



2025

INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 AUGUST

COMBINED MOTOR HOLDINGS LIMITED

GROUP OPERATIONS

Retail motor dealerships



Divisions

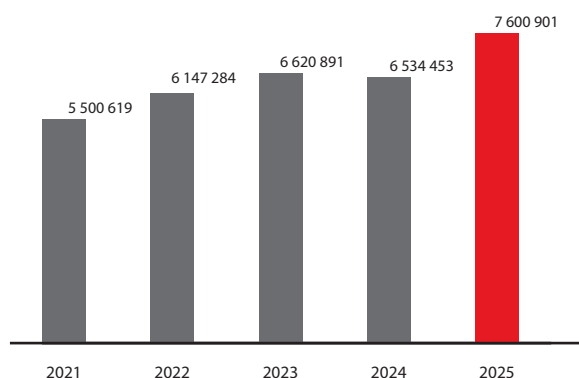


CONSOLIDATED FINANCIAL HIGHLIGHTS

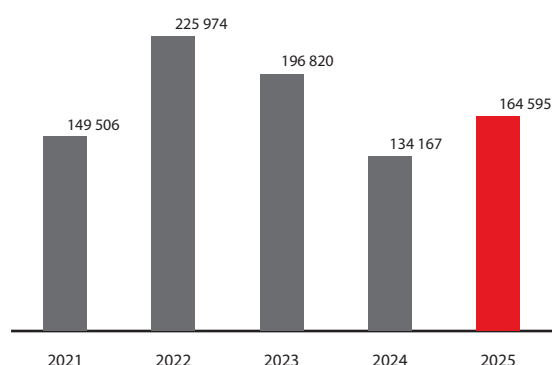
		Change %	Unaudited 6 months 31 August 2025	Unaudited 6 months 31 August 2024	Audited 12 months 28 February 2025
Total assets	(R'000)	7.5	5 309 513	4 938 139	5 472 658
Cash resources	(R'000)	14.9	774 515	673 820	954 124
Net asset value per share	(cents)	8.2	1 913	1 768	1 893
Revenue	(R'000)	16.3	7 600 901	6 534 453	13 251 596
Operating profit	(R'000)	14.0	323 542	283 920	639 543
Total profit and comprehensive income	(R'000)	22.7	164 595	134 167	301 492
Earnings per share	(cents)	22.6	220.0	179.4	403.1
Headline earnings per share	(cents)	22.7	220.0	179.3	403.2
Dividend paid per share	(cents)				322.0
Dividend per share in respect of 6 months to August – payable December	(cents)	(100)	—*	102.0	

* Refer to share repurchase offer on page 10.

REVENUE
FOR THE SIX MONTHS ENDED 31 AUGUST (R'000)



TOTAL PROFIT AND COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 AUGUST (R'000)



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2025

	Unaudited 31 August 2025 R'000	Unaudited 31 August 2024 R'000	Audited 28 February 2025 R'000
ASSETS			
Non-current assets			
Plant and equipment	104 117	102 894	110 610
Right-of-use assets	437 314	394 750	430 278
Car hire fleet vehicles	1 088 179	1 112 899	1 281 764
Goodwill	39 625	39 625	39 625
Insurance contracts receivable	46 027	56 103	30 197
Deferred taxation	85 644	90 116	87 030
	1 800 906	1 796 387	1 979 504
Current assets			
Inventories	2 213 257	2 028 482	2 073 599
Trade and other receivables	494 738	436 871	457 694
Current tax receivable	26 097	2 579	7 737
Cash and cash equivalents	774 515	673 820	954 124
	3 508 607	3 141 752	3 493 154
Total assets	5 309 513	4 938 139	5 472 658
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	38 091	38 091	38 091
Share-based payment reserve	12 139	11 589	15 224
Retained earnings	1 380 484	1 272 526	1 362 773
Total equity	1 430 714	1 322 206	1 416 088
Non-current liabilities			
Car hire fleet liabilities	96 758	85 284	383 649
Lease liabilities	466 651	446 353	471 378
Contract liabilities	4 741	7 666	4 741
	568 150	539 303	859 768
Current liabilities			
Trade and other payables	2 181 105	1 921 712	2 072 943
Car hire fleet liabilities	991 709	1 044 450	996 510
Lease liabilities	127 147	107 004	115 323
Contract liabilities	1 674	1 563	3 000
Current tax liabilities	9 014	1 901	9 026
	3 310 649	3 076 630	3 196 802
Total liabilities	3 878 799	3 615 933	4 056 570
Total equity and liabilities	5 309 513	4 938 139	5 472 658

