2025

INTEGRATED ANNUAL REPORT

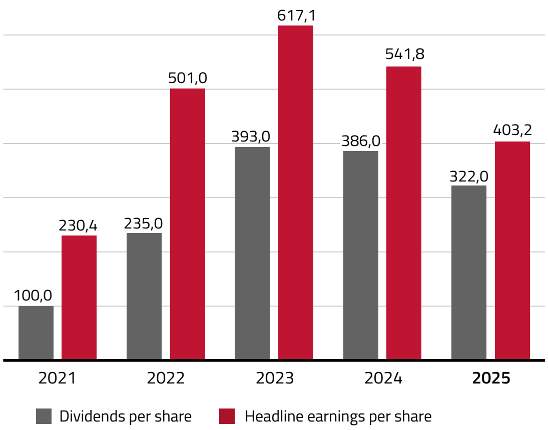
COMBINED MOTOR HOLDINGS

CONTENTS

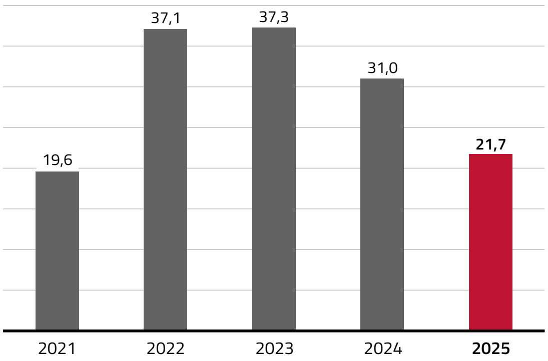
GROUP FINANCIAL HIGHLIGHTS

		2025	2024	% change
Total assets	(R'000)	**5 472 658**	5 185 446	5.5
Cash resources	(R'000)	**954 124**	815 105	17.1
Net asset value per share	(cents)	**1 893**	1 828	3.6
Revenue	(R'000)	**13 251 596**	12 839 564	3.2
Operating profit	(R'000)	**639 543**	781 164	(18.1)
Total profit and comprehensive income	(R'000)	**301 492**	408 484	(26.2)
Return on shareholders' funds	(%)	**21.7**	31.0	(30.0)
Basic earnings per share	(cents)	**403.1**	546.1	(26.2)
Headline earnings per share	(cents)	**403.2**	541.8	(25.6)
Dividends paid per share	(cents)	**322.0**	386.0	(16.6)
Dividend declared – payable June 2025 (2024: June 2024)	(cents)	**171.0**	220.0	(22.3)

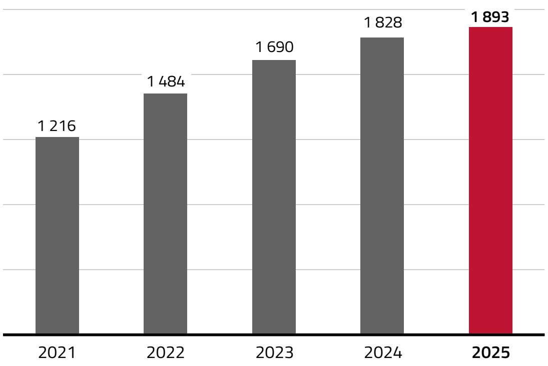
HEADLINE EARNINGS AND DIVIDENDS PER SHARE (cents)



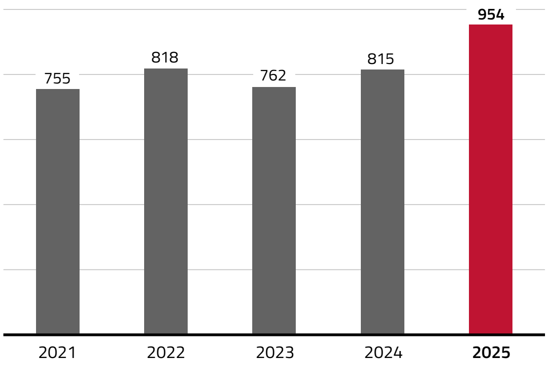
RETURN ON SHAREHOLDERS' FUNDS (%)



NET ASSET VALUE PER SHARE (cents)



CASH RESOURCES (R'million)



ABOUT THIS REPORT

SCOPE

This Integrated Annual Report ("Report") is a holistic and integrated representation of the CMH Group's ("the Group") performance, in terms of both finances and sustainability, for the year ended 28 February 2025. The Report contains information about the operations of the Group and the opportunities, risks and other material issues it faces in the normal course of business. It is intended to provide insight into issues identified as the most relevant and material to the Group and its stakeholders that could potentially impact the Group as a going concern. The materiality of information, both financial and non-financial, is considered when deciding what to include in the Report.

REPORTING FRAMEWORKS

This Report has been compiled on behalf of the board of directors ("the Board") of Combined Motor Holdings Limited ("CMH" or "the Company") and contains information recommended or required by the following:

- International Financial Reporting Standards ("IFRS® Accounting Standards") as issued by the International Accounting Standards Board;
- the JSE Limited Listings Requirements ("JSE Listings Requirements");
- the South African Companies Act 71 of 2008 ("the Companies Act of South Africa");
- the King IV™* Code on Corporate Governance ("King IV"); and
- the IFRS Foundation's Integrated Reporting Framework.

ASSURANCE

This Report, as a whole, has not been independently assured. It may contain certain forward-looking statements concerning the Group's strategy, financial conditions, growth plans and expectations. Such views involve both known and unknown risks, assumptions, uncertainties and important factors that could materially influence the actual performance of the Group. No assurance can therefore be given that these views will prove to be correct and no representation nor warranty expressed or implied is given as to the accuracy or completeness of such views. The Consolidated and Company Financial Statements included in this Report have been audited by KPMG Inc. and their unmodified report can be found on page 36.

APPROVAL

The Board acknowledges its responsibility to ensure the integrity of the Report. The Board has approved the Report and is of the opinion that it is a complete, timely, relevant and accurate disclosure of information on a basis comparable with that of previous years.

OUR MISSION

Customers to provide a total commitment to customer satisfaction in all aspects of business, and to ensure that our customers are treated fairly and equitably by a motivated, well-trained team of specialists.

Suppliers to conduct our relations in an ethical and supportive manner conducive to the achievement of mutual long-term profit and market share objectives.

Employees to provide a stable and challenging work environment in which employees are treated on an equal opportunity basis with open lines of communication, are encouraged to participate to the maximum of their ability and are rewarded commensurately with their achievement.

Shareholders to produce a consistent, meaningful growth in earnings and dividends, commensurate with the risks involved, after making adequate provision for future expansion and financial sustainability.

In doing so, to become a valued, respected and committed contributor to the society in which we all coexist.

CMH AT A GLANCE

The Group comprises CMH and its subsidiaries (recorded on page 82), operating in the motor retail and distribution, car hire and financial services segments. The Group operates only in South Africa, employing 2 666 people.

SEGMENTS

Motor retail and distribution

This segment comprises:

- 43 retail motor dealerships representing 29 brands sold through operations in Gauteng, KwaZulu-Natal and Western Cape. Each dealership has a new and used vehicle sales department, supported by customer finance and insurance specialists, workshop and parts department. In some instances, two or more brands are represented at the same premises. The brands cover a mix of passenger, light commercial and heavy commercial vehicles, in both the volume and luxury categories;
- Mandarin Parts Distributors which imports aftermarket vehicle parts. These goods are sold through a large in-house retail outlet near Pretoria, and through a network of 28 independent franchisees around the country;
- Proton SA, an importer and distributor in South Africa of the Proton and Saga range of passenger vehicles and related parts and accessories. Products are retailed through in-house and independent franchisees around the country;
- Foton SA, an importer and distributor in South Africa of a diverse range of light commercial vehicles and related parts and accessories; and
- Fleet Solutions, which has a B-BBEE level 2 recognition rating and is able to provide motor retail services to fleet owners who need a BEE-favourable purchasing solution.

The segment employs 2 107 people.

Details of the Group's dealerships are reflected on page 6.

Car hire

First Car Rental is a proudly South African car rental company that has been in business for over 25 years. The car hire fleet comprises an impressive range of well-maintained vehicles ranging from no-frills models to top-of-the-range luxury cars that are available for short- and long-term hire. First Car Rental operates with a fleet of 7 400 vehicles throughout South Africa from a network of 50 branches and employs 485 people.

Financial services

This segment provides insurance underwriting facilities in respect of products sold in tandem with the sale of new and used vehicles. Risks covered include death, disability, dread disease and retrenchment of customers, and vehicle and component warranties. The segment also provides vehicle financing in terms of joint ventures with two major finance houses. Both divisions are managed by external financial service providers. Administration of the services is outsourced.

Corporate service and other

The Group operates other divisions which are not yet large enough for separate disclosure. These include the corporate services division and the supply and installation of workshop lifting, lubrication and diagnostic equipment, waterless car wash systems and office consumables. The other divisions employ 74 people.

CMH AT A GLANCE CONTINUED

PEDIGREE AND PASSION

The Group commenced trading operations in 1976 following the merger of various retail motor dealerships in South Africa. In 1987 the holding company, Combined Motor Holdings Limited, listed on the Johannesburg Stock Exchange. The chief executive officer and finance director have remained unchanged since the listing and are passionate and committed to the Group and the development of the next generation of leaders.

EXPERIENCED AND SKILLED MANAGEMENT TEAM

The highly experienced and entrepreneurial management team has deep industry knowledge and a proven track record with years of collective experience. The average length of service of executive committee members (excluding the executive directors) is 20 years, and dealer principals, 12 years.

SKILLS DEVELOPMENT

The Group is committed to training and development of employees at all levels. The Group is accredited with the Manufacturing, Engineering and Related services SETA (Merseta) and runs Merseta-recognised learnership and apprenticeship programmes.

PROVEN FINANCIAL TRACK RECORD

The financial focus is on generating growth, shareholder returns and strong free cash flow, supported by a strong statement of financial position and sound capital management. The Group provides a meaningful return to shareholders through consistent profitability and regular dividend payments.

HEAD OFFICE OVERSIGHT

Whilst day-to-day operational control is devolved to the management team at segment level, the Group executive committee maintains keen oversight, with a hands-on involvement in internal controls, operating costs and working capital management.

LEADING DIGITAL MARKETING CAPABILITIES AND EXCEPTIONAL CUSTOMER SERVICE

The Group strives to keep abreast of digital marketing and mobility trends. This passion has become a business imperative. Ongoing digital analysis allows the monitoring and management of customer service, identification of weaknesses and facilitates continuous improvement to ensure high levels of customer satisfaction. The goal is to deliver everything needed to ensure an enjoyable vehicle ownership experience from beginning to end.

LONG-TERM RELATIONSHIPS WITH TRUSTED SUPPLIERS

The Group has long-standing partnerships with motor manufacturers representing some of the world's most recognisable brands, and the country's leading finance houses. First Car Rental has built strong alliances with leading brands in the tourism industry, such as FlySafair. These relationships with loyal suppliers have enabled the Group to deliver exceptional results, even in a depressed business and tourism travel market.

STRONG B-BBEE CREDENTIALS

Group – Level 4: 63% black ownership, 19% black female ownership.

First Car Rental and motor retail fleet divisions – Level 2: 59% black ownership, 33% black female ownership.

The Group is constantly looking for empowerment partners that share the same vision in order to establish mutually-beneficial relations that will empower previously-disadvantaged individuals and increase black ownership of the Group.

GROUP OPERATIONS

Motor retail dealerships

FRANCHISE	LOCATIONS
NISSAN	Ballito, Durban, Hillcrest, Midrand, Pietermaritzburg, Pinetown
RENAULT	Midrand
	The Glen, Hatfield, Menlyn, Pinetown, Umhlanga
TOYOTA	Alberton, Umhlanga
eva ev.africa	Cape Town, Durban, East Rand, Menlyn, Midrand, Pietermaritzburg, Pinetown, Umhlanga
ISUZU	Boksburg, Umhlanga
CHERY	Fourways, Hatfield, West Rand
MITSUBISHI MOTORS	Ballito, The Glen, Hatfield, Menlyn, Midrand, Pinetown, West Rand
VOLVO	Bryanston, Cape Town, Hatfield, Pretoria East, Umhlanga, West Rand
Mahindra Rise.	Ballito, Durban, Pinetown
ALFA ROMEO	Cape Town, Umhlanga
FIAT	Cape Town, Umhlanga
Jeep	Cape Town, Umhlanga
JAC MOTORS	Hatfield, Umhlanga
FOTON	Ballito, Boksburg, Bryanston, Cape Town, Durban, Hatfield, Menlyn, Midrand, Pietermaritzburg, Pinetown, Pretoria East, Pretoria North, Randburg, Umhlanga

FRANCHISE	LOCATIONS
Ford	Ballito, Durban, Durban South, Hatfield, Pretoria, Pretoria North, Randburg, Umhlanga
mazda	Hatfield, Menlyn, Randburg, Umhlanga
SUZUKI	Ballito, Hillcrest, Pinetown, Pretoria East, Umhlanga
HAVAL Global Intelligent SUV Expert	Cape Town, Pinetown, Pretoria East, West Rand
GWM	Cape Town, Pinetown, Pretoria East, West Rand
LAND ROVER	Pretoria, Umhlanga
JAGUAR	Pretoria, Umhlanga
OPEL	Boksburg, Umhlanga
PEUGEOT	Boksburg, Cape Town, Umhlanga
CITROËN	Boksburg, Cape Town, Umhlanga
UD TRUCKS	Cornubia, Pietermaritzburg, Pinetown
EICHER GO PRO	Cornubia, Pietermaritzburg, Pinetown
MG	Durban, Pinetown, The Glen
PROTON	Ballito, Boksburg, Cape Town, Durban, The Glen, Hatfield, Menlyn, Pietermaritzburg, Pinetown, Pretoria North, Umhlanga

Car hire

FRANCHISE	LOCATIONS
First	**Airports** OR Tambo (Johannesburg), King Shaka International (Durban), Gqeberha, East London, George, Cape Town, Bloemfontein, Nelspruit, Kimberley, Upington, Richards Bay, Lanseria, Polokwane, Pietermaritzburg, Mthatha, Margate **Other principal locations** Bellville, Cape Town, Centurion, Durban, Klerksdorp, Midrand, Pinetown, Pomona, Pretoria, Roodepoort, Rustenburg, Sandton, Stellenbosch, Tokai, Umhlanga, Vereeniging, Witbank

Marketing and distribution

FRANCHISE	LOCATIONS
Rokkit	**Rokkit Digital Agency** Countrywide
NWE / Green Machine	**National Workshop Equipment/CMH Green** Countrywide
Mandarin parts distributors	**Mandarin Parts Distributors (MPD)** Countrywide
Foton Distribution	**Foton SA** Tshwane
Proton Distribution	**Proton SA** Tshwane
CMH Fleet Solutions	Durban, Gauteng

GROUP FIVE-YEAR FINANCIAL REVIEW

STATEMENT OF FINANCIAL POSITION	2025 R'000	2024 R'000	2023 R'000	2022 R'000	2021 R'000
ASSETS					
Right-of-use assets	**430 278**	451 946	504 679	450 565	417 523
Car hire fleet vehicles	**1 281 764**	1 278 275	1 247 595	828 375	555 746
Goodwill	**39 625**	39 625	39 625	57 296	42 578
Other non-current assets	**227 837**	224 552	219 988	196 917	157 891
Current assets	**3 493 154**	3 191 048	2 964 994	2 245 587	2 028 265
Asset held for sale	**–**	–	–	–	72 000
Total assets	**5 472 658**	5 185 446	4 976 881	3 778 740	3 274 003
EQUITY AND LIABILITIES					
Total equity	**1 416 088**	1 367 720	1 264 285	1 110 393	909 253
Car hire fleet liability	**1 380 159**	1 214 580	1 202 731	753 367	540 864
Lease liabilities	**586 701**	612 438	663 830	597 903	548 962
Other liabilities	**2 089 710**	1 990 708	1 846 035	1 317 077	1 274 924
Total equity and liabilities	**5 472 658**	5 185 446	4 976 881	3 778 740	3 274 003

STATEMENT OF COMPREHENSIVE INCOME		2025 R'000	2024 R'000	2023 R'000	2022 R'000	2021 R'000
Revenue		**13 251 596**	12 839 564	12 434 375	11 167 798	8 579 558
Operating profit to revenue	(%)	**4.8**	6.1	6.2	5.4	4.0
Operating profit		**639 543**	781 164	773 412	606 146	345 045
Net finance costs		**(231 342)**	(224 208)	(152 972)	(95 792)	(110 725)
Profit before taxation		**408 201**	556 956	620 440	510 354	234 320
Tax expense		**(106 709)**	(148 472)	(176 979)	(135 467)	(65 557)
Total profit		**301 492**	408 484	443 461	374 887	168 763
Attributable profit		**301 492**	408 484	443 461	374 887	168 763
Dividends		**(240 862)**	(288 736)	(293 972)	(175 785)	(74 802)
Attributable profit after dividends		**60 630**	119 748	149 489	199 102	93 961

GROUP FIVE-YEAR STATISTICAL REVIEW

STATEMENT OF FINANCIAL POSITION		2025	2024	2023	2022	2021
Car hire fleet liability to total assets	(%)	**25.2**	23.4	24.2	19.9	16.5
Car hire fleet liability to total equity	(%)	**97.5**	88.8	95.1	67.9	59.5
Current ratio	(ratio)	**1.1**	1.1	1.0	1.1	1.2
Current ratio, including car hire fleet and attendant liability	(ratio)	**1.3**	1.3	1.3	1.4	1.4
Net asset value per share	(cents)	**1 893**	1 828	1 690	1 484	1 216
Total assets per employee	(R'000)	**2 053**	2 030	1 925	1 599	1 485

STATEMENT OF COMPREHENSIVE INCOME		2025	2024	2023	2022	2021
Weighted average number of shares in issue	('000)	**74 802**	74 802	74 802	74 802	74 802
Headline earnings per share	(cents)	**403.2**	541.8	617.1	501.0	230.4
Basic earnings per share	(cents)	**403.1**	546.1	592.8	501.2	225.6
Dividends paid per share	(cents)	**322.0**	386.0	393.0	235.0	100.0
Dividend cover	(times)	**1.3**	1.4	1.6	2.1	2.3
Net interest cover	(times)	**2.8**	3.5	5.1	6.3	3.1
Number of employees		**2 666**	2 555	2 586	2 363	2 204
Revenue per employee	(R'000)	**4 971**	5 025	4 808	4 726	3 893
Operating profit on average total equity	(%)	**45.9**	59.4	65.1	60.0	40.0
Return on shareholders' funds	(%)	**21.7**	31.0	37.3	37.1	19.6

Basic earnings per share
Total profit attributable to equity holders divided by the weighted average number of shares in issue.

Current ratio
Current asset plus asset held for sale, divided by current liabilities.

Current ratio, including car hire fleet and attendant liability
Net book value of car hire fleet vehicles plus current assets and asset held for sale, divided by car hire fleet liability plus other current liabilities.

This ratio is recorded to recognise the correlation that exists between the value of the car hire fleet and the attendant liability. As the fleet is recorded as a non-current asset, the impression may be that the long-term asset is being financed primarily by short-term borrowings. In practice however, the fleet value and the level of borrowings are linked. The borrowings level can be reduced at short notice by a sale of surplus fleet vehicles, or by utilisation of Group cash resources.

Dividend cover
Headline earnings per share divided by dividends paid per share.

Net interest cover
Operating profit before net finance costs divided by net finance costs.

Headline earnings per share
Total profit attributable to equity holders after excluding the impact, net of taxation, of goodwill impaired and profit/loss on disposal of plant and equipment and business operations, divided by the weighted average number of shares in issue.

Net asset value per share
Total equity divided by the number of shares in issue at year-end.

Return on shareholders' funds
Total profit attributable to equity holders of the Company divided by the average ordinary shareholders' equity during the year.

Weighted average number of shares in issue
The number of shares in issue at the beginning of the year adjusted for shares issued during the year weighted on a time basis for the period during which the shares are in issue.

BOARD OF DIRECTORS

JAMES DIXON 73

CA (SA)

Independent non-executive chairman

Board appointment: 2010

JEBB MCINTOSH 79

CA (SA)

Chief executive officer

Board appointment: 1976

MIKE JONES 72

CA (SA)

Independent non-executive

Board appointment: 2015

TUMISHO KOMANE 40

CA (SA), MFin

Independent non-executive

Board appointment: 2021

HLENGIWE SPENCER 56

BA (Hons) (HR Management), Master of Arts

Independent non-executive

Board appointment: 2024

KEY TO COMMITTEES

- Remuneration committee
- Nominations committee
- Social, ethics and transformation committee
- Audit and risk assessment committee
- Chairman

BRUCE BARRITT 66

Executive
Board appointment: 2016
Managing director: First Car Rental Division

STUART JACKSON 72

BCom (Hons) (Tax Law), CA (SA)
Financial director
Board appointment: 1986

JERRY MABENA 55

BCom
Independent non-executive
Board appointment: 2014

REFILOE NKADIMENG 43

CA (SA)
Independent non-executive
Board appointment: 2015

REPORT OF THE CHIEF EXECUTIVE OFFICER

Jebb McIntosh

The Group operated in a very difficult environment. Challenges ranged from the zero-growth economy and continued high interest rates to the prolific increases in basic household utilities such as electricity and water, all of which have decimated disposable income and thereby vehicle affordability, reduced consumer confidence and heightened reluctance to spend on big-ticket items.

At manufacturer level, the unrestricted proliferation of Chinese and Indian vehicle imports has placed extreme pressure on local producers, and many jobs may be lost unless there is more government support.

The Group ended the year with headline earnings down 26%. Following the release of the half-year results, which recorded a 32% decline in headline earnings, I reflected that the period was characterised by a weak currency, high interest rates, and the uncertainty which followed the general election and subsequent formation of the GNU. Although meaningful improvement was achieved during the second half, with headline earnings up 25%, the overall result was still a disappointing result.

On the positive side, the Group generated good cash returns and the dividend policy has been maintained. The statement of financial position remains strong and steady, in line with previous years.

GROUP OVERVIEW

Although revenue increased 3.2%, trading margins were down at both gross and operating profit levels. This was caused principally by the pricing pressure which was intensified by the invasion of low-priced foreign imports and the consequent decreased sales volumes of the traditional locally sourced brands. Selling and operating expenses were well contained, and the net finance cost and tax charge were stable. The return on shareholders' funds was good, at 22%.

