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	73 587
Doppio Zero trademarks and related intellectual property	61 964
Piza e Vino trademarks and related intellectual property	11 623
Right-of-use assets[1]	47 861
Property, plant and equipment[2]	18 511
Inventory	3 788
Interest in equity-accounted investee[3]	2 672
Cost of shares	2 103
Loan receivable	569
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)
Trade payables	(300)
Trade payables owing to Doppio Group	(3 017)
Unredeemed gift vouchers	(412)
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 Spur 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[8]	64 036

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 Gremolata (Pty) Ltd, an entity operating a retail company store. The group exercises joint control (with the other 50% shareholder) of the key activities of the investee (refer note 2.1.3).
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). Refer note 28.
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 and 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.
8 The allocation of goodwill to cash-generating units is detailed in note 14.2.

3. PRIOR YEAR ACQUISITION OF DOPPIO COLLECTION continued

Assets and liabilities acquired continued

Subsequent to the acquisition date, certain property, plant and equipment and right-of-use assets relating to retail company stores, Ciccio Melrose and Modern Tailors Ambassador, were impaired (refer notes 12.1 and 13).

Cash flow impact

	Year ended 30 June 2024 R'000
Shareholder's loan advanced by Spur Group to Doppio Collection	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

R'000	**12 months from 1 July 2024 to 30 June 2025**	Seven months from 1 December 2023 to 30 June 2024
Revenue	**268 616**	152 398
Earnings before interest, tax, depreciation and amortisation from trading	**22 225**	12 936
Net interest expense (other that IFRS 16 lease liability interest)	**(342)**	(36)
Depreciation (other than IFRS 16 right-of-use asset depreciation)	**(6 577)**	(3 162)
Profit excluding impairments and IFRS adjustments listed below from trading	**15 306**	9 738
Impairment of property, plant and equipment (refer note 12.1)	**(4 406)**	(3 285)
Impairment or right-of-use asset (refer note 13)	**(2 501)**	(2 530)
Marketing fund overspend (to be recovered in future periods)	**(78)**	–
IFRS 9 – Expected Credit Losses	**70**	(2 373)
IFRS 16 – Leases	**(2 202)**	(2 674)
Depreciation of right-of-use assets	**(13 091)**	(8 188)
Interest on lease liabilities	**(5 231)**	(3 237)
Reversal of lease cash payments	**16 120**	8 751
IFRS 15 – deferred initial franchise fee revenue	**(742)**	(249)
Earnings from equity-accounted investee	**417**	145
Reported profit/(loss) before income tax	**5 864**	(1 228)
Reported profit/(loss)	**2 289**	(859)
Profit/(loss) attributable to equity owners of the company	**1 374**	(515)
Profit/(loss) attributable to non-controlling interests	**915**	(344)

In addition, transaction costs included in profit before income tax for the prior year amounted to R2.533 million and relate largely to due diligence and legal professional services. The costs are included in *Administrative expenses* in the statement of profit or loss and other comprehensive income and within the *Shared services* operating segment.

4. GROUP ENTITIES

4.1 Group structure

Spur Corporation Ltd is the group's ultimate parent company.

Details of the share capital and the company's interests in the subsidiary companies are as follows:

	Country of incorporation and place of business	Issued capital R'000	Loan from subsidiary R'000	Effective % interest in company
Trading				
Direct				
– Share Buy-back (Pty) Ltd	South Africa	0.1		100.00
– Spur Group (Pty) Ltd	South Africa	0.1	4 446 (2024: 78 666)	100.00
– Spur Group Properties (Pty) Ltd	South Africa	0.1		100.00
Indirect				
– Doppio Collection (Pty) Ltd	South Africa	0.1		60.00
– Green Point Burger Joint (Pty) Ltd trading as RocoMamas Green Point	South Africa	0.1		90.00[&]
– John Dory's Advertising (Pty) Ltd	South Africa	0.1		100.00
– Luppo (Pty) Ltd	South Africa	0.1		60.00
– Nikos Franchise (Pty) Ltd	South Africa	11 052.3		62.37
– Nickilor (Pty) Ltd trading as The Hussar Grill Rondebosch	South Africa	0.1		100.00
– Opilor (Pty) Ltd trading as The Hussar Grill Mouille Point	South Africa	17 500.1		68.00
– Opiset (Pty) Ltd trading as The Hussar Grill Camps Bay	South Africa	0.1		100.00
– Panarottis Advertising (Pty) Ltd	South Africa	0.2		100.00
– RocoMamas Advertising (Pty) Ltd	South Africa	0.1		70.00
– RocoMamas Franchise Co (Pty) Ltd	South Africa	0.1		70.00
– Spur Advertising (Pty) Ltd	South Africa	0.1		100.00
– Nikos Advertising (Pty) Ltd	South Africa	0.1		100.00
– The Hussar Grill Advertising (Pty) Ltd	South Africa	0.1		100.00
– The Morningside Grill (Pty) Ltd trading as The Hussar Grill Morningside	South Africa	0.1		100.00
– Spur International Ltd	British Virgin Islands	104 099.0		100.00
– Steak Ranches International BV	The Netherlands	511 019.0 (2024: 240 675.0)		100.00
– Spur Advertising Namibia (Pty) Ltd	Namibia	0.1		100.00
– Spur Services Namibia (Pty) Ltd	Namibia	0.1		100.00
– Spur Corporation Australia Pty Ltd	Australia	16 129.1		100.00
Dormant[#]		0.5		100.00

[&] The group is able to control 100% of the voting rights.
[#] A schedule of these companies is available upon request.

The interest of the company in the aggregate after tax profits and losses of subsidiaries is as follows:

	2025 R'000	2024 R'000
Profits	**272 817**	235 250
Losses	**(4 902)**	(7 099)

In addition to those entities in which the group holds a majority shareholder interest, the group has concluded that it controls The Spur Management Share Trust and The Spur Foundation Trust (refer note 2.1.3). These entities are consequently consolidated.

Other than the acquisition of a previously dormant shell company, Luppo (Pty) Ltd, which now operates a Piza e Vino restaurant, there were no changes to the group structure during the year.

Details of material non-controlling interests are included in note 23.

There are no significant restrictions on the ability of the group to realise assets or settle liabilities of any of its subsidiaries.

4. GROUP ENTITIES continued

4.2 Consolidated structured entities

With regard consolidated structured entities, The Spur Management Share Trust and The Spur Foundation Trust:

- There are no contractual obligations on the company or any of its subsidiaries to provide financial support; and
- A wholly-owned subsidiary donated R0.390 million (2024: R0.390 million) to The Spur Foundation Trust during the year to assist in funding the trust's benevolent activities.

5. OPERATING SEGMENTS

Operating segments are identified based on financial information regularly reviewed by the Spur Corporation Ltd executive directors (identified as the Chief Operating Decision Maker (CODM) of the group for *IFRS 8 – Operating Segments* reporting purposes) for performance assessments and resource allocations. In accordance with IFRS 8, no segment assets or liabilities have been disclosed as such information is not regularly provided to the CODM.

As the group operates predominantly as a franchise business, there are limited tangible assets directly attributable to individual segments. The key driver for making decisions regarding resource allocation is primarily profitability.

Working capital is managed at a group level.

The following reportable segments have been identified:

South Africa: Franchise

- Spur (Spur Steak Ranches)
- Panarottis (Panarottis Pizza Pasta)
- John Dory's (John Dory's Fish Grill Sushi)
- RocoMamas (including RocoGo)
- Speciality brands (Casa Bella, The Hussar Grill, Nikos Coalgrill Greek and, with effect from 1 December 2023, Doppio Zero and Piza e Vino (refer note 3))

South Africa: Manufacturing and distribution

- The segment comprises the group's sauce manufacturing, warehousing and product distribution business including sales by the group's outsourced distributor to franchisees (refer note 2.1.4), rebates and sales of retail sauces to supermarkets; and, with effect from 1 December 2023, the Doppio Collection bakery and product distribution business.

South Africa: Retail company stores

The segment comprises:

- Four The Hussar Grill restaurants
- A RocoMamas outlet, which ceased trading in September 2024
- Six Doppio Zero* restaurants
- Two Piza e Vino* restaurants, one of which commenced trading in December 2024
- Two Modern Tailors* restaurants, one of which commenced trading in July 2024
- A Ciccio* restaurant, which ceased trading in March 2025

South Africa and International: Marketing

- These segments comprise the surplus or deficit of marketing fund contributions from franchisees relative to marketing fund expenses for the year, including, with effect from 1 December 2023, the Doppio Zero and Piza e Vino marketing funds (refer note 3). 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 year'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 only recognised to the extent that a marketing fund is in a cumulative deficit position.

South Africa: Other

- Comprises the group's training division, export business, décor manufacturing business and call centre which are each individually not material.

International: Australasia

- Franchise business in Australia. The group's only franchisee in New Zealand ceased trading during the prior year as did the last Spur in Australia. As at 30 June 2025, one franchised RocoMamas restaurant operates in Australia.

International: Rest of Africa and Middle East

- Franchise operations in the rest of Africa (including Mauritius), India and Saudi Arabia. The group ceased its operations in India and Saudi Arabia during the year.

The CODM reviews the performance of each of the franchise brands, the retail company stores business, marketing funds and other business units independently of each other to assess the risks and contribution of each business unit, and, where appropriate, the possibility and financial feasibility of expanding, ceasing or outsourcing operations.

Intersegment transactions are accounted for on the same basis as equivalent transactions with parties external to the group.

* Acquired as part of the Doppio Collection on 1 December 2023 (refer note 3).

5. **OPERATING SEGMENTS** continued

		2025			2024		
R'000	Note	**Total revenues**	**Less: Inter-segment revenues**	**External revenues**	Total revenues	Less: Inter-segment revenues	External revenues
South Africa							
Franchise		**522 142**	**20 736**	**501 406**	476 668	15 778	460 890
Spur		**333 032**	**2 552**	**330 480**	315 861	1 388	314 473
Panarottis		**48 946**	**496**	**48 450**	42 982	428	42 554
John Dory's		**19 247**	**419**	**18 828**	20 058	480	19 578
RocoMamas		**52 829**	**4 255**	**48 574**	49 321	3 988	45 333
Speciality brands		**68 088**	**13 014**	**55 074**	48 446	9 494	38 952
Manufacturing and distribution	b	**2 720 188**	**164 209**	**2 555 979**	2 464 920	143 247	2 321 673
Retail company stores		**278 111**	**–**	**278 111**	190 115	–	190 115
Marketing		**379 394**	**7 536**	**371 858**	372 726	6 071	366 655
Other segments	e	**77 518**	**12 752**	**64 766**	71 776	10 410	61 366
Total South African segments		**3 977 353**	**205 233**	**3 772 120**	3 576 205	175 506	3 400 699
Shared services		**21 568**	**21 315**	**253**	22 612	22 478	134
Total South Africa		**3 998 921**	**226 548**	**3 772 373**	3 598 817	197 984	3 400 833
International							
Australasia		**435**	**–**	**435**	599	–	599
Rest of Africa and Middle East	g	**77 597**	**411**	**77 186**	63 927	300	63 627
Marketing		**13 172**	**–**	**13 172**	8 589	–	8 589
Total International segments		**91 204**	**411**	**90 793**	73 115	300	72 815
Shared services		**956**	**956**	**–**	720	720	–
Total International		**92 160**	**1 367**	**90 793**	73 835	1 020	72 815
Total		**4 091 081**	**227 915**	**3 863 166**	3 672 652	199 004	3 473 648

Refer note 6 for further details of revenue.

Refer notes on page 30.

5. **OPERATING SEGMENTS** continued

R'000	Note	2025 Profit/(loss) before income tax	2025 Capital expenditure	2024 Profit/(loss) before income tax	2024 Capital expenditure
South Africa					
Franchise		**408 410**	**113**	378 693	168
Spur		**288 715**	**–**	273 744	–
Panarottis		**35 060**	**–**	29 946	–
John Dory's		**10 060**	**–**	11 081	–
RocoMamas		**37 504**	**–**	35 157	–
Speciality brands	a	**37 071**	**113**	28 765	168
Manufacturing and distribution	b	**107 051**	**1 031**	84 784	1 367
Retail company stores	c	**3 441**	**8 086**	2 238	8 203
Marketing	d	**3 859**	**135**	(3 573)	154
Other segments	e	**4 216**	**–**	683	–
Total South African segments		**526 977**	**9 365**	462 825	9 892
Shared services	f	**(151 130)**	**4 375**	(144 260)	4 680
Total South Africa		**375 847**	**13 740**	318 565	14 572
International					
Australasia		**(251)**	**–**	(198)	–
Rest of Africa and Middle East	g	**35 466**	**–**	29 544	–
Total international segments		**35 215**	**–**	29 346	–
Shared services	h	**(9 825)**	**–**	(6 315)	–
Total International		**25 390**	**–**	23 031	–
Total segment profit/capital expenditure		**401 237**	**13 740**	341 596	14 572
Share of profit of equity-accounted investee (net of income tax)		**417**		145	
Profit before income tax		**401 654**		341 741	

Refer notes on page 30.

5. OPERATING SEGMENTS continued

Notes

a) South Africa Franchise Speciality brands

The profit includes:	2025 R'000	2024 R'000
Reversal of impairment of trademarks and intellectual property (refer note 14.3)	**2 032**	–

b) South Africa Manufacturing and distribution

Manufacturing and distribution external revenue includes sales by the group's outsourced distributor of R2.411 billion (2024: R2.190 billion).

c) South Africa Retail company stores

The profit includes:	2025 R'000	2024 R'000
Impairment of plant, property and equipment (refer note 12)	**(4 406)**	(3 285)
Impairment of right-of-use asset (refer note 13)	**(2 501)**	(2 530)
Outsourced restaurant operations costs (refer footnote 4 to note 8)	**(7 573)**	(40 407)

d) South Africa Marketing

As detailed in note 2.1.1, a profit can only be recognised in profit or loss for marketing segments to the extent that a loss has been recognised in profit or loss in previous years. Losses in the marketing funds are only recognised to the extent that a marketing fund is in a cumulative deficit position. Any profit recognised in profit or loss 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. The loss for the prior year reflected the fact that two of the group's marketing funds were in a net overspent position. These deficits had been funded by the group. The profit recognised in the current year is a recoupment of the losses previously recognised.

e) South Africa Other segments

The increase in revenue and profit is largely attributable to the increase in sales by the group's decor manufacturing facility in support of new store development and revamps.

f) South Africa Shared services

The loss includes:	2025 R'000	2024 R'000
Marketing fund administration cost recoveries (intersegment)[1]	**17 080**	16 253
Net finance income	**30 343**	29 202
Impairment reversal/(loss) – net expected credit losses (ECLs) on financial instruments (refer note 37.3.1)	**2 003**	(4 593)
Equity-settled share-based payment charge (refer note 22.4)	**(23 907)**	(20 885)
Consulting fees	**(20 084)**	(19 260)
Consulting fees – Doppio Collection due diligence costs (refer note 3)	**–**	(981)
Legal fees – Doppio Collection transaction costs (refer note 3)	**–**	(1 552)
Legal fees – GPS litigation (refer note 41.1)	**(4 689)**	(5 950)
Loss (before net finance income) of The Spur Foundation Trust, all of which is attributable to non-controlling interests	**(839)**	(4)
Non-executive directors' fees (including VAT where applicable)[2]	**(5 532)**	(5 806)
Subscriptions[3]	**(19 307)**	(13 264)

[1] The group recovers certain of the costs of administering the marketing funds on behalf of franchisees from the marketing funds (refer note 2.1.1).
[2] 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] 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.

g) International Rest of Africa and Middle East

Rest of Africa and Middle East revenue includes sales by the group's outsourced distributor of R26.787 million (2024: R18.606 million).

h) International Shared services

The loss includes:	2025 R'000	2024 R'000
Impairment reversal/(loss) – net expected and actual credit losses on financial instruments (refer note 37.3.1)	**143**	(9)
Foreign exchange loss	**(4 349)**	(478)

5. OPERATING SEGMENTS continued

Geographical allocation of non-current assets

The group's non-current assets are allocated exclusively to South African segments.

Supplementary information

Included in profit before income tax are depreciation and amortisation, interest expense and interest income allocated to the following segments:

	2025			2024		
R'000	Depreciation and amortisation	Interest expense	Interest income	Depreciation and amortisation	Interest expense	Interest income
South Africa						
Franchise	(3 406)	(1 209)	154	(2 797)	(797)	30
Spur	(1 703)	(520)	–	(1 511)	(394)	–
Panarottis	(601)	(210)	–	(491)	(165)	–
John Dory's	(384)	(128)	–	(347)	(117)	–
Speciality brands	(718)	(351)	154	(448)	(121)	30
Manufacturing and distribution	(2 522)	(129)	–	(3 187)	(100)	–
Retail company stores	(23 548)	(6 918)	–	(16 293)	(4 400)	–
Marketing	(192)	–	2 450	(179)	–	5 505
Other segments	(632)	(133)	–	(340)	(20)	–
Total South African segments	(30 300)	(8 389)	2 604	(22 796)	(5 317)	5 535
Shared services	(6 750)	(923)	31 266	(6 174)	(823)	30 025
Total South Africa	(37 050)	(9 312)	33 870	(28 970)	(6 140)	35 560
International						
Shared services	(8)	–	622	(133)	(2)	162
Total International	(8)	–	622	(133)	(2)	162
Total	(37 058)	(9 312)	34 492	(29 103)	(6 142)	35 722

5. **OPERATING SEGMENTS** continued

The group's single largest overhead cost is employment costs. Employment costs are allocated to segments as follows:

R'000	**2025 Employment costs**	2024 Employment costs
South Africa		
Franchise	**88 876**	59 271
Spur	**32 825**	31 227
Panarottis	**9 721**	8 865
John Dory's	**6 780**	6 116
RocoMamas	**8 441**	7 935
Speciality brands*	**31 109**	5 128
Manufacturing and distribution*	**30 448**	20 745
Retail company stores*	**52 273**	15 302
Marketing	**34 384**	31 445
Other segments	**12 845**	11 735
Total South African segments	**218 826**	138 498
Shared services	**105 882**	98 963
Total South Africa	**324 708**	237 461
International		
Rest of Africa and Middle East	**11 031**	12 561
Total International segments	**11 031**	12 561
Shared services	**4 309**	4 204
Total International	**15 340**	16 765
Total	**340 048**	254 226

* The increases relative to the prior year are due to the Doppio Collection acquisition (refer note 3), as well as the fact that the outsourced restaurant operations agreement (refer footnote 4 to note 8) started being phased out during the current year, and the group has appointed employees.

6. REVENUE

	2025 R'000	2024 R'000
Sales-based royalties	**534 394**	495 685
Ongoing franchise fee income	**534 394**	495 685
Recognised at a point in time	**2 928 086**	2 597 661
Sales of franchisee supplies (outsourced distributor)	**2 438 046**	2 208 263
Sales of purchased and manufactured sauces	**103 602**	101 420
Retail company stores' sales	**278 111**	190 115
Sales of franchisee supplies	**87 674**	78 697
Sales of marketing materials	**10 348**	11 543
Rebate income	**10 305**	7 623
Recognised over time	**400 686**	380 302
Initial franchise fee income	**9 132**	7 107
Marketing fund contributions	**363 024**	353 750
Services rendered	**14 037**	8 645
Marketing supplier contributions	**14 493**	10 800
Total revenue	**3 863 166**	3 473 648

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

R'000	Sales-based royalties	Recognised at a point in time	Recognised over time	Total
2025				
South Africa				
Franchise	486 904	4 219	10 283	501 406
Spur	327 848	–	2 632	330 480
Panarottis	47 598	–	852	48 450
John Dory's	18 082	–	746	18 828
RocoMamas	46 612	–	1 962	48 574
Speciality brands	46 764	4 219	4 091	55 074
Manufacturing and distribution	–	2 555 979	–	2 555 979
Retail company stores	–	278 111	–	278 111
Marketing	–	10 348	361 510	371 858
Other segments	–	51 827	12 939	64 766
Total South African segments	486 904	2 900 484	384 732	3 772 120
Shared services	–	253	–	253
Total South Africa	486 904	2 900 737	384 732	3 772 373
International				
Australasia	435	–	–	435
Rest of Africa and Middle East	47 055	27 349	2 782	77 186
Marketing	–	–	13 172	13 172
Total International	47 490	27 349	15 954	90 793
Total external revenue	534 394	2 928 086	400 686	3 863 166

6. REVENUE continued

R'000	Sales-based royalties	Recognised at a point in time	Recognised over time	Total
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				
Australasia	581	–	18	599
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

7. OTHER INCOME

	2025 R'000	2024 R'000
Expired gift vouchers[1]	**1 540**	617
Gain on derecognition of lease	**2 823**	86
Derecognition of lease liabilities on early termination of leases (refer note 25)	**7 166**	561
Derecognition of right-of-use assets on early termination of leases (refer note 13)	**(4 343)**	(475)
Profit on disposal of property, plant and equipment	**286**	35
Rental income[2]	**965**	–
Restaurant operations management fee[3]	**320**	1 425
Reversal of impairment of trademarks and intellectual property (refer note 14.3)	**2 032**	–
Salary recovery[4]	**4 857**	–
Spur Foundation donation income[5]	**5 296**	3 704
Other	**1 094**	981
Total other income	**19 213**	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 from the letting of part of the group's head office to a tenant on a short-term lease.
3 The restaurant operations management fee relates 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 pays 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 Recovery of employment costs of group employees seconded to an associate.
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 consolidated statement of profit or loss and other comprehensive income.