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 AUGUST 2025

	Unaudited 6 months 31 August 2025 R'000	Unaudited 6 months 31 August 2024 R'000	Audited 12 months 28 February 2025 R'000
Revenue			
Motor retail and distribution	7 119 170	6 030 467	12 223 369
Car hire	388 486	421 192	830 307
Financial services			
– insurance	71 199	56 717	124 150
– other	3 679	4 524	15 572
Corporate services/other	18 367	21 553	58 198
	7 600 901	6 534 453	13 251 596
Cost of sales	(6 258 327)	(5 301 073)	(10 786 812)
Gross profit	1 342 574	1 233 380	2 464 784
Other income	3 482	3 768	21 431
Selling and administration expenses	(1 022 514)	(953 228)	(1 846 672)
Operating profit	323 542	283 920	639 543
Finance income	31 324	28 836	56 714
Finance costs	(138 589)	(135 735)	(288 056)
Profit before taxation	216 277	177 021	408 201
Tax expense	(51 682)	(42 854)	(106 709)
Total profit and comprehensive income	164 595	134 167	301 492

RECONCILIATION OF HEADLINE EARNINGS

Total profit and comprehensive income		164 595	134 167	301 492
Re-measurement items				
– (profit)/loss on sale of plant and equipment				
– gross		(47)	(13)	120
– impact of income tax		13	3	(32)
Headline earnings		164 561	134 157	301 580
Weighted average number of shares in issue	('000)	74 802	74 802	74 802

EARNINGS PER SHARE

Basic	(cents)	220,0	179,4	403,1
Diluted basic	(cents)	218,7	177,3	396,6
Headline	(cents)	220,0	179,3	403,2
Diluted headline	(cents)	218,6	177,3	396,7

DIVIDENDS PER SHARE

Dividend paid	(cents)			322,0
In respect of six months to August				
– payable December	(cents)	–*	102,0	

* Refer to share repurchase offer on page 10.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 AUGUST 2025

	Share capital R'000	Share-based payment reserve R'000	Retained earnings R'000	Total equity R'000
Balance at 29 February 2024	38 091	10 838	1 318 791	1 367 720
Total profit and comprehensive income			134 167	134 167
Release following exercise of share appreciation rights		(2 431)	2 431	–
Cost of shares delivered in terms of share appreciation rights scheme			(18 299)	(18 299)
Share-based payment charge		3 182		3 182
Dividends paid			(164 564)	(164 564)
Balance at 31 August 2024	38 091	11 589	1 272 526	1 322 206
Total profit and comprehensive income			167 325	167 325
Cost of shares delivered in terms of share appreciation rights scheme			(780)	(780)
Share-based payment charge		3 635		3 635
Dividends paid			(76 298)	(76 298)
Balance at 28 February 2025	38 091	15 224	1 362 773	1 416 088
Total profit and comprehensive income			164 595	164 595
Release following exercise of share appreciation rights		(5 889)	5 889	–
Cost of shares delivered in terms of share appreciation rights scheme			(24 862)	(24 862)
Share-based payment charge		2 804		2 804
Dividends paid			(127 911)	(127 911)
Balance at 31 August 2025	38 091	12 139	1 380 484	1 430 714