The statement of financial position reflects little change from the previous year. The principal non-current asset, being the car hire fleet, is steady at R1,3 billion. The highest value working capital components, being inventories, receivables and trade payables recorded slight increases, reflecting the higher level of trading in January and February this year versus 2024. Borrowings, both current and non-current, relate only to the car hire fleet, and are repayable when de-fleeting occurs. The level of cash resources has climbed to R954 million.

The Group's B-BBEE status remains unchanged, with the overall rating at level 4, and the car hire and vehicle fleet sales divisions at level 2.

Motor retail/distribution

National passenger and light commercial vehicles recorded a marginal sales decrease from 496 000 to 494 000 during the financial year. Whilst the mild resurgence in the last quarter was encouraging, it was insufficient to rescue the market and lift it to the 2019 pre-Covid level. Vehicle finance houses have recorded that few newcomers are being added to the customer base, with only 10 million of 65 million South Africans being able to afford a vehicle, let alone a new one. Making matters worse for both motor manufacturers and retailers has been the phenomenal entry of importers, with the result that, although the market has shown no growth in 5 years, there are at least a dozen more players vying for a share.

The luxury vehicle sales market has been hardest hit in recent years and has been in decline for almost a decade. Statistics record a 10% fall in sales between 2022 and 2023 followed by a further 8% contraction during 2024. At the other end of the spectrum there has been a sharp decline in taxi sales. The pullback of SA Taxi Finance following allegations of fraud within the ranks of operators, and mounting bad debts, has prompted the principal motor finance houses to cut funding, thereby reducing sales by up to 80%.

Within the Group, several dealerships have undergone costly restructuring and repositioning to take advantage of brand and product changes. Ford is now more focused on the light commercial market and, although it has shown growth in various segments, has a more limited scope. Nissan is no longer producing its previously very popular and affordable half ton and one ton pickups. Some of its key models sourced from Japan have been discontinued because they are no longer affordable locally. Volvo's stated intention to focus on electric and hybrid models has severely hampered its local attraction. The dealer network has been cut from 25 dealers to 7, which will operate only in the major metropolitan areas. The Group will operate 4 of the 7 survivors and expects to benefit from a greater share of the workshop and parts sales business.

The Proton import and distribution operation has continued to be challenging and costly. Current inventory will be sold during the first half of the coming year, and thereafter the Group and the Malaysian manufacturer will decide on the way forward. In contrast, the September introduction of the Foton light commercial range has exceeded expectations. The launch has been well supported by the Chinese manufacturer, and the product featured in the February local top 10 sales list for commercial brands. Sales should enjoy a further surge in June when a new cabover model will be launched at a very competitive price. A network of 55 local dealers has been established, of which 14 are owned and operated by the Group. A further 5 dealers will be added this year. Foton is expected to be a meaningful profit contributor in the year ahead.

The electric and hybrid vehicle markets remain challenging and, without some form of government subsidy or import duty advantage, prices will remain high. Nothing more has been heard of government promises made in October last year regarding incentive proposals. Volvo is a significant player in this very small segment.

The used vehicle market has been steady, with some improvement in the later months. Availability of 3- to 4-year-old inventory remains a challenge as consumers are tending to hold on to existing vehicles for longer. This is partly because of the high replacement cost, and also because there is still a substantial residual debt on the existing model. The finance approval rate hovers around 33%, but only 50% of approved buyers actually conclude a sale.

The parts and service departments recorded both revenue and operating profit growth. Customer service and competitive pricing remain key focus areas in the quest to retain customers beyond the standard warranty and service plan periods. Prior period vehicle sales of some of the more recently introduced brands have started to generate meaningful business in the parts and service areas, and continued growth is expected.

MPD aftermarket parts network had another successful year, generating a 22% profit improvement. This operation is focused on brands of Indian and Chinese origin, and the increased volumes of such vehicles in South Africa augurs well for the future.

Car hire

First Car Rental did not escape the tough trading conditions which beset the retail motor industry. After a few halcyon years for the business, it was expected that the drive for market share by the larger competitors would create intensified margin pressure. A price war affected particularly the inbound tourism and insurance replacement markets. This was significant during the peak December/January season in Cape Town. The insurance replacement demand was down following an absence of the large claim disasters that occurred in the previous year. Opting to minimise involvement in the daily hire rate pricing war, the business had to restructure to align with reduced hire revenue. The traditional de-fleeting at the start of winter was hampered by consumer hesitation in the used car market during the weeks of uncertainty following the election, and there was a period when the fleet utilisation rate fell below optimum. Apart from that brief hiccup, the used car market has been steady and favourable.

To counter rising new vehicle prices, and in response to customer demands, the division has strategically realigned the fleet with a greater emphasis on smaller vehicles that are both acceptable to customers and easier to resell. First Car Rental has terminated its Sixt agency because the proposed new terms and conditions became too onerous. However, the lost revenue has been replaced by a greater involvement with foreign agents who specialise in the luxury vehicle market which is popular in Europe.

The continued alignment with FlySafair has proved beneficial. To this end, First Car Rental has progressed its drive to match the expansion of the airline by developing an agency presence in all the regional destinations which FlySafair now services. The expanded network is seen as an added advantage by the large international booking aggregators.

REPORT OF THE CHIEF EXECUTIVE OFFICER
CONTINUED

Financial services

Financial services comprises the Group's finance joint ventures and various insurance underwriting entities.

The finance joint ventures produced mixed results. Whilst one produced exceptional improvement and its best result since the Covid period, the other was considerably down, and still grappling with expected credit losses on the finance book. The consensus is that the latter's impairment model has been a little too aggressive, and some release may be expected in the year ahead.

A few years ago, the Group's various underwriting partners were consolidated into one provider for all types of cover. The policies existing at that time have been run off by the former underwriters. This run-off is now all but complete, and future business will be focused under one supplier. Returns from the new provider recorded a pleasing 8% growth despite fewer policy sales.

DIVIDENDS

Careful working capital management and consequent cash generation have enabled the continuation of a generous dividend policy without placing trading requirements under undue strain. The December 2024 payment of 102 cents per share will be followed by a proposed 171 cents in June 2025.

PROSPECTS

The South African Reserve Bank has projected GDP growth of 1.7% during 2026. Whilst welcome if it can be achieved, it is still way below the level needed to make a meaningful dent in the country's high unemployment rate.

The confluence of positive economic indicators and the resilience of the last quarter of 2024, which continued during January and February this year, could herald a potential rebound for the 2025 new car market. Further interest rate easing, to follow the three cuts during the past six months, will create a more favourable economic environment and support vehicle affordability. Industry leaders have predicted that national sales will increase in the range of 3.5 to 5.0%, but all views hinge on significant caveats, particularly relating to interest rates and political stability. Early economic optimism has been curbed somewhat by the furore which followed the advance leaking of the government's intention to raise the VAT rate by two percentage points.

The Group's prior year losses on Proton have been stemmed, and a significant return is expected from the first full year of Foton activity.

In the car hire segment the market has still not recovered to pre-Covid levels The depressed average daily hire rate is expected to continue until all major players have right-sized their fleets and the drive to dominate market share at all costs abates. Key to success will be the agility required to swiftly adapt both the fleet level and the daily hire rate to optimise fickle demand.

Although not yet back to pre-Covid levels, inbound tourism potential growth does provide a measure of optimism for the industry. That market segment favours larger vehicles for longer hire periods, a double plus for the bottom line. The government's announcement regarding an easing of visa requirements is welcome. The predicted, although seemingly stalled, trend of interest rate cuts will also provide welcome relief against fleet borrowings.

APPRECIATION

The relationships which the Group has developed with its principal trading partners has been important as we navigate the trading challenges. I thank them for their continued support.

The year under review was another during which the executive team and their staff were called on to apply extra effort and, in many cases, for less reward. Their contribution is recognised and appreciated.

To my non-executive colleagues on the Board, I appreciate your wise counsel and continued enforcement and support of issues driving good corporate governance.

JD McIntosh

24 April 2025

CORPORATE GOVERNANCE REPORT

BACKGROUND

King IV sets out the philosophy, principles, practices and outcomes which serve as the benchmark for corporate governance in South Africa. Corporate governance is defined as the exercise of ethical and effective leadership by the Board towards the achievement of the following governance outcomes:

- an ethical culture;
- good performance;
- effective control; and
- legitimacy.

The Board is fully committed to business integrity, fairness, transparency and accountability in all its activities. To this end, the Board subscribes to high standards of corporate governance in all aspects of the business and to the ongoing development and implementation of best business practices. Whilst the principles of King IV are of universal application, the practices are recognised as not being appropriate for all organisations. King IV envisages that practices are to be scaled in accordance with the size of the business and its workforce, its resources, and the extent and complexity of its activities. The Group's directors recognise that the ultimate compliance officers are the various stakeholders. They will, by their continued support, or lack thereof, let the Board know whether they believe that acceptable standards have been achieved.

This Report should be read in conjunction with the Group's practices in respect of the principles contained in King IV, which are recorded on the Group's web site, www.cmh.co.za. (References thereto are described hereafter as "King IV Code: Principle…").

BOARD OF DIRECTORS

Composition

The Board assumes responsibility for its composition by setting the direction and approving the processes for it to attain the appropriate balance of skills, experience, diversity and independence in order to effectively discharge its governance role and responsibilities.

The Board regularly considers whether the size and composition of the current Board is appropriate, having regard for the CMH Group Diversity Policy. In doing so, the Board considers whether there are any targets or aspects of the policy that have not been addressed and, as a consequence, have a negative impact on the efficacy of the Board.

The Board is satisfied that its composition reflects the right mix and promotes accountability, constructive debate, and effective decision-making, while meeting the necessary regulatory requirements and those of the Memorandum of Incorporation of the Company. Details of each director are recorded on pages 10 and 11.

The Board comprises six independent non-executive, and three executive directors. The independent non-executive directors:

- come from diverse backgrounds in commerce and industry;
- collectively are well qualified and have a wide range of experience, insight and judgement on issues of strategy, performance, risk, resources, marketing, and standards of conduct;
- are an average of 57 years old;
- have served on the Board an average of eight years;
- comprise two White, and four African members, which exceeds the Board's race diversity policy target of 45%-50% of independent non-executives, and 25%-35% of the total Board, being from previously-disadvantaged races;
- comprise four males and two females, which meets the Board's gender diversity policy target of 30%-40% of independent non-executives, and 20%-25% of the total Board, being female; and
- are of sufficient number to serve on committees without overburdening members.

The executive directors comprise the Group chief executive officer, Group financial director, and the chief executive officer of the car hire division. The Board has a succession plan for both the non-executive and executive directors.

Nomination, election and appointment of Board members

The Board has a formal and transparent process for the nomination, screening, and appointment of members, and the nomination for re-election of existing members. Appointments and re-election proposals are made after consideration of:

- the collective knowledge, skills and experience of the Board members;
- the diversity of members in terms of gender, race and culture;
- whether the candidate meets appropriate fit and proper criteria, including an independent background check and qualifications verification, if deemed necessary;
- details of the professional commitments of the candidate, and a statement that he/she has sufficient time available to fulfil the responsibilities required of a member; and
- prior attendance and performance at meetings, in respect of re-elected members.

The role and responsibilities of the Board are recorded in a charter which has been adopted by each member. Where new members are not familiar with the Group, they are given an induction programme to enable them to make the maximum contribution within the shortest possible time.

Board changes during the year ended 28 February 2025

Thebe Investment Corporation (Pty) Ltd (TIC), the Group's black economic empowerment partner, has the right to nominate two of the Group's non-executive directors.

TIC withdrew its nomination of AY Metu and replaced her with HP Spencer, effective 12 April 2024.

Independence and conflicts

At the commencement of meetings of the Board and its committees, members are required to declare whether any of them has any conflict of interest in respect of any matters on the agenda. If such conflict is noted, the relevant member may be involved in debate regarding the conflicted matter, but may, at the discretion of the chairman, be excluded from voting thereon.

Classification

Non-executive directors may be classified as independent if the Board is of the opinion that there is no interest, position, relationship, or association which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in that director's decision-making. In reaching its decision, the Board takes a holistic, substance-over-form view, after consideration of whether the member:

- is a significant provider of financial capital to the Group, or is a representative of such provider;
- participates in a share-based incentive scheme offered by the Group, or is entitled to remuneration based on the performance of the Group;
- owns shares in the Group, the value of which is material to his/her personal wealth;
- has been in the employ of the Group in an executive position during the past three financial years;
- has been the designated external auditor of the Group, or a key member of the audit team, during the past three financial years;
- is a significant or ongoing professional adviser to the Group; or
- is a member of the governing body of a significant customer, supplier, competitor or related party of the Group.

The Board examined the status of the non-executive directors and is of the opinion that:

- AY Metu met the independence criteria up to the date of her resignation. RT Komane and HP Spencer meet the independence criteria despite them being nominees of TIC. TIC does not have the ability to control nor significantly influence the Board, and the CMH investment does not constitute a significant proportion of its portfolio. Consequently, the CMH impact on the value of TIC's shares is not material in value to their respective wealth; and
- JS Dixon meets the independence criteria despite having served on the Board for 14 years. ME Jones, JA Mabena and MR Nkadimeng meet the independence criteria despite having served on the Board for 10 years. The Board has concluded that their long association with the Group has not impaired their objective judgement, and there is no interest, position, association nor relationship which, when viewed from the perspective of a reasonable and informed third party, is likely to unduly influence or cause bias in their decision-making.

Chairman of the Board

The Board has elected independent non-executive director, JS Dixon, to chair the Board in its objective and effective discharge of its governance role and responsibilities. The chairman is elected annually after the annual general meeting of shareholders. His role and responsibilities are documented in the Board Charter and are separate from those of the Group chief executive officer. It has not been considered necessary to appoint a lead independent director, as the Board has determined that the chairman is independent.

When determining which of the committees the chairman may serve on, the Board is mindful of the potential negative impact on the concentration and balance of power. It is recorded that the chairman of the Board:

- is not a member of the Audit and risk assessment committee;
- is one of three members of the Remuneration committee, but not its chairman;
- is one of five members of the Social, ethics and transformation committee; and
- is the chairman and one of three members of the Nominations committee.

On occasions when his input is sought, he may attend meetings of committees of which he is not a member, but is not permitted to vote thereat.

Appointment and tenure of non-executive directors

Newly-appointed directors hold office until the next annual general meeting, at which time they retire and become eligible for re-election. Each year, one third of the directors is required to retire and may offer themselves for re-election which is subject to approval by shareholders.

Board meetings

The Board has three scheduled meetings each year, and these are augmented, when necessary with meetings held at short notice. Proceedings at meetings are directed by a formal agenda. The proposed agenda is circulated prior to the meeting to allow Board members sufficient opportunity to request additional agenda items.

In addition, a comprehensive Board pack is distributed to all directors in advance of meetings to ensure they are properly informed and to enable them to undertake meaningful discussion and effectively discharge their duties.

These packs typically include:

- agenda;
- previous meeting minutes;
- disclosure of directors' conflicts of interests;
- documentation in support of all matters on the agenda;
- update on matters arising since the last Board meeting; and
- governance updates to assist directors in remaining abreast of relevant legislation.

Attendance at meetings of the Board during the year under review is recorded below.

Subsidiary boards of directors

When deliberating on matters pertaining to CMH, the Board is always mindful of the impact that decisions may have on subsidiaries. The Board recognises the fiduciary duties of the directors of subsidiaries who are not directors of CMH.

Directors' share dealings

The Board complies with the JSE Listings Requirements in relation to restrictions on the trading of CMH's shares by directors and Exco members during the defined closed periods. Restrictions may also be placed on share dealings at other times if the Group is involved in corporate activity or sensitive negotiations. The company secretary notifies all directors and executive committee members prior to the commencement of the closed trading periods, which commence 15 days before the half-year and year-end, and end on the date the respective results are published.

There is a process in place in terms of the JSE Listings Requirements for directors to obtain prior clearance before dealing in CMH's shares. All transactions are conducted at the ruling market price on the JSE Limited. Details of directors' share dealings are communicated through the JSE Limited's electronic news service, SENS. No infringements were reported during the year.

COMPANY SECRETARY

The company secretary is appointed by the Board in compliance with the Companies Act of South Africa and the JSE Listings Requirements. Refer to King IV Code: Principle 10.

PMM Govind CA (SA) is the Group company secretary since joining the Group in November 2023. The Board conducts an annual evaluation of the company secretary. In respect of the year under review, the Board is satisfied as to her effectiveness, qualification and experience and concluded that she has executed her responsibilities with the required level of competency and maintained an arms-length relationship with the Board. The Certification by the Company Secretary is recorded on page 33.

BOARD COMMITTEES

Subject to its ultimate accountability, the Board has delegated specific functions to Board committees, each with its own charter that defines its powers and duties. On a biennial basis, the Board reviews and approves the terms of reference of each committee and completes an assessment of its performance. Refer to King IV Code: Principle 8.
The Board is satisfied that the committees have discharged their duties in terms of their respective charters, in respect of the year under review.

The composition of these committees at year-end is reflected below.

Remuneration committee

Members:

- JA Mabena (independent non-executive) – chairman
- JS Dixon (independent non-executive)
- ME Jones (independent non-executive)

Nominations committee

Members:

- JS Dixon (independent non-executive) – chairman
- ME Jones (independent non-executive)
- JA Mabena (independent non-executive)

The Report of the Remuneration and Nominations committees is recorded on page 26.

Audit and risk assessment committee

Members:

- ME Jones (independent non-executive) – chairman
- RT Komane (independent non-executive)
- MR Nkadimeng (independent non-executive)

The Report of the Audit and risk assessment committee is recorded on page 24.

Social, ethics and transformation committee

Members:

- JA Mabena (independent non-executive) – chairman
- BWJ Barritt (executive)
- JS Dixon (independent non-executive)
- HP Spencer (independent non-executive)
- JD McIntosh (chief executive officer)

The Report of the Social, ethics and transformation committee is recorded on page 31.

Changes to Board sub-committee membership

The following changes to the composition of these committees occurred during the year:

- RT Komane appointed to the Audit and risk assessment committee and resigned from the Social, ethics and transformation committee;
- HP Spencer appointed to the Social, ethics and transformation committee; and
- AY Metu resigned from the Audit and risk assessment committee.

ATTENDANCE AT MEETINGS DURING THE YEAR UNDER REVIEW

Director	Full Board	Audit and risk assessment committee	Remuneration committee	Social, ethics and transformation committee	Nominations committee
BWJ Barritt	3/3			2/2	
JS Dixon	3/3	2/2*	2/2	2/2	1/1
SK Jackson	3/3	2/2*	2/2*		1/1*
ME Jones	3/3	2/2	2/2		1/1
RT Komane	3/3	2/2			
JA Mabena	3/3		2/2	2/2	1/1
JD McIntosh	3/3		2/2*	2/2	1/1*
MR Nkadimeng	3/3	2/2			
HP Spencer	3/3			2/2	

** By invitation*

Executive committee ("Exco")

Assisting the CEO in the discharge of his overall responsibility for the day-to-day management of the Group and the implementation and execution of approved strategy and policy is the Exco.

The Exco members represent the key management of the Group. Their wide range of complementary skills, together with their years of experience in their particular fields of expertise, justify their selection to Exco. None of the members of Exco (other than the executive directors) has the individual authority to exercise executive control over and management of the whole, or a significant portion, of the business and activities of the Group. Consequently the Board considers that they do not meet the Companies Act definition of "prescribed officers" and their remuneration is not individually recorded in this report. The Board confirms that no Exco member earns in excess of the executive directors.

THE GOVERNANCE OF RISK

Combined assurance

The Board recognises the critical role of risk management in the Group and accepts responsibility for the governance of risk through formal processes which include the total system and process of risk management set out in the combined assurance framework. The combined assurance framework promotes accountability and consistency and is intended to ensure that, through a co-ordinated effort, all material risks are identified, managed and mitigated to within acceptable levels, to provide comfort to the relevant stakeholders and to enable sustainable growth of the Group.

Subject to its ultimate accountability, the Board has delegated the responsibility for risk management to the Audit and risk assessment committee. Details of the Group's exposure to a variety of financial risks are disclosed on pages 52 to 54. Details of other risks faced by the Group are recorded in the King IV Code: Principle 11.

Internal audit

The Board is satisfied that the internal audit department has provided independent and relevant assurance during the year under review, in respect of the effectiveness of governance, risk management and control processes. Refer King IV Code: Principle 15.

Compliance with laws and regulations, codes and standards

The Group is committed to compliance with applicable laws and regulations, codes and standards. Areas of focus include the Companies Act, JSE Listings Requirements, labour laws, taxation legislation, health and safety regulations and other laws and statutes in respect of the various businesses and their operations. Day-to-day responsibility for compliance with legislation relevant to the Group has been delegated by the Board to management. The Board has not received notice of any material instances of non-compliance with applicable legislation during the year under review and the Group did not incur any material penalty, fine nor sanction for contravention or non-compliance with its statutory obligations. Refer King IV Code: Principle 13.

CMH dealerships and car hire fleet operations sell high value goods and as such, are designated as "accountable institutions" in terms of the Financial Intelligence Centre Act ("FICA"). In terms of FICA, CMH has a responsibility to develop, document, maintain and implement a risk management and compliance programme ("RMCP"). The RMCP introduces an employee, customer and product risk rating system to minimise the possibility of unscrupulous persons using CMH operations as a conduit for the purposes of fraud, wrongdoing or the financing of terrorist activities. A considerable amount of time and effort has been expended on the development of the RMCP, and the continuous training of customer-facing staff will be an area of major focus.

GOVERNING STAKEHOLDER RELATIONSHIPS

The Board recognises the important role it plays as the ultimate custodian of the corporate reputation of the Group and its relationships with stakeholders. Full details in this regard are recorded in the King IV Code: Principle 16.

SUSTAINABILITY REPORT

Integrated reporting means a holistic and integrated representation of performance encompassing financial, environmental and social dimensions. Key to the Group's long-term success is providing deliverables to all stakeholders. The starting point is a sustainable return to shareholders. A profitable and cash-generating business is the foundation which underpins the Group's interactions with other stakeholders.

Sustainability implies conducting business in such a manner as to meet present needs without compromising the ability of future generations to meet their own needs.

This Report provides an overview of the principal focus areas which determine the Group's sustainability programme.

CONTRIBUTING POSITIVELY TO THE ECONOMY

The Group aims to contribute positively to the economy by providing stable employment, generating business for local suppliers, paying taxes and supplying quality goods and services at value-driven, competitive prices.