8. OPERATING PROFIT BEFORE NET FINANCE INCOME

The following items have been taken into account in determining operating profit before net finance income (other than those items disclosed in other income (refer note 7)):

	2025 R'000	2024 R'000
Auditor's remuneration[1]	**7 023**	5 821
Amortisation – intangible assets (refer note 14)	**856**	1 030
Consulting fees	**25 182**	21 578
Depreciation – property, plant and equipment (refer note 12)	**13 254**	10 510
Depreciation – right-of-use assets (refer note 13)	**22 948**	17 563
Employment costs[4]	**340 048**	254 226
Salaries and wages (excluding executive directors and prescribed officer)[2]	**291 027**	209 539
Executive directors' and prescribed officer's emoluments (refer note 38)[3]	**25 114**	23 802
Share-based payments expense – equity-settled – long-term employee share incentive schemes (refer note 22.4)	**23 907**	20 885
Foreign exchange loss	**4 198**	589
Impairment losses – expected and actual credit losses – financial instruments	**(2 525)**	6 301
Trade receivables (refer note 20)	**(3 190)**	5 773
Bad debts – trade receivables (refer note 37.3.1)	**154**	3 489
Movement in Impairment allowance	**(3 344)**	2 284
Loan receivables (refer note 16)	**665**	528
Impairment allowance	**665**	603
Reversal of impairment allowance	**–**	(75)
Other non-trading losses	**6 907**	5 815
Impairment of plant, property and equipment (refer note 12.1)	**4 406**	3 285
Impairment of right-of-use asset (refer note 13)	**2 501**	2 530
Outsourced restaurant operations costs[4]	**7 573**	40 407
Subscriptions[5]	**30 497**	23 515

1 Remuneration of the company's external auditor for services to the company and its subsidiaries.
2 Includes short-term performance bonuses and short-term incentive scheme costs (refer note 27.1).
3 Includes short-term incentive scheme costs but excludes equity compensation benefits disclosed separately within employment costs.
4 As part of the acquisition of the Doppio Collection (refer note 3), Doppio Collection concluded an agreement with Doppio Group for the use of the services of certain staff and equipment on a recovery of cost basis. This was partially phased out during the current year and the staff in question were replaced with the group's own employees.
5 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.

9. NET FINANCE INCOME

	2025 R'000	2024 R'000
Finance income and expense recognised in profit before income tax		
Interest income on bank deposits	**33 810**	34 994
Interest income on financial assets measured at amortised cost	**682**	728
Interest income	**34 492**	35 722
Interest expense on financial liabilities measured at amortised cost	**(602)**	(136)
Interest expense on lease liabilities (refer note 25)	**(8 710)**	(6 006)
Interest expense	**(9 312)**	(6 142)
Net interest income recognised in profit before income tax	**25 180**	29 580

10. INCOME TAX

10.1 Income tax expense

		2025 R'000	2024 R'000
South African corporate income tax		**110 703**	88 380
Current	– current year	**114 289**	101 196
	– prior year under/(over) provision	**8**	(2 709)
Deferred	– current year	**(3 594)**	(10 987)
	– prior year under provision	**–**	880
South African dividend withholding tax		**2 637**	2 413
Dutch corporate income tax		**384**	1 070
Current	– current year	**100**	53
	– prior year under provision	**–**	29
Deferred	– current year	**284**	988
Dutch withholding tax		**1 178**	5 216
	– current year	**5 849**	5 216
	– prior year over provision (refer note 26)	**(4 671)**	–
Income tax expense		**114 902**	97 079
Total current corporate income tax		**114 397**	98 569
Total deferred corporate tax (refer note 17)		**(3 310)**	(9 119)
Total withholding taxes		**3 815**	7 629
Income tax expense		**114 902**	97 079

10.2 Reconciliation of tax rate

	2025 %	2024 %
South African corporate income tax rate	**27.0**	27.0
Non-deductible listings related costs	**0.7**	0.8
Non-deductible marketing expenditure	**24.3**	28.5
Non-deductible other expenditure (capital items and items not in production of income)	**0.9**	0.6
Non-taxable marketing income	**(24.5)**	(28.1)
Prior year net over provision	**(2.3)**	(0.6)
Special tax incentive in respect of learnerships	**–**	(0.1)
Tax losses on which deferred tax asset not recognised	**0.1**	0.1
Tax losses utilised on which deferred tax not previously recognised	**–**	(0.1)
Tax on foreign attributed income not included in profit	**0.2**	–
Tax at rates other than corporate income tax rate	**0.3**	(0.7)
Withholding taxes	**1.9**	1.0
Effective tax rate	**28.6**	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.

10. INCOME TAX continued

10.3 Tax losses

	2025 R'000	2024 R'000
Estimated group tax losses available for set-off against future taxable income	**29 126**	30 549

A deferred tax asset has not been recognised in respect of R29.126 million of these tax losses, which comprise predominantly losses incurred by the group's Australian subsidiary which continues to incur tax losses and there is no reasonable certainty that future taxable income will be earned against which these losses may be offset.

None of these losses expire if they are not used.

10.4 Tax credited directly to equity

	2025 R'000	2024 R'000
Current tax on intercompany transfer of treasury shares (refer note 22.4)	**–**	162
Current tax (credit)/charge on foreign exchange (loss)/gain on net investments in foreign subsidiaries	**(100)**	19
Deferred tax on equity-settled share-based payment[1] (refer note 17)	**(965)**	(4 708)
Total tax credited directly to equity	**(1 065)**	(4 527)

[1] The deferred tax credited to equity in respect of the equity-settled share-based payment is the amount of the deferred tax credit relating to the group's long-term share incentive schemes (refer note 22.4) that exceeds the South African corporate income tax rate of 27% of the cumulative share-based payment expense included in profit before income tax.

10.5 Withholding tax credits

Wholly-owned subsidiary, Steak Ranches International BV (SRIBV), the group's franchisor for restaurants outside of South Africa, earns income from franchisees operating in various international jurisdictions. Franchisees are required in certain cases to deduct withholding taxes from payments to SRIBV, and pay these to the respective revenue authorities in the foreign jurisdictions. The tax withheld is permitted in most instances to be deducted off Dutch corporate income tax payable by SRIBV in The Netherlands on foreign sourced income. Total withholding tax credits available to SRIBV at the reporting date amounted to R18.665 million (2024: R19.881 million).

11. EARNINGS PER SHARE

11.1 Statistics

	2025 cents	2024 cents
Basic earnings per share	**337.51**	287.92
Diluted earnings per share	**328.71**	281.31
Headline earnings per share	**339.88**	291.02
Diluted headline earnings per share	**331.02**	284.34

The earnings used for diluted earnings per share are the same as the earnings used for basic earnings per share, which equates to profit attributable to the owners of the company of R273.067 million (2024: R233.598 million) for the group.

11.2 Reconciliation of shares in issue to weighted average and dilutive weighted average number of ordinary shares

	2025 '000	2024 '000
Shares in issue at beginning of year	**90 997**	90 997
Shares repurchased at beginning of year (refer note 22.1)	**(9 903)**	(9 654)
Shares repurchased during the year weighted for period held by the group (refer note 22.2)	**(609)**	(209)
Shares issued during the year weighted for period in issue (refer note 22.2)	**422**	–
Weighted average number of ordinary shares in issue for the year	**80 907**	81 134
Dilutive potential ordinary shares weighted for period outstanding (refer note 22.4)	**2 166**	1 906
Dilutive weighted average number of shares in issue for the year	**83 073**	83 040

11. EARNINGS PER SHARE continued

11.3 Reconciliation of headline earnings

	2025 R'000	2024 R'000
Profit attributable to owners of the company	**273 067**	233 598
Impairment of property, plant and equipment (refer note 12.1)	**1 930**	1 439
Impairment of right-of-use asset (refer note 13)	**1 096**	1 108
Profit on disposal of property, plant and equipment	**(181)**	(26)
Reversal of impairment of trademarks and intellectual property (refer note 14.3)	**(925)**	–
Headline earnings	**274 987**	236 119

	Gross	**Income tax**	**Non-controlling interests**	**Attributable to owners of the company**
2025				
Impairment of property, plant and equipment (refer note 12.1)	**4 406**	**(1 190)**	**(1 286)**	**1 930**
Impairment of right-of-use asset equipment (refer note 13)	**2 501**	**(675)**	**(730)**	**1 096**
Profit on disposal of property, plant and equipment	**(286)**	**(8)**	**113**	**(181)**
Reversal of impairment of trademarks and intellectual property (refer note 14.3)	**(2 032)**	**549**	**558**	**(925)**
	4 589	**(1 324)**	**(1 345)**	**1 920**
2024				
Impairment of property, plant and equipment (refer note 12.1)	3 285	(887)	(959)	1 439
Impairment of right-of-use asset equipment (refer note 13)	2 530	(683)	(739)	1 108
Profit on disposal of property, plant and equipment	(35)	9	–	(26)
	5 780	(1 561)	(1 698)	2 521

12. PROPERTY, PLANT AND EQUIPMENT

R'000	Land and buildings	Leasehold improvements	Furniture and fittings	Plant, equipment and vehicles	Computer equipment	Total
2025						
COST						
Balance at 1 July 2024	**78 250**	**30 477**	**21 526**	**44 519**	**24 177**	**198 949**
Additions	**281**	**4 698**	**2 302**	**4 207**	**2 252**	**13 740**
Disposals	**(623)**	**(1 539)**	**(710)**	**(1 708)**	**(810)**	**(5 390)**
Balance at 30 June 2025	**77 908**	**33 636**	**23 118**	**47 018**	**25 619**	**207 299**
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES						
Balance at 1 July 2024	**(8 003)**	**(20 247)**	**(16 059)**	**(28 336)**	**(20 316)**	**(92 961)**
Disposals	**111**	**1 539**	**669**	**1 599**	**950**	**4 868**
Depreciation	**(667)**	**(5 149)**	**(1 762)**	**(3 508)**	**(2 168)**	**(13 254)**
Impairment (refer note 12.1)	**–**	**(4 406)**	**–**	**–**	**–**	**(4 406)**
Balance at 30 June 2025	**(8 559)**	**(28 263)**	**(17 152)**	**(30 245)**	**(21 534)**	**(105 753)**
CARRYING AMOUNT						
Balance at 1 July 2024	**70 247**	**10 230**	**5 467**	**16 183**	**3 861**	**105 988**
Additions	**281**	**4 698**	**2 302**	**4 207**	**2 252**	**13 740**
Disposals	**(512)**	**–**	**(41)**	**(109)**	**140**	**(522)**
Depreciation	**(667)**	**(5 149)**	**(1 762)**	**(3 508)**	**(2 168)**	**(13 254)**
Impairment (refer note 12.1)	**–**	**(4 406)**	**–**	**–**	**–**	**(4 406)**
Balance at 30 June 2025	**69 349**	**5 373**	**5 966**	**16 773**	**4 085**	**101 546**
2024						
COST						
Balance at 1 July 2023	77 993	17 947	17 457	33 353	27 073	173 823
Acquisition through business combination (refer note 3)	–	11 617	3 637	2 738	519	18 511
Additions	342	933	565	9 746	2 986	14 572
Disposals	(85)	(20)	(133)	(1 318)	(6 401)	(7 957)
Balance at 30 June 2024	78 250	30 477	21 526	44 519	24 177	198 949
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES						
Balance at 1 July 2023	(7 336)	(13 617)	(14 828)	(26 087)	(24 753)	(86 621)
Disposals	–	13	75	1 196	6 171	7 455
Depreciation	(667)	(3 358)	(1 306)	(3 445)	(1 734)	(10 510)
Impairment (refer note 12.1)	–	(3 285)	–	–	–	(3 285)
Balance at 30 June 2024	(8 003)	(20 247)	(16 059)	(28 336)	(20 316)	(92 961)
CARRYING AMOUNT						
Balance at 1 July 2023	70 657	4 330	2 629	7 266	2 320	87 202
Acquisition through business combination (refer note 3)	–	11 617	3 637	2 738	519	18 511
Additions	342	933	565	9 746	2 986	14 572
Disposals	(85)	(7)	(58)	(122)	(230)	(502)
Depreciation	(667)	(3 358)	(1 306)	(3 445)	(1 734)	(10 510)
Impairment (refer note 12.1)	–	(3 285)	–	–	–	(3 285)
Balance at 30 June 2024	70 247	10 230	5 467	16 183	3 861	105 988

Additions for the current year include the fit-out of the new Piza e Vino Leaping Frog company-owned restaurant and additional fit-out costs for the new Modern Tailors Ambassador restaurant (construction of which commenced in the prior year). Other additions for the current and prior years include routine replacement plant, equipment and computer equipment including the group's sauce manufacturing facility and retail company stores.

Disposals for the current year relate largely to the assets of the RocoMamas Green Point restaurant which ceased trading during the year, and the leasehold improvements of the Ciccio Melrose concept store (which were impaired in the prior year) upon termination of the lease during the current year.

12. PROPERTY, PLANT AND EQUIPMENT continued

12.1 Impairments

During the year, the group invested in a new-concept Modern Tailors restaurant, Modern Tailors Ambassador. The restaurant has traded below expectations and has incurred a cash flow loss for the year, indicating a potential impairment. 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 has accordingly been impaired in full during the year. Refer also note 13 for details of the impairment of the restaurant's right-of-use asset.

During the prior year, following the acquisition of the Doppio Collection (refer note 3), one of the retail company stores, Ciccio Melrose, failed to perform as expected and trading prospects were not expected to improve. The carrying amount of the restaurant's leasehold improvements was accordingly impaired in full in the prior year. The lease was terminated during the current year. Refer also note 13 for details of the impairment of the store's right-of-use asset in the prior year.

	2025 **R'000**	2024 R'000
Impairment of leasehold improvements relating to Ciccio Melrose	**–**	3 285
Impairment of leasehold improvements relating to Modern Tailors Ambassador	**4 406**	–
Total impairment of property, plant and equipment	**4 406**	3 285

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

13. RIGHT-OF-USE ASSETS

R'000	Property	Vehicles	Total
2025			
Balance at 1 July 2024 – net carrying amount	**53 253**	**9 787**	**63 040**
Additions (refer note 25)	**3 310**	**7 959**	**11 269**
Depreciation	**(18 298)**	**(4 650)**	**(22 948)**
Re-measurement of right-of-use assets (refer note 25)	**14 423**	**(534)**	**13 889**
Derecognition on early termination of leases	**(3 739)**	**(604)**	**(4 343)**
Cost	**(7 538)**	**(5 501)**	**(13 039)**
Accumulated depreciation and impairment	**3 799**	**4 897**	**8 696**
Impairment	**(2 501)**	**–**	**(2 501)**
Balance at 30 June 2025 – net carrying amount	**46 448**	**11 958**	**58 406**
Cost	**103 122**	**18 105**	**121 227**
Accumulated depreciation and impairment	**(56 674)**	**(6 147)**	**(62 821)**
2024			
Balance at 1 July 2023 – net carrying amount	17 937	2 007	19 944
Acquisition through business combination	47 861	–	47 861
Additions (refer note 25)	4 159	11 116	15 275
Depreciation	(13 712)	(3 851)	(17 563)
Re-measurement of right-of-use assets (refer note 25)	–	530	530
Derecognition on early termination of leases	(460)	(15)	(475)
Cost	(1 418)	(8 040)	(9 458)
Accumulated depreciation	958	8 025	8 983
Impairment	(2 530)	–	(2 530)
Effect of foreign exchange fluctuations	(2)	–	(2)
Cost	(31)	–	(31)
Accumulated depreciation	29	–	29
Balance at 30 June 2024 – net carrying amount	53 253	9 787	63 040
Cost	92 927	16 181	109 108
Accumulated depreciation and impairment	(39 674)	(6 394)	(46 068)

All leased assets are situated in South Africa, with the exception of a property lease in The Netherlands.

The addition to properties during the year relates to a new retail company store, Piza e Vino Leaping Frog, which commenced trading in December 2024, while the prior year property addition related to the Modern Tailors Ambassador retail company store (which commenced trading during the current year). The additions to vehicles in the current and prior years are part of a scheduled fleet replacement programme for the group's operations personnel.

The re-measurement of properties in the current year relates to the extensions of the leases of premises for The Hussar Grill Mouille Point, The Hussar Grill Rondebosch and Doppio Zero Irene retail company stores.

The impairment in the current year relates to the lease for the premises of the Modern Tailors Ambassador, while the prior year impairment relates to Ciccio Melrose (refer note 12.1). During the year, the lease for Ciccio Melrose was terminated: the right-of-use asset and corresponding lease liability have accordingly been derecognised; and an accrual has been recognised for the landlord's claim for mitigated damages.

14. INTANGIBLE ASSETS AND GOODWILL

R'000	Trademarks and intellectual property	Goodwill	Software licences	Total
2025				
COST				
Balance at 1 July 2024	**364 502**	**145 393**	**10 250**	**520 145**
Additions	**–**	**–**	**169**	**169**
Balance at 30 June 2025	**364 502**	**145 393**	**10 419**	**520 314**
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES				
Balance at 1 July 2024	**(2 032)**	**(10 234)**	**(8 327)**	**(20 593)**
Amortisation	**–**	**–**	**(856)**	**(856)**
Impairment reversal	**2 032**	**–**	**–**	**2 032**
Balance at 30 June 2025	**–**	**(10 234)**	**(9 183)**	**(19 417)**
CARRYING AMOUNT				
Balance at 1 July 2024	**362 470**	**135 159**	**1 923**	**499 552**
Additions	**–**	**–**	**169**	**169**
Amortisation	**–**	**–**	**(856)**	**(856)**
Impairment reversal	**2 032**	**–**	**–**	**2 032**
Balance at 30 June 2025	**364 502**	**135 159**	**1 236**	**500 897**
2024				
COST				
Balance at 1 July 2023	290 915	81 357	10 398	382 670
Acquisition through business combination (refer note 3)	73 587	64 036	–	137 623
Additions	–	–	2	2
Disposals	–	–	(150)	(150)
Balance at 30 June 2024	364 502	145 393	10 250	520 145
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES				
Balance at 1 July 2023	(2 032)	(10 234)	(7 447)	(19 713)
Amortisation	–	–	(1 030)	(1 030)
Disposals	–	–	150	150
Balance at 30 June 2024	(2 032)	(10 234)	(8 327)	(20 593)
CARRYING AMOUNT				
Balance at 1 July 2023	288 883	71 123	2 951	362 957
Acquisition through business combination (refer note 3)	73 587	64 036	–	137 623
Additions	–	–	2	2
Amortisation	–	–	(1 030)	(1 030)
Balance at 30 June 2024	362 470	135 159	1 923	499 552

None of the above intangible assets are internally generated.

14. INTANGIBLE ASSETS AND GOODWILL continued

14.1 Trademarks and intellectual property

Trademarks and intellectual property consists of the Spur, Panarottis, John Dory's, The Hussar Grill, RocoMamas, Nikos, Doppio Zero and Piza e Vino trademarks and related intellectual property. The directors evaluated the indefinite useful life assumption of the assets at the reporting date and concluded that there is no foreseeable limit to the period over which the assets are expected to generate cash inflows for the group (refer note 2.1.5).

	2025 R'000	2024 R'000
The carrying amounts of the trademarks and intellectual property intangible assets with indefinite useful lives are allocated to the following cash-generating units:		
Spur Franchise operations	**230 475**	230 475
Panarottis Franchise operations	**32 925**	32 925
John Dory's Franchise operations	**8 465**	8 465
The Hussar Grill Franchise operations	**9 904**	9 904
RocoMamas Franchise operations	**7 114**	7 114
Nikos Franchise operations – net carrying amount	**2 032**	–
Gross carrying amount	**2 032**	2 032
Impairment	**–**	(2 032)
Doppio Zero Franchise operations	**61 964**	61 964
Piza e Vino Franchise operations	**11 623**	11 623
Total carrying amount	**364 502**	362 470

14.2 Goodwill

	2025 R'000	2024 R'000
For the purposes of impairment testing, goodwill is allocated to the following cash-generating units:		
John Dory's Franchise operations	**178**	178
The Hussar Grill Franchise operations	**13 870**	13 870
RocoMamas Franchise operations	**43 102**	43 102
Nikos Franchise operations – net carrying amount	**–**	–
Gross carrying amount	**3 722**	3 722
Impairment	**(3 722)**	(3 722)
Doppio Zero Franchise operations	**10 887**	10 887
The Hussar Grill Retail operations[1]	**13 973**	13 973
Doppio Collection Retail operations[2]	**53 149**	53 149
Total carrying amount	**135 159**	135 159

[1] This comprises three cash-generating units, namely The Hussar Grills in Camps Bay, Rondebosch and Mouille Point, all in the Western Cape.
[2] This comprises seven cash-generating units, namely the Doppio Zeros in Irene, Greenside, Rosebank, Sandton, Blue Hills and Cradlestone, and the Modern Tailors in Rosebank.

14. INTANGIBLE ASSETS AND GOODWILL continued

14.3 Impairments of trademarks and intellectual property and goodwill

In accordance with the group's accounting policies, impairment tests on intangible assets with indefinite useful lives and goodwill are performed at every reporting date irrespective of whether an indication of impairment exists. The recoverable amounts of the cash-generating units to which the trademarks and intellectual property and goodwill are allocated have been determined based on their values-in-use.

