

The Colonial Motor Company Limited

Report from the Group Chief Executive

Alex Gibbons

107th Annual Meeting

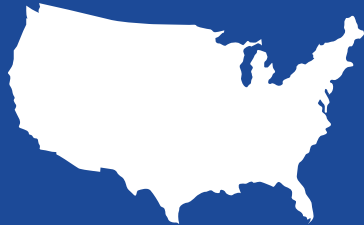
7 November 2025

Game plan

1. Big picture new vehicle market overview
2. New cars
3. Used cars
4. Trucks & Truck Related Parts
5. Tractors & equipment
6. CMC trading outlook
7. June will discuss how Group Office supports dealerships
8. Sebastian (Seb) will discuss ongoing advancements in business intelligence and analytics
9. Video
10. Questions – general business

The Colonial Motor Company Limited

New Vehicle Market Complexity and Competition



CHINA

1.4B people

155 brands

31M units
registered

200K

units/brand

USA

340M people

38 brands

16M units
registered

420K

units/brand

JAPAN

124M people

49 brands

3.7M units
registered

76K

units/brand

AUSTRALIA

27M people

74 brands

1.2M units
registered

16K

units/brand

NEW ZEALAND

5M people

60 brands

130K units
registered

2K

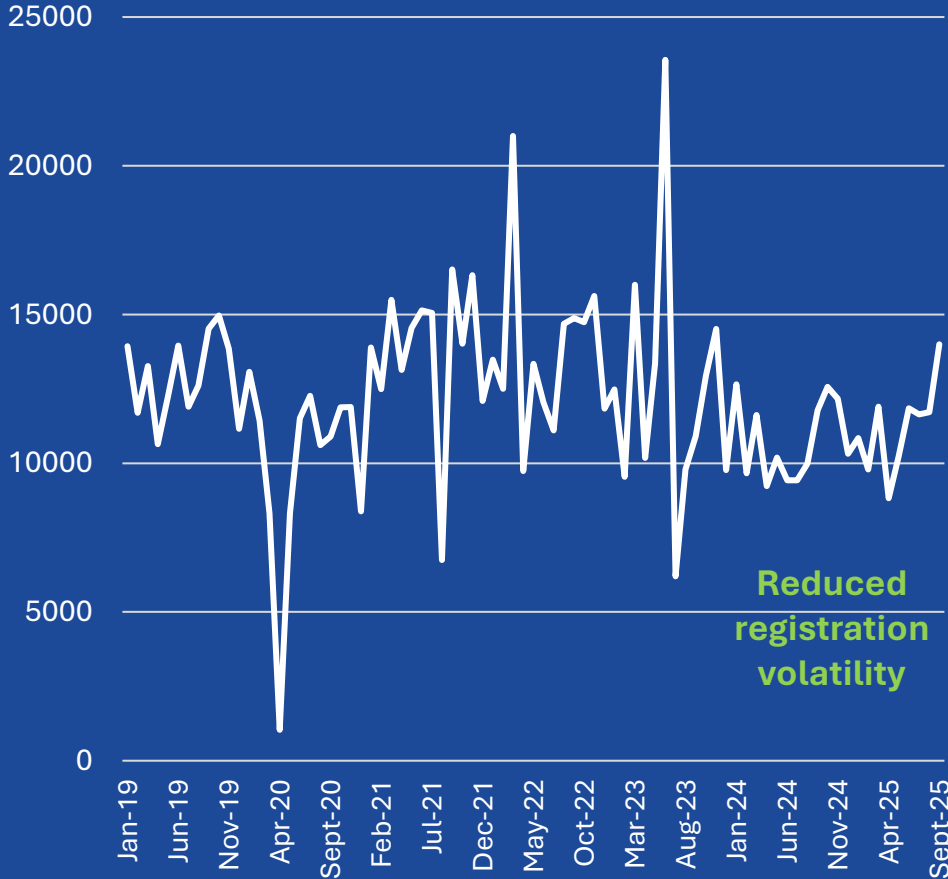
units/brand

Source: Deloitte Automotive (annual unit registrations)