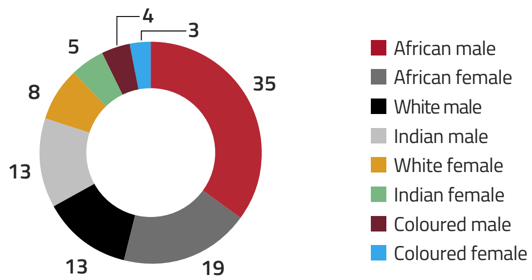
Details of the Group's financial results are addressed throughout this report. A summary of pertinent information is contained in the table below.

KEY SUSTAINABILITY MEASURES AT A GLANCE		2025	2024
Financial			
Revenue	(R'000)	**13 251 596**	12 839 564
Operating profit	(R'000)	**639 543**	781 164
Headline earnings per share	(cents)	**403.2**	541.8
Dividends paid per share	(cents)	**322.0**	386.0
Return on shareholders' funds	(%)	**21.7**	31.0
Income tax paid	(R'000)	**75 283**	146 135
Tax expense as percentage of profit before taxation	(%)	**26.1**	26.7
Value-added tax paid	(R'000)	**254 537**	242 544
Employment			
Number of employees		**2 666**	2 555
Total employee costs	(R'000)	**1 000 853**	956 425
PAYE collected from employees on behalf of government	(R'000)	**191 516**	189 640
UIF and SDL contributions to government in respect of employees	(R'000)	**18 706**	18 223

EMPLOYEES

At year-end the Group employed 2 666 (2024: 2 555) permanent employees. The Group does not employ temporary staff. The Board recognises that employees are the major contributor towards the Group's success by ensuring that its competitiveness and service levels remain high and the Board strives to maintain the right balance between maximising profits, optimising employee numbers and rewarding employees commensurate with their performance.

EMPLOYEE PROFILE BY RACE AND GENDER AT FINANCIAL YEAR-END (%)



TRANSFORMATION AND EMPLOYMENT EQUITY

The Board remains committed to transformation. The Social, ethics and transformation committee is tasked with ensuring that an appropriate strategy exists that aligns with the Broad-based Black Economic Empowerment Act and the Employment Equity Act ("the EE Act"), and that the Group complies with the principles embodied in the Skills Development Act. The Board believes that development of initiatives in these areas will generate long-term benefits for the Group and the country as a whole.

The Group's Employment Equity Plan ("the Plan") has been developed on the principles of transformation, equity, equality, diversity and empowerment. The Plan's core principles underlie the Group's commitment to, gradually and reasonably, achieve a representative work force, as prescribed by the EE Act. Employment equity policies have been implemented to create an environment in which employees from previously-disadvantaged backgrounds are trained, instructed, promoted and rewarded according to their initiative, performance, loyalty and work ethic.

The Group continues to focus on its numerous initiatives in place to accelerate transformation within the workplace. These focus on recruitment, retention, promotion and skills development of previously-disadvantaged individuals.

The table below is a summary of the employment equity report submitted in terms of Section 21 of the EE Act, showing the employee profile for the Group.

Recruitment: The recruitment process aims to recruit based on skill and experience, but with a bias towards those race and gender groups that are under-represented when compared with the national economically active population statistics used by the Department of Employment and Labour as employment equity benchmarks. New candidates are sourced by the branch requiring the resource, but each appointment is vetted by either the Group employment equity and transformation manager or the chief executive officer to ensure employment equity objectives are achieved.

The Group offers short-term internships for students who are in their final year of tertiary education at technical colleges. These internships provide the students with real-world business exposure that extends beyond their academic knowledge and affords them an opportunity to interact with experienced individuals in the areas in which they are studying and to learn business and life skills. Interns are assessed and rated at the conclusion of their internship and the Group draws on this pool of talent when vacancies arise.

Retention and promotion: The Board's philosophy regarding promotions and, in particular, the appointment of management has been based on the concept of "merit with bias". Where there are a number of candidates who merit promotion to a particular position, bias will be shown towards those from a disadvantaged background. It is not considered wise to promote managers, from whatever background, beyond their level of competency and training.

Key to staff retention, at any level, is recognition and promotion from within. The Group encourages promotion rather than recruitment as this not only provides a clear path to greater compensation and responsibility, but also helps employees feel that they are valued and a crucial part of the Group's success.

EXTRACT FROM REPORT IN TERMS OF SECTION 21 OF THE EMPLOYMENT EQUITY ACT:

	Male				Female				Foreign nationals		
Occupational levels	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female	Total
Top management	4	0	9	50	3	3	3	9	1	0	82
Senior management	39	15	72	88	26	7	33	75	0	1	356
Professionally qualified and experienced specialists	305	36	135	161	137	22	47	59	3	0	905
Skilled technical and academically qualified	104	18	27	13	80	19	30	31	0	0	322
Semi-skilled	386	28	95	31	142	17	23	36	1	1	760
Unskilled	83	5	2	3	91	1	2	3	2	0	192
Total August 2024	**921**	**102**	**340**	**346**	**479**	**69**	**138**	**213**	**7**	**2**	**2 617**
Total August 2023	925	101	352	353	465	72	136	205	10	2	2 621

Skills development: The retail motor industry continues to experience a shortage of suitably skilled manpower at management level and in the technical departments. As there is no formal training programme for dealership managers, the Group has developed internal manager programmes. These focus on grooming existing employees for the role of manager within each of the departments within a motor dealership.

Candidates are sourced internally, with a bias towards staff from previously-disadvantaged backgrounds, and are selected based on past performance and achievements, and potential demonstrated on the job. The Group runs various management development programmes as part of its succession planning and talent management process. The aim is to ensure that there is a constant pool of middle management talent available should a vacancy arise. The management programmes focus on building managerial skills and incorporate a mix of formal and informal training, on-the-job development, mentoring and coaching.

To address the shortage of skills in the technical departments, the Group recruits recent matriculants into a National Qualification Framework ("NQF") level 5 apprenticeship programme. The programme allows the candidates to qualify as artisan technicians over a period of 2-3 years. The Group currently has 75 apprentices employed on this programme and historically retains between 60% and 80% of those who qualify as permanent employees within the Group.

The Group also runs 40, 12-month learnerships, aligned towards the development of administration, workshop, parts, sales and marketing, finance and insurance and First Car Rental front-line personnel. The learnerships are aimed at unemployed and first-time employees from previously-disadvantaged backgrounds, with a particular focus on African learners and learners with a disability. The learnerships allow individuals with little or no previous work experience the opportunity to gain general work experience and select areas in which they would like to specialise. On completion of the learnership, the learners obtain an NQF level 4 accreditation. The historical average retention of those learners who obtain their accreditation is between 50% and 60%.

The Group believes that ongoing training is critical for employee development and progression. Each year, a large number of sales and technical staff attend mandatory training programmes required by the motor manufacturers. Employees and their managers are also encouraged to identify training that could lead to the progression of the employee and, if suitably motivated, the cost thereof is subsidised by the Group.

During the year, approximately R25.9 million was spent on training employees, involving a total of 10 492 training initiatives. Of this, approximately 58% was spent on training African employees and 76% spent on training African, Coloured and Indian employees collectively. The Group has timeously submitted its report in terms of Section 21 of the EE Act and, as a result, has recouped the maximum amount of Skills Development Levy.

Staff with a disability: The Group has a disability awareness and support policy that actively encourages staff to declare their disabilities without fear of intimidation or discrimination. When a disability is declared, management is encouraged to make reasonable accommodation to create an inclusive workplace environment. The Group's recruitment policy, for permanent positions and learners, actively encourages bias towards previously disadvantaged individuals with disabilities.

DISABLED STAFF AS RECORDED IN THE REPORT IN TERMS OF SECTION 21 OF THE EMPLOYMENT EQUITY ACT:

	Male				Female				Foreign nationals		
Occupational levels	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female	Total
Top management				2	1		1				4
Senior management	1		2	1	1						5
Professionally qualified and experienced specialists			1	1				1			3
Skilled technical and academically qualified	3							1			4
Semi-skilled	5				7						12
Unskilled	2		1	1			1	3			8
Total August 2024	**11**		**4**	**5**	**9**		**2**	**5**			**36**
Total August 2023	9	1	4	6	6	1	2	4			33

BROAD-BASED BLACK ECONOMIC EMPOWERMENT ("B-BBEE")

The aim of the Board is to achieve sustainable empowerment through alignment with the five elements of the B-BBEE codes, being: ownership, management control, skills development, enterprise and supplier development and socio-economic development. The Board recognises that failure to achieve accelerated transformation targets set out in the B-BBEE codes may impact competitiveness and sustainability as well as the retention of existing contracts.

Despite the Group's ongoing commitment to direct more spend to black-owned businesses, its ability to increase the points earned in the enterprise and supplier development element is limited. Approximately 70% of Group procurement spend is related to motor manufacturers, none of which meets the criteria to be classified as an exempt micro entity, a qualifying small enterprise or a black-owned entity. The points that the Group can achieve in respect of the remaining 30% are limited, and this adversely impacts the B-BBEE scorecard level attainable.

The scorecards for the year ended 29 February 2024 were independently audited during the current year. The Group as a whole was verified using the generic codes and First Car Rental using the tourism sector codes. The audited scorecard ratings are recorded in the table below. The Group aims to retain these levels at the next audit.

B-BBEE SCORECARD RATINGS	Max	Result 2024
Total Group		
Ownership	25	25
Management control	19	9
Skills development	20	12
Enterprise and supplier development	42	32
Socio-economic development	5	5
	111	83
B-BBEE recognition level contributor		4
Car hire and fleet division		
Ownership	27	27
Management control	19	14
Skills development	20	20
Enterprise and supplier development	40	32
Socio-economic development	5	5
	111	98
B-BBEE recognition level contributor		2

HEALTH AND SAFETY

The health and safety of employees and customers is key to business success. The directors acknowledge their responsibility to remain compliant with occupational health and safety standards.

The Group's health and safety policies are regularly reviewed and adjusted in accordance with changing government legislation. These policies provide the core framework for standard processes. CMH believes incidents are preventable. Its policies seek to minimise potential hazards in operations to eliminate risk and provide a safe and healthy working environment. Comprehensive health and safety risk assessments have taken place across all Group operations, and systems have been implemented to manage identified risks and ensure compliance with government regulations.

Safety is the priority and responsibility of all employees. The dealer principal is the main individual responsible for health and safety matters at each dealership, with the chief executive officer assuming ultimate responsibility for the Group. Each site has a health and safety representative and a first aid officer. These representatives and officers receive external training to ensure that they are familiar with the legislative requirements and are equipped to discharge their responsibilities in this regard. Dealer principals are supported by an independent specialist who conducts monthly site inspections and quarterly compliance audits across all operating sites controlled by the Group. Reports are provided to the relevant levels of management who are obliged to undertake any required remedial actions within agreed time frames. The audit results and improvement recommendations are reported to the Social, ethics and transformation committee.

Reportable incidents are critically analysed by safety experts to understand the root cause. Where possible, improvements in operating procedures are introduced to prevent recurrence. The Group is pleased to report that it has once again recorded no fatalities nor serious safety incidents in the workplace. The Group had seven reportable incidents during the year.

ENVIRONMENTAL ISSUES

The retail motor and car hire business sectors are not generally regarded as high environmental impact sectors and the Group is a relatively low consumer of basic utilities such as water and electricity, and consequently has a small carbon footprint. It does, however, continue to focus on environmentally-friendly business practices. Taking into consideration the nature of the business, the most significant opportunities for minimising its environmental impact are:

Reducing the consumption of water

The biggest potential impact on the environment is the water used to wash vehicles on showroom floors, in workshops and at rental depots. Management recognises that responsible use of water is critical. The Group rents the "CMH Green" waterless car wash system to third-party customers and uses the system in all operations. At its larger car hire outlets, where car washing and water usage is high, the Group has installed water filtration and recycling plants together with rain water capture facilities to reduce water consumption.

Reducing electricity consumption

Management has continued to focus on reducing energy consumption, given the negative impact which the above-inflationary increases in electricity have had on Group profitability and the ongoing supply concerns facing South Africa. Dealerships had no option but to invest in expensive inefficient and environmentally-damaging back-up generators. In order to minimise their use, the Group has invested substantial amounts in energy-efficient lighting and automated timing devices in the vehicle dealerships. It has also invested R21 million in solar power systems across 23 sites. These investments have a return-on-investment period of approximately three years. In new properties that have been developed by third parties for use by the Group, management has ensured that similar initiatives are put in place by the owners of the properties.

The safe disposal of hazardous and non-hazardous waste

Within the after-sales departments, the Group adheres to the relevant regulations concerning waste. Our policies promote processes and procedures which, so far as is reasonably practicable, avoid or minimise the contamination of water, air or the ground and manage responsibly the by-products of activities, such as noise, waste packaging and waste substances. The following programmes are in place to minimise or recycle waste wherever possible:

- **Paper:** The Group has an ongoing drive to reduce paper consumption through reduction in printing, double-sided printing and recycling the majority of office paper waste. First Car Rental uses electronic vouchers and online invoice retrieval, complemented by its corporate Show&Go mobile checkout. Its Customer Services division is also a paperless environment;
- **Tyres:** Used tyres that are no longer required are collected by registered agents of the Recycling and Economic Development Initiative of South Africa;
- **Glass:** Most glass replacements are contracted out to specialist fitment centres. Where replacements are done on site, the old glass is removed by the contracted company and recycled in an approved manner;
- **Used motor oil and batteries:** The Group uses accredited waste oil service providers and disposes of batteries in accordance with applicable local regulations; and
- **Hazardous waste:** Hazardous waste material is removed by accredited waste removal companies and, where required, waste removal and disposal certificates are obtained in line with the Waste Management Act.

The Group has not incurred any environment-related fines nor penalties.

SOCIAL ISSUES

Whilst appreciating that long-term financial success is an essential component of stakeholder confidence, the directors remain committed to supporting the communities in which the Group operates. Corporate Social Investment relates to financial and non-financial investment in socially-responsible initiatives.

The Group supports a wide range of charitable projects with a focus on education and youth, particularly those with disabilities. The Group has long-term relationships with numerous beneficiaries that meet these criteria and contributes by way of donations of cash, resources and long- and short-term free use of motor vehicles. The primary beneficiaries during the year under review were:

- the disabled unit of the University of the Free State
- Fulton School for the Deaf
- CHOC Childhood Cancer Foundation
- the Domino Foundation
- Ndungane Twins Foundation
- Seatides Combined School

REPORT OF THE AUDIT AND RISK ASSESSMENT COMMITTEE

This report has been compiled in compliance with section 94(7)(f) of the Companies Act of South Africa.

The Audit and risk assessment committee was appointed by shareholders in respect of the year ended 28 February 2025.

All members are independent non-executive directors of the Company. The committee has adopted formal terms of reference agreed to by the Board. These have been embodied in its charter and work plan which aligns with the Companies Act of South Africa, the King IV Code on Corporate Governance, and the JSE Listings Requirements.

The committee meets biannually. Attendance details are recorded on page 18. The financial director, external auditor and chief audit executive of the Company are required to attend committee meetings and the Company chairman attends by invitation.

The role and functions of the committee, the manner in which it has discharged its responsibilities, and the key areas of focus for the year, are as follows:

OVERSEE INTEGRATED REPORTING

- evaluate significant judgements and reporting decisions made by management, including changes in accounting policies and decisions requiring a significant element of judgement;
- be informed of any monitoring or enforcement actions and involved in management's response thereto;
- consider any evidence that comes to its attention that brings into question any previously-published Group information;
- review forward-looking statements of financial or sustainable information to ensure their credibility;
- review and comment on the annual and interim financial statements, accounting practices and internal financial controls; and
- review management's statement regarding the going-concern status of the Company and the Group.

The committee has discharged this function by:

- taking appropriate steps to ensure that the financial statements are prepared in accordance with International Financial Reporting Standards, the SAICA Financial Reporting Guides, as issued by the Accounting Practices committee, the Financial Pronouncements, as issued by the Financial Reporting Standards Council, and the Companies Act of South Africa;
- taking appropriate steps to ensure that all entities included in the consolidated financial statements have established appropriate financial reporting procedures to allow the effective preparation of the financial statements, and that those procedures are operating effectively;
- considering and, when appropriate, making recommendations on the effectiveness of the internal financial controls;
- dealing with concerns or complaints relating to accounting policies, internal audit and internal financial controls;
- considering any whistle-blowing complaints;
- reviewing the report of the external auditor and the key audit matters; and
- recommending to the Board that the financial statements and integrated report be approved, and that the Group's status as a going concern be confirmed.

ENSURE THAT A COMBINED ASSURANCE MODEL IS APPLIED TO PROMOTE A CO-ORDINATED APPROACH TO ASSURANCE ACTIVITIES

The committee has satisfied itself that the combined assurance provided by internal and external assurance providers and management is sufficient to address significant risk areas within the Group and to ensure that suitable controls exist to mitigate and reduce these risks. Details of the Group's combined assurance model are set out in the King IV Code: Principle 15 on the Group's web site, www.cmh.co.za.

SATISFY ITSELF OF THE EXPERTISE, RESOURCES AND EXPERIENCE OF THE GROUP'S FINANCE FUNCTION

The committee has evaluated and satisfied itself of the suitability of the expertise and experience of the financial director, SK Jackson, and the adequacy of resources and expertise of the finance department and its senior management.

ACCEPT RESPONSIBILITY FOR OVERSEEING OF INTERNAL AUDIT

The committee has satisfied itself that the Group's internal audit function is independent and has the necessary resources, budget, standing and authority within the Group to discharge its duties. Details of the Group's internal audit function are set out in the King IV Code: Principle 15 on the Group's web site, www.cmh.co.za. The internal audit plan has been considered and approved, and areas of overlap between internal and external audit identified so as to optimise the combined assurance model. There is regular communication between the committee chairman and the chief audit executive who also reports on internal audit activities for the period at each committee meeting. The committee chairman meets with the chief audit executive annually without management's presence.

ACCEPT RESPONSIBILITY FOR THE GROUP'S RISK MANAGEMENT FUNCTION

Details of the committee's role and function in this area are provided on page 24. In discharging its responsibility, the committee focused on financial reporting risks, internal financial controls and fraud and information technology risks in relation to financial reporting. The committee is satisfied that these areas have been appropriately addressed.

OVERSEE THE APPOINTMENT OF THE EXTERNAL AUDITOR AND THE EXTERNAL AUDIT PROCESS

- recommend to shareholders the appointment, reappointment and removal of the external auditor and designated partner, after ensuring that the external auditor is registered with the Independent Regulatory Board for Auditors and the designated partner is suitably qualified and eligible to fulfil the position;
- approve the external auditor's terms of engagement and remuneration;
- review, monitor and report on the external auditor's independence and objectivity;
- discuss the external audit process without management's presence;
- define, for Board approval, a policy addressing the nature, extent and terms under which the external auditor may perform non-audit services and ensure compliance therewith; and
- develop a process in terms of which the committee receives, and communicates to the Board, any notices of reportable irregularities reported by the external auditor.

In respect of the 2025 financial year-end, the committee reviewed and approved the external audit plan, the external auditor's terms of engagement and proposed remuneration. It is satisfied that KPMG Inc. is independent of the Group, and able to express an objective opinion. The re-appointment of KPMG Inc. and lead partner, D Read, have been considered and are recommended for approval by shareholders at the forthcoming annual general meeting.

The committee is satisfied that, in respect of the financial year ended 28 February 2025, it has performed all of the functions required to be performed by an audit committee.

ME Jones
Chairman, Audit and risk assessment committee

24 April 2025

REPORT OF THE REMUNERATION AND NOMINATIONS COMMITTEES

This report has been compiled on behalf of the Board in compliance with the Companies Act of South Africa, the JSE Listings Requirements, and the King IV Code on Corporate Governance.

The Board has delegated to the Remuneration committee ("Remco") and Nominations committee ("Nomco") the responsibility for ensuring statutory compliance under the direction of the Board. Each committee has its own charter, approved biennially by the Board, and meets independently. The committees comprise three independent non-executive directors elected annually by the Board, and provides feedback, through the chairman, at the next Board meeting. A summary of minutes of meetings is circulated to the Board, and all directors are given the opportunity to raise questions or concerns arising therefrom.

The Remco and Nomco chairmen and committee members in office during the year under review, together with their attendance at meetings, are recorded on pages 17 and 18. Where their input is sought, the Group CEO and CFO are requested to attend Remco and Nomco meetings, but are required to recuse themselves when their remuneration is discussed. The Board assumes responsibility for the governance of remuneration and nomination by setting the direction for how it should be determined within the Group in a fair, responsible and transparent manner.

NOMINATION POLICY AND IMPLEMENTATION REPORT

The nomination policy has been designed to achieve the following objectives:

- ensure succession planning for the CEO, executives and other key personnel;
- nominate candidates for election as new members of the Board; and
- consider the independence of non-executive directors.

The Board is satisfied with Nomco's assessment that the nomination policy achieved the desired outcomes during the year under review, and that it has fulfilled its responsibilities in accordance with its terms of reference.

REMUNERATION POLICY

The remuneration policy has been designed to achieve the following objectives:

- the attraction, motivation, reward and retention of the best human resources within each level of the sectors in which the Group operates;
- the achievement of positive outcomes in pursuit of the Group's strategic objectives;
- alignment with stakeholder interests; and
- the promotion of an ethical and responsible culture.

The policy aims to ensure that:

- the remuneration of executive management is fair and responsible in the context of overall Group employee remuneration;
- employees are incentivised to meet targets that align with stakeholder objectives;
- new engagements, and promotion opportunities, give consideration to transformation goals;
- due consideration is given to legislated minimum remuneration levels; and
- there is equal pay for equal value outcomes, with no discrimination based on gender or race.