In determining the values-in-use of the cash-generating units, the following key assumptions have been applied, which are based largely on approved budgets for the 2026 financial year as a starting point. The approved budgets for the 2026 financial year are based on the group's actual performance for the 2025 financial year taking into account a best estimate of expected organic growth considering expected inflation and economic growth. Forecasts beyond the 2026 financial year are largely inflation-related, with organic growth consistent with past experience:

Franchise operations

– Cash inflows comprise mainly franchise-related fee income determined as a percentage of franchised restaurant sales. Budgeted 2026 restaurant sales are based on actual sales achieved in the 2025 financial year, adjusted for inflation and expected organic growth (based on past experience). Restaurant sales for existing businesses have been forecast to increase from the 2027 financial year onwards at 5% (2024: 6%) per annum for all brands (with the exception of The Hussar Grill and Doppio Zero), which is marginally above the mid-point of the targeted South African inflation rate range of between 3% and 6%. The forecast growth rates have been tempered in the context of a deteriorating outlook for the South African economy relative to the prior year. Restaurant sales for existing businesses for The Hussar Grill and Doppio Zero have been forecast to increase from the 2027 financial year at 6.0% (2024: 6.5%) per annum, as the brands' higher-income target market tends to be more resilient to potential negative economic conditions. The contribution of new restaurants to revenue has been determined based on past experience and taking into consideration the potential for organic growth of each brand.
– Cash outflows for the 2026 financial year are estimated based on approved budgets, taking actual costs incurred for the 2025 financial year into account, adjusted for known changes, and increased by inflation. Operating costs comprise predominantly employment-related costs. Employment-related costs have been budgeted to increase by approximately 5% for the 2026 financial year. Overhead costs have been forecast to increase by inflation of 4.5% (2024: 5%) for the forecast horizon beyond the 2026 financial year, being the mid-point of the South African Reserve Bank's targeted inflation rate range of 3% to 6%, while employment-related costs have been forecast to increase by 5% (2024: 5%) per annum for the same period. Adjustments have been made for known capacity changes required to support the forecasted growth in revenue.
– Growth in perpetuity of cash flows beyond the five-year forecast horizon is estimated at 4.5%, being the mid-point in the targeted inflation rate range.
– After-tax cash flows are discounted at an after-tax discount rate of 16.9% (2024: 19.1%) for all franchise operations except Doppio Zero and Piza e Vino, and 18.9% (2024: 23.1%) for Doppio Zero and Piza e Vino, being the weighted average cost of capital of the company adjusted for risk factors specific to the cash-generating units. The decrease in the discount rates relative to the prior year is largely as a result of lower prevailing interest rates and lower market volatility, while the greater decrease in the discount rate for the Doppio Zero and Piza e Vino franchise operations is attributable to a lower forecasting risk compared to the prior year (as the group has more historic data from which to estimate future cash flows). A higher forecasting risk premium is still assigned to the Doppio Zero and Piza e Vino businesses as a result of the relatively short period for which reliable financial data is available since being acquired. The equivalent pre-tax discount rates equate to:

	2025 %	2024 %
Spur Franchise operations	**21.7**	24.8
Panarottis Franchise operations	**21.6**	24.6
John Dory's Franchise operations	**21.5**	24.5
The Hussar Grill Franchise operations	**21.5**	24.4
RocoMamas Franchise operations	**21.6**	24.7
Nikos Franchise operations	**21.4**	24.4
Doppio Zero Franchise operations	**24.1**	29.9
Piza e Vino Franchise operations	**24.0**	29.2

14. INTANGIBLE ASSETS AND GOODWILL continued

14.3 Impairments of trademarks and intellectual property and goodwill continued

Retail operations

- Cash inflows comprise predominantly restaurant sales. Budgeted 2026 restaurant sales have been based on actual sales achieved in the 2025 financial year, adjusted for inflation. Restaurant sales thereafter have been forecast to grow by:
  - 6% (2024: 6.5%) per annum for The Hussar Grill restaurants;
  - 6% (2024: 6%) per annum for the Doppio Zero restaurants; and
  - 5% (2024: 6%) per annum for Piza e Vino and Modern Tailors restaurants.
- The growth for The Hussar Grill and Doppio Zero restaurants is at the top end of the targeted South African inflation rate range of between 3% and 6%, as the brands' higher-income target market is generally more resilient to potential negative economic conditions. The growth for the Piza e Vino and Modern Tailors restaurants is marginally above the mid-point of the inflation target range: while the brands target the higher-income market, the brands are still relatively unknown.
- Cash outflows for the 2026 financial year and beyond were based on approved budgets for the 2026 financial year as detailed below.
- Variable costs are projected based on the percentages of sales that have historically been achieved in the respective businesses.
- Semi-variable costs are adjusted in part for anticipated inflation and in part by the change in anticipated sales.
- Fixed costs are estimated to increase at 4.5% (2024: 5%) per annum, being the mid-point of the targeted South African inflation rate range of between 3% and 6%.
- Rental costs are forecast in accordance with the lease agreements.
- Growth in perpetuity of cash flows beyond the five-year forecast horizon is estimated at 4.5% (2024: 4.5%), being the mid-point in the targeted inflation rate range.
- After-tax cash flows are discounted at an after-tax discount rate of 17.9% (2024: 20.1%) for The Hussar Grill restaurants and 18.9% (2024: 23.1%) for the Doppio Zero, Piza e Vino and Modern Tailors restaurants, being the weighted average cost of capital of the company adjusted for risk factors specific to the cash-generating units. The decrease in the discount rates relative to the prior year is largely as a result of lower prevailing interest rates and lower market volatility, while the greater decrease in the discount rate for the Doppio Zero, Piza e Vino and Modern Tailors restaurants is attributable to a lower forecasting risk compared to the prior year (as the group has more historic data from which to estimate future cash flows). A higher forecasting risk premium is still assigned to the Doppio Zero, Piza e Vino and Modern Tailors businesses as a result of the relatively short period for which reliable financial data is available since being acquired. The equivalent pre-tax discount rates equate to:

	2025 %	2024 %
The Hussar Grill Camps Bay	**23.1**	26.1
The Hussar Grill Mouille Point	**22.8**	26.0
The Hussar Grill Rondebosch	**22.6**	25.5
Doppio Zero Blue Hills	**23.9**	30.9
Doppio Zero Sandton	**24.3**	30.5
Doppio Zero Rosebank	**24.5**	29.6
Doppio Zero Irene	**24.5**	30.4
Doppio Zero Greenside	**24.3**	30.1
Doppio Zero Cradlestone	**24.0**	29.9
Modern Tailors Rosebank	**23.7**	29.5

Conclusion and sensitivity analysis

Based on the value-in-use calculations prepared on the assumptions detailed above, no further impairments for either trademarks and intellectual property or goodwill are required as at the reporting date.

The aforementioned calculations support the reversal of the impairment of the trademarks and related intellectual property allocated to Nikos Franchise operations (taken in the 2020 financial year). The assets were impaired at a time when COVID-19 had a detrimental impact on the restaurant industry in South Africa, with an extremely uncertain future and the ability of a relatively unknown brand to recover considered questionable. The brand has realised a sustained recovery subsequent to the pandemic with a proven track record of predictable and sustainable cash flows. As a consequence, the full original impairment of R2.032 million has been reversed in the current year.

Two key variable assumptions that impact most significantly on the calculation of the recoverable amounts are the discount rate and growth in restaurant turnovers. It is unlikely that any reasonably possible change in these two key assumptions will result in a different conclusion, with the exception of:

Piza e Vino Franchise operations

Change in variable	**Potential impairment R'000**
Reduction of 10% in expected restaurant turnovers and therefore revenue	**2 783**
Reduction of 20% in expected restaurant turnovers and therefore revenue	**4 989**
Increase of 100 basis points in discount rate	**1 311**
Increase of 200 basis points in discount rate	**1 952**

15. INTEREST IN EQUITY-ACCOUNTED INVESTEE

	2025 R'000	2024 R'000
Gremolata (Pty) Ltd		
Carrying amount at beginning of year	**2 317**	–
Acquisition through business combination (refer note 3)	**–**	2 672
Cost of equity-accounted investee	**–**	2 103
Loan to equity-accounted investee	**–**	569
Group's share of profit of equity-accounted investee (net of income tax)	**417**	145
Net movement in loan	**(69)**	(500)
Carrying amount at end of year	**2 665**	2 317
Carrying amount of equity-accounted investee	**2 665**	2 248
Loan to equity-accounted investee	**–**	69

The 50% equity interest in Gremolata (Pty) Ltd (Gremolata) was acquired as part the Doppio Collection transaction during the prior year (refer note 3). Gremolata operates the Doppio Zero Clearwater restaurant. The group jointly controls the entity in question (refer note 2.1.3).

The following table presents summarised financial information for Gremolata, based on its financial statements prepared in accordance with IFRS:

	2025 R'000	2024 R'000
Non-current assets (100%)	**1 677**	1 751
Current assets (100%)	**3 200**	1 952
Non-current liabilities (100%)	**(1 412)**	(1 610)
Current liabilities (100%)	**(2 666)**	(2 127)
Net liabilities (100%)	**799**	(34)
Group's share of net assets/(liabilities) (50%)	**400**	(17)
Goodwill implicit in carrying amount of equity-accounted investee	**2 265**	2 265
Carrying amount of equity-accounted investee	**2 665**	2 248
Revenue (100%)	**22 426**	14 151
Total comprehensive income (100%)	**834**	290
Group's share of total comprehensive income (50%)	**417**	145
Included in Gremolata's current liabilities above is the loan payable to the group	**–**	69

16. LOANS RECEIVABLE

	2025 R'000	2024 R'000
Total gross carrying amount	**10 413**	9 978
Impairment allowance	**(10 413)**	(9 978)
Opening impairment allowance	**(9 978)**	(9 610)
Current year impairment allowance	**(665)**	(603)
Reversal of impairment allowance	**–**	75
Effect of foreign exchange fluctuations	**230**	160
Total net carrying amount	**–**	–

Further details regarding the calculation of the impairment allowances for expected credit losses are included in note 37.3.1.

16.1 Franchisees (local)

	2025 R'000	2024 R'000
Gross carrying amount	**–**	–
Impairment allowance	**–**	–
Opening impairment allowance	**–**	(75)
Reversal of impairment allowance	**–**	75
Net carrying amount	**–**	–

The loans to franchisees were settled in full during the prior year.

16.2 Hunga Busters Pty Ltd

	2025 R'000	2024 R'000
Gross carrying amount	**5 032**	5 262
Impairment allowance	**(5 032)**	(5 262)
Opening impairment allowance	**(5 262)**	(5 422)
Effect of foreign exchange fluctuations	**230**	160
Net carrying amount	**–**	–

This loan arose on the disposal of two former retail company restaurants in Australia by the group to the borrower during the 2015 financial year. The loan is denominated in Australian dollars with a gross carrying amount of AU$431 983 (2024: AU$431 983). The loan is secured by a personal suretyship of the shareholder of the borrower and a pledge of the shares in the borrowing entity. The borrower had previously defaulted on the loan and the loan was consequently fully impaired in previous financial years. During the 2021 financial year, the entity commenced with liquidation proceedings. The prospects of recovering any amount of the loan is considered negligible.

16.3 KG Holdings Family Trust

	2025 R'000	2024 R'000
Gross carrying amount	**5 381**	4 716
Impairment allowance	**(5 381)**	(4 716)
Opening impairment allowance	**(4 716)**	(4 113)
Current year impairment allowance	**(665)**	(603)
Net carrying amount	**–**	–

The receivable arose from the disposal of the Captain DoRegos business by the group to the borrower in the 2018 financial year. The borrower failed to comply with the terms of the receivable and the loan accordingly bears penalty interest at 2% above the prime overdraft rate of interest. The receivable is secured by a personal guarantee from the purchaser and a trust which holds immovable property.

The borrower continues to be in default on the loan. The financial status of the borrower was negatively impacted by COVID-19 trading restrictions and it is considered unlikely that any significant amount will be recovered. The loan was accordingly fully impaired in previous financial years.

17. DEFERRED TAX

R'000	Balance at beginning of year	Recognised in profit or loss	Recognised in other comprehensive income[1]	Recognised directly in equity (retained earnings)	Acquisition through business combination[2]	Balance at end of year
2025						
Accruals and trade payables	**1 269**	**271**	**–**	**–**	**–**	**1 540**
Contract liabilities	**8 371**	**1 062**	**143**	**–**	**–**	**9 576**
Income received in advance	**537**	**344**	**9**	**–**	**–**	**890**
Intangible assets	**(85 082)**	**(549)**	**–**	**–**	**–**	**(85 631)**
Inventories	**1 298**	**3 950**	**–**	**–**	**–**	**5 248**
Lease liabilities	**19 923**	**(1 444)**	**(1)**	**–**	**–**	**18 478**
Leave pay accrual	**2 216**	**(181)**	**3**	**–**	**–**	**2 038**
Long-term employee benefits	**15 482**	**(2 199)**	**–**	**965[3]**	**–**	**14 248**
Prepaid expenses	**(939)**	**16**	**–**	**–**	**–**	**(923)**
Property, plant and equipment	**745**	**242**	**–**	**–**	**–**	**987**
Right-of-use assets	**(16 815)**	**1 861**	**–**	**–**	**–**	**(14 954)**
Short-term employee incentives	**8 147**	**550**	**–**	**–**	**–**	**8 697**
Trade receivables	**2 527**	**(613)**	**4**	**–**	**–**	**1 918**
Total net deferred tax liability	**(42 321)**	**3 310**	**158**	**965**	**–**	**(37 888)**
2024						
Accruals and trade payables	410	45	–	–	814	1 269
Contract liabilities	8 350	146	(125)	–	–	8 371
Income received in advance	164	379	(6)	–	–	537
Intangible assets	(65 214)	–	–	–	(19 868)	(85 082)
Inventories	542	756	–	–	–	1 298
Lease liabilities	6 736	264	–	–	12 923	19 923
Leave pay accrual	1 949	269	(2)	–	–	2 216
Long-term employee benefits	3 724	7 050	–	4 708[3]	–	15 482
Prepaid expenses	(973)	34	–	–	–	(939)
Property, plant and equipment	246	499	–	–	–	745
Right-of-use assets	(4 330)	438	–	–	(12 923)	(16 815)
Short-term employee incentives	8 901	(754)	–	–	–	8 147
Trade receivables	2 551	(7)	(17)	–	–	2 527
Total net deferred tax liability	(36 944)	9 119	(150)	4 708	(19 054)	(42 321)

[1] Relates to foreign currency translation differences for foreign operations.
[2] Refer note 3.
[3] Refer note 10.4.

	Deferred tax asset		Deferred tax liability	
	2025 R'000	2024 R'000	**2025 R'000**	2024 R'000
The deferred tax asset/(liability) comprises deductible/(taxable) temporary differences relating to:				
Accruals and trade payables	**5**	5	**1 535**	1 264
Contract liabilities	**3 878**	3 976	**5 698**	4 395
Income received in advance	**82**	140	**808**	397
Intangible assets	**(1 921)**	(1 921)	**(83 710)**	(83 161)
Inventories	**–**	–	**5 248**	1 298
Lease liabilities	**3 380**	1 346	**15 098**	18 577
Leave pay accrual	**235**	207	**1 803**	2 009
Long-term employee benefits	**–**	–	**14 248**	15 482
Prepaid expenses	**(67)**	(67)	**(856)**	(872)
Property, plant and equipment	**10**	67	**977**	678
Right-of-use assets	**(2 989)**	(926)	**(11 965)**	(15 889)
Short-term employee incentives	**527**	507	**8 170**	7 640
Trade receivables	**69**	189	**1 849**	2 338
	3 209	3 523	**(41 097)**	(45 844)

18. INVENTORIES

	2025 R'000	2024 R'000
Raw materials	**3 341**	3 453
Packaging	**447**	290
Finished goods[1]	**15 371**	14 438
Finished goods (outsourced distributor)[2]	**142 607**	117 944
Finished goods (retail products)[3]	**10 194**	–
Total inventories	**171 960**	136 125
Cost of inventory expense included in cost of sales	**2 371 972**	2 155 872

[1] Finished goods includes manufactured décor and sauces for sale to franchisees, food items for resale in retail company stores and goods purchased for resale to foreign franchisees by the group's export division.

[2] Finished goods (outsourced distributor) are goods held by the group's outsourced distributor for sale to the group's franchisees. As the group has assessed that it acts as principal in relation to the sales of the inventory to franchisees (refer note 2.1.4), the group has recognised the inventory with a corresponding payable to the outsourced distributor (refer note 27).

[3] During the year, the group appointed an external sales agent to facilitate the sale of purchased bottled sauces and seasonings into the retail trade. This represents the value of unsold inventories held by the agent at the reporting date at cost price.

19. TAX RECEIVABLE

	2025 R'000	2024 R'000
Excess of provisional tax payments relative to estimated taxable income of subsidiaries	**164**	277
Total tax receivable at end of year	**164**	277

20. TRADE AND OTHER RECEIVABLES

	2025 R'000	2024 R'000
Gross trade receivables	**152 535**	150 954
Impairment allowance[1]	**(10 114)**	(13 464)
Opening impairment allowance	**(13 464)**	(11 260)
Decrease/(increase) in impairment allowance for the year	**3 344**	(2 284)
Effect of foreign exchange fluctuations	**6**	80
Net trade receivables	**142 421**	137 490
Prepayments	**9 450**	5 517
Lease and other deposits	**3 863**	4 706
VAT and other indirect taxes receivable	**374**	899
Other	**–**	50
Total trade and other receivables	**156 108**	148 662

Trade receivables include receivables from related parties of R6.951 million (2024: R2.241 million) that arise in the ordinary course of business in respect of the transactions recorded in note 39. No individual receivable is significant and the terms of the receivables are the same as those for receivables with parties who are not related.

[1] The impairment allowance is determined using the expected credit loss (ECL) approach. The group has applied the simplified approach and determined the ECLs based on lifetime ECLs. Refer note 37.3.1 for more details on accounting for ECLs.

21. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

	2025 R'000	2024 R'000
Cash and cash equivalents		
Current, call and short-term deposit accounts	**477 119**	365 745
Restricted cash		
Current, call and short-term deposit accounts	**61 863**	62 677
Total cash and cash equivalents	**538 982**	428 422

Restricted cash relates to:

- Surplus funds in the marketing funds: These funds are identified as "restricted" cash balances as the funds are not available for general use by the group but are only available to fund future marketing costs in accordance with franchise agreements concluded between the group and its franchisees (refer note 2.1.1).
- Unredeemed gift vouchers: Funds held by the group in respect of unredeemed gift vouchers are, in accordance with the applicable legislation, held in custody on behalf of the gift voucher holders until the date of expiration, and are accordingly treated as restricted cash as they are not available for general use by the group.
- A bank deposit pledged as security in respect of a Doppio Collection company retail store property lease.
- Cash relating to The Spur Foundation Trust (refer notes 2.1.3 and 4.2). 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.

For the purposes of the consolidated statement of cash flows, 'cash and cash equivalents' comprises:

	2025 R'000	2024 R'000
Cash and cash equivalents as above	**538 982**	428 422
Bank overdraft	**(1 321)**	–
Net cash and cash equivalents	**537 661**	428 422

22. CAPITAL AND RESERVES

22.1 Ordinary share capital

	Number of shares			
	2025 '000	2024 '000	2025 R'000	2024 R'000
Authorised				
Ordinary shares of 0.001 cents each	**201 000**	201 000	**2**	2
Issued and fully paid				
Gross number of shares in issue at reporting date	**90 997**	90 997	**1**	1
Total shares held by group entities	**(10 240)**	(9 903)	**–**	–
Cumulative shares repurchased by subsidiaries	**(3 854)**	(3 517)	**–**	–
Cumulative shares held by The Spur Management Share Trust (consolidated structured entity)	**(5 886)**	(5 886)	**–**	–
Cumulative shares held by The Spur Foundation Trust (consolidated structured entity)	**(500)**	(500)	**–**	–
Net number of shares in issue at reporting date	**80 757**	81 094	**1**	1

The ordinary shares have equal rights to dividends declared by the company.

In terms of the company's Memorandum of Incorporation, the unissued shares of the company may be issued by the directors of the company only with the approval of the shareholders by way of an ordinary resolution passed at a general meeting. No such authority has been granted.

The company does not have any unlisted shares.

22. CAPITAL AND RESERVES continued

22.2 Shares repurchased

	2025	2024
Shares repurchased by subsidiaries		
Acquired by wholly-owned subsidiary, Share Buy-back (Pty) Ltd		
Number of shares	**159 264**	–
Average cost per share (R)	**32.15**	–
Total cost (R'000)	**5 121**	–
Acquired by wholly-owned subsidiary, Spur Group (Pty) Ltd, for FSPs and vested SARs (refer note 22.4)		
Number of shares	**959 714**	248 661
Average cost per share (R)	**35.05**	28.02
Total cost (R'000)	**33 642**	6 967
Total cost of shares repurchased during the year (R'000)	**38 763**	6 967
Previously repurchased shares transferred from Spur Group (Pty) Ltd to participants of LTIs on vesting (refer note 22.4)		
Number of shares	**781 700**	–

22.3 Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as foreign exchange gains/losses relating to loans that are considered part of the net investments in foreign operations.

22.4 Share-based payments reserve

	2025 R'000	2024 R'000
Balance at beginning of year	**39 090**	18 205
Share-based payments expense for the year	**23 907**	20 885
FSP – October 2021 tranche	**1 205**	1 801
SAR – October 2021 tranche	**1 389**	4 736
FSP – November 2022 tranche	**1 407**	1 688
SAR – November 2022 tranche	**8 007**	8 382
FSP – November 2023 tranche	**1 311**	904
SAR – November 2023 tranche	**5 821**	3 374
FSP – October 2024 tranche	**1 518**	–
SAR – October 2024 tranche	**3 249**	–
Transfer to retained earnings on vesting of shares/rights	**(15 543)**	–
Balance at end of year	**47 454**	39 090
Comprising:		
FSP – October 2021 tranche	**5 451**	4 246
SAR – October 2021 tranche	**–**	14 014
FSP – November 2022 tranche	**4 016**	2 636
SAR – November 2022 tranche	**21 839**	13 916
FSP – November 2023 tranche	**2 213**	904
SAR – November 2023 tranche	**9 168**	3 374
FSP – October 2024 tranche	**1 518**	–
SAR – October 2024 tranche	**3 249**	–

22. CAPITAL AND RESERVES continued

22.4 Share-based payments reserve continued

	2025		2024	
Number of shares/rights in issue	**FSP shares**	**SAR rights**	FSP shares	SAR rights
Balance at beginning of year	**815 551**	**8 224 975**	692 114	5 250 095
Change in estimate	**(13 366)[1]**	**–**	(69 343)[2]	–
Granted during the year	**263 802**	**1 905 278**	222 152	3 200 624
Forfeited/lapsed during the year	**(46 014)**	**(329 486)**	(29 372)	(225 744)
Vested during the year	**(1 400)**	**(1 830 132)**	–	–
Balance at end of year	**1 018 573**	**7 970 635**	815 551	8 224 975
Comprising:				
October 2021 tranche	**278 566**	**–**	296 367	1 967 063
November 2022 tranche	**279 964**	**2 999 171**	297 032	3 086 857
November 2023 tranche	**196 241**	**3 077 141**	222 152	3 171 055
October 2024 tranche	**263 802**	**1 894 323**	–	–

At the AGM of 23 December 2020, shareholders approved the group's equity-settled Share Appreciation Rights Plan 2020 (SAR) and Restricted Share Plan 2020 (RSP) applicable to executive directors and members of senior and middle management. The RSP makes provision for a number of instruments to be used, including Forfeitable Shares (FSPs). All current tranches of long-term incentives (LTIs) have been issued in accordance with the aforementioned plan rules.

