



2024

FINANCIAL
RESULTS
PRESENTATION



COMBINED MOTOR HOLDINGS

GROUP FINANCIAL HIGHLIGHTS



GROUP FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 29 FEBRUARY 2024

		2024	2023	% Change
Total assets	(R'000)	5,185,446	4,976,881	4.2
Cash resources	(R'000)	815,105	761,876	7.0
Net asset value per share	(cents)	1,828	1,690	8.2
Revenue	(R'000)	12,839,564	12,434,375	3.3
Operating profit	(R'000)	781,164	773,412	1.0
Operating profit to revenue	(%)	6.1	6.2	-1.6
Total profit and comprehensive income	(R'000)	408,484	443,461	-7.9
Return on shareholders' funds	(%)	31.0	37.3	-16.9
Basic earnings per share	(cents)	546.1	592.8	-7.9
Headline earnings per share	(cents)	541.8	617.1	-12.2
Dividends paid per share	(cents)	386.0	393.0	-1.8
Dividend declared – payable June 2024	(cents)	220.0	240.0	-8.3

- **Challenging economic environment**
 - high interest rates
 - prime rate - May 2023 – 11.75%
 - highest in 14 years
 - weak currency
 - fuel price increases
 - worsening power cuts
 - poor governance
 - political instability
 - two wars in progress
- **On the positive side**
 - increase in tourism/business travel

- Revenue increase driven by vehicle price increases, offset by marginally lower volumes. Also Land Rover change to ‘agency’ model.
- Gross profit margin improved from 19.3% to 19.7%
 - higher retail motor margins during first 6 months
 - higher car hire mix
- Selling and administration expenses contained at 8.9% increase, with employee costs up 3.2%
- Finance costs were the differentiator
 - on a similar inventory and car hire fleet asset base, finance costs have increased as follows:
 - R124 105 – 2022
 - R192 764 – 2023
 - R280 013 – 2024
- The tax rate was down from 28.5% to 26.7%

- high return on shareholders' funds – 31%
- sound balance sheet
- strong cash flow generation – R815 million at year end
- dividend proposed – 220 cents vs 240 cents