The elements of remuneration offered within the Group are recorded in the table below:

	Purpose and link to Group strategy	Earnings opportunity
GUARANTEED		
Base salary	Market-related level of remuneration commensurate with job function and CPI. Reviewed annually after consideration of personal performance and responsibilities measured against objectives, and individual behaviour in line with Group culture.	Market-related. In respect of executive directors and executive committee members collectively, the base salary has, over the past 3 years, comprised 60% to 64% of total remuneration.
Pension, medical, other benefits	Benefits and allowances, both legislated and voluntary, which are appropriate to the job function. Benefits include: ▪ retirement funding ▪ health care ▪ UIF contributions ▪ use of Group-owned vehicles	Generally, benefit values align with base salaries. In respect of executive directors and executive committee members collectively, the value of benefits has, over the past three years, comprised 11% to 13% of total remuneration. In respect of health care and retirement funding, the cost is shared between the Group and employees.
SHORT-TERM		
Commission and profit-share	To motivate employees to achieve short-term strategic financial objectives. Criteria vary according to job function and level of responsibility, and include: ▪ product sales volume, market penetration and gross profit levels ▪ achievement of manufacturer sales and customer satisfaction targets ▪ working capital management ▪ department profit ▪ branch/dealership/franchise profit ▪ transformation targets ▪ Group headline earnings per share ▪ Group return on shareholders' funds	Target levels are set monthly, quarterly or annually, depending on the nature of the incentive scheme. No upper limits apply, other than in respect of executive directors (refer to Implementation Report on page 29 for details on executive directors). In respect of executive directors and executive committee members collectively, the value of short term benefits has comprised 18% to 27% of total remuneration over the past three years.
MEDIUM/LONG-TERM		
Share incentive scheme	To motivate senior employees to achieve medium/long-term strategic financial objectives, aligned with shareholder interests. Participation in the Group Share Appreciation Rights Scheme is limited primarily to executive directors, executive committee members, regional accountants, and regional finance and insurance managers. Employees are encouraged, but not forced, to retain the shares awarded. In terms of the Scheme, participants are given conditional rights to receive CMH shares, the number of which is determined with reference to the rise in the CMH share price over 3-5 years.	No limit applies to the value which may be earned. In respect of executive directors and executive committee members collectively, the cost of this long-term benefit has traditionally comprised 2% to 6% of total remuneration. Details of awards made during the current and prior years are recorded in note 14.4 to the consolidated financial statements. Directors SK Jackson and JD McIntosh have not been awarded rights as their existing shareholding aligns them with shareholder interest.

REPORT OF THE REMUNERATION AND NOMINATIONS COMMITTEES CONTINUED

IMPLEMENTATION REPORT

Background statement

Remco's key area of focus during the year continued to be the setting of fair, but challenging, incentive schemes which recognised the exceptional trading conditions, the need to retain and motivate key management, and the expectations of stakeholders. Remco recognises that the Group competes for a limited pool of talent in a competitive market sector. Attention was also given to those employees on lower pay rates to ensure that they were treated fairly and responsibly.

The Remco did not consult with independent remuneration consultants during the year, but was guided by national remuneration trends reports in respect of companies of similar size and complexity, and competitor offerings.

The Board is satisfied with Remco's assessment that the remuneration policy achieved the desired outcomes during the year under review, and that it has fulfilled its responsibilities in accordance with its terms of reference.

Overview of executive director remuneration

A policy of Remco is to ensure that the executive directors are fairly rewarded for their individual contributions to the Group's overall performance, and to provide a competitive remuneration package commensurate with their management of the Group in the long-term interests of all stakeholders. To this end, Remco believes that a meaningful proportion of executive directors' remuneration should be performance-driven, a feature which is common in the motor retail and car hire sectors.

Executive directors' employment contracts are terminable after six months' notice, with no additional benefits accruing on termination.

During a second difficult and disappointing trading year, the Group's financial results ended below the "minimum" level set by the committee at the beginning of the year. Car hire, as a separate segment, also achieved a financial outcome below the "minimum" level.

In respect of non-financial indicators both the Group and car hire scored in the range between "on-target" and "maximum". As a result, the performance-related remuneration of executive directors was substantially below the previous year.

It was accepted that the assumptions made in compiling the budget were unlikely to hold true in all instances. In the event that an unforeseen change in assumptions had a positive or negative impact on the outcomes, Remco reserved the right to amend the targets so as to preserve the concept of "fair reward aligned to stakeholder interests". Despite the difficult trading conditions achieved during the first half of the current year, the targets were not amended for the second half.

Full details of the remuneration are recorded on page 83 and aligned with the guidelines recorded in last year's report.

The year ahead

The executive directors expect the year ahead to record a continued reduction in interest rates leading to a modest increase in national new and used vehicle sales levels. Historic losses on the Proton vehicle range have been stemmed and the new Foton range has enjoyed an exciting and fruitful launch. Modest growth is anticipated from both car hire and financial services.

Remco has confirmed that the basic salaries of executive directors will be increased by 5% in respect of the year ahead. The performance-related earnings have been aligned with the anticipated financial results of the Group in the areas of:

- headline earnings per share;
- return on shareholders' funds; and
- cash flow generation

and the following non-financial key performance indicators:

- ensuring the Group's effective risk management and reporting processes are maintained;
- continuing the mutually-beneficial relationships with manufacturers, customer finance houses and financiers;
- improving, or at least maintaining, the Group's and car hire's black economic scorecard rating, employment equity statistics, and skills development training; and
- developing Group strategy and a growth platform.

The on-target structure records a guaranteed remuneration of 60%-68% of the total package, with the balance being variable. Of the variable portion, 76-83% relates to financial issues, and the balance to key non-financial issues.

In respect of BWJ Barritt, a lesser emphasis will be placed on Group financial results, and a higher weighting on car hire's profitability.

Remco, once again, reserves the right to amend the targets in the event that an unforeseen change in circumstances has a material positive or negative effect on outcomes.

The table below indicates the components of remuneration that will be paid to each executive director under minimum, on-target, and maximum performance outcomes. The values exclude the expected vesting outcomes of long-term share appreciation rights awarded to BWJ Barritt.

	Minimum R'000	On-target R'000	Maximum R'000
BWJ Barritt			
– guaranteed basic salary and benefits	5 993	5 993	5 993
– annual performance-related	–	3 985	5 485
	5 993	9 978	11 478
Ratio	60%	100%	115%
SK Jackson			
– guaranteed basic salary and benefits	7 125	7 125	7 125
– annual performance-related	–	3 325	4 540
	7 125	10 450	11 665
Ratio	68%	100%	112%
JD McIntosh			
– guaranteed basic salary and benefits	9 112	9 112	9 112
– annual performance-related	–	5 600	8 100
	9 112	14 712	17 212
Ratio	62%	100%	117%

Non-executive directors' fees

The fees of the non-executive directors comprise an annual retainer component and attendance fee for scheduled meetings. Non-executive directors do not receive short-term incentives nor do they participate in any long-term incentive schemes. The fees of the non-executive directors in respect of the year ended 28 February 2025 are recorded on page 83. A 5% increase in fees was approved at the annual general meeting held in June 2024.

A 5% increase in fees has been proposed for the year ahead. Full details of the proposed fee structure are recorded in the Notice of Annual General Meeting on page 89.

Voting on remuneration

In terms of the Companies Act requirements, the fees of non-executive directors for their services as directors must be approved by special resolution of shareholders. The proposed resolution is contained in the Notice of Annual General Meeting, on page 89. At the 2024 annual general meeting, 99% of voting shareholders approved the resolutions for non-executive directors' fees.

In terms of the JSE Listings Requirements and King IV, the Remuneration Policy and Implementation Report should be tabled before shareholders for a separate non-binding advisory vote of approval. The Notice of Annual General Meeting, on page 89, records the proposed resolutions. At the 2024 annual general meeting, both the Remuneration Policy and Implementation Report were endorsed by 97% of voting shareholders.

REPORT OF THE REMUNERATION AND NOMINATIONS COMMITTEES CONTINUED

Remco undertakes that, in the event that either the Remuneration Policy or the Implementation Report, or both, are voted against by 25% or more of the voting rights exercised at the annual general meeting, it will, in good faith, and using its best reasonable efforts:

- disclose in the voting results announcement, which will be issued on the day after the annual general meeting, an invitation for dissenting shareholders to engage with management;
- detail the manner and timing of such engagement;
- engage with dissenting voters to ascertain the reasons for the dissenting votes;
- appropriately address legitimate and reasonable objections and concerns raised;
- amend the Remuneration Policy and/or Implementation Report, if necessary; and
- record in next year's Report of the Remuneration Committee, the details and results of such engagements, and the steps taken to address legitimate and reasonable objections and concerns.

JA Mabena
Chairman, Remuneration committee

JS Dixon
Chairman, Nominations committee

24 April 2025

REPORT OF THE SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE

This report has been compiled on behalf of the Board in compliance with Regulation 43(5)(c) of the Companies Act Regulations 2011.

The Social, ethics and transformation committee is a statutory committee established in compliance with the Companies Act of South Africa. The committee has adopted formal terms of reference agreed by the Board. These have been embodied in its charter which aligns with the Companies Act Regulations 2011, the King IV Code on Corporate Governance, and the JSE Listings Requirements.

The composition of the committee is set out on page 17 and the qualifications of the committee members are disclosed on pages 10 and 11.

The committee meets biannually. Attendance details are recorded on page 18.

The purpose of the Social, ethics and transformation committee is to:

- assist the Board in ensuring that the Group is and remains a committed socially responsible corporate citizen;
- review policies, plans and processes aimed at facilitating transformation in the Group; and
- supplement, support, advise and provide guidance on the effectiveness or otherwise of management's efforts in respect of sustainable development, ethics and transformation.

To fulfil this purpose, the associated responsibilities of the committee are to:

- monitor the Group's activities, having regard to relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to:
  - social and economic development;
  - good corporate citizenship;
  - the environmental impact of the Group's activities and of its products and services;
  - the health and public safety of the Group's employees and customers;
  - consumer relationships; and
  - labour and employment
- ensure that the Group's transformation strategy and goals align with its business objectives and strategies;
- approve, review and monitor progress toward achievement of B-BBEE scorecard targets;
- approve, review and monitor progress toward achievement of Employment Equity targets and transformation objectives; and
- approve, review and monitor progress toward achievement of skills development targets.

The committee's main areas of focus during the reporting period were:

- working closely with management on strategies in place to ensure that the Group's subsidiary companies maintain a level 4 B-BBEE scorecard rating and black ownership in excess of 51%;
- approval of the Employment Equity Plan, with specific focus on skills development;
- review of progress towards the achievement of the targets in the Employment Equity Plan; and
- review of management initiatives in the areas of skills development, particularly in respect of recruitment, development, promotion and retention of African staff.

The focus areas in the coming year are expected to be:

- continued focus on maintaining the current B-BBEE ratings, with particular emphasis on meeting the minimum criteria on each of the priority elements, and maintaining greater than 51% black ownership;
- review and approval of the targets and goals set out in the Employment Equity Plan. This will include specific focus on skills development which is key to achieving transformation; and
- continued monitoring of the Group's ethics performance and management's strategy for entrenching ethics throughout the business.

The committee has satisfied itself that the Group's activities have regard to relevant legislation and prevailing codes of best practice in each of the relevant areas and that there are no instances of material non-compliance to disclose.

The committee is satisfied that it has performed all the functions required to be performed by it as set out in Regulation 43(5) of the Companies Act Regulations, 2011.

JA Mabena
Chairman, Social, ethics and transformation committee

24 April 2025

EXECUTIVE DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

FOR THE YEAR ENDED 28 FEBRUARY 2025

We, the directors whose names are stated below, report with reference to both the Company and the Group and hereby confirm that:

- the financial statements set out on pages 40 to 87, fairly present, in all material respects, the financial position, financial performance and cash flows of the Company and the Group in terms of IFRS Accounting Standards;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to both the Company and its consolidated subsidiaries has been provided to effectively prepare the financial statements of the Company and Group;
- the internal financial controls are adequate and effective and can be relied upon in compiling the financial statements, having fulfilled our role and function, as executive directors with primary responsibility for implementation and execution of controls, within the combined assurance model pursuant to principle 15 of the King Code;
- where we are not satisfied, we have disclosed, to the Audit and risk assessment committee and the external auditor, the deficiencies in design and operational effectiveness of the internal financial controls and have remediated the deficiencies or taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

SK Jackson
Finance director

JD McIntosh
Chief executive officer

24 April 2025

DIRECTORS' APPROVAL OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2025

The Board of directors reports with reference to both the Company and the Group.

The directors are responsible for the preparation, integrity and fair presentation of the financial statements. The financial statements presented on pages 40 to 87 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS® Accounting Standards"), the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee, Financial Pronouncements, as issued by the Financial Reporting Standards Council, and in the manner required by the Companies Act of South Africa, and include amounts based on judgements and estimates made by management.

The directors consider that in preparing the financial statements, they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all IFRSs that they consider to be applicable have been followed.

The directors are satisfied that the information contained in the financial statements fairly presents the results of operations for the year and the financial position of the Company and the Group at year-end. The directors also prepared the other information included in the integrated annual report and are responsible for both its accuracy and its consistency with the financial statements.

The directors have responsibility for ensuring that accounting records are kept. The accounting records should disclose with reasonable accuracy the financial position of the Company and the Group to enable the directors to ensure that the financial statements comply with the relevant legislation.

The Company and the Group operated in a well-established control environment, which is well-documented and regularly reviewed. This incorporates risk management and internal control procedures which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and the risks facing the business are controlled.

The Company and the Group operated in compliance with the provisions of the Companies Act of South Africa and their memoranda of incorporation.

The going-concern basis has been adopted in preparing the financial statements of the Company and the Group. The directors believe that the Company and the Group are in a sound financial position and will be going concerns in the foreseeable future, based on forecasts and available cash resources. These financial statements support the viability of the Company and the Group.

The Code of Corporate Practices and Conduct has been adhered to.

The financial statements were prepared by SK Jackson, CA (SA). They have been audited by the Group's external auditor, KPMG Inc., in compliance with the requirements of the Companies Act of South Africa. The financial statements were approved by the board of directors and are signed on its behalf by:

JD McIntosh
Chief executive officer

JS Dixon
Chairman

24 April 2025

CERTIFICATION BY THE COMPANY SECRETARY

In my capacity as company secretary, I hereby confirm that, for the year ended 28 February 2025, the Company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act of South Africa, and that all such returns are true, correct and up to date.

PGovind

PMM Govind
Company secretary

24 April 2025

DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2025

Your directors have pleasure in submitting their report on the affairs of the Company and the Group during the year ended 28 February 2025.

NATURE OF BUSINESS

Combined Motor Holdings Limited ("the Company") is an investment holding company with subsidiaries owning significant interests in motor retail/distribution, car hire and financial services. On 13 December 2024, the JSE approved the Company's application to transfer its listing to the General Segment of the Main Board of the JSE. The Company is listed in the "General Retailers" sector of the JSE Limited. The Company does not trade and all of its activities are undertaken through its subsidiaries. Further details of the Group's operations appear on pages 6 and 7.

OPERATING RESULTS

Full details of the operating results of the Company and the Group are set out in the attached financial statements.

SHARE CAPITAL

Details of the authorised and issued share capital are set out in the attached financial statements.

DIVIDENDS

The following dividends were declared during the year under review:

	2025 R'000	2024 R'000
Dividend number 72: 102 cents, declared 17 October 2024	**76 298**	–
Dividend number 71: 220 cents, declared 7 May 2024	**164 564**	–
Dividend number 70: 146 cents, declared 12 October 2023	**–**	109 211
Dividend number 69: 240 cents, declared 26 April 2023	**–**	179 525
	240 862	288 736

DIRECTORS AND SECRETARY

The directors in office during the year, and at the date of this report are:

- JS Dixon (independent non-executive chairman)
- JD McIntosh (chief executive officer)
- BWJ Barritt (executive)
- SK Jackson (executive)
- ME Jones (independent non-executive)
- RT Komane (independent non-executive)
- JA Mabena (independent non-executive)
- AY Metu (independent non-executive), resigned 12 April 2024
- MR Nkadimeng (independent non-executive)
- HP Spencer (independent non-executive), appointed 12 April 2024

In terms of the Company's memorandum of incorporation ("MOI"), each non-executive director serves for a maximum period of 40 months from the date of his/her election. In addition, the MOI provides that at least one third of the non-executive directors in office must retire each year and the directors to retire will be those who have been longest in office since their last re-election. Accordingly, JS Dixon and ME Jones will retire at the forthcoming annual general meeting but, being eligible, offer themselves for re-election. A brief curriculum vitae of each of these directors is recorded on page 90.

The executive directors, together with the members of the executive committee, represent the key management of the Group.

The secretary of the Company is PMM Govind, whose business and postal addresses are:

Business
1 Wilton Crescent
Umhlanga Ridge
4319

Postal
PO Box 1033
Umhlanga Rocks
4320

DIRECTORS' SHAREHOLDING

Details of the directors' direct and indirect shareholding in the Company are reflected on page 85.

There has been no change in directors' shareholding between the financial year-end and the date of this report.

SUBSIDIARIES

Full details of the Company's subsidiaries are set out on page 82.

The results of the subsidiaries, so far as concerns the Company, comprise aggregate income and losses for the year, after taxation, of R281 845 000 (2024: R393 186 000) and R0 (2024: R5 112 000) respectively.

AUDITOR

At the annual general meeting, shareholders will be requested to approve the Board's proposal to re-appoint KPMG Inc. and designated partner DS Read, as auditor of the Company and its subsidiaries for the financial year ending 28 February 2026.

PENDING LITIGATION

The Group is not involved in any material legal or arbitration proceedings or legal actions, nor are the directors aware of any proceedings that are pending or threatened, that may have, or have had, in the 12-month period preceding the date of this Integrated Annual Report, a material adverse effect on the Group's financial position.

SUBSEQUENT EVENTS

Other than that recorded in note 35 to the attached financial statements, no fact or circumstance material to an appreciation of these financial statements has occurred between the financial year-end and the date of this report.

Umhlanga Ridge
24 April 2025

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF COMBINED MOTOR HOLDINGS LIMITED

Report on the audit of the consolidated and separate financial statements

OPINION

We have audited the consolidated and separate financial statements of Combined Motor Holdings Limited (the Company) and its subsidiaries (together the Group) set out on pages 40 to 85, which comprise the consolidated and company statements of financial position as at 28 February 2025, consolidated and company statements of comprehensive income, consolidated and company statements of changes in equity, consolidated and company statements of cash flows, and segment information for the year then ended, and notes to the consolidated and company financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and the Company as at 28 February 2025, and their consolidated and separate financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS® Accounting Standards") and the requirements of the Companies Act of South Africa.

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 are independent of the Group and Company 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). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

FINAL MATERIALITY

The scope of our audit was influenced by our application of materiality. We set quantitative thresholds and overlay qualitative considerations to help us determine the scope of our audit and the nature, timing and extent of our procedures, and in evaluating the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the consolidated and separate financial statements as follows:

	Consolidated financial statements	Separate financial statements
Final materiality	R83 400 000	R5 070 000
How we determined it	0,6% (rounded) of total revenue.	0,8% of total assets.
Rationale for benchmark and percentage applied	We selected total revenue as the most appropriate benchmark because, in our view, it is the benchmark which best reflects the focus of the users of the financial statements given that the Group uses revenue as an indicator of growth and to measure performance. We chose 0,6% based on our professional judgement after consideration of qualitative factors that impact the Group.	We selected total assets as the most appropriate benchmark because, in our view, it is the benchmark which best reflects the focus of the users, given that the Company is an investment holding company that holds the investments for generating returns. We chose 0,8% based on our professional judgement after consideration of qualitative factors that impact the 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 misstatement to the consolidated financial statements and which further audit procedures to perform at these components to address those risks. Our judgement included assessing the nature and size of the account balances at the components as well as specific risks that required an audit response.

In total, we identified eight (8) components. Of those, we identified four (4) components on which further audit procedures were performed on the entire financial information of the component, because audit evidence needed to be obtained on all or a significant proportion of the component's financial information.

We also identified four (4) components, on which further audit procedures were performed on one or more classes of transactions, account balances or disclosures based on the assessed risks of material misstatement to the consolidated financial statements.

Accordingly, we performed audit procedures on eight (8) components, of which we involved component auditors in performing the audit work on six (6) components.

For the remaining financial information where audit procedures were not performed, we performed an analysis at an aggregated Group level to re-examine our assessment that there is less than a reasonable possibility of a material misstatement in the remaining financial information. This assessment was supported through the performance of Group level analytical review procedures.

In respect of the reporting components where we performed audit procedures, 91% of the Group's total assets and 96% of the Group's total revenue, were covered by the audit of the eight (8) components scoped in. We considered the scope of the audit, as communicated to the Group Audit and Risk Assessment Committee, to be an appropriate basis for our audit opinion.

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 on the separate financial statements.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

VALUATION OF CAR HIRE FLEET VEHICLES

Refer to material accounting policy note 1.4 Plant and equipment and car hire fleet vehicles, significant accounting judgements and estimates note 3.1 Carrying value of car hire fleet vehicles and note 6 Car hire fleet vehicles.

Key audit matter	How the matter was addressed in our audit
As at 28 February 2025, the carrying value of the Group's car hire fleet vehicles (vehicles) amounted to R1 281,8 million which represents 23% of the total assets of the Group. Based on the accounting policy, car hire fleet vehicles are recorded at historical cost less accumulated depreciation and impairment. Depreciation is calculated to write off the cost of the vehicles to their estimated realisable value over their estimated useful lives. The realisable value amount of individual assets is assessed annually and is written down if the carrying value exceeds the estimated realisable value. Management has the option to shorten or lengthen the actual life of vehicles, so as to optimise the relationship between the carrying value and the realisable value. There is inherent uncertainty regarding the future useful lives and realisable value which requires management to exercise judgement.	Our audit procedures included the following: ▪ We compared management's estimate of the realisable value of vehicles to the carrying value at year end; ▪ We inspected related third-party industry publications to understand the prevailing market conditions, and to evaluate them against management's realisable value judgements; ▪ We held enquiries with senior managers in the Group's used vehicle sector to obtain an understanding of the expected future vehicle resale values, and compared them with management's realisable value judgements; ▪ We evaluated the saleability of the various brands and models of vehicles by comparing them with the top selling products in the local market based on reliable third-party market data; ▪ We performed a physical asset verification of a sample of vehicles at year end to ensure they actually existed, were in operating condition and undamaged; ▪ We assessed the trading margin on all vehicles sold during the year to assess whether the realisable value judgements applied by management at the previous year end were reasonable. The assessment was extended to the preceding five years to identify and explain any fluctuations. In respect of a sample of vehicles sold during the year, we verified the selling price by vouching it to the actual sales invoice; ▪ For a sample of vehicles sold after year end, we compared the actual amounts realised with the realisable value estimates applied by management in the valuation at year end;

VALUATION OF CAR HIRE FLEET VEHICLES CONTINUED

Key audit matter	How the matter was addressed in our audit
The following inputs are taken into account in assessing the realisable value and estimated useful lives of the vehicles: ▪ condition of each vehicle; ▪ the kilometres travelled; ▪ the number of similar vehicles expected to be retired within a short time frame and the impact that high sales volumes may have on realisable values; and ▪ the current prices in the market for comparable models. Given the degree of judgement required and estimation uncertainty involved in determining the inputs into the realisable value of the vehicles, the valuation of vehicles was considered a key audit matter.	▪ We verified the age of vehicles sold during the year and compared the average age to the estimated useful lives which management applied in their realisable value judgements at year end; ▪ We assessed the number and value of vehicles sold at a loss during the year and assessed whether this would have an impact on the overall valuation at year end; and ▪ We evaluated whether a provision for impairment is required at year end for vehicles which had a carrying value in excess of their realisable amount. The results of our procedures listed above were satisfactory and we found the valuation of car hire fleet vehicles to be acceptable.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "2025 Integrated Annual Report Combined Motor Holdings", which includes the directors' report, report of the Audit and risk assessment committee, and the certification by the company secretary as required by the Companies Act of South Africa. The other information does not include the consolidated and 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 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 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, 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 International Financial Reporting Standards as issued by the International Accounting Standards Board ("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 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 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 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 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; and
- 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 the 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 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 KPMG Inc. has been the auditor of Combined Motor Holdings Limited for 3 years.