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 AUGUST 2025

	Unaudited 6 months 31 August 2025 R'000	Unaudited 6 months 31 August 2024 R'000	Audited 12 months 28 February 2025 R'000
Cash flows from operating activities			
Operating profit	323 542	283 920	639 543
Adjustments for non-cash items	108 531	112 746	232 824
Sale of car hire fleet vehicles	376 988	400 373	684 588
Purchase of car hire fleet vehicles	(225 847)	(292 194)	(804 786)
Working capital changes	(360 232)	(245 734)	89 982
Cash generated from operations	222 982	259 111	842 151
Taxation paid	(64 543)	(24 554)	(75 283)
Net cash movement from operating activities	158 439	234 557	766 868
Cash flows from investing activities			
Purchase of plant and equipment	(14 624)	(23 007)	(52 174)
Proceeds on disposal of plant and equipment	47	1 446	2 419
Finance income received	25 588	22 227	42 763
Dividend received from special purpose entities conducting insurance underwriting activities	1 728	1 171	49 152
Net cash movement from investing activities	12 739	1 837	42 160
Cash flows from financing activities			
Cost of shares delivered in terms of share appreciation rights scheme	(24 862)	(18 299)	(19 079)
Finance costs paid	(138 589)	(135 735)	(288 056)
Principal element of lease liability repayments	(59 425)	(59 081)	(122 012)
Dividends paid	(127 911)	(164 564)	(240 862)
Net cash movement from financing activities	(350 787)	(377 679)	(670 009)
Net movement in cash and cash equivalents	(179 609)	(141 285)	139 019
Cash and cash equivalents at beginning of period	954 124	815 105	815 105
Cash and cash equivalents at end of period	774 515	673 820	954 124

CONSOLIDATED SEGMENT INFORMATION

FOR THE SIX MONTHS ENDED 31 AUGUST 2025

	Total R'000	Motor retail/ distribution R'000	Car hire R'000	Financial services R'000	Corporate services/Other R'000
2025					
External revenue	7 600 901	7 119 170	388 486	74 878	18 367
Inter-segment revenue	21 528	–	248	–	21 280
Segment revenue	7 622 429	7 119 170	388 734	74 878	39 647
Operating profit/(loss)	323 542	193 091	139 694	21 827	(31 070)
Finance income	46 932	31	–	5 736	41 165
– external	31 324	31	–	5 736	25 557
– inter-segment	15 608	–	–	–	15 608
Finance costs	(154 197)	(89 578)	(63 109)	–	(1 510)
– external	(138 589)	(75 531)	(61 548)	–	(1 510)
– inter-segment	(15 608)	(14 047)	(1 561)	–	–
Profit before taxation	216 277	103 544	76 585	27 563	8 585
After charging					
– cost of sales	6 258 327	6 175 139	41 764	30 963	10 461
– employee costs	536 384	431 750	59 866	–	44 768
– short-term lease charges	56 291	38 670	16 741	–	880
– depreciation					
– plant and equipment	21 117	15 879	560	–	4 678
– right-of-use assets	59 486	55 015	1 920	–	2 551
– car hire fleet vehicles	81 473	–	81 473	–	–
Total assets	5 309 513	3 274 483	1 181 532	57 660	795 838
Total liabilities	3 878 799	2 663 710	1 162 426	–	52 663
Goodwill at period-end	39 625	39 625	–	–	–
2024					
External revenue	6 534 453	6 030 467	421 192	61 241	21 553
Inter-segment revenue	18 165	–	275	–	17 890
Segment revenue	6 552 618	6 030 467	421 467	61 241	39 443
Operating profit/(loss)	283 920	126 075	154 154	28 859	(25 168)
Finance income	41 088	–	–	6 609	34 479
– external	28 836	–	–	6 609	22 227
– inter-segment	12 252	–	–	–	12 252
Finance costs	(147 987)	(75 967)	(70 511)	–	(1 509)
– external	(135 735)	(72 706)	(61 520)	–	(1 509)
– inter-segment	(12 252)	(3 261)	(8 991)	–	–
Profit before taxation	177 021	50 108	83 643	35 468	7 802
After charging					
– cost of sales	5 301 073	5 215 927	58 893	13 180	13 073
– employee costs	484 849	384 964	59 533	–	40 352
– short-term lease charges	53 778	38 655	14 371	–	752
– depreciation					
– plant and equipment	18 835	15 431	621	–	2 783
– right-of-use assets	57 196	52 725	1 920	–	2 551
– car hire fleet vehicles	87 608	–	87 608	–	–
Total assets	4 938 139	2 954 876	1 244 856	70 099	668 308
Total liabilities	3 615 933	2 366 101	1 210 951	–	38 881
Goodwill at period-end	39 625	39 625	–	–	–