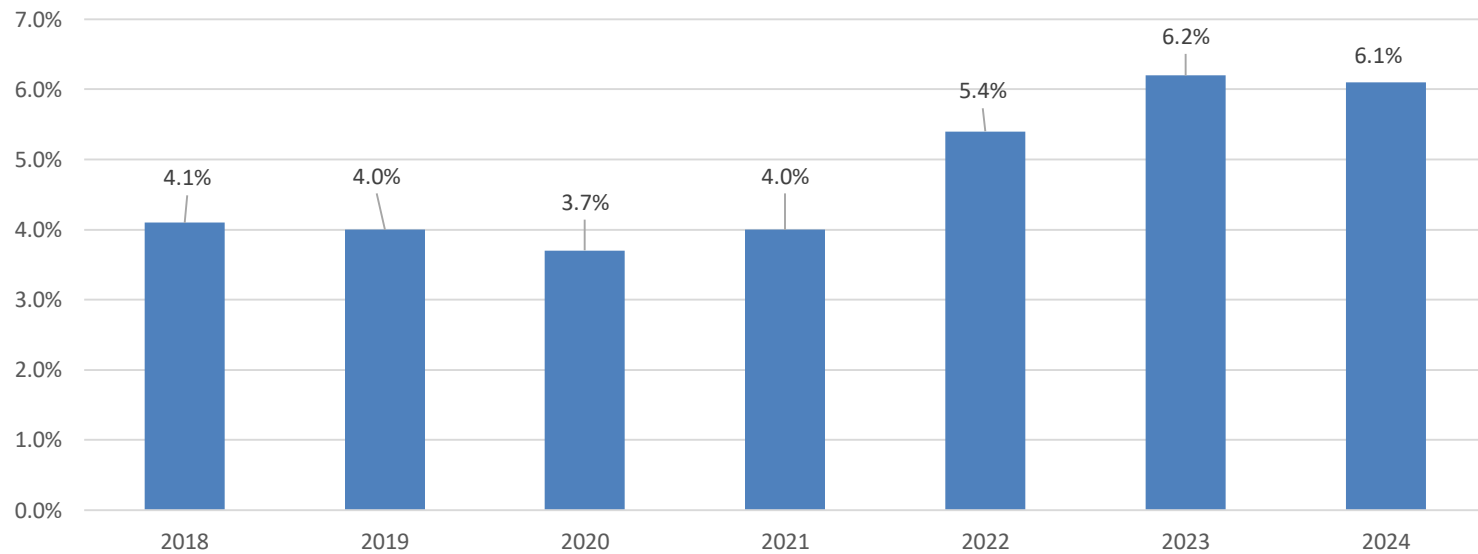
GROUP INCOME STATEMENT



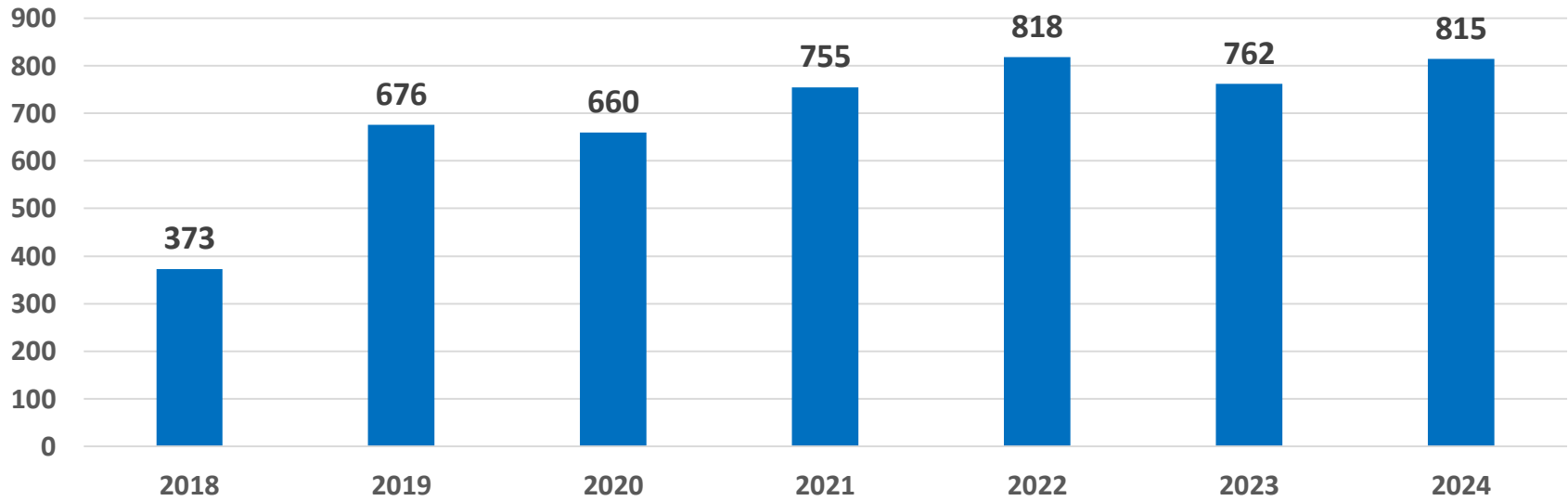
GROUP INCOME STATEMENT

	2024 R'000	2023 R'000
Revenue	12,839,564	12,434,375
Cost of sales	<u>-10,313,533</u>	<u>-10,037,459</u>
Gross profit	2,526,031	2,396,916
Gross profit %	19.7	19.3
Other income	32,211	26,094
Goodwill impaired	0	-17,671
Selling and operating expenses	<u>-1,777,078</u>	<u>-1,631,927</u>
Operating profit	781,164	773,412
Operating profit % (excluding goodwill w/off)	6.1	6.4
Finance income	55,805	39,792
Finance costs	<u>-280,013</u>	<u>-192,764</u>
Profit before taxation	556,956	620,440
Tax expense	-148,472	-176,979
Tax rate %	<u>26.7</u>	<u>28.5</u>
Total profit and comprehensive income	<u>408,484</u>	<u>443,461</u>

OPERATING MARGIN



CASH RESOURCES (R'million)