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]	263 802[5]
Initial vesting date	16 August 2025	14 August 2026	18 August 2027[4]	16 October 2028[6]
Date from which shares may be traded	16 August 2025	14 August 2026	18 August 2027[4]	16 October 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[6]
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) (%)	85.2	89.6	94.0	100.0
Number of shares that vested	N/A	1 330[7]	70[7]	N/A

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 transfer of ownership to the participants 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 22.2)	190 891	248 661	208 786
Shares held by The Spur Management Share Trust (refer note 22.1)	4 107	43 006	–
	327 104	312 302	208 786

Refer footnotes on page 54.

22. CAPITAL AND RESERVES continued

22.4 Share-based payments reserve continued

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

	2025 R'000	2024 R'000
Costs on intercompany transfer of shares	–	16
Current tax on intercompany transfer of shares	–	162
Total costs charged to equity	–	178

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

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 rights awarded	2 409 745	3 238 776	3 200 624	1 905 278
Strike price per right (R)	19.14	21.04	27.7	35.5
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[8]	Dependent on exercise date[8]	Dependent on exercise date[8]	Dependent on exercise date[8]
Service conditions	Three years from grant date	Three years from grant date	Three years from grant date	Three years from grant date
Performance conditions	Growth in adjusted headline earnings and adjusted headline earnings per share (HEPS) and personal performance[9]	Growth in adjusted headline earnings and adjusted HEPS and personal performance[9]	Growth in adjusted headline earnings and adjusted HEPS, new business return on investment (ROI) and personal performance[10]	Growth in adjusted headline earnings and adjusted HEPS, new business return on investment (ROI) and personal performance[10]
Grant-date fair value per right (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	92.9	96.3	99.4
Proportion of rights expected to vest based on meeting of non-market performance conditions (%)	N/A	86.4	85.3	86.1
No. of rights that vested	1 816 498	9 245[7]	4 389[7]	N/A
No. of rights exercised	1 719 166	9 245	4 389	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.

	November 2022 tranche[11]	November 2023 tranche[11]	October 2024 tranche[11]	
Performance conditions applicable to SARs:	Criteria	Criteria	Criteria	Vesting (%)
Adjusted headline earnings growth at compounded annual growth rate over initial vesting period (%)	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 headline earnings per share growth at compounded annual growth rate over initial vesting period (%)	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 (%)[12]	N/A	17.4 to 22.2	17.4 to 22.2	50 to 100

Refer footnotes on page 54.

22. CAPITAL AND RESERVES continued

22.4 Share-based payments reserve continued

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	32.2

Dilution

The instruments in issue have resulted in the following dilutive potential ordinary shares:	2025	2024
FSP – October 2021 tranche	**273 154**	235 183
SAR – October 2021 tranche	**397 074**	745 085
FSP – November 2022 tranche	**230 387**	176 503
SAR – November 2022 tranche	**914 115**	680 291
FSP – November 2023 tranche	**110 852**	36 790
SAR – November 2023 tranche	**203 043**	31 728
FSP – October 2024 tranche	**37 680**	–
Total dilutive potential ordinary shares weighted for period in issue	**2 166 305**	1 905 580

Footnotes

[1] The value of FSP shares awarded in respect of the November 2023 tranche is 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 is converted into a number of FSP shares based on the share price prevailing at the time of being allocated to the participants. The shares are 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 year, 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 year, the actual number of FSP shares was determined.

[3] As 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 ended 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 the reporting date (refer note 27.1).

[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.

[7] The accelerated partial vesting resulted for a participant who retired during the year, as provided for in the respective scheme rules.

[8] 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.

[9] 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.

[10] 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; and 50% based on personal performance rating.

[11] 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).

[12] 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.

23. NON-CONTROLLING INTERESTS

The following subsidiaries have non-controlling interests (NCI):

Name	Principal place of business/ Country of incorporation	Operating segment	Ownership interests held by NCI 2025	Ownership interests held by NCI 2024
Doppio Collection (Pty) Ltd	South Africa	South Africa Franchise – Speciality brands, Manufacturing and Distribution, Retail company owned stores and Marketing	**40.0%**	40.0%
Green Point Burger Joint (Pty) Ltd	South Africa	South Africa Retail company stores	**10.0%**	10.0%
Luppo (Pty) Ltd	South Africa	South Africa Retail company stores	**40.0%**	40.0%
Nikos Franchise (Pty) Ltd	South Africa	South Africa Franchise – Speciality brands	**37.63%**	37.63%
Opilor (Pty) Ltd	South Africa	South Africa Retail company stores	**32.0%**	32.0%
RocoMamas Franchise Co (Pty) Ltd	South Africa	South Africa Franchise – RocoMamas	**30.0%**	30.0%
The Spur Foundation Trust	South Africa	South Africa Shared Services	**100.0%#**	100.0%#

Refer note 2.1.3.

The following table summarises financial information for material subsidiaries with NCI, prepared in accordance with IFRS, modified for fair value adjustments on acquisition and differences in the group's accounting policies, as well as other individually immaterial subsidiaries. The information is before intercompany eliminations with other companies in the group.

2025 R'000	RocoMamas Franchise Co (Pty) Ltd	Opilor (Pty) Ltd	Doppio Collection (Pty) Ltd	Nikos Franchise (Pty) Ltd	Other individually immaterial subsidiaries	Total
Statement of profit or loss and other comprehensive income						
Revenue	291 388	29 312	264 908	3 685	3 708	
Profit/(loss) and total comprehensive income	33 002	3 538	4 265	2 893	(921)	
Profit/(loss) and total comprehensive income attributable to NCI	9 901	1 132	1 706	1 088	(142)	13 685
Statement of financial position						
Current assets	40 094	6 740	40 862	2 233	7 378	
Non-current assets	7 258	11 616	180 470	2 557	9 560	
Current liabilities	(3 603)	(3 175)	(178 002)	(527)	(12 931)	
Non-current liabilities	(5 199)	(4 742)	(41 257)	(620)	(2 588)	
Net assets	38 550	10 439	2 073	3 643	1 419	
Carrying amount of NCI	11 566	3 341	828	1 370	4 493	21 598
Statement of cash flows						
Cash flows from operating activities	15 833	2 980	25 221	420	2 127	
Cash flows from investing activities	3 487	(206)	(3 221)	99	(4 746)	
Cash flows from financing activities	–	(1 374)	(16 639)	–	6 113	
Net increase/(decrease) in cash and cash equivalents	19 320	1 400	5 361	519	3 494	
Dividends paid to NCI during the year	5 070	848	–	336	–	6 254

23. NON-CONTROLLING INTERESTS continued

2024 R'000	RocoMamas Franchise Co (Pty) Ltd	Opilor (Pty) Ltd	Doppio Collection (Pty) Ltd	Nikos Franchise (Pty) Ltd	Other individually immaterial subsidiaries	Total
Statement of profit or loss and other comprehensive income						
Revenue	233 112	27 099	152 398	4 644	2 185	
Profit/(loss) and total comprehensive income	29 854	3 165	(859)	1 517	564	
Profit/(loss) and total comprehensive income attributable to NCI	8 956	1 013	(344)	571	868	11 064
Statement of financial position						
Current assets	24 916	5 200	27 069	2 220	373	
Non-current assets	7 215	8 102	202 413	165	2 749	
Current liabilities	(4 780)	(3 400)	(179 339)	(419)	(5 674)	
Non-current liabilities	(4 903)	(350)	(51 001)	(324)	–	
Net assets/(liabilities)	22 448	9 552	(858)	1 642	(2 552)	
Carrying amount of NCI	6 735	3 057	(344)	618	4 101	14 167
Statement of cash flows						
Cash flows from operating activities	1 872	(297)	19 316	848	747	
Cash flows from investing activities	(2 903)	(9)	(8 032)	88	–	
Cash flows from financing activities	(81)	(1 580)	(5 514)	–	(750)	
Net increase/(decrease) in cash and cash equivalents	(1 112)	(1 886)	5 770	936	(3)	
Dividends paid to NCI during the year	8 400	1 888	–	176	–	10 464

24. CONTRACT LIABILITIES

	2025 R'000	2024 R'000
The balance at the end of the year comprises:		
Deferred marketing fund contributions revenue (refer note 24.1)	**20 399**	31 879
Deferred initial franchise fee revenue (refer note 24.2)	**35 642**	31 392
Total contract liabilities	**56 041**	63 271
Current portion included in current liabilities	**26 107**	37 391
Non-current portion included in non-current liabilities	**29 934**	25 880

The movement in the liabilities during the year was as follows:

24.1 Deferred marketing fund contributions revenue

	2025 R'000	2024 R'000
Balance at beginning of year	**31 879**	53 781
Acquisition through business combination (refer note 3)	**–**	4 449
Total marketing fund contributions received/receivable	**351 544**	332 649
Total recognised in profit or loss as revenue during the year (refer note 6)	**(363 024)**	(359 000)
Amount recognised relating to current year contributions	**(351 544)**	(332 649)
Amount recognised relating to prior year contributions	**(11 480)**	(26 351)
Balance at end of year	**20 399**	31 879
Current portion included in current liabilities	**20 399**	31 879

Marketing fund contributions 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. Refer note 2.1.1 for a further explanation.

24. CONTRACT LIABILITIES continued

24.2 Deferred initial franchise fee revenue

	2025 R'000	2024 R'000
Balance at beginning of year	**31 392**	31 403
New contracts concluded	**12 715**	7 591
Total recognised in profit or loss as revenue during the year (refer note 6)	**(9 132)**	(7 107)
Revenue recognised over time	**(5 528)**	(5 000)
Revenue recognised due to accelerated recognition on early termination of contract	**(3 604)**	(2 107)
Effect of foreign exchange fluctuations	**667**	(495)
Balance at end of year	**35 642**	31 392
Current portion included in current liabilities	**5 708**	5 512
Non-current portion included in non-current liabilities	**29 934**	25 880

These amounts relate to the initial non-refundable franchise fees which have not yet been recognised as revenue. As the group's performance obligation in relation to the initial franchise fee is satisfied over time, the revenue is recognised on a straight-line basis over the term of the franchise agreement. Where a franchise agreement is terminated prior to its expected expiration date, the balance of the contract liability, representing the value of the initial non-refundable franchise fee not already recognised in profit or loss as revenue, is recognised in profit or loss as revenue immediately.

25. LEASE LIABILITIES

	2025 R'000	2024 R'000
The movement in the liability during the year was as follows:		
Balance at beginning of year	**74 396**	27 001
Acquisition through business combination (refer note 3)	**–**	47 861
New leases concluded during the year (refer note 13)	**11 269**	15 275
Amounts recognised in profit or loss	**1 544**	5 445
Interest expense (refer note 9)	**8 710**	6 006
Derecognition on early termination of leases*	**(7 166)**	(561)
Lease payments during the year	**(29 593)**	(21 715)
Re-measurement of lease liability (refer note 13)	**13 889**	530
Effect of foreign exchange fluctuations	**–**	(1)
Balance at end of year	**71 505**	74 396
Current portion included in current liabilities	**18 608**	21 457
Non-current portion included in non-current liabilities	**52 897**	52 939

* Refer to note 13 for more details on the early termination of leases.

These leases include commercial properties for certain of the group's corporate offices, manufacturing facilities, retail property leases for its retail company stores and vehicles for use by its operations teams.

The property leases range from three to ten years, subject to renewal periods of a further five years in certain cases. To the extent that it is highly likely that the group will exercise renewal options, these renewal periods have been included in the determination of the lease periods, and therefore in determining the lease liabilities. All property leases have fixed annual escalations.

The vehicle leases prescribe variable lease payments which are linked to the South African prime overdraft rate of interest.

The recognition exemption permitted by IFRS 16 for short-term leases and for leases where the underlying assets are of low value has been applied. The following amounts have accordingly been recognised in profit or loss as incurred:

	2025 R'000	2024 R'000
Low-value leases	**1 993**	1 026
Variable lease payments	**1 081**	878
	3 074	1 904

25. LEASE LIABILITIES continued

	2025 R'000	2024 R'000
The following amounts are recognised in the statement of cash flows relating to the lease liabilities:		
Capital amounts included in cash flows from financing activities	**(20 883)**	(15 709)
Interest expense paid included in cash flows from operating activities	**(8 710)**	(6 006)
	(29 593)	(21 715)
Maturity analysis		
The undiscounted contractual lease payments to be made after the reporting date are shown below:		
Payments due within one year	**24 763**	28 285
Payments due within one to three years	**42 419**	39 768
Payments due after three years	**18 865**	23 779
Total undiscounted lease liabilities at end of year	**86 047**	91 832

In addition to the above, total estimated undiscounted payments due in respect of renewal periods provided for in lease agreements which have not been taken into account in determining the lease liability or above maturity analysis amount to R53.2 million (2024: R47.0 million).

26. TAX PAYABLE

	2025 R'000	2024 R'000
Current tax payable	**11 338**	5 409
Dividend withholding tax payable[1]	**78**	626
Foreign withholding tax payable[2]	**–**	4 629
Balance at end of year	**11 416**	10 664

[1] Dividend withholding tax payable relates to local dividends paid in June of each respective year to non-controlling interests who are natural persons. The dividend withholding tax is settled with the South African Revenue Services in the month following the payment of the associated dividend.

[2] Foreign withholding taxes payable previously related to an accrual for withholding taxes not deducted by franchisees on payments to the group of franchise fees in foreign jurisdictions in previous years. These franchisees had therefore effectively paid the withholding taxes that were payable to foreign revenue authorities, to the group. During the current year, it was determined that there remains no obligation on the part of the group to settle the obligations of these franchisees and the accrual has therefore accordingly been reversed.

27. TRADE AND OTHER PAYABLES

	2025 R'000	2024 R'000
Trade payables	**259 031**	203 075
Group payables	**90 566**	80 327
Payable to outsourced distributor for inventory on hand[1]	**145 768**	122 748
Payable to sales agent for inventory on hand[2]	**22 697**	–
Income received in advance[3]	**2 067**	1 487
Short-term employee benefits	**49 862**	43 686
Short-term incentive scheme (refer note 27.1)	**27 183**	24 041
Leave pay and other short-term employee benefits[4]	**22 679**	19 645
VAT and other indirect taxes payable	**13 656**	11 430
Unredeemed gift vouchers	**21 489**	15 425
Trade payable owing to Doppio Group[5]	**47**	2 821
Other sundry payables	**103**	79
Total trade and other payables	**346 255**	278 003

[1] This relates to inventories on hand held by the outsourced distributor at the reporting date (refer note 18), which the group would need to compensate the distributor for in the event that the distribution agreement was to be terminated.

[2] This relates to inventories on hand held by the sales agent at the reporting date (refer note 18). The inventory was originally sold to the agent at the retail list price, and the payable accordingly represents the selling price of the inventory on hand that the group would need to compensate the sales agent for in the event that the agency agreement was to be terminated.

[3] Income received in advance in the current and prior years comprises predominantly initial franchise fee receipts where the related franchise agreement has not been signed as at the reporting date.

[4] Other short-term employee benefits include an accrual for bonuses payable 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.

[5] As noted in footnote 4 to note 8, in relation to the acquisition of the Doppio Collection, the group has 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. The arrangement is in the process of being phased out.

27. TRADE AND OTHER PAYABLES continued

27.1 Short-term incentive scheme

	2025 R'000	2024 R'000
Balance at beginning of year	**24 041**	28 374
Payment in respect of prior year incentive	**(23 859)**	(28 960)
Recognised in profit or loss	**27 001**	24 627
Balance at end of year	**27 183**	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 nominations and 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 date of issue of these financial statements.

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 22.4).

28. LOANS PAYABLE

	2025 R'000	2024 R'000
Doppio Collection shareholder loan: Shumac (Pty) Ltd (Miki Milovanovic)[1]	**32 572**	32 572
Pro rata shareholder loan	**24 356**	24 356
Excess shareholder loan	**8 216**	8 216
Doppio Collection shareholder loan: Stav Holdings (Pty) Ltd (Paul Christie)[1]	**32 572**	32 572
Pro rata shareholder loan	**24 356**	24 356
Excess shareholder loan	**8 216**	8 216
Loan owing to Doppio Group[2]	**6 306**	5 636
Total loans payable (current liabilities)	**71 450**	70 780

The loans all arose as part of the acquisition of Doppio Collection (refer note 3).

[1] The loans incur no interest and have no formal 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.

[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.

29. PROVISION FOR LEASE OBLIGATION

	2025 R'000	2024 R'000
Balance at beginning of year	**8 142**	8 390
Effect of foreign exchange fluctuations	**(356)**	(248)
Balance at end of year	**7 786**	8 142

A wholly-owned subsidiary company previously (during the 2016 financial year) acquired a lease (which terminated in March 2024) for a restaurant premises in Australia, which was sublet to the former franchisee of the former Apache Spur in Australia. During the 2020 financial year, the landlord cancelled the head lease with the group relating to these premises due to non-payment by the sublessee. 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, notwithstanding the cancellation, on demand. The extent of the liability is subject to the landlord mitigating its losses (including for example by reletting the premises). While the landlord has not taken formal legal action to recover these amounts from the group and the premises have been relet, the extent of the landlord's loss mitigation is unknown. The provision previously raised for the total gross value of the remaining lease payments over the term of the lease (from the date of cancellation) in previous years has accordingly been retained. The timing and amount of the potential cash outflows are uncertain as at the reporting date.

30. DIVIDENDS

	2025 R'000	2024 R'000
Final 2023 – dividend of 110.0 cents per share	**–**	100 097
Interim 2024 – dividend of 95.0 cents per share	**–**	86 447
Final 2024 – dividend of 118.0 cents per share	**107 376**	–
Interim 2025 – dividend of 106.0 cents per share	**96 457**	–
Total dividends to equity holders	**203 833**	186 544
Dividends external to the group are reconciled as follows:		
Gross dividends declared by the company	**203 833**	186 544
Dividends received on the company's shares held by the group	**(20 861)**	(19 040)
Total dividends declared by the company external to the group	**182 972**	167 504
Dividends declared by subsidiaries to non-controlling shareholders (refer note 23)	**6 254**	10 464
Total dividends external to the group	**189 226**	177 968
Shareholders for dividends	**2 059**	1 748

At its meeting on 20 August 2025, the board of directors has approved a final dividend of 193.0 cents per share (the equivalent of R175.6 million) in respect of the 2025 financial year, funded by income reserves, to be paid in cash on 15 September 2025. The dividend is subject to the applicable tax levied in terms of the Income Tax Act (Act No. 58 of 1962, as amended) (dividend withholding tax) of 20%. The net dividend is therefore 154.4 cents per share for shareholders liable to pay dividend withholding tax.

The total gross dividend declared relating to the 2025 financial year was 299.0 cents per share equating to R272.1 million.

31. OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES

	2025 R'000	2024 R'000
Profit before income tax	**401 654**	341 741
Adjusted for:		
Amortisation – intangible assets (refer note 14)	**856**	1 030
Costs on intercompany transfer of treasury shares relating to FSP (refer note 22.4)	**–**	(16)
Depreciation (refer notes 12 and 13)	**36 202**	28 073
Foreign exchange loss (excluding losses/gain on intercompany balances)	**836**	589
Foreign currency translations not disclosed elsewhere in the statement of cash flows	**6 367**	(2 613)
Impairment losses – financial instruments (refer note 8)	**(2 525)**	6 301
Impairment of property, plant and equipment (refer note 12.1)	**4 406**	3 285
Impairment of right-of-use asset (refer note 13)	**2 501**	2 530
Interest expense	**9 312**	6 142
Interest income	**(34 492)**	(35 722)
Gain on derecognition of lease	**(2 823)**	(86)
Derecognition of lease liabilities on early termination (refer note 25)	**(7 166)**	(561)
Derecognition of right-of-use assets on early termination of leases (refer note 13)	**4 343**	475
Movement in bonus, leave pay and short-term incentive accruals (refer note 27)	**6 176**	(1 591)
Movement in contract liabilities (refer note 24)	**(7 897)**	(25 867)
Profit on disposal of property, plant and equipment	**(286)**	(35)
Reversal of impairment of trademarks and intellectual property (refer note 14.3)	**(2 032)**	–
Share-based payments expense – equity-settled – long-term employee share incentive schemes (refer note 22.4)	**23 907**	20 885
Share of profit of equity-accounted investee (net of income tax) (refer note 15)	**(417)**	(145)
Operating profit before working capital changes	**441 745**	344 501

		2025 R'000	2024 R'000
32.	**Working capital changes**		
	Increase in inventories	**(35 835)**	(11 124)
	Increase in trade and other receivables	**(4 621)**	(39 024)
	Increase in trade and other payables	**61 773**	36 103
	Working capital changes	**21 317**	(14 045)
33.	**Interest income received**		
	Interest income received is reconciled to the amount recognised in profit or loss as follows:		
	Interest income	**34 492**	35 722
	Interest income on loan receivables, not received in cash	**(665)**	(603)
	Interest income received	**33 827**	35 119
34.	**Tax paid**		
	Tax paid is reconciled to the amount recognised in profit or loss as follows:		
	Net amount payable at beginning of year	**(10 387)**	(10 513)
	Current and withholding tax charged to profit or loss (refer note 10.1)	**(118 212)**	(106 198)
	Current tax credited/(charged) (refer note 10.4)	**100**	(181)
	Dividend withholding tax charged to equity and unpaid at the reporting date (refer note 26)	**(78)**	(626)
	Effect of foreign exchange fluctuations	**–**	246
	Net amount payable at end of year	**11 252**	10 387
	Tax paid	**(117 325)**	(106 885)
35.	**Dividends paid**		
	Dividends paid are reconciled to the amount disclosed in the statement of changes in equity as follows:		
	Amount payable at beginning of year	**(1 748)**	(1 433)
	Total dividends external to the group (refer note 30)	**(189 226)**	(177 968)
	Dividend withholding tax charged to equity and unpaid at the reporting date (refer note 26)	**78**	626
	Amount payable at end of year	**2 059**	1 748
	Dividends paid	**(188 837)**	(177 027)
36.	**Proceeds from disposal of property, plant and equipment**		
	Carrying amount of property, plant and equipment disposed of (refer note 12)	**522**	502
	Profit on disposal of property, plant and equipment	**286**	35
	Proceeds from disposal of property, plant and equipment	**808**	537

37. FINANCIAL INSTRUMENTS

37.1 Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy (refer note 2.2.1). It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount at amortised cost 2025 R'000	2024 R'000
Financial assets not measured at fair value			
Loans receivable	15 & 16	**–**	69
Financial assets included in trade and other receivables[&]	20	**146 284**	142 246
Restricted cash	21	**61 863**	62 677
Cash and cash equivalents	21	**477 119**	365 745
		685 266	570 737
Financial liabilities not measured at fair value			
Bank overdrafts		**1 321**	–
Financial liabilities included in trade and other payables[#]	27	**280 670**	221 400
Loans payable	28	**71 450**	70 780
Shareholders for dividend	30	**2 059**	1 748
Lease liabilities	25	**71 505**	74 396
		427 005	368 324

[&] Includes trade receivables, deposits and other financial assets as defined in terms of *IFRS 9 – Financial instruments.*
[#] Includes trade payables, unredeemed gift voucher liability and other financial liabilities as defined in terms of *IFRS 9 – Financial instruments.*

37.2 Measurement of fair values

The group has not disclosed the fair values of loans receivable, financial assets included in trade and other receivables, cash and cash equivalents, restricted cash, bank overdrafts, financial liabilities included in trade and other payables, loans payable and shareholders for dividend as their carrying amounts are a reasonable approximation of their fair values.