COMMENTARY

The directors are satisfied with the results achieved during the period under review. Whilst at first glance the 23% increase in headline earning per share is pleasing, it must be borne in mind that the comparative period was beset by weak economic conditions during last year's elections.

Supported by the earnings increase, the Group's financial structure remains sound, and continued cash generation has enabled directors to propose the share repurchase undertaking detailed below.

MOTOR RETAIL/DISTRIBUTION

After a number of economically depressed years, it is particularly gratifying to see that this division has taken advantage of the modest improvement in industry conditions, and more than doubled its pre-tax profit. The national market has been assisted by five interest rate cuts since September last year, competitive pricing and sales incentives by manufacturers and importers, and an improved exchange rate. Group new vehicle unit sales increased in line with the national trend. The market shift from luxury brands to more affordable models continued, the momentum being led by the drive from Chinese- and Indian-based manufacturers. These vehicles now represent nearly 50% of Group new vehicle sales and have placed enormous pressure on the Group's traditional favourites, Nissan, Ford, and Volvo, which now struggle to match their pricing and feature-rich offering.

New energy vehicles continue to limp along, hampered by pricing and the inconvenience of operation. Hybrid models dominate but, at roughly 3% of the market, the sector remains well short of NAAMSA's target of 20% this year and 40% by 2030.

On the import and distribution side, the introduction of the Foton range of commercial vehicles has matched pre-launch expectations. The product has been well received in a very competitive market segment, and sales have placed it in the top 10 category of its segment nationally. The imminent arrival of two new variants will further boost profitability and drive the segment to become a significant contributor to Group earnings.

The used car market showed steady growth. Price stability, improved finance conditions, and general consumer confidence supported higher volumes and gross margins. The retail motor division has benefited from access to the retired fleet from the car hire division, and demonstration models held by manufacturers, as sources of inventory for sale.

The after-sales departments, workshops and parts, enjoyed a consistent period and provided a steady return. Customer retention is a key driver in these departments, particularly after the few recent years of depressed new vehicle sales that the country has experienced. MPD, the Group's alternate parts supplier, specialises in out-of-warranty Chinese- and Asian-sourced vehicles and has recorded significant earnings growth. This segment is positioned to benefit from the recent surge of these models as the vehicles age and the warranties expire.

CAR HIRE

This segment struggled to maintain market share and earnings in an increasingly competitive market. Profit before taxation was down 8.4%, largely as the result of increased holding costs in respect of excess fleet vehicles during the early months of the period. The average daily hire rate was challenged by market forces, and the fleet utilisation rate suffered. The fleet has since been rebalanced, both in terms of size and value groupings, and the relevant metrics have improved. The inbound tourist segment has shown steady improvement. Regionally, the continued development of sites at destinations visited by FlySafair, with which First Car Rental has an alliance, has been recognised by international booking agents.

The insurance replacement market, which provides a regular offtake and predictable usage of vehicles, has become less attractive, with lower hire rates and shorter periods. In addition, the level of insurance claims has fallen below previous years. As a consequence, dependency on the market segment has been reduced.

The used car market, through which the retired fleet is sold, has yielded disposal values in line with depreciation model expectations.

FINANCIAL SERVICES

This segment suffered a 22% decline in profitability, with the finance joint ventures down 7% and the insurance cells down 28%. The latter division experienced a higher than usual claims rate, but this is expected to reduce in the months ahead. Despite lower vehicle sales levels over the past few years, the policy sales ratio has improved which augurs well for future annuity income.

FINANCIAL STATEMENTS

The financial statements are considered self-evident, with no material movements over the reporting period. No further comment is considered necessary.