- Group scorecard rating - level 4
- Car Hire scorecard rating - level 2
- CMH First Fleet Solutions - level 2
- Both Car Hire and First Fleet have 51% black ownership qualification
- Group scorecard adversely affected by motor manufacturers from which the majority of procurement is sourced
- Employment equity - 78% of staff are African, Coloured, Indian

CMH SHARES TRADED



	2024	2023	2022	2021	2020
Volume of shares traded ('000)	7,307	9,830	12,162	11,227	9147
Value of shares traded (R'000)	203,057	277,718	283,365	145,439	191,500
Average price per share traded (cents)	2,779	2,825	2,330	1,295	2,093
Year-end market price (cents)	2,650	2,868	2,800	1,550	1,840
Market capitalisation (R million)	1,982	2,145	2,094	1,159	1,376
Year-end price : earnings ratio	4.9	4.7	5.6	6.7	7.2
Year-end dividend yield (%)	14.6	13.7	8.4	6.5	9.6
"Free-float" shares ('000)	42,055	41,997	42,107	42,227	42,238
"Free-float" (%)	56	56	56	57	57

SEGMENT PROFIT CONTRIBUTION



	2024	2023	2022	2021	2020
	%	%	%	%	%
Car hire	50	43	23	-2	17
Motor retail / distribution	34	44	66	86	57
Financial services	15	12	11	12	17
Corporate services / other	1	1	0	4	9
	100	100	100	100	100

	2024	2023	2022	2021	2020
	R'000	R'000	R'000	R'000	R'000
Segment profit before taxation	187,565	273,789	336,069	202,437	150,049

INDUSTRY NEW VEHICLE SALES – CALENDAR YEAR

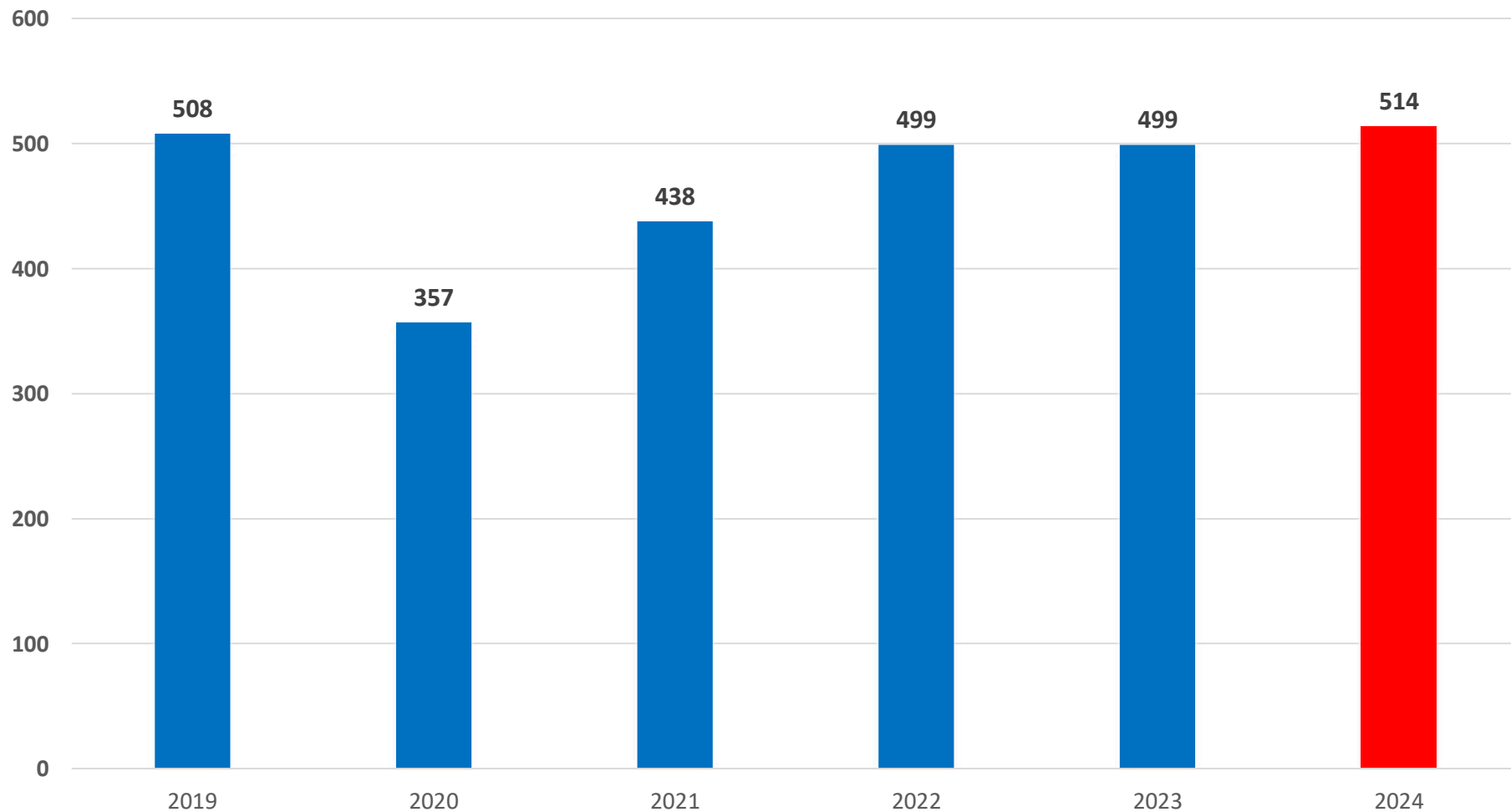
- National market (passenger & light commercial) flat
- Market share moves
 - Chery +54% - off a low base
 - Ford +16% - strong light commercial range
 - Toyota + 9% - recovery after the floods
 - Mazda -30% - pricing and supply problems
 - Nissan -13% - discontinued light commercial models/pricing problems
 - Haval -11% - lost market share to Chery