In the case of loans receivable, the terms of the loans (including in particular, the interest rates applicable) are considered 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, restricted cash, bank overdrafts, financial liabilities included in trade and other payables, loans payable 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.

37.3 Financial risk management

The group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing these risks, and the group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The group's objective is to manage effectively each of the above risks associated with its financial instruments, in order to limit the group's exposure as far as possible to any financial loss associated with these risks.

The board of directors has overall responsibility for the establishment and overseeing of the group's risk management framework. The board has established the risk committee, which is responsible for developing and monitoring the group's risk management policies. The committee reports regularly to the board of directors on its activities.

The audit committee oversees how management monitors compliance with the group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group to the extent that these have an impact on the financial statements.

37. FINANCIAL INSTRUMENTS continued

37.3 Financial risk management continued

37.3.1 Credit risk

Credit risk is the risk of financial loss to the group if a counterparty to a financial asset fails to meet its contractual obligations, and arises principally from the group's receivables from customers, franchisees, operating partners and associated entities, and financial institutions with which the group holds monetary deposits.

Exposure to credit risk and credit losses

	Carrying amount	
	2025 R'000	2024 R'000
The aggregate of the carrying amounts of financial assets represents the group's maximum credit risk exposure:		
Cash and cash equivalents (refer note 21)	**477 119**	365 745[3]
Restricted cash (refer note 21)	**61 863**	62 677[4]
Financial assets included in trade and other receivables (refer note 20)	**146 284**	142 246
Loans receivable (refer notes 15 and 16)	**–**	69
Total exposure to credit risk	**685 266**	570 737
The movement in expected credit loss allowances and actual credit losses recognised in profit or loss were as follows:		
Bad debts and (decrease)/increase in expected credit loss allowance on trade and other receivables	**(3 190)**	5 773
Increase in expected credit loss allowance on loans receivable	**665**	603
Reversal of expected credit loss allowance on loans receivable	**–**	(75)
Total actual credit losses and (decrease)/increase in expected credit loss allowance	**(2 525)**	6 301

The group has performed an individual assessment of the compliance of each trade and loan receivable with the group's credit policy and loan agreements, based on conditions the group was aware of at the reporting date. The multiplication method is used to determine the allowance for expected credit losses (ECLs) which is applied by multiplying the exposure (being the gross carrying amount) by the assigned probability of default (PD) and loss given default (LGD) rates depending on the performance of the instruments as per the tables below. The group has considered the following information when assessing PDs:

- Past events to determine the relationship between default rates and macroeconomic variables;
- Current conditions to identify the point in the economic cycle and to determine whether adjustments need to be made to historical data; and
- Forecasts of economic conditions to determine conditional PD estimates.

Stage	Description	Criteria	Standard PD	Standard LGD	ECL period
Stage 1	Performing	Substantial compliance with standard credit terms	0.12% – 7.59% (2024: 0.08% – 4.19%)	25.00% – 76.40% (2024: 68.46%)	12 months for loan receivables and lifetime for trade receivables
Stage 2	Significantly increased credit risk[1]	Contractual payments >30 days past due; alternatively, extended credit terms required, but substantial compliance with extended credit terms	23.64% (2024: 60.46%)	25.00% – 76.40% (2024: 68.46%)	Lifetime
Stage 3	In default/ credit-impaired	Not in compliance with extended credit terms and/ or contractual payments >90 days past due[2]	100%	25.00% – 76.40% (2024: 68.46%) but subject to individual assessment	Lifetime

[1] A significant increase in credit risk occurs when the group considers the risk of default occurring to have increased based on the specific facts and circumstances of debtors, but a default event has not yet occurred.
[2] The group may also consider a financial asset to be credit impaired, even if not in default, when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full, before taking into account any credit enhancements held by the group.
[3] The amount reported in the prior year financial statements of R371.284 million was incorrect due to a typographical error. The correct amount is presented as a comparative.
[4] The amount reported in the prior year financial statements of R57.138 million was incorrect due to a typographical error. The correct amount is presented as a comparative.

37. FINANCIAL INSTRUMENTS continued

37.3 Financial risk management continued

37.3.1 Credit risk continued

Probability of default

To determine the PDs for trade receivables, a detailed analysis of the group's debtors ageing was conducted over a period of two years to assess the historic average likelihood of each ageing category ending up in a default position. Forward-looking PD term structures provided by Moody's KMV RiskCalc SA PD model were used to assess the reasonability of the internal PD rates calculated and whether any specific adjustments were required based on macroeconomic factors. Based on the Moody's model, it was noted that the market point-in-time and through-the-cycle probabilities of default curves were aligned as at 30 June 2025, indicating that the market is at the long-run average point of the economic cycle. No additional specific adjustments were therefore considered necessary to the internally calculated PDs.

The PDs for stage 1 trade receivables are largely in line with the prior year, while improved management of debtors collections in the current year has resulted in a lower assessment of PD for stage 2 trade receivables.

Loss given default

The LGD rates were calculated by assessing the group's debtors book over a two-year period to determine the value of debtors which had defaulted over the observation period net of their subsequent recoveries (discounted for the time value of money).

During the current year, in determining the LGD rates, the debtors book was stratified to distinguish between local and foreign debtors – where local debtors have typically realised a relatively low number and value of historic actual credit losses, while the number and value of defaulting debts and historic actual credit losses for foreign debtors have been much higher. This has resulted in a range of LGD rates being applied in the calculation of ECLs for the current year depending on the type of debtor.

In previous years, the LGD rate applied in calculating the ECL allowance for the entire portfolio was determined with reference to debtors (within the entire portfolio) which had defaulted. The proportion (in value) of foreign defaulting debtors to all defaulting debtors is, however, substantially greater than the proportion (in value) of foreign debtors to all debtors. The current year's approach of stratifying the population and determining the LGD for foreign and local debtors separately provides a more accurate assessment of expected credit losses.

Cash and cash equivalents and restricted cash

The group's cash is placed with major South African and international financial institutions (in the respective jurisdictions in which the group trades) of high credit standing. The PD rates benchmarked against the external global rating equivalent to the credit rating of these financial institutions are negligible and ECLs are accordingly not anticipated to be material.

The group's policy is to place cash balances with multiple financial institutions to mitigate against the risk of loss to the group in the event that any one financial institution was to fail.

95.8% of the group's cash reserves are held at the following three institutions:

Financial institution	Deposits at 30 June 2025 R'm	Credit rating
FirstRand Bank Limited	**308.7**	S&P short-term national scale rating za.A-1 +
Investec Bank Limited	**149.2**	S&P short-term national scale rating za.A-1 +
ABN Amro (The Netherlands)	**58.2**	S&P short-term rating A-1

Financial assets included in trade and other receivables

The group's exposure to credit risk is influenced mainly by the individual characteristics of each franchisee and customer. There are no significant concentrations of credit risk.

In the main, trade receivables comprise amounts owing by franchisees that have been transacting with the group for several years, and significant losses have occurred infrequently. In monitoring customer credit risk, customers are grouped together according to their geographic location, ageing profile and existence of previous financial difficulties. There is furthermore one significant wholesale customer. The risk of counterparties defaulting is controlled by the application of credit approvals, limits and monitoring procedures. In the event that a risk of default is identified for a particular franchisee, management actively engages with the franchisee to identify opportunities to assist the franchisee in an effort to limit the potential loss to the group.

The group does not require collateral in respect of trade and other receivables although all signatories to a franchise agreement sign a personal suretyship in favour of the group.

The group has applied the simplified approach permitted by IFRS 9 and calculated ECLs based on lifetime ECLs.

37. FINANCIAL INSTRUMENTS continued

37.3 Financial risk management continued

37.3.1 Credit risk continued

***Financial assets included in trade and other receivables** continued*

	Gross carrying amount	
	2025 R'000	2024 R'000
The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:		
Domestic	**146 734**	145 926
Euro-zone countries	**5 259**	4 448
Australasia	**542**	580
Total trade receivables	**152 535**	150 954
The maximum exposure to credit risk for trade receivables at the reporting date by type of customer was:		
Wholesale customers	**34 632**	27 079
Franchisees (franchise businesses)	**117 903**	123 875
Total trade receivables	**152 535**	150 954
The movement in the impairment allowance for ECLs in respect of trade receivables during the year was as follows:		
Balance at beginning of year	**13 464**	11 260
Current year impairment losses (reversed)/recognised	**(3 344)**	2 284
Effect of foreign exchange fluctuations	**(6)**	(80)
Balance at end of year	**10 114**	13 464
Total credit losses in respect of trade and other receivables:		
Current year impairment losses (reversed)/recognised	**(3 344)**	2 284
Irrecoverable debts written off (trade receivables)	**154**	3 489
Total credit losses	**(3 190)**	5 773

The reduction in the total allowance for ECLs in the current year relative to the prior year, arises principally from:

- the lower LGD rates applied to performing local debtors as described above; and
- the lower absolute value of stage 3 debtors relative to the prior year (and lower as a proportion of total debtors than the prior year).

The significant actual credit loss in the prior year related primarily to the group's franchisee in Saudi Arabia which had been unable to service its debt incurred prior to 2019. An allowance for ECLs equivalent to the full receivable had been raised in previous years, and was reversed in the prior year following the recognition of the actual credit loss.

The gross carrying amounts of trade receivables are allocated to each stage as follows:

	2025			2024		
R'000	**Gross carrying amount**	**% of total carrying amount**	**Impairment allowance**	Gross carrying amount	% of total carrying amount	Impairment allowance
Stage 1	**136 049**	**89.2%**	**337**	133 737	88.6%	1 023
Stage 2	**8 401**	**5.5%**	**2 496**	5 922	3.9%	3 218
Stage 3	**8 085**	**5.3%**	**7 281**	11 295	7.5%	9 223
Total trade receivables	**152 535**	**100.0%**	**10 114**	150 954	100.0%	13 464

37. FINANCIAL INSTRUMENTS continued

37.3 Financial risk management continued

37.3.1 Credit risk continued

Loans receivable

The group previously advanced loans to international franchisees to assist their funding in respect of start-up operations. Given the high risk associated with these loans, the group's international expansion strategy no longer includes the provision of loans to franchisees.

Loans to local franchisees were previously advanced only to those franchisees which had an established track record of generating cash sufficient to service the loan. It is generally the policy of the group not to advance cash loans to franchisees.

The group's policy is to obtain collateral in respect of material loans advanced. The extent of collateral held by the group in relation to loans receivable is detailed in note 16.

The group had previously advanced a number of loans to franchisees in Australia and New Zealand (refer notes 16.1, and 16.2). Persistent difficult trading conditions, exacerbated by COVID-19, had increased the financial pressure on franchisees in those countries resulting in the franchisees commencing with liquidation proceedings. Allowances for ECLs equivalent to the full carrying amounts of these loans has previously been raised.

The maximum exposure to credit risk for loans receivable at the reporting date by geographical region was as follows:

	Gross carrying amount	
	2025 R'000	2024 R'000
South Africa	**5 381**	4 785
Australasia	**5 032**	5 262
Total gross carrying amounts of loans receivable	**10 413**	10 047

The following table presents an analysis of the credit quality of loan receivables and related impairment allowances:

	2025		2024	
R'000	**Gross carrying amount**	**Impairment allowance**	Gross carrying amount	Impairment allowance
Stage 1	**–**	**–**	69	–
Stage 3	**10 413**	**10 413**	9 978	9 978
Total loans receivable	**10 413**	**10 413**	10 047	9 978

There are no loans in stage 2.

The movement in the impairment allowance for loan receivables during the year was as follows:

R'000	**12-month ECL**	**Life-time ECL – not credit-impaired**	**Life-time ECL – credit-impaired**	**Total ECL**
Balance at beginning of year	**–**	**–**	**9 978**	**9 978**
Current year impairment allowance	**–**	**–**	**665**	**665**
Effect of foreign exchange	**–**	**–**	**(230)**	**(230)**
Balance at end of year	**–**	**–**	**10 413**	**10 413**

Guarantees

The group's policy is to provide financial guarantees only to subsidiaries domiciled in South Africa. At 30 June 2025 no material guarantees were outstanding from a group perspective (30 June 2024: Rnil).

37. FINANCIAL INSTRUMENTS continued

37.3 Financial risk management continued

37.3.2 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Restricted cash balances of R61.863 million (2024: R62.677 million), as detailed in note 21, are not available for general use and are not considered when assessing assets available to assist with liquidity.

The group's franchise divisions are typically, and have historically been, cash generating. The group's cash reserves are sufficient to sustain its fixed costs for a period of at least six months.

In terms of the Memorandum of Incorporation of the group's main local operating subsidiary, Spur Group (Pty) Ltd, that company has no limitations to its borrowing powers.

The group has no formal credit facilities in place with its bankers. Given that the group has a favourable relationship and credit rating with its principal bankers and an ungeared statement of financial position, the board is of the view that credit could be secured to manage any short-term liquidity risk, if the need arose.

The following are the contractual maturities of financial liabilities, including interest payments:

R'000	Carrying amount	Contractual cash flows Total	1 – 12 months	1 – 3 years
2025				
Bank overdrafts	**1 321**	**1 321**	**1 321**	**–**
Financial liabilities included in trade and other payables	**280 670**	**280 670**	**280 670**	**–**
Loans payable (unsecured)	**71 450**	**71 450**	**71 450**	**–**
Shareholders for dividend	**2 059**	**2 059**	**2 059**	**–**
2024				
Financial liabilities included in trade and other payables	221 400	221 400	221 400	–
Loans payable (unsecured)	70 780	70 780	70 780	–
Shareholders for dividend	1 748	1 748	1 748	–

Where there are no formal repayment terms, the contractual cash flows are assumed to take place within 12 months and no interest is included.

The contractual cash flows relating to leases are detailed in note 25.

37.3.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the group's income or the carrying amounts of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Currency risk

International operations

The group's international operations are structured such that items of revenue, expenses, monetary assets and monetary liabilities attributed to group entities are all denominated in the respective group companies' functional currencies to the extent possible, with the exception of the group's international franchise company, Steak Ranches International BV. That company is exposed to currency risk as revenue and related receivables are denominated in currencies other than that company's functional currency which is the euro. That company is, furthermore, exposed to currency risk in respect of intercompany loan receivables denominated in currencies other than the euro. The most significant of these other currencies is the Australian dollar.

Trade receivables and payables, and loan receivables and payables are not hedged as the group's international operations trade in jurisdictions that are considered to have relatively stable currencies.

Exchange gains/losses relating to loans that are considered to be part of the net investment in a foreign operation are included in other comprehensive income.

Local operations

The group's local operations are exposed to currency risk only to the extent that it imports raw materials and certain merchandise for resale from time to time. The number and value of these transactions are not considered significant. The group does not use forward exchange contracts or other derivative contracts for speculative purposes.

37. FINANCIAL INSTRUMENTS continued

37.3 Financial risk management continued

37.3.3 Market risk continued

Exposure to currency risk

The group's material exposures to foreign currency risk (insofar as it relates to financial instruments) was as follows as at 30 June:

	2025 EUR '000	2024 EUR '000
Assets		
Cash and cash equivalents	**2 920**	1 940
Trade and other receivables	**253**	228
Total assets	**3 173**	2 168
Liabilities		
Trade and other payables	**(40)**	(17)
Total liabilities	**(40)**	(17)
Total net exposure	**3 133**	2 151

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2025	**2024**	**2025**	**2024**
Euro 1 = R	**19.7719**	20.2267	**20.8425**	19.5096

Sensitivity analysis

Any reasonable change in the above currencies against the rand are not expected to have a material impact on profit before income tax or equity.

Interest rate risk

The group adopts a policy of ensuring that its exposure to changes in interest rates is on a floating rate basis as far as possible. No derivative instruments are used to hedge interest rate risk.

Interest rate risk profile

All material interest-bearing financial instruments are at variable rates.

Cash flow sensitivity analysis for variable rate instruments

An increase of 50 basis points in interest rates for the year would impact profit before income tax and equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Increase in profit before income tax R'000	Increase in equity R'000
30 June 2025		
Variable-rate assets	**2 403**	**1 754**
30 June 2024		
Variable-rate assets	2 212	1 615

A decrease of 50 basis points in interest rates for the year would have had the equal but opposite effect to the amounts shown above on the basis that all other variables remain constant.

37. FINANCIAL INSTRUMENTS continued

37.3 Financial risk management continued

37.3.4 Capital management

The board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors monitors the demographic spread of shareholders, the level of distributions to ordinary shareholders, as well as the return on capital. Capital is allocated subject to the board's required return on invested capital being met. Capital consists of total shareholders' equity, excluding non-controlling interests.

From time to time the group purchases its own shares on the market; the timing of these purchases depends on market prices. The group does not have a defined share buy-back plan. However, depending on the availability of cash, prevailing market prices and committed capital expenditure, shares may be repurchased.

The value of the group is attributed largely to its trademarks and related intellectual property. These intangible assets are accounted for in the group's statement of financial position at historic cost.

There were no changes in the group's approach to capital management during the year.

38. DIRECTORS', PRESCRIBED OFFICER'S AND SENIOR MANAGEMENT'S EMOLUMENTS

The following emoluments were paid by the company and subsidiary companies:

		Variable remuneration					
R'000	Guaranteed remuneration[1]	Equity compensation benefits[2]	Petrol allowance	Prior year STI payment[3]	Prior year accrual for STI payment[3]	Current year STI accrual[4]	Total remuneration included in profit or loss
2025							
Executive directors							
For services, as employees, to subsidiary companies							
Val Nichas	6 255	5 604	43	4 658	(4 658)	4 952	16 854
Cristina Teixeira	5 172	2 999	2	2 445	(2 445)	2 601	10 774
Kevin Robertson	4 082	2 359	45	1 929	(1 929)	2 052	8 538
Total executive directors	15 509	10 962	90	9 032	(9 032)	9 605	36 166

	Including VAT[7]			Excluding VAT[7]		
R'000	Base non-executive director fees[5]	Additional meeting fees – current year[6]	Total remuneration included in profit or loss	Base non-executive director fees[5]	Additional meeting fees – current year[6]	Total remuneration included in profit or loss
Non-executive directors						
For services, as directors, to the company						
André Parker	786	–	786	684	–	684
Cora Fernandez	844	21	865	734	18	752
Jesmane Boggenpoel	729	–	729	634	–	634
Lerato Molebatsi	684	–	684	684	–	684
Mike Bosman	1 639	21	1 660	1 426	18	1 444
Shirley Zinn	787	21	808	685	18	703
Total non-executive directors	5 469	63	5 532	4 847	54	4 901
Total remuneration (excluding VAT)						41 067
Total remuneration (including VAT)						41 698

Refer footnotes on page 72.

38. DIRECTORS', PRESCRIBED OFFICER'S AND SENIOR MANAGEMENT'S EMOLUMENTS continued

R'000	Guaranteed remuneration[1]	Variable remuneration: Equity compensation benefits[2]	Variable remuneration: Petrol allowance	Variable remuneration: Prior year STI payment[3]	Variable remuneration: Prior year accrual for STI payment[3]	Variable remuneration: Current year STI accrual[10]	Total remuneration included in profit or loss
2024							
Executive directors							
For services, as employees, to subsidiary companies							
Val Nichas	5 957	4 982	28	6 083	(6 083)	4 658	15 625
Cristina Teixeira	4 926	2 587	20	3 353	(3 353)	2 445	9 978
Kevin Robertson	3 887	2 021	–	2 646	(2 646)	1 929	7 837
Total executive directors	14 770	9 590	48	12 082	(12 082)	9 032	33 440

R'000	Including VAT[7]: Base non-executive director fees[5]	Including VAT[7]: Additional meeting fees – current year[6]	Including VAT[7]: Total remuneration included in profit or loss	Excluding VAT[7]: Base non-executive director fees[5]	Excluding VAT[7]: Additional meeting fees – current year[6]	Excluding VAT[7]: Total remuneration included in profit or loss
Non-executive directors						
For services, as directors, to the company						
André Parker	749	69	818	651	61	712
Cora Fernandez	804	122	926	698	106	804
Jesmane Boggenpoel	694	102	796	604	89	693
Lerato Molebatsi	651	61	712	651	61	712
Mike Bosman	1 561	122	1 683	1 357	106	1 463
Shirley Zinn	749	122	871	651	106	757
Total non-executive directors	5 208	598	5 806	4 612	529	5 141
Total remuneration (excluding VAT)						38 581
Total remuneration (including VAT)						39 246

The following share-linked long-term incentive (LTI) awards were granted to directors during the year:

	No. of October 2024 SARs	Fair value of SARs[8] R'000	No. of October 2024 FSPs[9]	Fair value of FSPs[8] R'000	Total fair value of instruments awarded R'000
Val Nichas	439 241	3 716	16 635	544	4 260
Cristina Teixeira	227 012	1 921	13 756	450	2 371
Kevin Robertson	179 142	1 516	10 855	355	1 871
Total fair value of share-linked long-term incentive awards relating to the year		7 153		1 349	8 502

Refer footnotes on page 72.