Disclosure of fee related matters

Pursuant to requirements of the IRBA Code and in terms of the EAR Rule, we report that the fees related to the services provided by our firm and network firms are the following:

Categories of services	Amount
Financial statement audit	R6 936 800 (excluding VAT)
Other services	R 0

KPMG Inc.
Registered Auditor

Per David Read
Chartered Accountant (SA)
Registered Auditor
Director

24 April 2025

KPMG
6 Nokwe Avenue
Umhlanga Ridge
Durban

SEGMENT INFORMATION

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Total		Motor retail/ distribution		Car hire		Financial services		Corporate services/other	
2025	R'000	%	R'000	%	R'000	%	R'000	%	R'000	%
External revenue	13 251 596	100	12 223 369	93	830 307	6	139 722	1	58 198	–
Inter-segment revenue	41 626	100	–	–	576	1	–	–	41 050	99
Segment revenue	13 293 222	100	12 223 369	92	830 883	6	139 722	1	99 248	1
Operating profit/(loss)	639 543	100	332 706	52	271 123	42	69 612	11	(33 898)	(5)
Finance income	56 714	100	342	–	–	–	13 950	25	42 422	75
Finance costs	(288 056)	100	(168 739)	58	(117 537)	41	–	–	(1 780)	1
Profit before taxation	408 201	100	164 309	40	153 586	38	83 562	20	6 744	2
After charging										
– cost of sales	10 786 812	100	10 300 235	95	429 243	4	33 633	1	23 701	–
– employee costs	1 000 853	100	756 475	76	133 703	13	–	–	110 675	11
– short–term lease charges	122 490	100	69 984	57	51 273	42	–	–	1 233	1
– depreciation										
– plant and equipment	39 179	100	33 158	85	1 582	4	–	–	4 439	11
– car hire fleet vehicles	135 075	100	–	–	135 075	100	–	–	–	–
– right-of-use assets	117 943	100	110 257	94	4 921	4	–	–	2 765	2
Total assets	5 472 658	100	3 038 220	55	1 406 860	26	30 197	1	997 381	18
Total liabilities	4 056 570	100	2 487 439	61	1 483 406	37	–	–	85 725	2
Goodwill at year-end	39 625	100	39 625	100	–	–	–	–	–	–

	Total		Motor retail/ distribution		Car hire		Financial services		Corporate services/other	
2024	R'000	%	R'000	%	R'000	%	R'000	%	R'000	%
External revenue	12 839 564	100	11 739 492	92	890 668	7	148 146	1	61 258	–
Inter-segment revenue	34 649	100	–	–	539	2	–	–	34 110	98
Segment revenue	12 874 213	100	11 739 492	91	891 207	7	148 146	1	95 368	1
Operating profit/(loss)	781 164	100	355 542	45	387 621	50	70 348	9	(32 347)	(4)
Finance income	55 805	100	48	–	–	–	12 896	23	42 861	77
Finance costs	(280 013)	100	(168 025)	60	(107 236)	38	–	–	(4 752)	2
Profit before taxation	556 956	100	187 565	34	280 385	50	83 244	15	5 762	1
After charging										
– cost of sales	10 313 533	100	9 825 043	95	426 610	4	39 695	1	22 185	–
– employee costs	956 425	100	744 055	78	124 865	13	–	–	87 505	9
– short–term lease charges	119 945	100	66 962	56	51 777	43	–	–	1 206	1
– depreciation										
– plant and equipment	41 215	100	32 760	79	1 574	4	–	–	6 881	17
– car hire fleet vehicles	137 923	100	–	–	137 923	100	–	–	–	–
– right-of-use assets	115 434	100	108 830	95	3 868	3	–	–	2 736	2
Total assets	5 185 446	100	2 870 133	55	1 405 896	27	34 632	1	874 785	17
Total liabilities	3 817 726	100	2 416 378	63	1 317 879	35	–	–	83 469	2
Goodwill at year-end	39 625	100	39 625	100	–	–	–	–	–	–

The Group's accounting policy for segment reporting is recorded in note 1.17 to the attached financial statements. Further information regarding what is included in the segments can be found on page 3.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2025

	Notes	2025 R'000	2024 R'000
ASSETS			
Non-current assets			
Plant and equipment	4	**110 610**	100 154
Right-of-use assets	5	**430 278**	451 946
Car hire fleet vehicles	6	**1 281 764**	1 278 275
Goodwill	7	**39 625**	39 625
Insurance contracts receivable	8	**30 197**	34 632
Deferred taxation	9	**87 030**	89 766
		1 979 504	1 994 398
Current assets			
Inventories	10	**2 073 599**	1 966 346
Trade and other receivables	11	**457 694**	392 628
Current tax receivable		**7 737**	16 969
Cash and cash equivalents	12	**954 124**	815 105
		3 493 154	3 191 048
Total assets		**5 472 658**	5 185 446
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	**38 091**	38 091
Share-based payment reserve	14	**15 224**	10 838
Retained earnings		**1 362 773**	1 318 791
Total equity		**1 416 088**	1 367 720
Non-current liabilities			
Car hire fleet liability	15	**383 649**	292 025
Lease liabilities	16	**471 378**	489 557
Contract liabilities	17	**4 741**	7 099
		859 768	788 681
Current liabilities			
Trade and other payables	18	**2 072 943**	1 976 221
Car hire fleet liability	15	**996 510**	922 555
Lease liabilities	16	**115 323**	122 881
Contract liabilities	17	**3 000**	1 447
Current tax liabilities		**9 026**	5 941
		3 196 802	3 029 045
Total liabilities		**4 056 570**	3 817 726
Total equity and liabilities		**5 472 658**	5 185 446

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Notes	2025 R'000	2024 R'000
Revenue			
Motor retail and distribution		**12 223 369**	11 739 492
Car hire		**830 307**	890 668
Financial services			
-insurance		**124 150**	132 000
-other		**15 572**	16 146
Corporate services/other		**58 198**	61 258
	19	**13 251 596**	12 839 564
Cost of sales	21	**(10 786 812)**	(10 313 533)
Gross profit		**2 464 784**	2 526 031
Other income	20	**21 431**	32 211
Selling and administration expenses	21	**(1 846 672)**	(1 777 078)
Operating profit		**639 543**	781 164
Finance income	22	**56 714**	55 805
Finance costs	23	**(288 056)**	(280 013)
Profit before taxation		**408 201**	556 956
Tax expense	24	**(106 709)**	(148 472)
Total profit and comprehensive income attributable to equity holders of the Company		**301 492**	408 484
EARNINGS PER SHARE	25		
Basic	(cents)	**403.1**	546.1
Diluted basic	(cents)	**396.6**	535.9

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Attributable to equity holders of the Company			
	Share capital R'000	Share-based payment reserve R'000	Retained earnings R'000	Total equity R'000
Balance at 28 February 2023	38 091	7 970	1 218 224	1 264 285
Total profit and comprehensive income			408 484	408 484
Release following exercise of share appreciation rights		(2 729)	2 729	
Cost of shares delivered in terms of share appreciation rights scheme			(21 910)	(21 910)
Share-based payment charge		5 597		5 597
Dividends paid			(288 736)	(288 736)
Balance at 29 February 2024	**38 091**	**10 838**	**1 318 791**	**1 367 720**
Total profit and comprehensive income			**301 492**	**301 492**
Release following exercise of share appreciation rights		**(2 431)**	**2 431**	
Cost of shares delivered in terms of share appreciation rights scheme			**(19 079)**	**(19 079)**
Share-based payment charge		**6 817**		**6 817**
Dividends paid			**(240 862)**	**(240 862)**
Balance at 28 February 2025	**38 091**	**15 224**	**1 362 773**	**1 416 088**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Notes	2025 R'000	2024 R'000
Cash flows from operating activities			
Cash generated from operations	26	**842 151**	866 067
Taxation paid	27	**(75 283)**	(146 135)
Net cash movement from operating activities		**766 868**	719 932
Cash flows from investing activities			
Purchase of plant and equipment		**(52 174)**	(48 976)
Proceeds on disposal of plant and equipment		**2 419**	5 752
Finance income received	28	**42 763**	42 909
Dividend received from special purpose entities conducting insurance underwriting activities	8	**49 152**	38 364
Net cash movement from investing activities		**42 160**	38 049
Cash flows from financing activities			
Cost of shares delivered in terms of share appreciation rights scheme		**(19 079)**	(21 910)
Finance costs paid	23	**(288 056)**	(280 013)
Principal element of lease liability repayments	29	**(122 012)**	(114 093)
Dividends paid	30	**(240 862)**	(288 736)
Net cash movement from financing activities		**(670 009)**	(704 752)
Net movement in cash and cash equivalents		**139 019**	53 229
Cash and cash equivalents at beginning of year		**815 105**	761 876
Cash and cash equivalents at end of year	12	954 124	815 105

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

1.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee, Financial Pronouncements, as issued by the Financial Reporting Standards Council, the JSE Financial Listing Requirements and in the manner required by the Companies Act of South Africa ("the Act"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below. The financial statements are for the Group consisting of Combined Motor Holdings Limited and its subsidiaries as disclosed on page 82 and were approved by the board of directors on 24 April 2025.

The policies set out below have been consistently applied to all the years presented unless otherwise stated.

New and revised standards and interpretations in issue and effective which are applicable to the Group
There are no standards, amendments or interpretations that became effective during the year that are relevant to the Group and no standards, amendments or interpretations not yet effective have been early adopted by the Group.

1.2 Basis of consolidation

Subsidiaries are those entities over which the Group has control. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are included until the date on which control ceases.

Inter-company transactions, balances and unrealised gains and losses on transactions amongst Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

1.3 Business combinations

The acquisition of a business is accounted for under the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of the exchange, of assets received and liabilities incurred or assumed. Acquisition-related costs are recognised in profit or loss as incurred. Goodwill arising on acquisition is recognised in accordance with note 1.6.

1.4 Plant and equipment and car hire fleet vehicles

Plant and equipment and car hire fleet vehicles are recorded at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. Depreciation is provided using the straight-line method to write off the cost of the assets to their estimated realisable values over their estimated useful lives as follows:

Plant and machinery	4 to 5 years
Furniture and office equipment	3 to 10 years
Car hire fleet vehicles	12 to 24 months
Other motor vehicles	4 to 5 years
Leasehold improvements	the period of the lease

The assets' realisable values and useful lives are reviewed, and adjusted if appropriate, at each financial year-end.

An asset's carrying amount is written down immediately to its estimated realisable amount if the asset's carrying amount is greater than its estimated realisable amount.

Profits and losses on disposal of plant and equipment are recognised in the statement of comprehensive income. Profits are included within "Other income" and losses within "Selling and administration expenses".

Car hire fleet vehicles are reclassified to inventories at the end of their useful lives and their disposal is recognised in the statement of comprehensive income within "Revenue" and "Cost of sales".

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES CONTINUED

1.5 Leases

The Group leases the properties from which it operates. At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group determines that it has the right to control the use of an identified asset when it has the right to obtain substantially all of the economic benefits from the use of the asset or where it has the right to direct the use of the asset, for the period of the agreement.

Initial lease periods vary from 12 months to 14 years. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. Lease rentals payable escalate at a fixed rate as set out in the lease agreements and there are no variable lease payments based on sales or any other index. The lease agreements do not impose any covenants on the Group. Leased assets may not be used as security for borrowing purposes.

Right-of-use assets
Right-of-use assets are initially measured at cost comprising the amount of the initial measurement of the lease liability.

The right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment. Depreciation is provided using the straight-line method over the shorter of each asset's useful life and the lease term.

Lease liabilities
The lease liabilities are initially measured at the present value of the contractual lease payments that are unpaid at the commencement date, calculated using the Group's incremental borrowing rate at the lease commencement date.

The incremental borrowing rate is the estimated rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group uses recent third-party financing received and applies adjustments specific to the lease, such as term and security, and to reflect changes in financing conditions since third-party financing was last received.

Lease payments included in the measurement of the lease liability comprise fixed contractual payments, including those to be made under reasonably certain extension options.

The lease liability is subsequently increased by the finance cost on the liability, calculated using the effective-interest-rate method, and decreased by repayments made, such that the remaining liability at the end of each reporting period is the present value of the remaining lease payments. The finance cost is charged to profit or loss over the lease period.

Lease modifications
Where leases are renegotiated, either in terms of rental amount, lease term, or both, the lease liability is remeasured based on the new terms at an appropriate incremental borrowing rate. The difference between the previous value of the lease liability and the revised value is then adjusted to the lease liability as well as to the right-of-use asset. The revised lease liability is amortised over the updated remaining lease term and the right-of-use asset is depreciated over the updated useful life.

Early termination of lease agreements
Where leases are terminated earlier than the contractual terms, the remaining right-of-use asset and the related lease liability are derecognised, and the difference between these two values, plus any termination costs, is recognised in profit or loss.

Extension options
Certain lease agreements contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. If so, the lease liability on commencement date will include the present value of rentals payable under the extended period.

The Group has concluded that it is not reasonably certain to exercise any of the options available to it at year-end. In the event that the Group does decide to exercise an option, the lease liability will be recalculated having regard for the lease payments in respect of the extended period. The value of the right-of-use asset will be adjusted accordingly and the resultant asset depreciated over the extended lease period or the remaining useful life of the asset, whichever is the shorter.

Sub-leases
The Group acts as a lessor where it sub-leases some of its leased properties on a short-term basis. These sub-leases are classified as operating leases and the lease income is included in "Other income" in the statement of comprehensive income on a straight-line basis.

Short-term leases and leases of low-value assets
Short-term leases are those where the Group has an unconditional right of use for a period not exceeding 12 months. Low-value assets comprise primarily office equipment. Payments made under short-term leases and leases of low-value assets are charged to the statement of comprehensive income when incurred.

1.6 Goodwill

Goodwill represents the future economic benefits arising from assets that are not capable of being individually identified and separately recognised in a business combination and is determined as the excess of the cost of acquisition over the fair value of the Group's share of net identifiable assets in the business combination at the date of acquisition.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Goodwill is recognised as an asset and initially reflected at its original cost. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying value, an impairment is recognised. Impairment losses on goodwill are not reversed.

Gains and losses on the disposal of an entity include the carrying value of goodwill relating to the entity sold.

1.7 Financial assets

Financial assets comprise "Trade receivables" and "Cash and cash equivalents" which the Group classifies as those to be measured at amortised cost. The classification depends on the Group's business model for managing the asset, and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal debt, are classified as those to be measured at amortised cost. The classification is determined at initial recognition. The remaining financial assets are initially measured at fair value plus transaction costs. Thereafter they are measured at amortised cost using the effective-interest-rate method, after deducting expected losses. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred, and the Group has transferred substantially all the risks and rewards of ownership.

The expected credit loss allowance in respect of financial assets is determined by assessing, on a forward-looking basis, the expected credit losses associated with its financial assets. The amount of the expected credit loss is recognised in the statement of comprehensive income within "Selling and administration expenses".

Trade receivables
The Group holds trade receivables with the objective of collecting the contractual cash flows, and therefore classifies them as those to be measured at amortised cost.

The expected credit loss allowance in respect of trade receivables is determined using the simplified approach permitted by IFRS 9. This requires expected credit losses from all possible default events over the expected life of the trade receivables to be recognised on inception.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, a failure to make contractual payments for a period of greater than 90 days after initial recognition and the failure of a debtor to engage in a repayment plan with the Group. Subsequent recoveries of amounts previously written off are credited against "Selling and administration expenses".

Cash and cash equivalents
Cash and cash equivalents comprise deposits held at call with banks, net of bank overdrafts. Bank overdrafts are reflected under current liabilities except where they are held at the same bank and branch as favourable balances and there is a legal right of set-off.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES CONTINUED

1.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income and is calculated on the basis of tax laws enacted or substantially enacted at the year-end.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred taxation is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred taxation is determined using tax rates and laws that have been enacted or substantially enacted at the year-end and are expected to apply when the related deferred taxation asset is realised or the deferred taxation liability is settled.

Deferred tax assets relating to income tax are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

1.9 Inventories

Inventories are stated at the lower of cost and net realisable value, due recognition having been made for slow-moving and redundant items. Movements in the provision are included in "Cost of sales" in the statement of comprehensive income. Net realisable value is the estimate of the selling price of inventory in the ordinary course of business, less applicable variable selling expenses. Cost includes all costs incurred that are necessary to bring the goods to saleable condition and location, and is determined on the following basis:

New vehicles	actual cost
Used and demonstration vehicles	actual cost
Parts and accessories	weighted average cost
Petrol, oils and other inventory	actual cost

Vehicles and parts purchased, which are paid for within the short time periods provided for in the manufacturers' standard franchise agreements, are recognised as inventory when received. This policy is applied despite the fact that certain agreements provide that ownership will remain vested in the manufacturer until the purchase price has been paid in full.

1.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.11 Financial liabilities

The Group has the following financial liabilities:

Trade and other payables: these are initially measured at fair value less transaction costs and subsequently measured at amortised cost. Short-term payables are measured at original invoice amount which approximates fair value; and

Car hire fleet liability: this is measured initially at the fair value of proceeds received, net of transaction costs incurred, when the Group becomes party to the contractual provisions. It is subsequently measured at amortised cost, using the effective-interest-rate method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised as finance cost/income in the statement of comprehensive income over the period of the liability.

Financial liabilities are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the year-end.

Financial liabilities are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expires.

1.12 Contract liabilities

Contract liabilities relate to the service contracts that are sold with vehicles to cover the cost of future expenditure over specified periods. The customer pays upfront in full as part of the cost of the vehicle and this value is released as revenue over the period of the performance obligations. Refer to note 1.14 "Revenue recognition". The revenue is long-term in nature (two to five years). Revenue recognised is the cost of the work performed. Contract liabilities are maintained to cover the contractual costs of future service work to be performed.

1.13 Employee benefits

Pension

The Group provides retirement benefits for its employees through a number of independent defined contribution plans. A defined contribution plan is a pension plan under which the Group pays a fixed contribution to a separate entity and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to their employment service.

Payments to the retirement contribution plans are charged to the statement of comprehensive income as incurred.

Health care

The Group provides health care benefits for its employees through contributions to various independent medical aid schemes. Payments to the medical aid schemes are charged to the statement of comprehensive income as incurred. The Group has no post-retirement obligations to employees.

Remuneration

The cost of all short-term employee remuneration is recognised during the period in which the employee renders the related service. An accrual is made for employee entitlement to salary, bonuses, profit-share and leave pay based on contractual obligations at current rates of remuneration.

Equity compensation plans

The Group enters into share-based payment transactions in terms of the employee share appreciation rights scheme. Costs incurred in administering the scheme are expensed as incurred. The charge to profit or loss required by IFRS 2: Share-based Payment is accounted for on the basis that the instruments are equity-settled. The total amount to be expensed over the vesting period is determined by reference to the fair value of the rights determined at the grant date using the Black-Scholes valuation model. Non-market vesting conditions are included in assumptions about the number of rights that are expected to become exercisable and the number of shares that the employee will ultimately receive. The amount determined by the model is charged to the statement of comprehensive income over the vesting period, with a corresponding credit to "Share-based payment reserve". The reserve is released proportionately when the rights are exercised.

1.14 Revenue recognition

Revenue recognised under IFRS 15: Revenue from Contracts with Customers

Revenue accounted for using IFRS 15 is recognised when control of the goods or services transfers to the customer, the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue is measured at the transaction price, after discount, of the sale of goods and services in the ordinary course of business, excluding value-added tax, and after eliminating sales within the Group. Revenue is measured as a fixed fee and has no variability nor recoupment. No significant element of financing is deemed present as the sales are made with a credit term of 30 days or less, which is consistent with market practice.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES CONTINUED

1.14 Revenue recognition continued

The Group derives revenue from the sale of the following products and services:

Products and services	Nature, timing of satisfaction of performance obligations and significant payment terms
Sales of motor vehicles, parts and accessories	Revenue on the sale of motor vehicles, parts and accessories is recognised "at a point in time" when the goods have been supplied to the customer. The satisfaction of the performance obligation occurs on delivery or collection of the product. Included in the selling price of certain new vehicles are vehicle manufacturer warranties and/or service plans. The Group acts as an agent in this regard, and the performance obligations arising therefrom lie with the vehicle manufacturer. When the vehicles are returned to the Group to fulfil the terms of the warranty or service plan, the costs incurred by the Group are reimbursed by the manufacturer. Where an incentive is received from a vehicle manufacturer and is passed onto a customer, the amount of the incentive is taken into account in determining the revenue amount. Where the customer trades in a vehicle immediately prior to purchasing another vehicle, the fair value of the trade-in is applied as non-cash consideration in part-settlement of the customer's obligation in relation to the transaction price. Vehicles are paid for prior to delivery, though the finance houses may take a few days to settle outstanding amounts. Parts are either paid for on delivery or within 30 days, dependent upon whether the customer has pre-approved trade terms. Where the Group acts as an agent for the sale of certain brands of vehicles and is remunerated on a commission basis, the commission is included in "Commission income" and accounted for as set out below.
Service plans	Revenue from vehicle service plans is long-term in nature (two to five years) and is recognised "over the service period" when the vehicle is maintained, serviced or repaired in terms of the contract. Revenue recognised is the cost of the work done. There is no estimated margin as management does not expect a margin to be made on this revenue. When all the contract obligations have been met, the contract will expire and the balance of unearned revenue will be recognised in profit or loss. Payment for the service plans is made by the customer in full upfront as part of the cost of the vehicle. Refer to note 1.12 "Contract liabilities".
Services through the workshop departments	Revenue arising from services provided through the workshop is recognised "at a point in time" upon completion of the service. Where the Group services a customer's vehicle, a job card is maintained for each service keeping track of labour, parts and costs incurred on a particular job. Revenue is recognised upon completion of the service as this is when, in the Group's judgement, the Group has obtained the right to receive payment and the customer has obtained benefits from the service provided. Other than in exceptional circumstances, vehicles are received, serviced and delivered back to the customer on the same day. Consequently, this revenue is classified as recognised "at a point in time". The number of vehicles that are serviced over a longer period is immaterial and does not justify alternative recognition classification. Payment of the transaction price in respect of services through workshop is due upon completion of the service or within one month, dependent upon whether the customer has pre-approved trade terms.