INDUSTRY NEW VEHICLE SALES

SALES ('000 UNITS) - CALENDAR YEAR

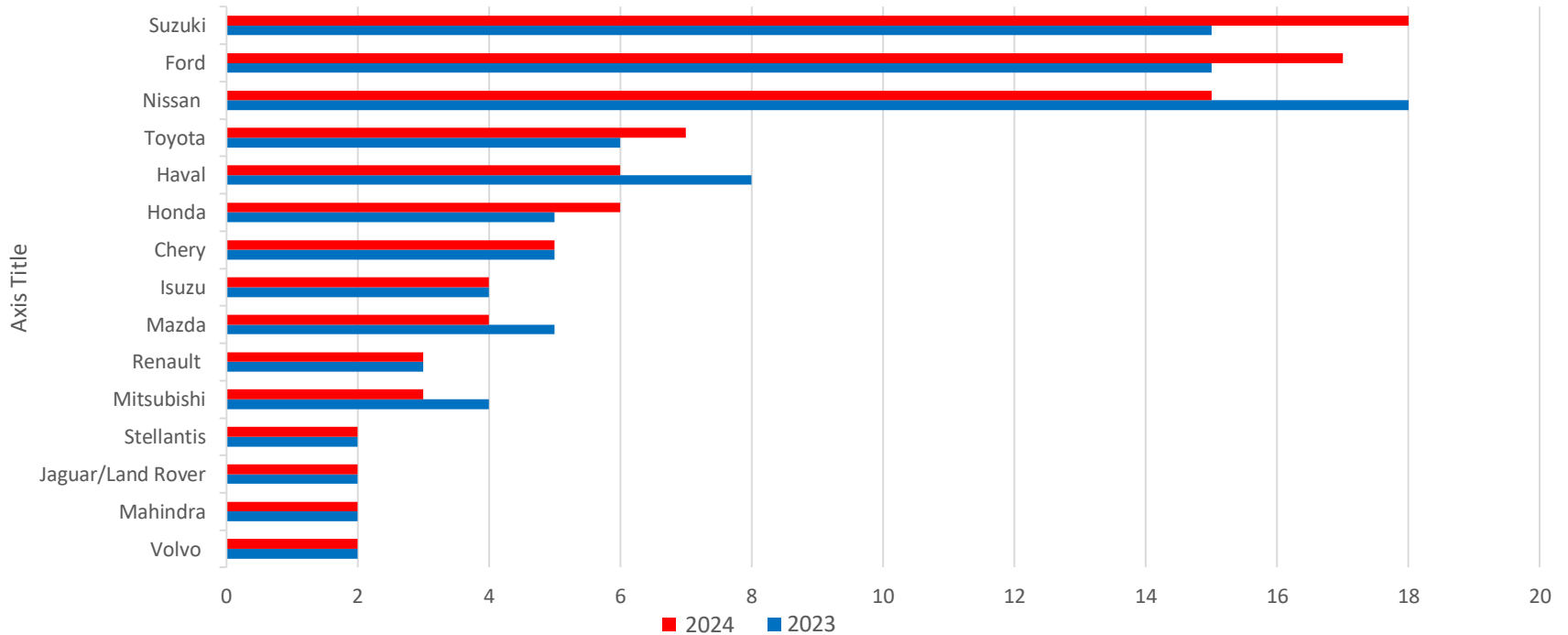


PROJECTED



SEGMENT ANALYSIS – RETAIL MOTOR

GROUP NEW UNIT SALES BY MANUFACTURER (%)



- **During financial year**
 - national sales down 1.2% - passenger down 5.7%, light commercial up 10.8%
 - CMH sales down 1.9%
- **Vehicle sales**
 - continued gross overstocking at manufacturer level
 - pressure on dealers to increase sales and inventory levels
 - heavy discounting, low margins, depressed trade-in values
 - hail damage to 10 000 vehicles – repaired and discounted in the market
 - high interest rates exacerbate customer affordability crisis
 - used vehicle values fluctuated widely
 - focus on reduced inventory and faster rotation
- **Parts and service**
 - shortage of critical parts persists, affects customer satisfaction
 - impact of new brands is increasing, but not yet at optimum level

- **Mandarin Parts Distributors**

- steady year, supply affected by harbour disruptions and inefficiencies
- profit up 20%
- 28 independent franchisees

- **Proton vehicles**

- imported from Malaysia
- sales below anticipated level
- favourably rated after test drives, few warranty claims
- inventory has been competitively repriced

- **Foton vehicles**

- CMH appointed importer and distributor of Foton range of light commercial vehicles and taxis
- multifranchised with Mazda, Honda and Nissan dealerships to complement their product offering where light commercial models have been discontinued
- dealer network established – 43 outlets including 5 medium-sized motor retail groups (11 CMH)
- number 1 light commercial brand in China, also available as EVs
- the three traditional light commercial brands in our market have been significantly repriced, leaving a 'gap' for a competitively priced offering with full specifications
- all models are priced most competitively in their class

Timeline and Range