38. DIRECTORS', PRESCRIBED OFFICER'S AND SENIOR MANAGEMENT'S EMOLUMENTS continued

The following LTI awards vested during the year:

	No. of SARs vested	No. of SARs exercised	Date exercised	Average exercise price (R)	Gain on exercise (R'000)	No. of shares	Date from which shares may be traded
October 2021 SARs							
Val Nichas	521 229	521 229	9 Dec 2024	35.75	8 660	242 204	8 Dec 2026
Cristina Teixeira	229 954	229 954	6 Mar 2025	33.08	3 207	96 920	5 Mar 2027
Kevin Robertson	175 133	175 133	11 Mar 2025	33.37	2 491	74 670	10 Mar 2027
	926 316	926 316			14 358	413 794	

The following LTI awards were granted to directors during the prior year:

	No. of November 2023 SARs	Fair value of SARs[8] R'000	No. of November 2023 FSPs (revised)[11]	Fair value of FSPs (revised)[8,11] R'000	Total fair value of instruments awarded (revised)[8,11] R'000
Val Nichas	776 817	4 824	14 646	382	5 206
Cristina Teixeira	401 482	2 493	11 531	301	2 794
Kevin Robertson	316 821	1 967	9 099	237	2 204
Total fair value of share-linked long-term incentive awards relating to the year		9 284		920	10 204

The board considers there to be no prescribed officers (as defined in section 1 of the Companies Act).

No directors or prescribed officers were paid for services to associates.

Service agreements with the directors of Spur Corporation Ltd do not impose any abnormal notice periods on the company or the directors in question.

Details of remuneration paid to the top three earning employees who are not directors or prescribed officers of the company are listed below. The composition of the individuals differs from year to year.

		Variable remuneration		
R'000	**Guaranteed remuneration[1]**	**Equity compensation benefits[2]**	**STI[4,10]**	**Total remuneration included in profit or loss**
2025				
Senior managers				
Senior manager 1	2 930	762	824	4 516
Senior manager 2	2 598	580	731	3 909
Senior manager 3	2 572	696	747	4 015
2024				
Senior managers				
Senior manager 1	2 790	683	711	4 184
Senior manager 2	2 450	628	631	3 709
Senior manager 3	2 324	498	513	3 335

Refer footnotes on page 72.

38. DIRECTORS', PRESCRIBED OFFICER'S AND SENIOR MANAGEMENT'S EMOLUMENTS continued

The table below lists the share-linked awards which have been allocated to directors and prescribed officers in terms of the equity-settled Forfeitable Share Plan (FSP) and Share Appreciation Rights (SAR) Scheme and were outstanding as at the reporting date (refer note 22.4):

	No. of FSP shares		No. of SAR rights	
	2025[9,11]	2024[11]	**2025**	2024
Executive directors and prescribed officer				
Current directors				
Val Nichas – October 2024 tranche[9]	**16 635**	–	**439 241**	–
Val Nichas – November 2023 tranche[11]	**14 646**	15 222	**776 817**	776 817
Val Nichas – November 2022 tranche	**24 086**	24 086	**818 185**	818 185
Val Nichas – October 2021 tranche	**28 065**	28 065	**521 229**	521 229
Cristina Teixeira – October 2024 tranche[9]	**13 756**	–	**227 012**	–
Cristina Teixeira – November 2023 tranche[11]	**11 531**	11 984	**401 482**	401 482
Cristina Teixeira – November 2022 tranche	**19 918**	19 918	**422 861**	422 861
Cristina Teixeira – October 2021 tranche	**23 387**	23 387	**229 954**	229 954
Kevin Robertson – October 2024 tranche[9]	**10 855**	–	**179 142**	–
Kevin Robertson – November 2023 tranche[11]	**9 099**	9 457	**316 821**	316 821
Kevin Robertson – November 2022 tranche	**15 718**	15 718	**333 692**	333 692
Kevin Robertson – October 2021 tranche	**17 812**	17 812	**175 133**	175 133
Total awards allocated	**205 508**	165 649	**4 841 569**	3 996 174

The cost of these awards (calculated in accordance with IFRS 2) has been expensed to profit or loss over the vesting period of the awards and has similarly been included in the emoluments disclosed for directors in each year of the vesting period. The actual vesting is therefore not reflected as additional remuneration in the year of vesting.

Footnotes

1 Guaranteed remuneration includes any company/employee contributions to the provident fund and medical aid, as well as any travel allowance where applicable. Any change to provident fund and medical aid contributions will result in a corresponding opposite change to cash remuneration such that the guaranteed remuneration remains unchanged.

2 The equity compensation benefit is the *pro rata* share-based payments expense (in terms of IFRS 2 – Share-based Payments) attributable to each of the directors or employees. Refer note 22.4.

3 The short-term incentive (STI) payment relating to the prior year was settled in cash in the current year. Remuneration for the prior year included a best estimate of the amount of the STI. Refer also footnote 10.

4 This represents a best estimate of the likely STI payable in respect of the 2025 financial year. The actual amount will be determined in accordance with the scheme rules subsequent to the date of issue of this report and is expected to be settled in cash in September 2025. In addition to the cash payment, a number of FSP shares, calculated with reference to the actual STI payment, will be issued to the directors, which will be subject to the terms of the group's FSP scheme rules (refer note 22.4).

5 Comprises a base non-executive director fee per annum plus an additional fee as chair or member per subcommittee on which served, as approved at the AGM each year.

6 Fees paid to non-executive directors for additional meetings held during the year as approved at the AGM each year.

7 Certain of the non-executive directors' fees are subject to VAT. 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.

8 Grant-date fair value of the share appreciate rights/forfeitable share plan shares granted (refer note 22.4).

9 This represents a best estimate of the likely number of FSPs that will be issued. The shares are expected to be acquired in September 2025. The actual number of shares will be determined based on a percentage of the final STI payable in respect of the 2025 financial year (which will be finalised subsequent to the date of issue of this report) as well as the prevailing share price on the date the shares are acquired.

10 This represented a best estimate of the likely STI payable in respect of the 2024 financial year. The actual amount was determined in accordance with the scheme rules subsequent to the date of issue of the prior year's report and was settled in cash in September 2024. In addition to the cash payment, a number of FSP shares, calculated with reference to the actual STI payment, were issued to the directors, which are subject to the terms of the group's FSP scheme rules (refer note 22.4).

11 The number of FSP awards relating to the 2024 financial year was determined as a percentage of the final STI payable in respect of the 2024 financial year (which was finalised subsequent to the date of issue of the prior year's report) as well as the prevailing share price on the date the shares were acquired (in September 2024). The prior year report therefore disclosed a best estimate of the number and value of FSP awards relating to the 2024 financial year. These estimates have been updated to reflect the actual number and grant-date fair value of the FSP awards relating to the 2024 financial year.

39. RELATED PARTY DISCLOSURES

39.1 Transactions between group entities

During the year, in the ordinary course of business, certain companies within the group entered into transactions which have been eliminated on consolidation. Refer to note 13 of the separate financial statements on page 94 for guarantees given to subsidiary companies.

39.2 Identity of related parties

A number of the group's directors and key management personnel (or parties related to them) hold positions in other entities, where they may have significant influence over the financial or operating policies of those entities. To the extent that the group has any relationship or dealings with those entities, they are listed as follows:

Director	Related party	Cross reference to note 39.3	Relationship with related party
Kevin Robertson (Spouse)	Clearpan (Pty) Ltd (Panarottis Clear Water Mall)[1]		20% Shareholder

Key Management[2]	Related party	Cross reference to note 39.3	Relationship with related party
Brian Altriche[3]	Celapart (Pty) Ltd (Golden Falcon Spur)[1]	3	70% Shareholder
	Double Ring Trading 299 (Pty) Ltd (Falcon Arrow Spur)[1]	5	100% Shareholder
	Smack Pizza (Pty) Ltd (RocoMamas Southgate)[1]	16	50% Shareholder
	Twin Cities Trading 42 (Pty) Ltd (Falcon Peak Spur)[1]	19	80% Shareholder
Cornelis Schutte	Zinvostar (Pty) Ltd (Panarottis Somerset West)[1]		20% Shareholder
Derick Koekemoer[4] (Prior year)	Abaya Investments CC (John Dory's The Grove, Windhoek (Namibia))[1, 5]	1	25% Member
	Barleda 293 CC (Cancun Spur)[1]	2	25% Member
	Gapecovako Investments CC (Panarottis Windhoek (Namibia))[1]	6	26.25% Member
	Kea Investments CC (RocoMamas Maerua, Windhoek (Namibia))[1]	9	29.42% Member
	Kea Investments CC (RocoMamas The Grove, Windhoek (Namibia))[1]	10	29.42% Member
	Little Thunder (Pty) Ltd (Tampico Spur)[1]		21% Shareholder
	Servigyn 25 CC (Thunder Bay Spur)[1]		32% Member
Donovan Cronje	Nitafin (Pty) Ltd (John Dory's Secunda)[1, 6]	14	0% (2024:10%) Shareholder
	Tandistyle (Pty) Ltd (John Dory's Menlyn)[1, 7]	17	0% (previously 12%) Shareholder
Justin Fortune	Alicente 144 CC (Golden Bay Spur)[1, 6]		0% (2024: 25%) Member
	Apache Dawn (Pty) Ltd (The Hussar Grill Somerset West)[1, 6]		0% (2024: 25%) Shareholder
	Laadned Trading 333 CC (Cajun Spur)[1, 6]		0% (2024: 25%) Shareholder
Keith Getz[8]	Bernadt Vukic Potash & Getz		Partner in principal legal firm

Refer footnotes on page 77.

39. RELATED PARTY DISCLOSURES continued

39.2 Identity of related parties continued

Director	Related party	Cross reference to note 39.3	Relationship with related party
Leonard Coetzee	Nitafin (Pty) Ltd (John Dory's Secunda)[1, 6]	14	0% (2024: 10%) Shareholder
	Nitaprox (Pty) Ltd (Pine Creek Spur)[1]	15	10% Shareholder
	Torinosun (Pty) Ltd (Navaho Springs Spur)[1, 6]		0% (2024: 11.7%) Shareholder
	Waterstone Trading 51 (Pty) Ltd (Atlanta Spur)[1]	20	10% Shareholder
Miki Milovanovic[15]	Dom Pedro (Pty) Ltd (Doppio Zero Nelspruit)[1]	4	33.3% Shareholder
	Ginger Green (Pty) Ltd (Doppio Zero Kyalami)[1]	7	25% Shareholder
	Jamilex (Pty) Ltd (Piza e Vino Stellenbosch)[1]	8	25% Shareholder
	Midnight Masquerade Properties 246 (Pty) Ltd		50% Shareholder
	Nadostax (Pty) Ltd (Doppio Zero Hazeldean)[1]	13	50% Shareholder
	Sunshine Smile Trading 111 CC		50% Member
	Toromiro (Pty) Ltd (Doppio Zero Pineslopes)[1]	18	17.5% Shareholder
Miki Milovanovic[15] (Spouse)	Ladophase (Pty) Ltd (Doppio Zero Ebotse)[1]	11	33.3% Shareholder
	Ladophase (Pty) Ltd (Doppio Zero Eye of Africa)[1]	12	33.3% Shareholder
Nkululeko Zulu[9] (Prior year)	Celapart (Pty) Ltd (Golden Falcon Spur)[1]	3	20% Shareholder
Paul Christie[15]	Christies Holdings (Pty) Ltd		100% Shareholder
	Dom Pedro (Pty) Ltd (Doppio Zero Nelspruit)[1]	4	33.3% Shareholder
	Ginger Green (Pty) Ltd (Doppio Zero Kyalami)[1]	7	25% Shareholder
	Jamilex (Pty) Ltd (Piza e Vino Stellenbosch)[1]	8	25% Shareholder
	Midnight Masquerade Properties 246 (Pty) Ltd		50% Shareholder
	Nadostax (Pty) Ltd (Doppio Zero Hazeldean)[1]	13	50% Shareholder
	Sunshine Smile Trading 111 CC		50% Member
	Toromiro (Pty) Ltd (Doppio Zero Pineslopes)[1]	18	17.5% Shareholder
Paul Christie[15] (Spouse)	Ladophase (Pty) Ltd (Doppio Zero Ebotse)[1]	11	33.3% Shareholder
	Ladophase (Pty) Ltd (Doppio Zero Eye of Africa)[1]	12	33.3% Shareholder
Paul Christie[15] (Nephew)	Dom Pedro (Pty) Ltd (Doppio Zero Nelspruit)[1]	4	33.3% Shareholder

39.3 Transactions and balances with related parties

Balances with related parties

Refer note 20 for details on trade receivables from related parties. No individual trade receivable is material. The trade receivables with related party franchisees are subject to the same credit terms as for independent franchisees. No material trade receivables are considered overdue. The trade receivables are secured by personal suretyships issued by the signatories to the franchise agreements, as with all other franchise agreements.

There are no loans to related parties. Refer note 28 for details of loans payable to non-controlling shareholders and entities related to them.

Refer footnotes on page 77.

39. RELATED PARTY DISCLOSURES continued

39.3 Transactions and balances with related parties continued

Transactions with related parties

Transactions with related parties that are franchisees are detailed in the table below. In terms of the group's Conflict of Interest Policy, the director or member of key management personnel in question is excluded from participating in any decision relating to any transaction with any restaurant in which he/she has an interest. Any temporary concession[10] granted to a restaurant in which a director has an interest must be approved by a non-conflicted quorum of the board.

Transactions with related parties that are restaurants are detailed in the table below:

		Temporary concession[10]		Inventory sales[16]	Accounting services rendered[17]	
R'000		**2025**	2024	**2025**	**2025**	**Other transactions**
1	Abaya Investments CC (John Dory's The Grove, Windhoek (Namibia))	**–**	244	**–**	**–**	
2	Barleda 293 CC (Cancun Spur)	**–**	–	**–**	**–**	**a**
3	Celapart (Pty) Ltd (Golden Falcon Spur)	**224**	234	**–**	**–**	**b**
4	Dom Pedro (Pty) Ltd (Doppio Zero Nelspruit)	**148**	N/A	**1 041**	**94**	
5	Double Ring Trading 299 (Pty) Ltd (Falcon Arrow Spur)	**–**	–	**–**	**–**	**c**
6	Gapecovako Investments Close Corporation (Panarottis Windhoek (Namibia))	**–**	272	**–**	**–**	
7	Ginger Green (Pty) Ltd (Doppio Zero Kyalami)	**112**	N/A	**1 034**	**102**	
8	Jamilex (Pty) Ltd (Piza e Vino Stellenbosch)	**213**	N/A	**18**	**54**	
9	Kea Investments CC (RocoMamas Maerua, Windhoek (Namibia))	**–**	67	**–**	**–**	
10	Kea Investments CC (RocoMamas The Grove, Windhoek (Namibia))	**–**	272	**–**	**–**	
11	Ladophase (Pty) Ltd (Doppio Zero Ebotse)	**636**	N/A	**645**	**94**	
12	Ladophase (Pty) Ltd (Doppio Zero Eye of Africa)	**319**	N/A	**731**	**94**	
13	Nadostax (Pty) Ltd (Doppio Zero Hazeldean)	**82**	N/A	**841**	**102**	
14	Nitafin (Pty) Ltd (John Dory's Secunda)	**143**	482	**–**	**–**	
15	Nitaprox (Pty) Ltd (Pine Creek Spur)	**–**	–	**–**	**–**	**d**
16	Smack Pizza (Pty) Ltd (RocoMamas Southgate)	**–**	–	**–**	**–**	**e**
17	Tandistyle (Pty) Ltd (John Dory's Menlyn)	**–**	50	**–**	**–**	
18	Toromiro (Pty) Ltd (Doppio Zero Pineslopes)	**96**	N/A	**908**	**102**	
19	Twin Cities Trading 42 (Pty) Ltd (Falcon Peak Spur)	**–**	–	**–**	**–**	**f**
20	Waterstone Trading 51 (Pty) Ltd (Atlanta Spur)	**–**	–	**–**	**–**	**g**
	Total	**1 973**	1 621	**5 218**	**642**	

Notes

a) Cancun Spur: The entity was paid marketing assistance[11] of R4 348 during the prior year.
b) Goldern Falcon Spur: The entity was paid marketing assistance[11] of R6 957 during the year.
c) Falcon Arrow Spur: The entity was paid marketing assistance[11] of R26 104 (2024: R2 000) and training fees[12] of R16 320 (2024: R54 980) during the year.
d) Pine Creek Spur: The entity was paid marketing assistance[11] of R2 000 during the prior year.
e) RocoMamas Southgate: The entity was paid training fees[12] of R10 880 (2024: R3 000) during the year.
f) Falcon Peak Spur: The entity provides the consulting services of Brian Altriche[3] to the group in the amount of R960 000 (2024: R960 000). The entity was also paid marketing assistance[11] of R2 000 during the year.
g) Atlanta Spur: The entity was paid marketing assistance[11] of R19 500 during the prior year.

Refer footnotes on page 77.

39. RELATED PARTY DISCLOSURES continued

39.3 Transactions and balances with related parties continued

Transactions with related parties continued

Transactions with related parties that are not restaurants are detailed below:

Bernadt Vukic Potash & Getz (Keith Getz[7])
Bernadt Vukic Potash & Getz serves as the group's principal legal counsel and has provided legal services on various matters in the ordinary course of business to the value of R1 294 255 (2024: R956 921).

Christies Holdings (Pty) Ltd (Paul Christie[15])
Inventory of R384 101 was sold by the group to an independent coffee shop owned by the entity. The price charged is the same as for franchisees who are not related parties.

Midnight Masquerade Properties 246 (Pty) Ltd (Miki Milovanovic[15], Paul Christie[15])
Rental of R422 280 was paid by the group to the entity for the premises of the Doppio Collection head office. The rental is considered market-related.

Sunshine Smile Trading 111 CC (Miki Milovanovic[15], Paul Christie[15])
Rental of R621 000 was paid by the group to the entity for the premises of the Doppio Collection bakery and distribution centre. The rental is considered market-related.

39.4 Key Management[2]

The key management personnel compensation is as follows:

	2025 R'000	2024 R'000
Ordinary remuneration and benefits	**30 864**	24 117
Short-term incentive[13]	**7 306**	5 431
Equity compensation benefits (refer note 22.4)	**5 109**	4 254
Total remuneration included in profit before income tax	**43 279**	33 802
The following share-linked long-term incentive (LTI) awards were granted to key management (excluding directors – refer note 38) during the year:		
Fair value of SARs granted during the year[14]	**4 182**	4 392
Fair value of FSPs granted during the year[14]	**2 467**	1 276
In addition to the above, emoluments to directors and prescribed officers amounted to (refer note 38)	**41 067**	38 581[18]

Refer footnotes on page 77.

39. **RELATED PARTY DISCLOSURES** continued

39.4 **Key Management[2]** continued

Footnotes

[1] These entities are franchisees. Franchise fees and marketing fund contribution fees of between 5% and 6% and between 2% and 4% of restaurant turnover (depending on the brand) respectively are collected by the group in terms of the standard franchise agreements, unless otherwise indicated under the related party transactions described above. The board does not intend authorising new key management or director interests in franchises.

[2] Key management comprises 15 (2024: 12) employees (excluding directors and prescribed officers) as at the reporting date and includes brand chief operations officers and business unit heads reporting to the group CEO:

Amanda van Wyk	COO: Spur Steak Ranches
Cornelis Schutte	COO: Panarottis
Colleen Carr	Chief people officer
Derick Koekemoer[4]	Franchise executive: Africa
Donovan Cronje	COO: John Dory's
Ervine Kekana	Head of New Business
Estelle Radley[15]	COO: International
Justin Fortune	COO: Speciality brands
Leonard Coetzee	Group operations executive
Miki Milovanovic[15]	Development director: Doppio Collection
Morné Geldenhuys[15]	COO: RocoMamas
Moshe Apleni	Group transformation executive
Nkululeko Zulu[9]	COO: RocoMamas
Paul Casarin	Chief information officer
Paul Christie[15]	CEO: Doppio Collection
Robin Charles	Group supply chain executive
Vuyo Henda	Chief marketing officer

[3] Brian Altriche is not an employee of the group but serves as a director of material subsidiary, RocoMamas Franchise Co (Pty) Ltd.

[4] Derick Koekemoer resigned from the group during the prior year with effect from 30 June 2024 – information presented relates to the period up to this date.

[5] Restaurant closed during the prior year.

[6] Interest disposed of during the current year – information presented relates to the period up to the date of disposal.

[7] Interest disposed of during the prior year – information presented relates to the period up to the date of disposal.

[8] Keith Getz serves as a director on the boards of subsidiary companies, Steak Ranches International BV and Spur International Ltd. For these services during the year, he was paid R207 604 (2024: R161 814).

[9] Nkululeko Zulu ceased to be a member of key management during the prior year with effect from 31 January 2024 – information presented relates to the period up to this date.

[10] Temporary concession: A concession is a temporary reduction in the percentage of franchise and/or marketing fund contribution income that would ordinarily be collected by the group in terms of the standard franchise agreements. Franchise and marketing fund contribution fee concessions are granted to franchisees in the ordinary course of business to provide relief from some temporary external influence (outside of the franchisee's control) which has a negative impact on the franchisee's profitability and may threaten the sustainability of the outlet. Examples of such circumstances include increased competitive activity in the proximity of the restaurant, construction or other interference impeding foot traffic and excessive rentals (provided that these are in the process of being renegotiated). The concession is subject to strict authorisation protocols and is conditional upon the franchisee complying with all of the group's operational requirements. The concession may be withdrawn at the group's discretion at any time. Any franchisee (including one which is not a related party) is eligible for a concession should the circumstances so dictate and each case is considered on its own merits after careful scrutiny of franchisee financial records and other supporting documentation.

[11] Marketing assistance: Marketing assistance is provided to franchisees as the need arises. Typically, this is to compensate a franchisee for piloting a new concept or to assist a franchisee in minimising the negative impact of competing brands in the outlet's proximity. The basis for determining the assistance is the same as for any other franchisee (which is not a related party).

[12] Training fees: Fees to restaurants which serve as training facilities are determined based on the number of delegates trained and the number of days each delegate is trained. The fee charged is the same fee charged by other training restaurants (which are not related parties).

[13] This represents a best estimate of the likely short-term incentive (STI) payable in respect of the respective financial year. The actual amount is determined in accordance with the scheme rules subsequent to the publication of the respective financial year's financial statements and is settled in cash thereafter. In addition to the cash payment, a number of FSP shares, calculated with reference to the actual STI payment, are/will be issued to the participants, which are/will be subject to the terms of the group's FSP scheme rules (refer note). In respect of the prior year STI, actual payments settled in the current year amounted to R5.430 million, compared to the R5.431 million estimated.