Products and services	Nature, timing of satisfaction of performance obligations and significant payment terms
Commission income	The Group earns revenue in the form of commission from the facilitation of customer finance, and the sale of certain brands of vehicles, vehicle accessories and short-term insurance policies and extended warranty and service plans. The commission arises where the Group acts as an agent on behalf of various service providers. Commission income is recognised "at a point in time" when the Group's obligation in terms of these transactions is satisfied. This occurs when control of the associated vehicle transfers to the customer, typically on delivery to the customer. Thereafter the Group has no further obligation to the service provider nor to the end customer as all performance obligations relating to these products are underwritten by the service provider. Commission revenue is received within a few days after delivery of the vehicle to the customer.

Other forms of revenue
Revenue relating to car hire services is recognised on a straight-line basis over the hire period applying the principles of IFRS 16: Leases applicable to operating leases.

Premium income on insurance products from underwriting activities (refer note 1.18) is recognised over the contract period, calculated on a time-proportionate basis, applying the principles of IFRS 17: Insurance Contracts.

1.15 Finance income and finance costs

Finance income comprises interest receivable, which is recognised as it accrues, taking into account the effective yield on the asset. Finance income is reflected as an investing activity in the statement of cash flows.

Finance costs comprise interest payable which is recognised as it is incurred. Finance costs are reflected as a financing activity in the statement of cash flows.

1.16 Dividends

Dividends paid are recorded in the financial statements during the period in which they are approved by the board of directors.

1.17 Segment reporting

Operating segments are reported in a manner consistent with that used for internal reporting provided to the chief executive officer, and used for making strategic decisions. The chief executive officer is responsible for allocating resources and assessing performance of the operating segments based on a measure of profit before taxation. This measurement is consistent with the recognition and measurement principles applied within the statement of comprehensive income.

The various segments of the Group are each subject to risks and returns that are different to other business segments. The principal business segments identified within the Group are motor retail/distribution, car hire and financial services. The corporate services/other segment contains the Group's treasury function, CMH Green and National Workshop Equipment which are not large enough for separate disclosure. The motor dealerships, although diverse in terms of product brands and locations, are considered to have a similar reaction to economic conditions and influences. Consequently, they have been aggregated as one reportable segment.

Sales amongst segments are carried out on an arm's length basis at competitive market-related prices, and are eliminated on consolidation.

Segment assets, liabilities, revenue and expenditure are those directly attributable to the segment.

The Group operates only in the Republic of South Africa.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES CONTINUED

1.18 Underwriting activities

Activities in terms of which the Group accepts significant insurance risk are classified as insurance underwriting activities and expose the Group to financial risk. Insurance underwriting activities are conducted through special purpose cell captive entities, managed by external financial service providers on commercial terms and conditions and at market rates.

Underwriting results are determined on a monthly basis. The principle is that the costs of incurred claims, commission and related expenditure are applied against the earned proportion of premiums received and released to income, as follows:

- Claims incurred comprise claims and related expenditure paid during the year and changes in the provision for outstanding claims incurred but not reported, and are expensed in the year during which they are incurred;
- Commission paid is expensed in the year during which it is incurred; and
- Premiums earned comprise premiums relating to business written during the year, adjusted for the carrying amount of the liability for remaining coverage at year end.

The Group has adopted the simplified premium allocation approach to the measurement of liability for coverage of the remaining periods of the contracts. The contracts written are of relatively short duration and it is considered that the value of the liability for remaining coverage will not differ materially from that which would be derived using a more complex measurement approach.

The carrying amount of the liability for remaining coverage is measured as the premiums received on initial recognition, and is then decreased by the amount periodically released to insurance revenue for services provided. Because of the short period of the insurance policies, the Group does not adjust the liability for remaining coverage to reflect the time value of money. If at any time management believes that a group of insurance contracts is onerous, then the Group recognises a charge in profit or loss and increases the liability for remaining coverage.

The value of the Group's investment in the special purpose cell captive entities, being its initial investment plus the net result of its current and prior years' activities, is presented in the statement of financial position as "Insurance contracts receivable".

The results of these activities are recorded in the segment report under "Financial services".

2. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the chief executive officer and financial director under policies approved by the board of directors. They identify, evaluate and hedge financial risks in close co-operation with the Group's operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign currency risk, interest rate risk, credit risk, and the investment of excess liquidity.

2.1 Interest rate risk

Interest rate exposures are reviewed regularly. The Group is exposed to interest rate risk on its cash resources and borrowing facilities, all of which are linked to the prime overdraft rate.

Had interest rates for the year been 0,5 percentage point higher or lower and been applied to these values at year-end, the profit before taxation for the year would have been lower or higher by R6 347 000 (2024: R6 015 000) on the assumption that all other factors remained constant.

2.2 Credit risk

The Group's credit risk lies principally in its trade receivables, cash and cash equivalents and insurance contracts receivable.

Trade receivables

Trade receivables comprise a number of major banks which finance vehicle sales, together with a large, widespread customer base. Regular credit assessments of customers are conducted taking into account their financial position, past experience and other factors. All trade receivables are subject to the Group's standard credit terms, are due within a period of 1 to 60 days after sale and are therefore classified as current. Credit risk exposures to customers are managed by a monthly review of trade receivables ageing, continuous review of credit limits, and legal action against defaulting customers. There are no significant concentrations of credit risk in respect of any particular customer.

At inception, the expected credit loss allowance is measured at an amount equal to the lifetime expected credit losses. Thereafter, to measure the expected credit losses, trade receivables are grouped based on the days outstanding since initial recognition. When calculating the expected credit loss allowance, the Group first considers those receivables where there are clear indicators that there has been a significant increase in the expected credit loss since initial recognition. The allowance in respect of these receivables is calculated taking into consideration all reasonable and supportable information that is available, and that is relevant for assessing the extent of the increase in credit risk since initial recognition. Having considered those trade receivables, the remainder are categorised based on their ageing profile and an expected credit loss allowance determined using the following provisioning matrix:

		Expected loss rate for ageing profile		
	Terms	0 to 60 days	61 to 90 days	90+ days
Banks with the country's highest long-term credit rating	1 day	0%	–	–
Corporate and fleet customers	30 days	*0%	10%	30%
Individual, parts and workshop customers	1 to 60 days	*0%	10%	30%
Fleet and warranty claims from motor manufacturers	30 days	0%	–	–

** Rounded down to nearest percentage*

The expected loss rates are based on the historical credit losses experienced on each category of trade receivables over the past 60 months. The historical loss rates are adjusted, if necessary, to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group has identified the South African lending rate and the national economic growth rate to be the most relevant factors, and accordingly considers the historical loss rates based on expected changes in these factors. The actual credit loss rates recorded by the Group during the year were not materially different from those experienced in the previous year. This is not unexpected given the short-term and widespread nature of the trade receivables. After due consideration, the Group has not deemed it necessary to adjust the loss rates during the current financial year.

The maximum exposure to credit risk at year-end is the carrying amount of each class of financial assets. Further detail on the credit quality of trade receivables is contained in note 11.

Cash and cash equivalents

The expected credit loss on cash and cash equivalents is calculated based on the 12-month expected loss, and reflects the short maturities of the exposures. Cash and cash equivalents are placed only with major financial institutions with the country's highest long-term credit rating. The Group considers that these institutions have a low risk of default and a strong capacity to meet contractual cash flows.

Insurance contracts receivable

The principal component of insurance contracts receivable is bank balances held within the various insurance cells. These balances are placed only with major financial institutions with the country's highest long-term credit rating.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 28 FEBRUARY 2025

2. FINANCIAL RISK MANAGEMENT CONTINUED

2.3 Liquidity risk

The Group manages its liquidity risk by regularly monitoring its projected cash flow requirements against its cash resources and unutilised borrowing facilities.

In terms of its memorandum of incorporation, the Company has unlimited borrowing powers.

The contractual undiscounted maturities of the Group's financial and lease liabilities are:

	Total R'000	Less than one year R'000	One to two years R'000	Three to five years R'000	More than five years R'000
2025					
Car hire fleet liability	**1 476 225**	**1 071 013**	**405 212**	**–**	**–**
Lease liabilities	**771 861**	**164 149**	**144 854**	**276 767**	**186 091**
Trade and other payables*	**1 993 668**	**1 993 668**	**–**	**–**	**–**
	4 241 754	**3 228 830**	**550 066**	**276 767**	**186 091**
2024					
Car hire fleet liability	1 214 580	922 555	292 025	–	–
Lease liabilities	789 995	169 887	145 324	291 776	183 008
Trade and other payables*	1 905 928	1 905 928	–	–	–
	3 910 503	2 998 370	437 349	291 776	183 008

** This figure excludes deposits received in advance and value-added tax as these are not financial liabilities.*

These liabilities are expected to be settled from the proceeds of ongoing operations, and realisation of car hire fleet vehicles and current assets.

2.4 Capital risk

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group comprises share capital and retained earnings. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue or repurchase shares, or sell assets to reduce debt. The Group's capital management strategy remained unchanged from the prior year.

2.5 Foreign currency risk

Transactions in foreign currencies are accounted for at rates of exchange ruling on the date of the transactions. Gains and losses arising from the settlement of such transactions are recognised in profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date. Unrealised translation differences on such monetary assets and liabilities are recognised in profit or loss in the year in which they occur.

No sensitivity analysis has been disclosed on outstanding balances at year-end as the amounts are not considered material.

The following balances were outstanding at year end:

	2025 US$	2024 US$	2025 MYR	2024 MYR	2025 CNY	2024 CNY
Cash and cash equivalents	**–**	312 753	**–**	–	**–**	–
Other receivables	**910 879**	4 505	**–**	998 247	25 348 285	–
Accrued expenses	**–**	(16 744)	**–**	(553 310)	**–**	–

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates will, by definition, rarely equal the actual results achieved. 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 judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Carrying value of car hire fleet vehicles

The Group tests annually whether car hire fleet vehicles are valued at cost less a provision for depreciation calculated to reduce cost to realisable value over the estimated useful lives of the vehicles. In doing so, recognition is given to the condition of each vehicle, the kilometres travelled, the number of similar vehicles expected to be retired within a short time frame and the impact that high sales volumes may have on resale values, and the current prices in the market for comparable models. Management has the option to shorten or lengthen the actual life of fleet vehicles, so as to optimise the relationship between the carrying value and the realisable value. This exercise requires judgement because the estimate of future lives and selling prices carries a level of uncertainty.

3.2 Classification of short-term lease agreements

The Group occupies a number of properties in terms of lease contracts which may be terminated by both the lessor and the lessee, without penalty, after a notice period of 12 months or less. Management has considered the guidance in IFRS 16: Leases, and the IFRIC decision issued in November 2019. It has concluded that, despite the Group having occupied some of the premises for a lengthy period, its right of future occupation is contractually restricted. Consequently, the leases have been classified as short-term in terms of IFRS 16: Leases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Total R'000	Leasehold improve-ments R'000	Plant and machinery R'000	Furniture and office equipment R'000	Motor vehicles R'000
4. PLANT AND EQUIPMENT					
4.1 Details of plant and equipment					
At 28 February 2025					
Cost	**334 789**	**26 804**	**90 501**	**211 452**	**6 032**
Accumulated depreciation	**(224 179)**	**(8 154)**	**(57 464)**	**(156 893)**	**(1 668)**
Net book value	**110 610**	**18 650**	**33 037**	**54 559**	**4 364**
At 29 February 2024					
Cost	297 892	18 522	78 684	194 834	5 852
Accumulated depreciation	(197 738)	(4 255)	(50 201)	(141 495)	(1 787)
Net book value	100 154	14 267	28 483	53 339	4 065
4.2 Reconciliation of movement					
Net book value 28 February 2023	98 104	10 829	24 749	58 226	4 300
Additions	48 976	6 012	16 209	24 304	2 451
Disposals	(5 711)	–	(1 777)	(2 441)	(1 493)
Depreciation charge	(41 215)	(2 574)	(10 698)	(26 750)	(1 193)
Net book value 29 February 2024	100 154	14 267	28 483	53 339	4 065
Additions	52 174	8 282	15 567	25 308	3 017
Disposals	(2 539)	–	(351)	(594)	(1 594)
Depreciation charge	(39 179)	(3 899)	(10 662)	(23 494)	(1 124)
Net book value 28 February 2025	**110 610**	**18 650**	**33 037**	**54 559**	**4 364**

4.3 The insurance replacement value of plant and equipment is R510 000 000 (2024: R480 000 000).

4.4 Depreciation is recognised in the statement of comprehensive income within "Selling and administration expenses".

	2025 R'000	2024 R'000

5. RIGHT-OF-USE ASSETS

5.1 Property

	2025 R'000	2024 R'000
Balance at beginning of year	**451 946**	504 679
Additions	**98 378**	69 572
Modification of lease agreement	**(2 103)**	(6 871)
Depreciation charge	**(117 943)**	(115 434)
Balance at end of year	**430 278**	451 946

5.2 Depreciation is recognised in the statement of comprehensive income within "Selling and administration expenses".

6. CAR HIRE FLEET VEHICLES

6.1 Details of car hire fleet vehicles

	2025 R'000	2024 R'000
Cost	**1 469 878**	1 488 355
Accumulated depreciation	**(188 114)**	(210 080)
Net book value	**1 281 764**	1 278 275

6.2 Reconciliation of movement

	2025 R'000	2024 R'000
Opening net book value	**1 278 275**	1 247 595
Additions	**804 786**	770 987
Disposals	**(666 222)**	(602 384)
Depreciation charge	**(135 075)**	(137 923)
Closing net book value	**1 281 764**	1 278 275

6.3 Car hire fleet vehicles with a cost of R1 469 878 000 (2024: R1 488 355 000), held under capitalised finance arrangements have been pledged as security for the "Car hire fleet liability" aggregating R1 380 159 000 (2024: R1 214 580 000) (refer note 15).

6.4 Depreciation is recognised in the statement of comprehensive income within "Cost of sales".

6.5 The movement in car hire fleet vehicles is reflected as an operating activity in the statement of cash flows.

	2025 R'000	2024 R'000
7. GOODWILL		
7.1 Goodwill acquired through business combinations has been attributed to individual cash-generating units ("CGUs").		
Cost and net book value at beginning and end of year	**39 625**	39 625

7.2 Goodwill impairment testing

The carrying value of goodwill is tested annually for impairment. Impairment of goodwill arises when the recoverable amount of the CGU is less than the carrying value. The recoverable amount is determined using the value-in-use method which requires the use of assumptions. The value-in-use method uses cash flow projections based on financial forecasts for a 5-year period, with an appropriate terminal growth rate. The carrying value is the net asset value of the CGU, including goodwill.

Assumptions

The following tables set out the key assumptions for those CGUs that have significant goodwill allocated to them and the approach used by management to determine the values:

	Motor retail dealerships		Aftermarket parts business	
	2025 (%)	2024 (%)	2025 (%)	2024 (%)
Average annual growth rate in:				
– revenue arising from motor retail departments	**6.0**	7.0		
– revenue arising from after-sales departments	**7.0**	7.0	**10.0**	10.0
– operating expenses	**6.0**	6.0	**5.0**	5.0
Terminal growth rate	**3.0**	3.0	**4.0**	4.0
Pre-tax discount rate	**18.6**	19.3	**16.0**	16.7

Assumption	Approach used to determine values
Revenue	Average annual growth rate over the five-year forecast period is based on past performance, adjusted for expected price increases, market share assumptions and management's expectations of future trends in the markets. A conservative and consistent growth rate was applied for the five-year forecast period.
Operating expenses	Average annual growth rate over the five-year forecast period is based on the current cost structure of the business, adjusting for inflationary increases. Variable costs fluctuate in line with revenue. Fixed costs do not vary significantly with sales volumes or prices.
Terminal growth rate	The weighted average growth rate used to forecast cash flows beyond the forecast period. This rate is considered conservative and factors in price increases, exchange rate fluctuations and expected volume growth.
Pre-tax discount rates	Reflect current market assessment of the specific risks relating to each CGU. The rates are derived from the CGU's weighted average cost of capital and take into account the cost of debt, the cost of leases and the cost of equity. Cost of equity is determined using the capital asset pricing model ("the model") which takes into account an equity risk premium and a small stock premium. The model uses market betas of comparable entities in determining the cost of equity. The cost of debt is based on the interest-bearing debt of the Group, and includes the lease liabilities.

Using these assumptions, the recoverable amount of each CGU exceeded the carrying value and no impairment was necessary.

Amounts, if impaired, are shown separately in the statement of comprehensive income.

Sensitivity analysis
The estimated recoverable amounts of the CGUs exceeded their carrying values with significant headroom. Accordingly, the impairment calculations are not impacted by a 10% adverse variation in management's estimates when comparing the carrying value to the recoverable amount. Management deems 10% to be a reasonable sensitivity analysis of the inputs used and believes this provides relevant and sufficient guidance on the sensitivity of goodwill.

8. INSURANCE CONTRACTS RECEIVABLE

8.1 Underwriting activities are conducted through special purpose cell captive entities ("SPEs"), managed by external financial service providers, on commercial terms and conditions and at market rates.

The Group sells insurance policies to customers who enter into credit agreements in respect of vehicle purchases. The risks covered include life, disability and retrenchment during the period of the credit agreements. The Group also sells extended warranty cover in respect of vehicles and components thereof.

Liabilities held by the Group in respect of the remaining periods of coverage of these risks are based on independent actuarial calculations.

8.2 The Group has applied IFRS 10: Consolidated Financial Statements in determining whether to consolidate its investment in these SPEs and has determined that the entities do not constitute "deemed separate entities" as envisaged in IFRS 10, and have not been consolidated.

		2025 R'000	2024 R'000
8.3	The activities of the SPEs are included in the statement of comprehensive income as follows:		
	Revenue	**124 150**	132 000
	Less: increase in liabilities for remaining coverage*	**(1 583)**	(3 491)
	Released to income	**122 567**	128 509
	Cost of sales – claims paid*	**(32 050)**	(36 204)
		90 517	92 305
	Selling and administration expenses*	**(43 378)**	(44 202)
	Net profit from insurance activities	**47 139**	48 103
	Finance income	**13 951**	12 896
	Profit before taxation	**61 090**	60 999
	Taxation*	**(16 373)**	(16 530)
	Profit after taxation	**44 717**	44 469
	** Collectively insurance service expense*	***93 384***	*100 427*
8.4	Dividends received from the SPEs are reflected in the statement of cash flows as "Dividend received from special purpose entities conducting insurance underwriting activities", and are applied in reduction of "Insurance contracts receivable" in the statement of financial position.		
8.5	The value of the Group's investment in the SPEs, being its initial share investment plus the net result of the SPEs' current and prior years' activities, is presented in the statement of financial position as:		
	– Insurance contracts receivable	**30 197**	34 632
8.6	**Reconciliation of movement**		
	Balance at beginning of year	**34 632**	28 527
	Profit after taxation	**44 717**	44 469
	Dividends received	**(49 152)**	(38 364)
	Balance at end of year	**30 197**	34 632

	2025 R'000	2024 R'000

9. DEFERRED TAXATION

9.1 Deferred taxation is calculated on all temporary differences under the liability method using a principal tax rate of 27%. The movement during the year is as follows:

	2025 R'000	2024 R'000
Balance at beginning of year	**89 766**	93 357
Temporary differences arising during year	**(2 736)**	(3 591)
Balance at end of year	**87 030**	89 766

9.2 Balance at end of year comprises:

	2025 R'000	2024 R'000
Expected credit loss allowance on trade receivables		
– gross	**4 059**	2 615
– less: related taxation allowances	**(1 624)**	(1 046)
	2 435	1 569
Receipts in advance		
– gross	**24 125**	16 588
– less: related taxation allowances	**(21 170)**	(13 872)
	2 955	2 716
Lease liabilities	**158 409**	165 358
Right-of-use assets	**(116 175)**	(122 025)
Accruals and provisions	**31 581**	29 380
Share-based payment reserve	**7 912**	9 092
Assessed loss	**894**	4 570
Prepayments	**(981)**	(894)
	87 030	89 766

9. DEFERRED TAXATION CONTINUED

9.3 The movement on the deferred taxation account was as follows:

	Closing balance 28 February 2025 R'000	Movement during the year 2025 R'000	Closing balance 29 February 2024 R'000	Movement during the year 2024 R'000	Closing balance 28 February 2023 R'000
Expected credit loss allowance on trade receivables					
– gross	**4 059**	**1 444**	2 615	50	2 565
– less: related taxation allowances	**(1 624)**	**(578)**	(1 046)	(20)	(1 026)
	2 435	**866**	1 569	30	1 539
Receipts in advance					
– gross	**24 125**	**7 537**	16 588	(1 418)	18 006
– less: related taxation allowances	**(21 170)**	**(7 298)**	(13 872)	1 587	(15 459)
	2 955	**239**	2 716	169	2 547
Lease liabilities	**158 409**	**(6 949)**	165 358	(13 876)	179 234
Right-of-use assets	**(116 175)**	**5 850**	(122 025)	14 238	(136 263)
Accruals and provisions	**31 581**	**2 201**	29 380	(4 005)	33 385
Share-based payment reserve	**7 912**	**(1 180)**	9 092	(4 049)	13 141
Assessed loss	**894**	**(3 676)**	4 570	4 570	–
Prepayments	**(981)**	**(87)**	(894)	(668)	(226)
Total	**87 030**	**(2 736)**	89 766	(3 591)	93 357

	2025 R'000	2024 R'000
10. INVENTORIES		
10.1 Inventories have been valued as stated in note 1.9 and comprise:		
– new vehicles	**1 154 390**	1 118 173
– used vehicles	**376 515**	320 658
– demonstration vehicles	**440 839**	432 915
– parts and accessories	**86 645**	78 581
– petrol, oils and other inventory	**15 210**	16 019
	2 073 599	1 966 346

10.2 Inventories of new and demonstration vehicles and parts aggregating R1 513 218 000 (2024: R1 430 809 000) form security for trade payables aggregating R1 686 829 000 (2024: R1 606 896 000).

10.3 The cost of inventories sold during the year and the movement in the inventory provisions are recognised as an expense and charged to "Cost of sales" in the statement of comprehensive income.