PROSPECTS

Current indications are that the second half of the financial year will produce marginally better economic conditions. Modest but steady growth in national new vehicle sales will underpin the retail/distribution segment, with the possibility that an improved Foton contribution could provide a welcome bonus. At the time of writing, the national new vehicles sales for September have just been released. Boosted by the additional Chinese entrants, the market recorded its strongest month in a decade, with 54 700 unit sales. It also represents the third consecutive month of volumes above 50 000.

The forward reservations book of First Car Rental indicates a good tourism experience during the summer months, and the lower interest rates will help reduce fleet holding costs.

COMMENTARY CONTINUED

SHARE REPURCHASE OFFER

The Group currently has, and has had for a number of years, cash resources which are surplus to its present and reasonably foreseeable requirements. Having reviewed cash flow projections, the directors do not anticipate that the resources will be required in the next 12 months for operational or other reasons.

Consequently, the directors believe that, rather than earn a relatively low interest return on the surplus funds, optimal use thereof can better be made by returning the surplus to shareholders by way of a pro rata share repurchase offer ("Share Repurchase Offer").

Whilst the full details including the pricing and timing of the Share Repurchase Offer is still to be determined, the salient features of the Share Repurchase Offer are as follows:

- the Share Repurchase Offer will be restricted to a maximum number of 11 220 000 shares, representing 15% of the Company's total present issued ordinary shares;
- shareholders may tender for repurchase as many or few shares as they decide.

DIVIDEND

In view of the Share Repurchase Offer proposed and detailed above, the directors propose that the value of the traditional dividend payable in December each year be included in the value of the Share Repurchase Offer, and no separate dividend will be paid. The directors anticipate that traditional dividend payments will resume from June 2026.

CAUTIONARY ANNOUNCEMENT

Accordingly, until such time as the full details of the Share Repurchase Offer are determined, Shareholders are advised to exercise caution when trading in their CMH shares until a full SENS announcement is made.

BASIS OF PREPARATION

The unaudited interim financial results for the six months ended 31 August 2025 have been prepared in accordance with the requirements of the JSE Limited Listings Requirements and the South African Companies Act, No 71 of 2008, applicable to interim financial statements. The Listings Requirements require interim reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS® Accounting Standards"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, and Financial Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting.

The condensed consolidated financial statements for the six months ended 31 August 2025 have been prepared under the supervision of SK Jackson CA(SA), financial director. The results have not been reviewed nor audited by the Group's external auditors, KPMG Inc.

The accounting policies applied in the preparation of the unaudited interim financial results are in terms of IFRS and are consistent with those applied in the annual financial statements for the year ended 28 February 2025 and the prior interim reporting period.

CORPORATE GOVERNANCE

The Group is committed to maintaining the high standards of governance as embodied in the King IV Report on Corporate Governance ("the Report") and applies the principles and the appropriate best business practices as recorded in the Report. The Group also complies with the corporate governance requirements set out in the JSE Limited Listings Requirements.

CHANGES IN DIRECTORATE

During the period under review, two new directors were appointed to the Board. PMM Govind and CG Webber were appointed as executive directors effective 4 June 2025. This is in terms of the Group's succession plan.

By order of the board of directors

PMM Govind CA(SA)

Company Secretary

14 October 2025

CORPORATE INFORMATION

COMBINED MOTOR HOLDINGS LIMITED

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

DIRECTORS

JS Dixon (chairman)*
JD McIntosh (chief executive officer)
BWJ Barritt
PMM Govind
SK Jackson
ME Jones*
RT Komane*
JA Mabena*
MR Nkadimeng*
HP Spencer*
CG Webber

** Independent non-executive*

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited
Private Bag X9000
Saxonwold, 2132

AUDITOR

KPMG Inc.

COMPANY SECRETARY

PMM Govind

WEBSITE

www.cmh.co.za

BUSINESS ADDRESS AND REGISTERED OFFICE

1 Wilton Crescent
Umhlanga Ridge, 4319

POSTAL ADDRESS

PO Box 1033
Umhlanga Rocks, 4320

SPONSOR

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