[14] Grant-date fair value of the share appreciate rights/forfeitable share plan shares granted in the respective financial years (refer note 22.4).

[15] Appointed during the current year.

[16] Inventory sales are goods sold by the Doppio Collection bakery and distribution business to franchisees. The price charged to related parties is the same as for franchisees who are not related parties. No comparatives are presented as the entities in question are only related parties for the current year.

[17] The group renders accounting services to certain related parties and franchisees. The fee charged to related parties for the services is the same as for franchisees who are not related parties. No comparatives are presented as the entities in question were only related parties for the current year.

[18] The amount reported in the prior year financial statements of R35.950 million was incorrect due to a typographical error. The correct amount is presented as a comparative.

40. SUBSEQUENT EVENTS

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

40.1 Dividend

At its meeting on 20 August 2025, the board of directors has approved a final dividend of 193.0 cents per share (the equivalent of R175.6 million) in respect of the 2025 financial year, funded by income reserves, to be paid in cash on 15 September 2025. The dividend is subject to the applicable tax levied in terms of the Income Tax Act (Act No. 58 of 1962, as amended) (dividend withholding tax) of 20%. The net dividend is therefore 154.4 cents per share for shareholders liable to pay dividend withholding tax.

41. CONTINGENT LIABILITIES

41.1 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, which is denied by the Defendants. 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.

GPS claims 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 ten 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 denied the allegations made, 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 referred to arbitration, which commenced on 23 October 2023 and closing arguments were concluded on 9 December 2024. 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.

42. MATERIAL ACCOUNTING POLICIES

42.1 Basis of consolidation

42.1.1 Investment in subsidiaries

The consolidated financial statements include the financial statements of the company and the entities that it controls. The group controls an entity when it is exposed to, or has the right to, variable returns from its involvement with that entity and has the ability to affect those returns through its power over that entity. The financial statements of subsidiaries are included in the consolidated financial statements of the group from the date that control commences until the date that control ceases.

The company carries its investments in subsidiaries at cost less impairment losses in its separate financial statements.

42.1.2 Functional and presentation currency

All items in the financial statements of the group's subsidiaries are measured using the currency of the primary economic environment in which the subsidiary operates (the functional currency). The group's consolidated financial statements are presented in rands, which is the company's functional currency and the group's presentation currency.

42.1.3 Financial statements of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to rands at foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated to rands at rates approximating the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on translation are recognised in other comprehensive income and presented in equity in the foreign currency translation reserve (FCTR).

42.1.4 Net investment in foreign operations

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, the exchange differences arising from such monetary item are considered to be part of the net investment in foreign operations and are recognised in other comprehensive income and presented in equity in the FCTR. When the investment in foreign operation is disposed of (including deregistration or abandonment of a foreign operation), the relevant amount in the FCTR is reallocated from other comprehensive income to profit or loss.

42.1.5 Business combinations and goodwill

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the group. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition-date fair value, and the amount of any non-controlling interest in the acquiree.

Acquisition costs incurred are recognised as an expense in profit or loss.

Any contingent consideration to be transferred by the acquirer is measured at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration are recognised in accordance with *IFRS 9 – Financial Instruments*.

Goodwill is initially measured at cost, being the excess of the consideration transferred over the fair value of the group's net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised immediately in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of under these circumstances is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

42.1.6 Non-controlling interests

Non-controlling interests in subsidiaries are identified separately from the group's equity therein. The interests of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis, although the group has applied the latter in all cases to date. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' shares of subsequent changes in equity.

Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

42.1.7 Transactions with non-controlling interests

Changes in the group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity (retained earnings) and attributed to owners of the company.

42.1.8 Loss of control

When the group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. The profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest, and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary, and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or directly to retained earnings).

42. MATERIAL ACCOUNTING POLICIES continued

42.2 Foreign currency transactions

Transactions denominated in foreign currencies are translated to the respective functional currencies of group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the respective functional currencies at the foreign exchange rate ruling at that date. The foreign currency gain or loss on monetary items is the difference between the carrying amount in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the carrying amount in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated to the respective functional currencies using the exchange rate at the date of the transaction. Foreign exchange differences arising on retranslation are recognised in profit or loss.

42.3 Property, plant and equipment

42.3.1 Recognition and measurement

Items of property, plant and equipment, including owner-occupied buildings, are stated at cost less accumulated depreciation and accumulated impairment losses. Land is stated at cost less impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components of property, plant and equipment.

42.3.2 Subsequent costs

The group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing a part of such an item when the cost is incurred if it is probable that the economic benefits embodied within the item will flow to the group and the cost of the item can be measured reliably. In such cases, the carrying amount of the replaced part is derecognised. All other costs are recognised in profit or loss in the period they are incurred.

42.3.3 Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment from the date that they are ready for use. Leasehold improvements are depreciated over the shorter of the lease term or estimated useful life of the assets. Land is not depreciated.

Typically, the estimated useful lives for the current and prior periods are as follows:

– buildings	50 years
– plant, equipment and vehicles	3 – 5 years
– furniture and fittings	5 – 6.67 years
– computer equipment	3 years
– leasehold improvements	lesser of lease term and 10 years

Depreciation methods, useful lives and residual values are reassessed annually. Refer note 42.4.1 for details of depreciation in respect of right-of-use assets.

42.3.4 Derecognition

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the item and are recognised in profit or loss.

42.4 Leases

42.4.1 Right-of-use assets

Cost
Right-of-use assets are recognised in respect of leases from the commencement date of the lease. Right-of-use assets are initially measured at cost, which comprises the initial amount of the corresponding lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

Depreciation and impairment
Each right-of-use asset is subsequently depreciated on a straight-line basis over the lesser of the lease term and the useful life of the underlying asset. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Derecognition
Right-of-use assets are derecognised upon the loss of control by the group of the right to use the leased assets. Gains or losses on derecognition are determined by comparing the value of corresponding lease liabilities with the carrying amount of right-of-use assets and are recognised directly in profit or loss.

42. MATERIAL ACCOUNTING POLICIES continued

42.4 Leases continued

42.4.2 Lease liability

Initial recognition

Lease liabilities are recognised at the lease commencement date and initially measured at the present value of the future lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses the group's incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include:

- fixed payments; and
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

The period of the lease takes into consideration any extension or termination option, as applicable, once the group is reasonably certain that it is likely to exercise such an option.

Subsequent measurement

Lease liabilities are subsequently measured at amortised cost using the effective interest rate method, and reduced by future lease payments net of interest charged.

The group elected to apply the practical expedient for all rent concessions that arose as a direct consequence of the COVID-19 pandemic and that satisfied the criteria as specified in the amendment to IFRS 16. The effect of the change in lease payments was recognised in profit or loss in the period in which the rent concession was granted.

Lease liabilities are re-measured when there is a change in the future lease payments resulting from a change in an index or rate, or if the group changes its assessment of whether it will exercise any extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the cost of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments that do not depend on an index or rate are recognised in profit or loss in the period in which the event or condition which triggers the change in payment occurs.

Derecognition

Lease liabilities are derecognised when the obligation specified in the lease is discharged or cancelled or expires. Gains or losses on derecognition are determined by comparing the value of corresponding lease liabilities with the carrying amount of the related right-of-use assets and are recognised directly in profit or loss.

42.4.3 Short-term leases and leases of low-value assets

The group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term (i.e. less than one year) leases. In these cases, the group recognises the lease payments as an expense on a straight-line basis over the lease term.

42.5 Intangible assets (other than goodwill)

42.5.1 Trademarks and software licences

Intangible assets are initially recognised at cost if acquired externally, or at fair value if acquired as part of a business combination. Intangible assets which have finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each asset from the date they are ready for use. Intangible assets which have indefinite useful lives are not amortised but are tested for impairment annually. No value is attached to internally developed and maintained trademarks or brand names. Expenditure incurred to maintain trademarks and brand names is recognised in profit or loss as incurred.

Typically, the estimated useful lives for the current and prior periods are as follows:

– software licences	5 years (where there is no limit to the use of the licence) or, if the licence is valid for a specific period less than 5 years, such shorter period

Amortisation methods, useful lives and residual values are reassessed annually.

42.5.2 Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

42.5.3 Derecognition

The gain or loss arising from the derecognition of an intangible asset is the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss when the asset is derecognised.

42.6 Financial instruments

42.6.1 Timing of recognition

The group initially recognises loans and receivables and debt securities issued on the date when they originated. All other financial assets and financial liabilities are initially recognised on the trade date.

42. MATERIAL ACCOUNTING POLICIES continued

42.6 Financial instruments continued

42.6.2 Classification and measurement

On initial recognition, a financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

Debt financial instruments are subsequently measured at FVPL, amortised cost, or fair value through other comprehensive income (FVOCI). The measurement is driven by the classification which is based on two criteria: the group's business model for managing the assets; and whether the instruments' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding (the SPPI criterion). The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level as this best reflects the way the business is managed and information is provided to management.

In assessing whether the contractual cash flows are solely payments of principal and interest, the group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that would change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the group considers:

– contingent events that would change the amount or timing of cash flows;
– terms that may adjust the contractual coupon rate, including variable-rate features;
– prepayment and extension features; and
– terms that limit the group's claim to cash flows from specified assets.

Subsequent measurement of each financial instrument is explained in more detail below.

Loans receivable and trade and other receivables
Loans receivable and trade and other receivables (excluding prepayments and VAT and other indirect taxes receivable) are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion, and are therefore classified at amortised cost and subsequently measured at amortised cost less impairment losses as appropriate.

Cash and cash equivalents
Cash and cash equivalents are measured at amortised cost, based on the relevant exchange rates at the reporting date.

Financial liabilities (other than derivative instruments)
Subsequent to initial recognition, financial liabilities are stated at amortised cost using the effective interest method.

42.6.3 Derecognition

Financial assets
A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or the group transfers the rights to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

42.7 Impairment

42.7.1 Non-financial assets

The carrying amounts of the group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For goodwill and intangible assets that have an indefinite useful life, the recoverable amount is estimated at each reporting date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to those cash-generating units (group of units) and then to reduce the carrying amount of the other assets in the unit (group of units) on a *pro rata* basis.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows relating to the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs of disposal is the price that would be received, at the measurement date, from the sale of an asset or cash-generating unit in an orderly transaction between market participants less the costs of disposal. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss in respect of goodwill is not reversed. In respect of other non-financial assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment reversals are recognised in profit or loss.

42. MATERIAL ACCOUNTING POLICIES continued

42.7 Impairment continued

42.7.2 Financial assets and lease receivables

Impairment losses for financial assets are determined in accordance with the expected credit loss (ECL) approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive. The shortfall is then discounted at a rate approximating the asset's original effective interest rate.

For debt financial assets (including lease receivables), the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs. In all cases, the group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due. The group considers a financial asset in default when contractual payments are more than 90 days past due. However, in certain cases, the group may also consider a financial asset to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the group. For trade and other receivables, the group has applied the standard's simplified approach and has calculated ECLs based on lifetime ECLs.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Financial assets are written off when there are no reasonable prospects for recovery.

42.8 Inventories

Inventories are measured at the lower of cost, determined on the first-in-first-out basis, and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The cost of inventory includes costs incurred in acquiring the inventory and costs incurred in bringing the inventory to its current location and condition.

Cost of manufactured goods includes direct material costs, direct labour costs and an appropriate share of overheads based on normal operating capacity.

42.9 Cash and cash equivalents

Cash and cash equivalents include cash on hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

42.10 Restricted cash

Restricted cash relates to surplus cash in the marketing funds, unredeemed gift cards, deposits pledged as security in respect of property leases and cash of consolidated structured entity, The Spur Foundation Trust.

The surplus cash in the marketing funds is identified as restricted as the cash is not available for general use by the group but is only available to fund future marketing costs in accordance with franchise agreements concluded between the group and its franchisees.

The group sells gift cards to the public which may be redeemed at franchised restaurants. The franchisees in turn are entitled to a reimbursement of the face value of the vouchers from the group, upon presentation. The cash balances corresponding to the liability for unredeemed gift cards are accordingly not available for general use by the group.

Certain bank deposits are pledged as security for guarantees issued to landlords for property leases. The group is not able to access these deposits until such time as the lease is terminated and the landlord has relinquished its guarantee in writing.

Cash held by the Spur Foundation Trust may be used exclusively for the benevolent activities specified in the trust deed. Beneficiaries of the trust specifically exclude any group entity. Accordingly, the group is not entitled to utilise any of the cash held by the trust.

Restricted cash balances are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

42.11 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The provision is recognised at an undiscounted amount if it is planned, or likely, that the provision will be settled within 12 months from the reporting date, otherwise the provision is discounted using the group's incremental borrowing rate.

42.12 Share capital

42.12.1 Ordinary share capital

Ordinary share capital represents the par value of ordinary shares issued. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of taxes.

42.12.2 Share premium

Share premium represents the excess consideration received by the company over the par value of ordinary shares issued, and is classified as equity.

42. MATERIAL ACCOUNTING POLICIES continued

42.12 Share capital continued

42.12.3 Repurchase of share capital

When shares of the company are acquired by the group, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and presented as a deduction from total equity and the number of shares is deducted from the weighted average number of shares. Dividends received on treasury shares are eliminated on consolidation.

Repurchases of share capital are included as a separate category of equity.

When treasury shares are sold or re-issued subsequently, the amount received is recognised as an increase in equity.

42.13 Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The group recognises revenue when it transfers control over a good or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Item of revenue	Nature and timing of satisfaction of performance obligation	Determination of transaction price and significant payment terms	Recognition of revenue
Ongoing franchise fee income	The group provides ongoing franchise support services and access to intellectual property to franchisees in accordance with standard franchise agreements.	A standard franchise fee percentage, as per each franchise agreement, is applied to the total sales of each franchised restaurant each month. Fees are payable by the 15th of the month following the month to which the franchisees' sales (on which the fees are calculated) relate.	Sales-based royalty recognised in the period in which the sales (on which the fees are calculated) are made by franchisees to their customers.
Sales of franchisee supplies (outsourced)	The group acts as principal* earning gross revenue from the sales of goods by an outsourced distributor to the group's franchisees. The group's performance obligation is to facilitate the provision of specified products by the outsourced distributor to franchisees, which is satisfied on delivery of these products to franchisees by the distributor.	Standalone selling price. Franchisees pay the outsourced distributor. Credit terms range from cash-on-delivery to 30 days from statement depending on the credit history of the franchisee.	Revenue is recognised at a point in time when the related products are delivered by the distributor to franchisees.
Sales of purchased and manufactured sauces Sales of franchisee supplies@ Sales of marketing materials	The group's performance obligation is to procure or manufacture, and deliver#, certain goods to customers. The performance obligation is satisfied on delivery of the products to customers.	Standalone selling price. Payment terms are 30 days from the end of the month in which the goods are supplied.	Revenue is recognised at a point in time when the goods are delivered to customers.
Export sales of purchased and manufactured sauces, franchisee supplies and marketing materials	There are two separate performance obligations: 1. Delivery of supplies to the freight forwarder. Control will transfer once the supplies have been loaded on the transportation. 2. Transportation to the customer's destination point.	Standalone selling price. Payment terms are usually cash upfront prior to the goods departing the port of origin.	Revenue relating to the sale of goods is recognised at a point in time when the goods have been loaded on the transportation. Revenue relating to the transportation fee is recognised at a point in time when the goods reach the customer's destination point.

* Refer note 2.1.4 concerning judgements applied in reaching the conclusion that the group acts as a principal.
@ Sales of manufactured décor items and sales of other peripheral franchisee supplies.
\# As the group's performance obligation includes the delivery of the goods in question, the costs of delivery are included in cost of sales in the statement of profit or loss and other comprehensive income, and recognised as an expense at the same time that the related revenue on the sale of the goods is recognised.

42. MATERIAL ACCOUNTING POLICIES continued

42.13 Revenue continued

Item of revenue	Nature and timing of satisfaction of performance obligation	Determination of transaction price and significant payment terms	Recognition of revenue
Retail company stores' sales	The group's performance obligation is to supply food and related products to customers at its owned restaurants. The performance obligation is satisfied on delivery of the products to customers.	Standalone selling price. Payment is due on delivery.	Revenue is recognised at a point in time when the goods are delivered to customers.
Rebate income	The group acts as agent, earning a commission on the value of certain products sold by certain suppliers directly to the group's franchisees. The group's performance obligation is to facilitate the provision of specified products by these suppliers to franchisees, which is satisfied on provision of the products to franchisees by the suppliers.	The group recognises revenue on a net basis corresponding with the commission determined with reference to a range of percentages as per the contract with each supplier, applied to the value of sales of goods by the respective suppliers to franchisees. Calculated quarterly and typically settled within 60 days from the end of the quarter to which the sales to franchisees relate.	Revenue is recognised at a point in time when the related products (on which the commission is calculated) are delivered by the suppliers to franchisees.
Initial franchise fees	Franchisees are charged an initial franchise fee by the group, as franchisor, upon signature of the franchise agreements concluded with franchisees. The group is obliged to support the franchisee's brand for the duration of the franchise agreement, where such activities significantly affect the intellectual property to which the franchisee has rights, without resulting in a transfer of control of specific goods or services.	Agreed fee as per the franchise agreement – a standard fee per brand is applicable. Payment is due on signature date of the franchise agreement.	Revenue is recognised over time, being on a straight-line basis over the initial term of the franchise agreement (which is typically 10 years).
Marketing fund contributions	The group provides marketing services to franchisees, as required by the franchise agreements. The group is obligated to spend the marketing fund contributions on marketing-related expenditure for the benefit of franchisees. The performance obligation is satisfied as the marketing fund contributions are spent on marketing-related expenditure.	A standard marketing fee percentage, as per each franchise agreement, is applied to the total sales of each franchised restaurant each month. Fees are payable by the 15th of the month following the month to which the franchisees' sales (on which the fees are calculated) relate.	Marketing fund contributions revenue is recognised over time in the period in which the contributions are spent on marketing-related expenditure.

42. MATERIAL ACCOUNTING POLICIES continued

42.13 Revenue continued

Item of revenue	Nature and timing of satisfaction of performance obligation	Determination of transaction price and significant payment terms	Recognition of revenue
Services rendered	The group renders training and architectural services to franchisees. The performance obligation is satisfied as the services are rendered by the group to franchisees.	Standalone service price agreed in advance. Payment is due within 30 days of the month following which the services are provided.	Revenue is recognised over time, on a straight-line basis from the time the services commence until the services are concluded. This period is usually a few days and rarely exceeds one month.
Marketing supplier contributions	The group agrees to co-brand certain promotions and events with suppliers. The performance obligation is satisfied by exposing the suppliers' brands and products to franchisees' customers for the duration of the promotion or event.	Agreed fee as per contract. Payment terms are typically on signature of the contract, but may be up to 30 days from the end of the month in which the contract is concluded.	Revenue is recognised over time, on a straight-line basis from commencement of the promotion or event until the termination thereof. Promotions and events are typically for short durations, not exceeding two months.

42.14 Interest income and expense

42.14.1 Interest income

Interest income is recognised on a time apportionment basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is probable that such income will accrue to the group.

42.14.2 Interest expense

Interest expense comprises interest payable on borrowings calculated using the effective interest method.

42.15 Employee benefits

42.15.1 Short-term employee benefits

The costs of all short-term employee benefits are recognised in profit or loss during the period in which the employee renders the related service.

The accruals for employee entitlements to salaries and leave represent the amount which the group has a present obligation to pay as a result of employees' services provided to the reporting date. The accruals have been calculated at undiscounted amounts based on current salary rates.

42.15.2 Long-term employee benefits

The cost of retirement benefits payable over a period longer than 12 months are initially accounted for at a value equivalent to the present value of the expected payments, discounted using the group's incremental borrowing rate. The subsequent unwinding of the discounting is recognised as an interest expense.

42.15.3 Defined contribution plans

Obligations for contributions to defined contribution pension plans are included in the employees' guaranteed cost-to-company and therefore are recognised in profit or loss in the period during which related services are rendered by employees.

42.15.4 Share-based payment transactions

In respect of equity-settled transactions, the grant-date fair value of share appreciation rights or shares awarded is recognised as an employee expense in profit or loss with a corresponding increase in equity (share-based payments reserve) over the vesting period of the rights or shares. The amount recognised as an expense is adjusted to reflect the number of rights or shares for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. Upon vesting, the value of the cumulative amount credited to the share-based payments reserve is reallocated, within equity, to retained earnings.

42.16 Cost of sales

Cost of sales represents the carrying value of inventory (determined in accordance with note 42.8) sold, as well as costs incurred that are directly related to fulfilling the performance obligation of delivering the sold products to the end-customer, and is recognised as an expense at the same time that revenue from the related sale is recognised (as detailed in note 42.13). Such costs include transport costs to deliver products to customers (including the distribution margin payable to the group's outsourced distributor on sales by the distributor to customers).

42. MATERIAL ACCOUNTING POLICIES continued

42.17 Income (not addressed by another policy)

Income is recognised on the accrual basis, when the right to receive payment has been met.

42.18 Expenditure (not addressed by another policy)

Expenditure is recognised in the year that it is incurred.

42.18.1 Administration expenses

Administration expenses comprise items of expenditure not allocated to any other line item in the consolidated statement of profit or loss and other comprehensive income.

42.18.2 Operations expenses

Operations expenses are those items of expenditure that are directly attributable to the franchise operations and manufacturing and distribution divisions as identified in the operating segment information disclosed in note 5.

42.18.3 Marketing expenses

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, marketing sales and marketing supplier contributions.

42.18.4 Retail company store expenses

Retail company store expenses are those items of expenditure that are directly attributable to the retail restaurants owned and operated by the group and included in the retail company stores operating segment information disclosed in note 5.

42.19 Tax

Income tax on profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is recognised in other comprehensive income or in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax is not recognised for: taxable temporary differences arising on initial recognition of goodwill not deductible for tax purposes, the initial recognition of assets or liabilities in a transaction that is not part of a business combination that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries, associates and joint ventures to the extent that the group is able to control the timing of the reversal of the temporary differences and they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Where the company withholds tax on behalf of its shareholders on dividends declared, such amounts are not recognised as part of the company's tax charge but rather as part of the dividend paid recognised directly in equity. Where withholding tax is withheld on dividends received, the dividend is recognised at the gross amount with the related withholding tax recognised as part of income tax expense unless it is reimbursable, in which case it is recognised as an asset.