	2025 R'000	2024 R'000
10.4 Inventories are stated after deduction of the following provisions:		
– new vehicles	**–**	1 130
– used vehicles	**22 307**	27 043
– demonstration vehicles	**36 258**	35 439
– parts and accessories	**22 589**	20 876
	81 154	84 488

	2025 R'000	2024 R'000
11. TRADE AND OTHER RECEIVABLES		
11.1 Trade receivables	**347 540**	310 240
Less: expected credit loss allowance	**(15 032)**	(9 689)
	332 508	300 551
Other receivables	**112 134**	87 351
Value-added taxation	**13 052**	4 726
	457 694	392 628

11.2 Trade receivables are amounts owed by customers for goods sold or services performed in the ordinary course of business and are primarily in respect of vehicle, car hire, parts and workshop sales. These amounts are subject to the Group's standard credit terms and are due within a period of 60 days after year-end. No interest is charged on these accounts. The Group's accounting policy for determining the expected credit loss allowance and its credit risk policy are outlined in notes 1.7 and 2.2 respectively.

11.3 Other receivables are primarily in respect of incentives from motor manufacturers. They are due within 30 days after year-end, are considered to be recoverable, and the allowance for expected credit losses is not material.

11.4 The carrying value of trade and other receivables approximates their fair value, as the impact of discounting is not significant.

	2025 R'000	2024 R'000
11.5 Trade receivables can be analysed as follows:		
0 to 30 days, neither overdue nor impaired	**234 889**	211 112
31 to 60 days, overdue less than 61 days and impaired	**81 733**	73 102
Expected credit loss allowance	**(1 768)**	(406)
	79 965	72 696
61 to 90 days, overdue more than 60, less than 91 days and impaired	**9 119**	10 684
Expected credit loss allowance	**(1 409)**	(522)
	7 710	10 162
91+ days, overdue more than 90 days and impaired	**21 799**	15 342
Expected credit loss allowance	**(11 855)**	(8 761)
	9 944	6 581
	332 508	300 551
11.6 Reconciliation of expected credit loss allowance		
At beginning of year	**9 689**	9 500
Utilised during year	**(3 577)**	(2 731)
Increase in expected credit loss allowance	**8 920**	2 920
At end of year	**15 032**	9 689

11.7 The net movement in the expected credit loss allowance for the year has been included under "Selling and administration expenses" in the statement of comprehensive income.

	2025 R'000	2024 R'000
11.8 Trade receivables can be further analysed as follows:		
Banks with the country's highest long-term credit rating	**53 523**	67 533
Corporate and fleet customers and franchisees	**98 723**	89 820
Individual, parts and workshop customers	**139 235**	104 940
Fleet and warranty claims from motor manufacturers	**56 059**	47 947
	347 540	310 240

	2025 R'000	2024 R'000
12. CASH AND CASH EQUIVALENTS		
Bank balances	**954 124**	815 105

Bank balances are held at financial institutions with the country's highest long-term credit rating. The effective interest rate earned on bank balances held at year-end ranged from 5.8% to 9.1% per annum (2024: 7.8% to 8.5%).

	2025 R'000	2024 R'000
13. SHARE CAPITAL		
13.1 Preference share capital		
Authorised		
1 032 400 7.5% 'C' redeemable cumulative preference shares of R1 each		
Issued		
Nil shares		
13.2 Ordinary share capital		
Authorised		
143 590 560 ordinary shares of no par value		
Issued		
At beginning and end of year – 74 801 998 shares	**38 091**	38 091

14. SHARE-BASED PAYMENT RESERVE

Share appreciation rights scheme 2010

14.1 On 1 June 2010, the Group introduced the Combined Motor Holdings Limited Share Appreciation Rights Scheme 2010 ("the scheme"). Under the scheme, participating employees are awarded the right to receive shares equal in value to the difference between the exercise price and the grant price. The employee therefore participates in the share price appreciation of the Company. The vesting of the right is conditional on the achievement of compound real growth in headline earnings per share over the performance period.

14.2 Measurement of fair value

The fair value for the share appreciation rights has been determined as set out in accounting policy note 1.13. The inputs into the model that were established at the grant dates are as follows:

Grant date		01 June 2024	01 June 2023	01 June 2022	01 June 2020
Share price at grant date	(cents)	**2 830**	2 800	3 150	970
Grant price	(cents)	**2 636**	2 860	2 880	972
Fair value at grant date	(cents)	**1 247**	1 356	2 573	652
Weighted average share price volatility (over 3 years prior to grant date)	(%)	**33.8**	35.8	44.1	42.8
Total expected life	(years)	**4.3**	4.3	4.3	4.3
Dividend yield (over 3 years prior to grant date)	(%)	**13.6**	11.5	8.6	8.1
Risk-free rate	(%)	**10.3**	9.3	8.5	7.0

		2025 R'000	2024 R'000
14. SHARE-BASED PAYMENT RESERVE CONTINUED			
14.3 Movement in share-based payment reserve			
Balance at beginning of year		**10 838**	7 970
Released following exercise of share appreciation rights		**(2 431)**	(2 729)
Charged as "Selling and administration expenses" during the year		**6 817**	5 597
Balance at end of year		**15 224**	10 838
14.4 Reconciliation of the movement in the number of rights			
At beginning of year	('000 rights)	**4 933**	5 025
Exercised/forfeited during the year	('000 rights)	**(1 112)**	(1 392)
Granted during the year	('000 rights)	**1 910**	1 300
At end of year	('000 rights)	**5 731**	4 933
Exercisable at end of year	('000 rights)	**–**	–

14.5 The directors have determined that employee entitlements in terms of the scheme will be settled by the award of shares purchased in the open market. Hence there will be no fresh issue of shares.

15. CAR HIRE FLEET LIABILITY

	2025 R'000	2024 R'000
15.1 Current portion	**996 510**	922 555
Non-current portion	**383 649**	292 025
	1 380 159	1 214 580

15.2 These liabilities are secured by car hire fleet vehicles (refer note 6). The underlying contracts have a maturity of 1 to 18 months after year-end and bear interest at rates varying from prime -1% to prime -1,35% per annum. The carrying amount of the liabilities approximates their fair value since the interest payable thereon is close to current market rates and the liabilities are of a relatively short-term nature.

15.3 The movement in the car hire fleet liability is reflected as an operating activity in the statement of cash flows.

	2025 R'000	2024 R'000
16. LEASE LIABILITIES		
16.1 Arising in respect of property leases capitalised in compliance with IFRS 16: Leases		
Balance at beginning of year	**612 438**	663 830
Additions	**98 378**	69 572
Modification of lease agreement	**(2 103)**	(6 871)
Finance costs accrued	**54 216**	54 840
Contractual lease repayments	**(176 228)**	(168 933)
Balance at end of year	**586 701**	612 438
16.2 Current portion	**115 323**	122 881
Non-current portion	**471 378**	489 557
	586 701	612 438
17. CONTRACT LIABILITES		
17.1 Reconciliation of movement		
Balance at beginning of year	**8 546**	4 888
New business written during the year	**1 992**	7 227
Amounts recognised in revenue during the year		
– from prior year contracts	**(2 797)**	(4 005)
– from current year contracts	**–**	(508)
Revision of estimated costs recognised in cost of sales during the year	**–**	944
Balance at end of year	**7 741**	8 546
17.2 Maturity profile		
Current portion	**3 000**	1 447
Non-current portion expected to be settled:		
– between 1 and 2 years	**1 465**	1 318
– between 2 and 3 years	**2 107**	2 420
– between 3 and 4 years	**1 169**	2 107
– between 4 and 5 years	**–**	1 169
– beyond 5 years	**–**	85
	4 741	7 099
	7 741	8 546

	2025 R'000	2024 R'000
18. TRADE AND OTHER PAYABLES		
18.1 Trade payables	**1 765 282**	1 694 224
Other payables (note 18.4)	**307 661**	281 997
	2 072 943	1 976 221
18.2 Trade payables comprise primarily amounts owing in respect of the purchase of vehicles and parts. They are payable according to terms varying between 30 and 180 days and as such, the carrying amounts approximate their fair value.		
18.3 All payables are interest-free except those in respect of vehicle purchases which bear interest at rates varying between prime -1.25% and prime +1.5% per annum for the period they are outstanding in excess of an initial interest-free period.		
18.4 Other payables comprise:		
Accrued expenses	**225 460**	211 704
Deposits received in advance	**67 927**	52 647
Value-added tax	**11 348**	17 646
Other	**2 926**	–
	307 661	281 997
19. REVENUE		
19.1 Revenue is derived from the various segments of the business as follows:		
Motor retail and distribution	**12 223 369**	11 739 492
Car hire	**830 307**	890 668
Financial services		
– insurance premiums	**124 150**	132 000
– other	**15 572**	16 146
Corporate services/other	**58 198**	61 258
	13 251 596	12 839 564
19.2 Revenue is recognised as follows		
IFRS 15: Revenue from contracts with customers	**12 297 139**	11 816 896
IFRS 16: Leases	**830 307**	890 668
IFRS 17: Insurance contracts	**124 150**	132 000
	13 251 596	12 839 564

	2025 R'000	2024 R'000
19. REVENUE CONTINUED		
19.3 IFRS 15: Revenue from contracts with customers		
Revenue from contracts with customers is further disaggregated by segment and timing of revenue recognition as follows:		
At a point in time		
Motor retail and distribution		
New vehicles	**6 995 926**	6 600 488
Used vehicles	**3 114 828**	3 141 139
Parts and accessories	**1 236 430**	1 176 754
Workshop services	**528 179**	494 716
Commission income	**345 209**	321 882
	12 220 572	11 734 979
Corporate services/other	**30 918**	29 981
	12 251 490	11 764 960
Over the service period		
Motor retail and distribution	**2 797**	4 513
Corporate services/other	**27 280**	31 277
Financial services	**15 572**	16 146
	45 649	51 936
	12 297 139	11 816 896

19.4 Revenue is earned from a large, widespread customer base within South Africa, with no single customer contributing a significant portion.

20. OTHER INCOME

	2025 R'000	2024 R'000
Recoupment of skills development and training costs	**5 936**	6 485
Rental income	**5 467**	5 455
Proceeds from insurance claims	**1 169**	8 300
Other	**8 859**	6 359
Rebates received from suppliers	**–**	2 400
Recoupment of previously impaired goodwill	**–**	3 171
Profit on sale of plant and equipment	**–**	41
	21 431	32 211

21. EXPENSES BY NATURE

	2025 R'000	2024 R'000
Cost of sales	**10 786 812**	10 313 533
Selling and administration expenses		
– Employee benefit expense (note 21.1)	**917 618**	877 217
– Depreciation		
– Plant and equipment (note 4.2)	**39 179**	41 215
– Right-of-use assets (note 5)	**117 943**	115 434
– Lease charges		
– Short-term leases	**122 490**	119 945
– Low-value assets (not classified as short-term leases)	**6 856**	6 496
– Movement in expected credit loss allowance (note 11.6)	**8 920**	2 920
– Advertising expenses	**70 069**	56 396
– Foreign exchange loss/(gain)	**239**	(1 517)
– Loss on sale of plant and equipment	**120**	–
– Auditor's remuneration	**6 955**	6 672
– Other expenses	**556 283**	552 300
Selling and administration expenses	**1 846 672**	1 777 078

21.1 Employee benefit expense

	2025 R'000	2024 R'000
Employee costs – selling and administration	**827 805**	793 266
– workshop labour	**72 501**	69 123
Pension fund contributions	**55 758**	52 198
Medical aid contributions	**37 972**	36 241
Share-based payment expense	**6 817**	5 597
Total employee benefit expense	**1 000 853**	956 425
Less: portion included in "Cost of sales"	**(83 235)**	(79 208)
Included in "Selling and administration expenses"	**917 618**	877 217

21.2 Key management employee benefit expense

	2025 R'000	2024 R'000
Short-term employee benefits	**84 417**	86 204
Share-based payment expense	**5 059**	3 970
	89 476	90 174

These amounts are included in "Employee benefit expense" above.

	2025 R'000	2024 R'000
22. FINANCE INCOME		
Bank	**42 763**	42 909
Insurance special purpose entities	**13 951**	12 896
	56 714	55 805
23. FINANCE COSTS		
Trade payables	**118 399**	119 810
Lease liabilities	**54 216**	54 840
Car hire fleet liability	**115 441**	105 363
Total interest paid	**288 056**	280 013
24. TAX EXPENSE		
24.1 South African normal taxation		
– current	**104 218**	144 881
– prior year over-provision	**(245)**	–
– deferred	**2 736**	3 591
	106 709	148 472

	%	%
24.2 Reconciliation of rate of taxation		
Statutory rate	**27.0**	27.0
Adjusted for:		
Disallowable expenditure		
– depreciation of leasehold improvements	**0.3**	0.1
– share-based payment expense*	**(0.5)**	(0.1)
– capital expenditure	**–**	0.1
S12H learnership allowance	**(0.6)**	(0.2)
Prior year over-provision of current tax	**(0.1)**	–
Exempt income	**–**	(0.2)
Effective rate	**26.1**	26.7

* *Differences arising between deferred tax asset balance raised for future costs to be incurred and income tax deduction granted in current year for costs actually incurred on the Share Appreciation Rights Scheme 2010 (refer note 14.1).*

		2025 R'000	2024 R'000

25. EARNINGS PER SHARE

25.1 Basic earnings and headline earnings per share are based on total profit and comprehensive income, and headline earnings attributable to equity holders of the Company respectively, and are calculated using the weighted average of 74 802 000 (2024: 74 802 000) shares in issue during the year. Headline earnings is calculated in accordance with Circular 1/2021 – Headline Earnings, as issued by the South African Institute of Chartered Accountants (SAICA).

25.2 The Group's Share Appreciation Rights Scheme 2010 ("the scheme") is described in note 14.1. In the event that all of the awards are settled by the issue of new shares, earnings and headline earnings per share will be diluted.

The number of shares used to calculate diluted earnings and headline earnings per share is determined by adding to the weighted average number of shares in issue, the number of shares which would be issued to meet the scheme's obligation. This number has been calculated using the volume-weighted average share price of the Company during the year under review, and its appreciation since the grant date.

		2025 R'000	2024 R'000
Weighted average number of shares in issue during year	('000 shares)	**74 802**	74 802
Adjustment for share appreciation rights	('000 shares)	**1 220**	1 420
Weighted average number of shares for dilution calculation		**76 022**	76 222

Past entitlements of employees have been settled by the award to them of shares purchased on the open market. The directors have determined that this practice will continue in respect of future entitlements. On this basis, there will be no fresh issue of shares.

25.3 Reconciliation of headline earnings

	2025 R'000	2024 R'000
Total profit and comprehensive income	**301 492**	408 484
Re-measurement items:		
– recoupment of previously impaired goodwill	**–**	(3 171)
– loss/(profit) on sale of plant and equipment		
– gross	**120**	(41)
– impact of income tax	**(32)**	11
Headline earnings	**301 580**	405 283

25.4 Earnings per share

		2025	2024
Basic	(cents)	**403.1**	546.1
Diluted basic	(cents)	**396.6**	535.9
Headline	(cents)	**403.2**	541.8
Diluted headline	(cents)	**396.7**	531.7

	2025 R'000	2024 R'000
26. CASH GENERATED FROM OPERATIONS		
Operating profit	**639 543**	781 164
Adjustments for non-cash items:		
Movement in share-based payment reserve	**6 817**	5 597
Depreciation		
– Plant and equipment	**39 179**	41 215
– Car hire fleet vehicles	**135 075**	137 923
– Right-of-use assets	**117 943**	115 434
Loss/(profit) on sale of plant and equipment	**120**	(41)
Insurance cell operating activities	**(47 139)**	(48 103)
Profit on sale of car hire fleet vehicles	**(18 366)**	(81 646)
Net movement in contract liabilities	**(805)**	3 658
Sale of car hire fleet vehicles	**684 588**	684 030
Purchase of car hire fleet vehicles	**(804 786)**	(770 987)
	752 169	868 244
Working capital changes:		
Inventories	**(107 253)**	(101 102)
Trade and other receivables	**(65 066)**	(54 973)
Trade and other payables	**96 722**	142 049
Car hire fleet liability	**165 579**	11 849
	89 982	(2 177)
Cash generated from operations	**842 151**	866 067
27. TAXATION PAID		
Taxation paid is reconciled to the amount disclosed in the statement of comprehensive income as follows:		
Amounts paid in advance/(unpaid) at beginning of year	**11 028**	(6 756)
Amounts charged to the statement of comprehensive income	**(103 973)**	(144 881)
Taxation on insurance underwriting activities not settled in cash	**16 373**	16 530
Amounts unpaid/(paid in advance) at end of year	**1 289**	(11 028)
	(75 283)	(146 135)
28. FINANCE INCOME RECEIVED		
Amounts recognised in the statement of comprehensive income	**56 714**	55 805
Accrued on insurance underwriting activities not settled in cash	**(13 951)**	(12 896)
	42 763	42 909

	2025 R'000	2024 R'000
29. PRINCIPAL ELEMENT OF LEASE LIABILITY REPAYMENTS		
Total rentals paid	**(176 228)**	(168 933)
Less: portion classified as finance costs	**54 216**	54 840
	(122 012)	(114 093)
30. DIVIDENDS PAID		
Shareholders of the Company		
Dividend number 72: 102 cents, declared 17 October 2024	**(76 298)**	–
Dividend number 71: 220 cents, declared 7 May 2024	**(164 564)**	–
Dividend number 70: 146 cents, declared 12 October 2023	**–**	(109 211)
Dividend number 69: 240 cents, declared 26 April 2023	**–**	(179 525)
	(240 862)	(288 736)

31. RELATED PARTY TRANSACTIONS

31.1 During the year a number of subsidiary companies occupied properties which are owned directly or indirectly by the executive directors of the Company. Rentals are market-related and revised every 3 to 5 years based on valuations conducted by independent property valuators. The most recent independent valuation was conducted in February 2023.

The lease agreements are for an indefinite period, terminable, without penalties, by either the lessor or the lessee on 12 months' notice.

	2025 R'000	2024 R'000
Rentals paid are disclosed as:		
– lease charges – short-term leases	**69 767**	67 140
– finance costs on lease liabilities	**118**	648
– principal element of lease liability repayments	**3 783**	5 301
	73 668	73 089
The contractual undiscounted payments on the leases classified as short-term leases in the next 12 months are as follows:	**83 680**	71 961

31.2 Other transactions conducted and balances with related entities were as follows:

	2025 R'000	2024 R'000
Excel Cars Proprietary Limited ("Excel Cars")		
– purchases included in selling and administration expenses	**10 114**	11 065
– trade payables owing at year-end	**956**	1 088

Excel Cars is controlled by an executive director of the Company. Purchases from Excel Cars relate to panel-beating services undertaken on damaged vehicles. Transactions are made on normal commercial terms and conditions and at market rates. The year-end balance is payable on the same terms and conditions as other trade payables.

	2025 R'000	2024 R'000
Smallville Properties Proprietary Limited ("Smallville")		
Rental paid is disclosed as:		
– finance charges on lease liability	**160**	426
– principal element of lease liability repayments	**3 143**	2 696

Smallville is controlled by a director of a subsidiary company. The rental agreement is on normal commercial terms and conditions and at market rates.

31.3 The disinterested members of the Board have confirmed approval of the above transactions.

	2025 R'000	2024 R'000
32. COMMITMENTS		
32.1 Operating lease commitments		
The Group leases properties under various short-term operating lease agreements.		
The contractual undiscounted payments on these leases in the next 12 months are as follows:	**84 705**	83 103
32.2 Future sub-lease rentals		
The future minimum amount expected to be received under non-cancellable sub-leases in the next 12 months are:	**2 801**	2 475
32.3 Capital commitments		
Approved, not yet contracted		
– plant and equipment	**20 000**	35 000

All capital commitments will be financed from existing cash resources.

33. EMPLOYEE BENEFIT INFORMATION

33.1 Membership of motor-related union pension funds is compulsory for certain artisans and other employees, whilst membership of the Sygnia Umbrella Pension Fund is available for all other classes of employees.

33.2 The funds operate as defined contribution funds governed by the Pension Funds Act.

33.3 The Group pays a fixed monthly contribution to these separate legal entities and has no legal or constructive obligation to pay further contributions if the funds do not hold sufficient assets to pay all employees the benefits relating to their employment service.

33.4 The Group pays a fixed monthly contribution to various independent medical schemes. It has no post-retirement obligations to employees.

34. GOING CONCERN

The going-concern basis has been adopted in preparing the financial statements of the Company and the Group. The directors believe that the Company and the Group are in a sound financial position and will be going concerns in the foreseeable future, based on forecasts, borrowing facilities and available cash resources. These financial statements support the viability of the Company and the Group.

35. SUBSEQUENT EVENT

Dividend declaration

A dividend (dividend number 73) of 171 cents per share will be paid on Tuesday, 17 June 2025 to members reflected in the share register of the Company at the close of business on the record date, Friday, 13 June 2025. The last day to trade cum dividend is Tuesday, 10 June 2025. First day to trade ex dividend is Wednesday, 11 June 2025. Share certificates may not be dematerialised or rematerialised from Wednesday, 11 June 2025 to Friday, 13 June 2025, both days inclusive.

The number of ordinary shares in issue at the date of the declaration is 74 801 998. Consequently, the gross dividend payable is R127 911 417 and will be distributed from income reserves. The dividend will be subject to dividend withholding tax at a rate of 20%, which will result in a net dividend of 136.8 cents to those shareholders who are not exempt in terms of section 64F of the Income Tax Act.

36. NEW STANDARDS AND AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATIONS THAT ARE NOT YET EFFECTIVE

New standards and amendments that are effective for periods beginning on or after 1 January 2025, have been published and have not been early adopted. None of these standards or amendments is expected to have a material effect on the Group's future financial statements, except the following:

IFRS 18: Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 for annual reporting periods beginning on or after 1 January 2027 and introduces a requirement for all income and expenses to be allocated amongst operating, investing and financing activities. The Group's net profit will not change, although disclosure will be impacted.