TUNLAND G7 DC
TUNLAND G7 SC
Miler
VIEW
Taxi
TUNLAND G9 DC
TUNLAND V7 V9

JUN202
NOV2024
MAY2025

E TRUCK MATE
E VIEW
E AUMARK
E TUNLAND







	2024	2023	2022	2021	2020
	R'000	R'000	R'000	R'000	R'000
Segment profit before taxation	280,385	268,587	115,945	-5,103	45,178

- boosted by tourism and corporate travel
- alliance with FlySafair mutually beneficial
- insurance replacement market steady
- daily hire rate down 3%
 - increased competition
 - higher mix of lower value fleet vehicles
- fleet holding costs volatile
 - manufacturer oversupply created buying opportunities
 - pricing and interest rates remain a negative factor
- forward order book positive

	2024	2023	2022	2021	2020
	R'000	R'000	R'000	R'000	R'000
Segment profit before taxation	83,244	73,046	56,159	28,046	44,637

- Relates to finance JVs and insurance underwriting
- Higher level of financeable business generated
- Improved interest rate margin
- Insurance cells recorded flat revenue and lower claims, profit up 25%

The year ahead will be characterized by uncertainty

- elections, with various possible outcomes
- expected interest rate cuts have been pushed back
- load-shedding forecasts unreliable
- modest economic growth will not reverse the unemployment dilemma
- NAAMSA pins its expectations for 2024 on a reversal of the interest rate trend and an easing in inflation
- car hire leases at airports still not addressed

The CMH Group has strong credentials and is well positioned to exploit whatever opportunities arise

- diverse range of motor retail products - mix favours the lower-priced volume models
- expected success of the Foton project
- car hire business mix is well balanced and stable
- both tourism and corporate markets expect growth, but competition will intensify
- strong, experienced management team
- sound, conservative and liquid balance sheet



THANK YOU

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