Withholding taxes deducted from payments by customers in respect of items of revenue are recognised as a prepayment of income tax if such withholding taxes may be credited against tax payable on the group's income and there is reasonable certainty as to whether future tax may be payable against which to deduct the withholding taxes, or, if not, as an income tax expense.

42. MATERIAL ACCOUNTING POLICIES continued

42.20 Dividends

Dividends are recognised as a liability in the period in which they are declared and approved by the board.

42.21 Earnings per share

The group presents basic and diluted earnings per share (EPS) and basic and diluted headline earnings per share (HEPS) for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the dilutive effects of all potential ordinary shares granted to employees.

Headline earnings is calculated in accordance with *Circular 1/2023*: Headline Earnings issued by the South African Institute of Chartered Accountants at the request of the JSE. The JSE Listings Requirements require the calculation of headline earnings for all entities listed on the JSE in South Africa. Basic HEPS is calculated by dividing headline earnings by the weighted average number of ordinary shares outstanding during the period. Diluted HEPS is determined by dividing headline earnings by the weighted average number of ordinary shares outstanding during the period adjusted for the dilutive effects of all potential ordinary shares granted to employees.

42.22 Contingent liabilities

A contingent liability is either: a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured reliably. In both cases the existence of the contingent liability is disclosed, but no liability is recognised in the statement of financial position.

43. ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The following new or amended standards are applicable to the group:

- Lack of exchangeability of foreign currencies (Amendments to IAS 21) – effective for annual reporting periods beginning on or after 1 January 2025[1]
- Changes to classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7) – effective for annual reporting periods beginning on or after 1 January 2026[2]
- IFRS 18 Presentation and Disclosure in the Financial Statements – effective for annual reporting periods beginning or after 1 January 2027[3]
- IFRS 19 Subsidiaries without Public Accountability – effective for annual reporting periods beginning on or after 1 January 2027[3]

None of the above will have a material impact on the group's financial statements with the exception of IFRS 18. IFRS 18 is a disclosure standard and, while it will not have an impact on recognition and measurement of any items of assets, liabilities, equity, income or expenses, it will fundamentally change how the statement of profit or loss and other comprehensive income will be presented.

[1] Effective for the group's financial year ending 30 June 2026.
[2] Effective for the group's financial year ending 30 June 2027.
[3] Effective for the group's financial year ending 30 June 2028.

44. GOING CONCERN

These financial statements have been prepared on the going concern basis. The board has performed a review of the group's ability to continue trading as a going concern for the foreseeable future and, based on this review, considers that the presentation of the financial statements on this basis is appropriate.

Separate statement of profit or loss and other comprehensive income

for the year ended 30 June

	Note	2025 R'000	2024 R'000
Dividend income	14	**275 000**	200 000
Distribution received from trust	1	**10 500**	13 600
Interest income		**20 952**	21 023
Operating expenses		**(10 562)**	(9 902)
Profit before income tax	2	**295 890**	224 721
Income tax expense	3	**(5 655)**	(5 674)
Profit		**290 235**	219 047
Total comprehensive income		**290 235**	219 047

Separate statement of financial position

at 30 June

	Note	2025 R'000	2024 R'000
ASSETS			
Non-current assets			
Interest in subsidiary companies	4	**11 214**	11 214
Total non-current assets		**11 214**	11 214
Current assets			
Prepaid expenses		**368**	552
Cash and cash equivalents	5	**153 274**	140 764
Total current assets		**153 642**	141 316
TOTAL ASSETS		**164 856**	152 530
EQUITY			
Ordinary share capital	6	**1**	1
Share premium		**34 309**	34 309
Retained earnings		**123 818**	37 416
Total equity		**158 128**	71 726
LIABILITIES			
Current liabilities			
Accrued expenses		**125**	367
Shareholders for dividend	7	**2 059**	1 748
Tax payable		**98**	23
Loan from subsidiary company	8	**4 446**	78 666
Total current liabilities		**6 728**	80 804
TOTAL EQUITY AND LIABILITIES		**164 856**	152 530

Separate statement of changes in equity

for the year ended 30 June

R'000	Ordinary share capital	Share premium	Retained earnings	Total equity
Balance at 1 July 2023	1	34 309	3 872	38 182
Total comprehensive income				
Profit	–	–	219 047	219 047
Transactions with owners recorded directly in equity	–	–	(185 503)	(185 503)
Vesting of income by trust (refer note 1)	–	–	1 202	1 202
Income tax on vesting of income by trust (refer note 3.3)	–	–	(161)	(161)
Dividends (refer note 7)	–	–	(186 544)	(186 544)
Balance at 30 June 2024	1	34 309	37 416	71 726
Total comprehensive income				
Profit	**–**	**–**	**290 235**	**290 235**
Transactions with owners recorded directly in equity				
Dividends (refer note 7)	**–**	**–**	**(203 833)**	**(203 833)**
Balance at 30 June 2025	**1**	**34 309**	**123 818**	**158 128**

Separate statement of cash flows

for the year ended 30 June

	Note	2025 R'000	2024 R'000
Cash flow from operating activities			
Operating loss before working capital changes	9	**(10 562)**	(9 902)
Working capital changes	10	**(58)**	(166)
Cash utilised by operations		**(10 620)**	(10 068)
Interest received		**20 952**	21 023
Tax paid	11	**(5 580)**	(6 050)
Dividends received		**275 000**	200 000
Distribution received from trust	1	**10 500**	13 600
Dividends paid	7	**(203 522)**	(186 180)
Income vested by trust	1	**–**	1 202
Net cash flow from operating activities		**86 730**	33 527
Cash flow from financing activities			
Loans received from subsidiary companies		**392 779**	448 954
Loans repaid to subsidiary companies		**(466 999)**	(490 281)
Net cash flow from financing activities		**(74 220)**	(41 327)
Net movement in cash and cash equivalents		**12 510**	(7 800)
Cash and cash equivalents at beginning of year		**140 764**	148 564
Cash and cash equivalents at end of year	5	**153 274**	140 764

Notes to the separate financial statements

for the year ended 30 June

1. SPUR MANAGEMENT SHARE TRUST

The Spur Management Share Trust (the Trust) made a discretionary distribution of the Trust's capital of R10.5 million (2024: R13.6 million) to the company, as sole capital beneficiary, which is included in profit before income tax for the year.

In addition, during the prior year, the Trust vested income of R1.202 million with the company, as a beneficiary of the Trust. The income arose from the sale of the company's shares and was accordingly not recognised as income, but rather credited directly against equity (retained earnings). The income was subject to income tax of R0.161 million, which was similarly charged directly to equity (retained earnings).

		2025 R'000	2024 R'000
2.	**PROFIT BEFORE INCOME TAX**		
	The following items have been taken into account in determining profit before income tax:		
	Consulting fees	**2 775**	2 547
	Directors emoluments (refer note 12) – excluding VAT	**4 901**	5 141
	(Directors emoluments (refer note 12) – including VAT	***5 532***	*5 806)*
	JSE listing fees and other related costs	**1 182**	513
3.	**INCOME TAX**		
3.1	**Income tax expense**		
	South African current corporate tax – current year	**5 655**	5 674

		2025 %	2024 %
3.2	**Reconciliation of rate of tax**		
	South African normal corporate tax rate	**27.0**	27.0
	Non-taxable dividend and distribution income	**(26.1)**	(25.7)
	Non-deductible operating expenditure (capital items and items not in production of income)	**1.0**	1.2
	Effective tax rate	**1.9**	2.5

		2025 R'000	2024 R'000
3.3	**Tax charged directly to equity**		
	Current tax on income vested by trust (refer note 1)	**–**	161
4.	**INTEREST IN SUBSIDIARY COMPANIES**		
	Shares at cost less impairment losses	**1**	1
	Equity-settled share-based payments on behalf of subsidiary	**11 213**	11 213
	Total interest in subsidiary companies	**11 214**	11 214

Equity-settled share-based payments, determined in accordance with *IFRS2 – Share-based Payments*, by a subsidiary of the company in previous financial years were treated as a further investment in the subsidiary in question.

4. INTEREST IN SUBSIDIARY COMPANIES continued

Details of the share capital and the company's interests in the subsidiary companies are as follows:

	Country of incorporation/ place of business	Issued capital R'000	Loan from subsidiary R'000	% interest in company
Trading				
Direct				
– Share Buy–back (Pty) Ltd	South Africa	0.1		100.00
– Spur Group (Pty) Ltd	South Africa	0.1	4 446 (2024: 78 666)	100.00
– Spur Group Properties (Pty) Ltd	South Africa	0.1		100.00
Indirect				
– Doppio Collection (Pty) Ltd	South Africa	0.1		60.00
– Green Point Burger Joint (Pty) Ltd trading as RocoMamas Green Point	South Africa	0.1		90.00[&]
– John Dory's Advertising (Pty) Ltd	South Africa	0.1		100.00
– Luppo (Pty) Ltd	South Africa	0.1		60.00
– Nikos Franchise (Pty) Ltd	South Africa	11 052.3		62.37
– Nickilor (Pty) Ltd trading as The Hussar Grill Rondebosch	South Africa	0.1		100.00
– Opilor (Pty) Ltd trading as The Hussar Grill Mouille Point	South Africa	17 500.1		68.00
– Opiset (Pty) Ltd trading as The Hussar Grill Camps Bay	South Africa	0.1		100.00
– Panarottis Advertising (Pty) Ltd	South Africa	0.2		100.00
– RocoMamas Advertising (Pty) Ltd	South Africa	0.1		70.00
– RocoMamas Franchise Co (Pty) Ltd	South Africa	0.1		70.00
– Spur Advertising (Pty) Ltd	South Africa	0.1		100.00
– Nikos Advertising (Pty) Ltd	South Africa	0.1		100.00
– The Hussar Grill Advertising (Pty) Ltd	South Africa	0.1		100.00
– The Morningside Grill (Pty) Ltd trading as The Hussar Grill Morningside	South Africa	0.1		100.00
– Spur International Ltd	British Virgin Islands	104 09.9		100.00
– Steak Ranches International BV	The Netherlands	511 019.0 (2024: 240 675.0)		100.00
– Spur Advertising Namibia (Pty) Ltd	Namibia	0.1		100.00
– Spur Services Namibia (Pty) Ltd	Namibia	0.1		100.00
– Spur Corporation Australia Pty Ltd	Australia	16 129.1		100.00
Dormant[#]		0.5		100.00

[&] The group is able to control 100% of the voting rights.
[#] A schedule of these companies is available upon request.

Investments in subsidiaries are carried at cost less impairment losses in accordance with the company's accounting policy in this regard.

The interest of the company in the aggregate after tax profits and losses of subsidiaries is as follows:

	2025 R'000	2024 R'000
Profits	**272 817**	235 250
Losses	**(4 902)**	(7 099)

		2025 R'000	2024 R'000
5.	**CASH AND CASH EQUIVALENTS**		
	Cash and cash equivalents comprise:		
	Current, call and short-term deposit accounts	**153 274**	140 764
6.	**ORDINARY SHARE CAPITAL**		
	Authorised		
	201 000 000 ordinary shares of 0.001 cents each	**2**	2
	Issued and fully paid		
	90 996 932 (2024: 90 996 932) ordinary shares of 0.001 cents each	**1**	1

The ordinary shares have equal rights to dividends declared by the company.

In terms of the company's Memorandum of Incorporation, the unissued shares of the company may be issued by the directors of the company only with the approval of the shareholders by way of an ordinary resolution passed at a general meeting. No such authority has been granted.

The company does not have any unlisted shares.

		2025 R'000	2024 R'000
7.	**DIVIDENDS**		
	Dividends declared are as follows:		
	Final 2023 – dividend of 110.0 cents per share	**–**	100 097
	Interim 2024 – dividend of 95.0 cents per share	**–**	86 447
	Final 2024 – dividend of 118.0 cents per share	**107 376**	–
	Interim 2025 – dividend of 106.0 cents per share	**96 457**	–
	Total dividends to equity holders	**203 833**	186 544
	Shareholders for dividends	**2 059**	1 748

At its meeting on 20 August 2025, the board of directors has approved a final dividend of 193.0 cents per share (the equivalent of R175.6 million) in respect of the 2025 financial year, funded by income reserves, to be paid in cash on 15 September 2025. The dividend is subject to the applicable tax levied in terms of the Income Tax Act (Act No. 58 of 1962, as amended) (dividend withholding tax) of 20%. The net dividend is therefore 154.4 cents per share for shareholders liable to pay dividend withholding tax.

The total gross dividend declared relating to the 2025 financial year was 299.0 cents per share equating to R272.1 million.

	2025 R'000	2024 R'000
Dividends paid are reconciled to the amount disclosed above as follows:		
Amount payable at beginning of year	**(1 748)**	(1 384)
Dividends declared	**(203 833)**	(186 544)
Amount payable at end of year	**2 059**	1 748
Dividends paid	**(203 522)**	(186 180)

		2025 R'000	2024 R'000
8.	**LOAN FROM SUBSIDIARY COMPANY**		
	Spur Group (Pty) Ltd	**4 446**	78 666

This loan is unsecured, interest free and repayable on demand.

		2025 R'000	2024 R'000
9.	**OPERATING LOSS BEFORE WORKING CAPITAL CHANGES**		
	Profit before income tax	**295 890**	224 721
	Adjusted for		
	Dividend income	**(275 000)**	(200 000)
	Distribution received from trust	**(10 500)**	(13 600)
	Interest income	**(20 952)**	(21 023)
	Operating loss before working capital changes	**(10 562)**	(9 902)
10.	**WORKING CAPITAL CHANGES**		
	Decrease/(increase) in prepaid expenses	**184**	(481)
	(Decrease)/increase in accrued expenses	**(242)**	315
	Working capital changes	**(58)**	(166)
11.	**TAX PAID**		
	Tax paid is reconciled to the amount disclosed in profit or loss as follows:		
	Amount payable at beginning of year	**(23)**	(238)
	Current tax charged to profit or loss	**(5 655)**	(5 674)
	Current tax charged directly to equity	**–**	(161)
	Amount payable at end of year	**98**	23
	Tax paid	**(5 580)**	(6 050)

		Including VAT		Excluding VAT	
		2025 R'000	2024 R'000	**2025 R'000**	2024 R'000
12.	**DIRECTORS' EMOLUMENTS**				
	The following emoluments were paid by the company:				
	For services as directors to the company				
	André Parker	**786**	818	**684**	712
	Cora Fernandez	**865**	926	**752**	804
	Jesmane Boggenpoel	**729**	796	**634**	693
	Lerato Molebatsi	**684**	712	**684**	712
	Mike Bosman	**1 660**	1 683	**1 444**	1 463
	Shirley Zinn	**808**	871	**703**	757
	Total directors' emoluments	**5 532**	5 806	**4 901**	5 141

All other emoluments were paid by subsidiaries of the company. Refer note 38 of the consolidated financial statements on page 69 of this report for further details.

Certain of the non-executive directors' fees are subject to VAT. 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.

13. GUARANTEES

The company has provided unlimited guarantees to financial institutions in respect of debts of certain local subsidiary companies. Also refer note 15.2.1.

14. RELATED PARTY DISCLOSURES

14.1 Identity of related parties

Refer note 4 for a detailed list of subsidiaries.

14.2 Related party transactions

Refer note 8 for the details of the loan from subsidiary company.

	2025 R'000	2024 R'000
Dividend/distribution income was received from the following related parties:		
Spur Group (Pty) Ltd	**275 000**	200 000
Spur Management Share Trust (included in profit or loss) (refer note 1)	**10 500**	13 600
Spur Management Share Trust (included in equity) (refer note 1)	**–**	1 202
Dividends were distributed to the following related parties:		
Share Buy-back (Pty) Ltd	**6 483**	5 933
Spur Group (Pty) Ltd	**74**	5
The Spur Foundation Trust	**1 120**	1 025
The Spur Management Share Trust	**13 185**	12 066

Details of directors' emoluments are included in note 12.

15. FINANCIAL INSTRUMENTS

15.1 Accounting classification and fair values

The following table shows the carrying amounts of financial assets and liabilities. No financial instruments are required to be subsequently recognised at fair value at the reporting date. Fair value information for financial assets and liabilities not measured at fair value is not disclosed if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount – amortised cost	
		2025 R'000	2024 R'000
Cash and cash equivalents	5	**153 274**	140 764
Financial assets		**153 274**	140 764
Accrued expenses		**125**	367
Shareholders for dividend	7	**2 059**	1 748
Loan from subsidiary company	8	**4 446**	78 666
Financial liabilities		**6 630**	80 781

The company has not disclosed the fair values of the above financial instruments as their carrying amounts are a reasonable approximation of their fair values, given that all the instruments are short-term in nature.

15.2 Financial risk management

The company is exposed to credit risk, liquidity risk and market risk from its use of financial instruments.

The company's objective is to manage effectively each of the above risks associated with its financial instruments, in order to limit the company's exposure as far as possible to any financial loss associated with these risks.

The board of directors has overall responsibility for the establishment and overseeing of the company's risk management framework. The board has established the risk committee, which is responsible for developing and monitoring the group's risk management policies. The committee reports regularly to the board of directors on its activities.

The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the company to the extent that these have an impact on these financial statements.

15. FINANCIAL INSTRUMENTS continued

15.2 Financial risk management continued

15.2.1 Credit risk

Credit risk is the risk of financial loss to the company if a counterparty to a financial asset fails to meet its contractual obligations, and arises principally from financial institutions with which the company holds monetary deposits.

The aggregate carrying amounts of financial assets represents the maximum credit risk exposure and is detailed below:

	Carrying amount	
	2025 R'000	2024 R'000
Cash and cash equivalents	**153 274**	140 764
Maximum credit risk exposure	**153 274**	140 764

The company's cash is placed only with major South African financial institutions of high credit standing. The probability of default rates benchmarked against the external global credit rating equivalent to the credit rating of these financial institutions are negligible and expected credit losses within 12 months from the reporting date are therefore not expected to be material.

The company's cash is placed at the following institutions:

Financial institution	**Deposits at 30 June 2025 R'm**	Credit rating
FirstRand Bank Limited	**4.1**	S&P short-term national scale rating za.A-1 +
Investec Bank Limited	**149.2**	S&P short-term national scale rating za.A-1 +

As detailed in note 13, the company has provided unlimited guarantees to financial institutions in respect of debts of certain local subsidiaries. The directors regularly review this exposure. As at the reporting date, and for the duration of the year, the directors consider the risk of being called upon to act in terms of the guarantee within 12 months from the reporting date as negligible.

15.2.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company's primary source of income is the dividends received from subsidiary companies and interest on short-term investments. The group's subsidiaries are typically, and have historically been, cash generative.

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

		Contractual cash flows	
R'000	**Carrying amount**	**Total**	**1 – 12 months**
2025			
Accrued expenses	**125**	**125**	**125**
Shareholders for dividend	**2 059**	**2 059**	**2 059**
Loan from subsidiary company	**4 446**	**4 446**	**4 446**
2024			
Accrued expenses	367	367	367
Shareholders for dividend	1 748	1 748	1 748
Loan from subsidiary company	78 666	78 666	78 666

Where there are no formal repayment terms, the contractual cash flows are assumed to take place within 12 months and no interest is included.

The company has sufficient cash reserves to settle all financial liabilities as at the reporting date.

15. FINANCIAL INSTRUMENTS continued

15.2 Financial risk management continued

15.2.3 Market risk

The company is not exposed to currency risk as it only transacts in local currency.

The company is not exposed to any price risk.

Interest rate risk

The company's only interest-bearing financial instruments are its cash and cash equivalents. All other financial instruments are non-interest bearing.

In the event that interest rates had increased by 50 basis points for the duration of the year, the table below gives the impact on profit or loss before income tax and equity:

	2025 R'000	2024 R'000
Increase in profit or loss before income tax	**735**	723
Increase in equity	**537**	528

A decrease of 50 basis points in the interest rate would have had an equal, but opposite, impact on profit or loss before income tax and equity to that described above.

15.3 Capital management

The board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors monitors the demographic spread of shareholders, the level of distributions to ordinary shareholders, as well as the return on capital. Capital is allocated subject to the board's required return on invested capital being met. Capital consists of total shareholders' equity.

There were no changes in the company's approach to capital management during the year.

16. ACCOUNTING POLICIES

The separate financial statements were prepared using the accounting policies disclosed in note 42 of the consolidated financial statements (on page 79 of this report) to the extent relevant.

None of the standards issued, but not yet applicable in the preparation of these financial statements, as detailed in note 43 of the consolidated financial statements (on page 88 of this report), are expected to have any material impact on the company's financial statements once they become effective.

17. SUBSEQUENT EVENTS

Refer note 7 regarding the declaration of a dividend subsequent to the reporting date.

18. GOING CONCERN

These financial statements have been prepared on the going concern basis. The board has performed a review of the company's ability to continue trading as a going concern for the foreseeable future and, based on this review, considers that the presentation of the financial statements on this basis is appropriate.

Corporate information

ADMINISTRATION

Registration number: 1998/000828/06 (Incorporated in the Republic of South Africa)

Share code: SUR

ISIN: ZAE 000022653

Registered address: 14 Edison Way, Century Gate Business Park, Century City, 7441

Postal address: PO Box 166, Century City, 7446

Telephone: +27 (0)21 555 5100

Fax: +27 (0)21 555 5111

Email: spur@spur.co.za

Internet: https://spurcorporation.com

Transfer secretaries
Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
Private Bag X9000, Saxonwold, 2132
Telephone: +27 11 370 5000

External auditors: PricewaterhouseCoopers Inc.

Internal auditors: BDO Advisory Services (Pty) Limited

Attorneys: Bernadt Vukic Potash & Getz

Sponsor: Questco Corporate Advisory (Pty) Limited

Company secretary
Mr Donfrey Meyer
14 Edison Way, Century Gate Business Park, Century City, 7441
PO Box 166 Century City, 7441
Telephone: +27 (0)21 555 5100
Email: companysecretary@spur.co.za

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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www.linkedin.com/company/spur-group