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2025

	Notes	2025 R'000	2024 R'000
ASSETS			
Non-current assets			
Investment in subsidiary	2	**1**	1
Advance to subsidiary	3	**332 967**	252 047
		332 968	252 048
Current assets			
Other receivables		**31**	727
Cash and cash equivalents	4	**301 818**	383 198
		301 849	383 925
Total assets		**634 817**	635 973
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	5	**38 091**	38 091
Retained earnings		**593 374**	594 496
Total equity		**631 465**	632 587
LIABILITIES			
Current liabilities			
Other payables		**1 615**	1 809
Current tax liability		**1 737**	1 577
Total liabilities		**3 352**	3 386
Total equity and liabilities		**634 817**	635 973

COMPANY STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Notes	2025 R'000	2024 R'000
Dividend income	6	**200 000**	–
Finance income	7	**34 616**	33 724
Revenue		**234 616**	33 724
Reversal of impairment against advance to subsidiary		**14 857**	151 237
Selling and administration expenses	8	**(513)**	(450)
Profit before taxation		**248 960**	184 511
Tax expense	9	**(9 220)**	(9 083)
Total profit and other comprehensive income for the year attributable to equity holders of the Company		**239 740**	175 428

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Attributable to equity holders of the Company		
	Share capital R'000	Retained earnings R'000	Total R'000
Total at 28 February 2023	38 091	707 804	745 895
Total profit and comprehensive income	–	175 428	175 428
Dividends paid	–	(288 736)	(288 736)
Total at 29 February 2024	**38 091**	**594 496**	**632 587**
Total profit and comprehensive income	**–**	**239 740**	**239 740**
Dividends paid	**–**	**(240 862)**	**(240 862)**
Total at 28 February 2025	**38 091**	**593 374**	**631 465**

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Notes	2025 R'000	2024 R'000
Cash flows from operating activities			
Cash generated from operations	10	**27 605**	27 350
Taxation paid	11	**(9 060)**	(7 287)
Net cash movement from operating activities		**18 545**	20 063
Cash flows from investing activities			
Advance to subsidiary		**140 937**	345 587
Net cash movement from investing activities		**140 937**	345 587
Cash flows from financing activities			
Dividends paid	12	**(240 862)**	(288 736)
Net cash movement from financing activities		**(240 862)**	(288 736)
Net movement in cash and cash equivalents		**(81 380)**	76 914
Cash and cash equivalents at beginning of year		**383 198**	306 284
Cash and cash equivalents at end of year		**301 818**	383 198

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2025

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

In addition to the Group accounting policies, the Company applies the following accounting policies:

1.1 Investment in subsidiary

"Investment in subsidiary" is accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent amendments. Cost also includes direct attributable costs of investment.

1.2 Advance to subsidiary

The "Advance to subsidiary" is a financial asset measured at amortised cost, less expected credit losses, which are recognised in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred, and the Company has transferred substantially all the risks and rewards of ownership.

The expected credit loss allowance is determined at each year end with reference to the net asset value of the subsidiary.

The movement in the credit loss allowance is reflected in the statement of comprehensive income.

1.3 Revenue recognition

As the Company is an investment holding company, its revenue comprises dividend and interest income on investments. Interest income is recognised as it accrues, taking into account the effective yield on the asset. Dividend income is recognised when the right to receive payment is established.

	2025 R'000	2024 R'000
2. INVESTMENT IN SUBSIDIARY		
Shares at cost	**1**	1
The investment in CMH Holdings Proprietary Limited comprises 850 "A" class shares of R1 each.		
3. ADVANCE TO SUBSIDIARY		
3.1 Advance to subsidiary	**971 392**	905 329
Less: expected credit loss allowance	**(638 425)**	(653 282)
	332 967	252 047
3.2 This advance earned interest at 1.7% per annum (2024: 1.7%) and is unsecured with no fixed terms of repayment.		
3.3 Reconciliation of expected credit loss allowance		
At beginning of year	**653 282**	804 519
Reversal of impairment	**(14 857)**	(151 237)
At end of year	**638 425**	653 282

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 28 FEBRUARY 2025

	2025 R'000	2024 R'000
4. CASH AND CASH EQUIVALENTS		
Bank balances	**301 818**	383 198

Bank balances are held at financial institutions with the country's highest long-term credit rating. The effective interest rate earned on bank balances held at year-end ranged from 5.8% to 7.7% per annum (2024: 7.8% to 8.5%).

	2025 R'000	2024 R'000
5. SHARE CAPITAL		
5.1 Preference share capital		
Authorised		
1 032 400 7.5% 'C' redeemable cumulative preference shares of R1 each		
Issued		
Nil shares		
5.2 Ordinary share capital		
Authorised		
143 590 560 ordinary shares of no par value		
Issued		
At beginning and end of year – 74 801 998 shares	**38 091**	38 091
6. DIVIDEND INCOME		
Subsidiary	**200 000**	–
7. FINANCE INCOME		
Bank	**27 616**	27 960
Subsidiary	**7 000**	5 764
	34 616	33 724
8. SELLING AND ADMINISTRATION EXPENSES		
Selling and administration expenses comprise the following charges:		
– Auditor's remuneration	**138**	86
– Other expenses	**375**	364
	513	450
9. TAX EXPENSE		
9.1 South African normal taxation		
– current	**9 319**	9 083
– prior year over-provision	**(99)**	–
	9 220	9 083

	%	%
9.2 Reconciliation of rate of taxation		
Statutory rate	**27.0**	27.0
Exempt dividend and other income	**(23.3)**	(22.1)
Effective rate	**3.7**	4.9

	2025 R'000	2024 R'000
10. CASH GENERATED FROM OPERATIONS		
Profit before taxation	**248 960**	184 511
Adjustment for non-cash item:		
Dividend, finance and other income received through loan account	**(221 857)**	(157 001)
Working capital changes:		
Other receivables	**696**	(723)
Other payables	**(194)**	563
Cash generated from operations	**27 605**	27 350
11. TAXATION PAID		
Taxation paid is reconciled to the amounts disclosed in the statement of comprehensive income as follows:		
Amounts (unpaid)/paid in advance at beginning of year	**(1 577)**	219
Amounts charged to statement of comprehensive income	**(9 220)**	(9 083)
Amounts unpaid at end of year	**1 737**	1 577
Amount paid	**(9 060)**	(7 287)
12. DIVIDENDS PAID		
Dividend number 72: 102 cents, declared 17 October 2024	**(76 298)**	–
Dividend number 71: 220 cents, declared 7 May 2024	**(164 564)**	–
Dividend number 70: 146 cents, declared 12 October 2023	**–**	(109 211)
Dividend number 69: 240 cents, declared 26 April 2023	**–**	(179 525)
	(240 862)	(288 736)
13. RELATED PARTY TRANSACTIONS		
Transactions conducted with related companies during the year:		
Reversal of impairment against advance to subsidiary	**14 857**	151 237
Dividends and finance income received from subsidiary	**207 000**	5 764
Year-end balances with related companies:		
– Advance to subsidiary	**332 967**	252 047
– Investment in subsidiary	**1**	1

14. NEW STANDARDS AND AMENDMENTS TO EXISTING STANDARDS AND INTERPRETATIONS THAT ARE NOT YET EFFECTIVE

Other than those listed in note 36 to the consolidated financial statements, there are no new standards that have been published that are expected to have a material impact on the Company's future accounting periods.

SUBSIDIARIES

FOR THE YEAR ENDED 28 FEBRUARY 2025

The details of the subsidiaries within the Combined Motor Holdings Group are:

		Effective holding (indirect)/direct	
Name of company	**Activity**	**2025 %**	**2024 %**
Ballito Motor Holdings	1	**(85)**	(85)
CMH Car Hire	2	**(85)**	(85)
CMH Car Hire Fleet	2	**(85)**	(85)
CMH Holdings	3	**85**	85
CMH Management	3	**(85)**	(85)
Datcentre Motors	1	**(85)**	(85)
Kempster Sedgwick	1	**(85)**	(85)
Mandarin Motors Three	1	**(85)**	(85)
Mandarin Parts Distributors	1	**(85)**	(85)
Pipemakers	3	**(85)**	(85)
Whitehouse Motors	1	**(85)**	(85)

Notes:

1. *All subsidiaries are Proprietary Limited companies incorporated in South Africa.*
2. ***Activity index:***

   1 Motor retail/distribution

   2 Car hire

   3 Corporate services/other
3. *No business of a subsidiary was managed by a third party during the year under review.*
4. *During 2006 the Group concluded a transaction with Main Street 445 Proprietary Limited ("Main Street"), in terms of which Main Street acquired a 15% shareholding in CMH Holdings Proprietary Limited and its subsidiaries. However, in terms of the shareholders' agreement, Main Street will not enjoy any benefits from its shareholding until various financial conditions have been met. It is not expected that these conditions will be met in the foreseeable future and consequently the equity held by Main Street has been consolidated in the financial statements of the Group.*

DIRECTORS' EMOLUMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2025

Executive directors	Total R'000	BWJ Barritt R'000	SK Jackson R'000	JD McIntosh R'000
2025				
Salary	**17 605**	**4 728**	**5 618**	**7 259**
Performance-related payments	**5 932**	**2 010**	**1 510**	**2 412**
Share-based payment award	**574**	**574**	**–**	**–**
Other benefits	**1 197**	**289**	**454**	**454**
Contributions to pension and medical aid funds	**2 369**	**691**	**713**	**965**
	27 677	**8 292**	**8 295**	**11 090**
2024				
Salary	16 765	4 502	5 350	6 913
Performance-related payments	11 323	4 130	2 680	4 513
Share-based payment award	386	396	–	–
Other benefits	1 069	145	462	462
Contributions to pension and medical aid funds	2 220	591	698	931
	31 773	9 764	9 190	12 819

Non-executive directors' fees	2025 R'000	2024 R'000
JS Dixon	**965**	899
ME Jones	**550**	524
RT Komane	**289**	226
JA Mabena	**346**	329
AY Metu	**–**	275
MR Nkadimeng	**289**	275
HP Spencer	**238**	–
Total	**2 677**	2 528

Notes:

1. *All remuneration paid by subsidiary companies.*
2. *"Share-based payment award" represents the cost to the Group, determined in accordance with a Black-Scholes model, of share appreciation rights granted.*

DIRECTORS' SHARE APPRECIATION RIGHTS

Rights of directors held subject to the terms and conditions of the Combined Motor Holdings Share Appreciation Rights Scheme 2010

('000 rights)	Total	Granted June 2024 at R26,36	Granted June 2023 at R28,60	Granted June 2022 at R28,80	Granted June 2020 at R9,72
BWJ Barritt					
At 28 February 2023	350			100	250
Exercised during the year	(83)				(83)
Granted during the year	100		100		
At 29 February 2024	367		100	100	167
Exercised during the year	(84)				(84)
Granted during the year	150	150			–
At 28 February 2025	433	150	100	100	83
The rights may be exercised as follows:					
– June 2025	**116**			**33**	**83**
– June 2026	**66**		**33**	**33**	
– June 2027	**117**	**50**	**33**	**34**	
– June 2028	**84**	**50**	**34**		
– June 2029	**50**	**50**			
	433	**150**	**100**	**100**	**83**

DIRECTORS' SHAREHOLDING

('000 shares)	Total	BWJ Barritt	SK Jackson	JD McIntosh
Beneficial shareholding at 29 February 2024				
– direct	627	540	87	–
– indirect	32 208	350	5 788	26 070
	32 835	890	5 875	26 070
Shares disposed of during the year				
– direct	(140)	(140)	–	–
– indirect	(350)	(350)	–	–
	(490)	(490)	–	–
Beneficial shareholding at 28 February 2025				
– direct	**487**	**400**	**87**	**–**
– indirect	**31 858**	**–**	**5 788**	**26 070**
	32 345	**400**	**5 875**	**26 070**

ANALYSIS OF ORDINARY SHAREHOLDERS

	Number of shareholders		Number of shares held ('000)		Percentage of shares held	
	2025	2024	**2025**	2024	**2025**	2024
Individuals	**4 932**	4 428	**8 230**	8 012	**11.0**	10.7
Trusts	**228**	232	**3 111**	3 814	**4.2**	5.1
Other corporate bodies	**375**	349	**63 461**	62 976	**84.8**	84.2
	5 535	5 009	**74 802**	74 802	**100.0**	100.0
Holdings						
1 – 2 500	**4 588**	4 085	**1 280**	1 209	**1.7**	1.6
2 501 – 5 000	**323**	318	**1 192**	1 189	**1.6**	1.6
5 001 – 10 000	**238**	224	**1 789**	1 699	**2.4**	2.3
Over 10 000	**386**	382	**70 541**	70 705	**94.3**	94.5
	5 535	5 009	**74 802**	74 802	**100.0**	100.0
Public shareholders	**5 532**	5 005	**42 457**	41 945	**56.8**	56.1
Non-public shareholders						
– directors of Company	**3**	3	**32 345**	32 835	**43.2**	43.9
– extended family of directors of Company	**–**	1	**–**	22	**–**	–
	5 535	5 009	**74 802**	74 802	**100.0**	100.0

Notes:

1. *In addition to the directors' shareholdings recorded above, no other shareholder has a reported holding in excess of 5%.*
2. *A copy of the detailed share register as at 28 February 2025 is available on written request to the company secretary.*

STOCK EXCHANGE PERFORMANCE

		2025	2024
Closing price	(cents)	**3 100**	2 650
Market capitalisation at year end	(R'000)	**2 318 862**	1 982 253
Volume of shares traded	('000)	**16 360**	7 307
Value of shares traded	(R'000)	**506 593**	203 057
Volume of shares traded as percentage of total issued shares	(%)	**21.9**	9.8
JSE General Retailers Index		**7 246**	5 940
JSE All-share Index		**85 943**	72 730
Lowest price during the year	(cents)	**2 475**	2 426
Highest price during the year	(cents)	**3 949**	3 089
Earnings yield	(%)	**13.0**	20.4
Dividend yield	(%)	**10.4**	14.6

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the thirty-eighth public annual general meeting ("AGM") of shareholders of Combined Motor Holdings Limited will be held in the boardroom at CMH Head Office located at 1 Wilton Crescent, Umhlanga Ridge, on Wednesday, 4 June 2025 commencing at 14:30, to pass, if thought fit, the ordinary and special resolutions proposed in this notice.

In order for an ordinary resolution to be adopted, the support is required of more than 50% of the total number of votes which the shareholders present or represented by proxy at this meeting are entitled to cast. In order for a special resolution to be adopted, the support is required of more than 75% of the total number of votes which the shareholders present or represented by proxy at this meeting are entitled to cast.

A shareholder who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead. The person so appointed need not be a shareholder. In terms of section 63(1) of the Companies Act of South Africa (the Act), any shareholder or proxy who attends the meeting must provide satisfactory identification. A South African green bar-coded identification document, smart ID card, driver's licence or passport will be acceptable.

1. ORDINARY RESOLUTION NUMBER 1

Approval of financial statements
To receive, approve and adopt the financial statements of the Company and the Group for the year ended 28 February 2025, such financial statements having been approved by the Board as required by section 30(3)(c) of the Act, and the reports of the Directors, the Audit and risk assessment committee, the Social, ethics and transformation committee, and the Remuneration and Nominations committees, which are presented to the shareholders in the integrated annual report.

2. ORDINARY RESOLUTION NUMBER 2

Re-election of non-executive directors
To confirm the re-election of JS Dixon and ME Jones who retire by rotation in terms of the memorandum of incorporation and who have offered themselves for re-election.

A brief curriculum vitae of each of the above directors is recorded on page 90. The Board recommends the re-election of each of the directors.

3. ORDINARY RESOLUTION NUMBER 3

Election of Audit and risk assessment committee
To elect members of the Audit and risk assessment committee for the ensuing year, as required by section 94(2) of the Act. The Board proposes the re-election of the following members:

- ME Jones (chairman), subject to his re-election in terms of ordinary resolution number 2 above
- RT Komane
- MR Nkadimeng

4. ORDINARY RESOLUTION NUMBER 4

Election of Social, ethics and transformation committee
To elect members of the Social, ethics and transformation committee for the ensuing year, pursuant to the Companies Act Amendments, section 61(8)(c)(iii) read with section 72(9A) of the Act. The Board proposes the re-election of the following members:

- BWJ Barritt
- JS Dixon, subject to his re-election in terms of ordinary resolution number 2 above
- JA Mabena (chairman)
- JD McIntosh
- HP Spencer

5. ORDINARY RESOLUTION NUMBER 5

Appointment of external auditor
To re-appoint, as required by section 90(1) of the Act, KPMG Inc. and designated partner D Read, as auditor of the Company and the Group for the ensuing year, as proposed by the Board.

6. ORDINARY RESOLUTION NUMBER 6

6.1 Remuneration policy

To confirm, on a non-binding advisory basis, the remuneration policy of the Group.

6.2 Implementation report

To confirm, on a non-binding advisory basis, the implementation report of the Group.

Both the remuneration policy and the implementation report are contained in the Report of the Remuneration and Nominations Committees on pages 26 to 30.

7. SPECIAL RESOLUTION NUMBER 1

Approval of fees of non-executive directors
To approve, in terms of section 66(8) of the Act, the fees of non-executive directors for their services as directors, during the ensuing year, as follows:

	2026 R'000
Chairman of the Board	**902**
Director	**200**
Audit and risk assessment committee	
– chairman	**271**
– member	**58**
– per meeting	**23**
Remuneration committee	
– chairman	**47**
– member	**21**
– per meeting	**15**
Social, ethics and transformation committee	
– chairman	**47**
– member	**21**
– per meeting	**15**
Nominations committee	
– per member, per *ad hoc* meeting	**11**

IMPORTANT DATES

Record date (in terms of section 59(1)(a) of the Act) to receive the Notice of the AGM	Thursday, 17 April 2025
Notice of AGM distributed to shareholders	Tuesday, 29 April 2025
Last day to trade in order to be eligible to vote at the AGM	Tuesday, 20 May 2025
Record date (in terms of section 59(1)(b) of the Act) to vote at the AGM	Friday, 23 May 2025

By order of the board of directors

PGovind

PMM Govind
Company secretary

29 April 2025

CURRICULA VITAE

A brief curriculum vitae of each of the directors standing for re-election is as follows:

JS DIXON

James Dixon, CA (SA) was appointed to the Board in October 2010. He was chairman of the Audit and risk assessment committee from 2011 to 2018 and was appointed chairman of the Board in May 2018. James is a member of the Remuneration committee and the Social, ethics and transformation committee and is chairman of the Nominations committee. James retired from PricewaterhouseCoopers Inc. in 2009 after serving as a partner at the firm for a period of 28 years. During that time he held the positions of Head of KwaZulu-Natal Assurance, Human Resources partner, member of the National Assurance Executive, and Head of KwaZulu-Natal Marketing. He was last re-elected to office in 2023.

ME JONES

Mike Jones, CA (SA), was appointed to the Board in April 2015 and to the Audit and risk assessment committee in May 2015. He assumed the role of chairman of that committee in 2018. Mike was a partner at PricewaterhouseCoopers Inc. for 27 years before retiring in 2013. During that time he was leader of KwaZulu-Natal Transactions Services, Risk Management and Technical Standards and later the leader of the Assurance practice from 2007 to 2013. Mike was last re-elected to office in 2023.

FORM OF PROXY

COMBINED MOTOR HOLDINGS LIMITED ANNUAL GENERAL MEETING 4 JUNE 2025

I/We the undersigned,

being the holder/s of ordinary shares of no par value in Combined Motor Holdings Limited,

do hereby appoint

or failing him the chairman of the meeting as my/our proxy to transact on my/our behalf at the annual general meeting of the Company to be held at 14:30 on Wednesday, 4 June 2025 and at each adjournment thereof.

Signature(s) Date

Please indicate with an "X" in the appropriate space below how you wish your vote to be cast:

	For	Against	Abstention
Ordinary resolution number 1: Approval of financial statements			
Ordinary resolution number 2.1: JS Dixon			
Ordinary resolution number 2.2: ME Jones			
Ordinary resolution number 3.1: ME Jones			
Ordinary resolution number 3.2: RT Komane			
Ordinary resolution number 3.3: MR Nkadimeng			
Ordinary resolution number 4.1: BWJ Barritt			
Ordinary resolution number 4.2: JS Dixon			
Ordinary resolution number 4.3: JA Mabena			
Ordinary resolution number 4.4: JD McIntosh			
Ordinary resolution number 4.5: HP Spencer			
Ordinary resolution number 5: Appointment of external auditor			
Ordinary resolution number 6.1: Remuneration policy			
Ordinary resolution number 6.2: Implementation report			
Special resolution number 1: Approval of non-executive directors' fees for:			
Special resolution number 1.1: Chairman of the Board			
Special resolution number 1.2: Directors			
Special resolution number 1.3: Chairman of the Audit and risk assessment committee			
Special resolution number 1.4: Other fees			

Notes:

1. A shareholder who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead. The person so appointed need not be a shareholder.
2. Forms of Proxy should be signed and dated and, where possible, forwarded to reach the company secretary at 1 Wilton Crescent, Umhlanga Ridge 4319, or by email at priyag@cmh.co.za, by no later than 14:30 on Tuesday, 3 June 2025. Nevertheless, completed Forms of Proxy may be lodged with the chairperson of the meeting at any time prior to the commencement of the meeting.
3. If no direction is given as to how a vote is to be cast, then the proxy holder will be entitled to vote as he/she deems fit.
4. In terms of the Companies Act of South Africa, any shareholder or proxy who attends the meeting must provide satisfactory identification. A South African green bar-coded identification document, smart ID card, driver's licence or passport will be acceptable.

Registered office
1 Wilton Crescent, Umhlanga Ridge, 4319

Postal address
PO Box 1033, Umhlanga Rocks, 4320

ADMINISTRATION

ULTIMATE HOLDING COMPANY

Combined Motor Holdings Limited
Registration number: 1965/000270/06
Income tax reference number: 9471/712/71/2
Share code: CMH
ISIN: ZAE000088050

DIRECTORS

BWJ Barritt *(executive)*
JS Dixon, CA (SA) *(independent non-executive)*
SK Jackson, BCom (Hons) (Tax Law), CA (SA) *(executive)*
ME Jones, CA (SA) *(independent non-executive)*
RT Komane, CA (SA), MFin *(independent non-executive)*
JA Mabena, BCom *(independent non-executive)*
JD McIntosh, CA (SA) *(executive)*
MR Nkadimeng, CA (SA) *(independent non-executive)*
HP Spencer, BA (Hons) (HR Management), Master of Arts *(independent non-executive)*

BUSINESS ADDRESS AND REGISTERED OFFICE

1 Wilton Crescent
Umhlanga Ridge 4319

POSTAL ADDRESS

PO Box 1033
Umhlanga Rocks 4320

COMPANY SECRETARY

PMM Govind

AUDITOR

KPMG Inc.

SPONSOR

PricewaterhouseCoopers Corporate Finance Proprietary Limited
4 Lisbon Lane
Waterfall City
Jukskei View 2090

BANKER

First National Bank of South Africa

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited
Private Bag X9000
Saxonworld 2132

CMH
GROUP