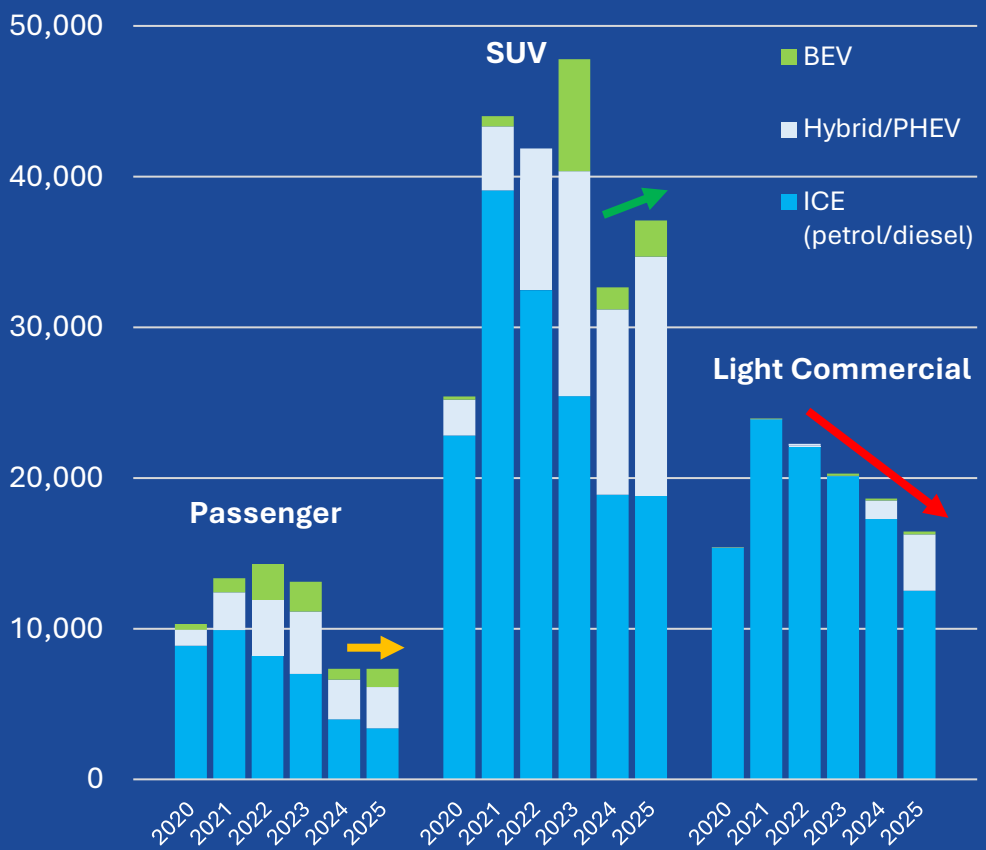
The Colonial Motor Company Limited

New Vehicle Market (Registrations)

NZ Total Registrations



NZ Registrations by Segment and Powertrain



Source: MIA, 30 June 2025

New Car Market

FY 2024/25



- Flat market
- Increased competition
- Margin pressure
- Complex product mix (EV, PHEV, ICE)

Outlook



- Gradual recovery
- New entrants will continue to arrive
- Margin pressure unchanged
- Complexity of the product mix unchanged

Business Focus

- Customer service excellence
- Capitalise on new data and analytics capabilities, including AI
- Dealership management and leadership programs
- Support franchise partners
- Monitor the market for new opportunities

New Product



Ranger Super Duty

Our brand partners continue to announce and deliver an array of new vehicles for the New Zealand Market. Just a few examples are represented here.



Ranger Hybrid



E-Transit range



New CX5

The Colonial Motor Company Limited

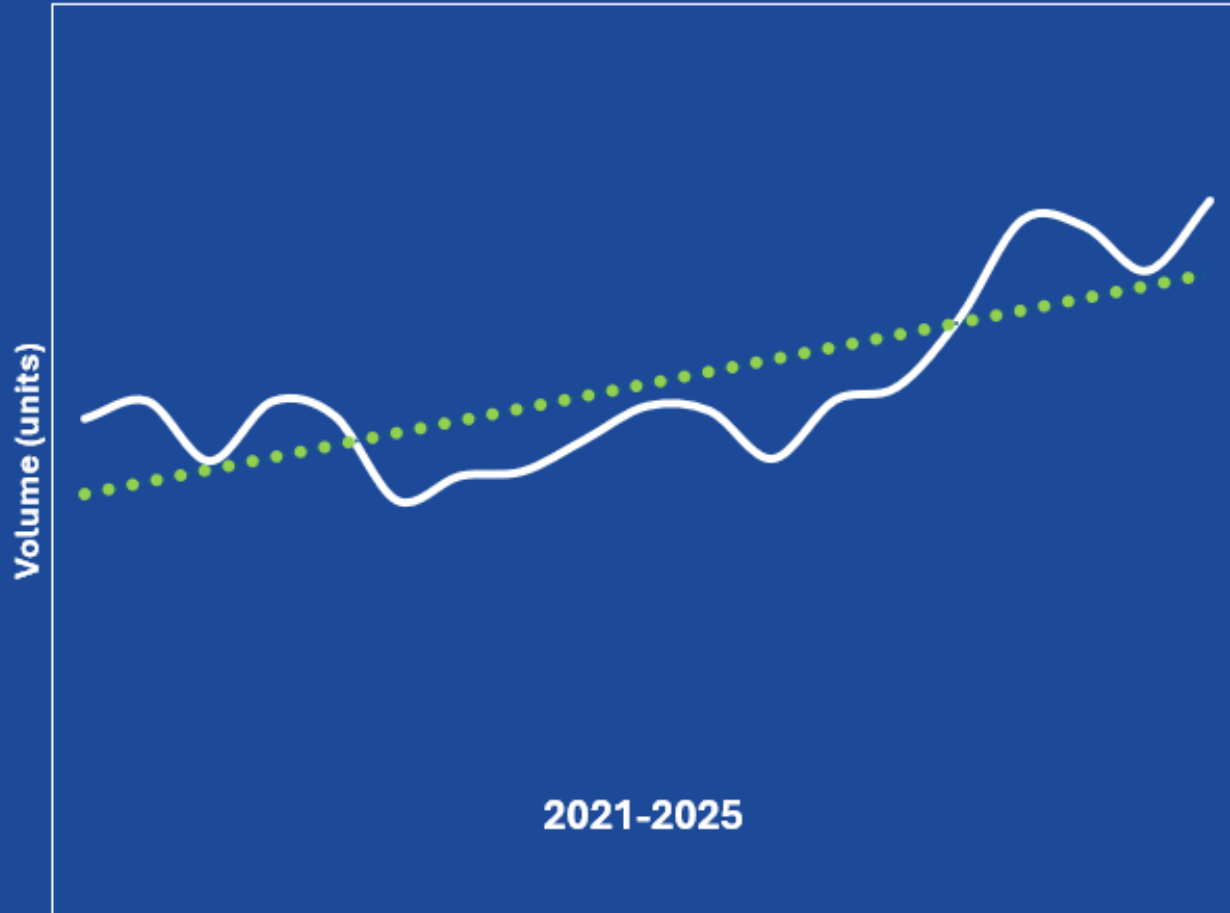
New Dealership: Manukau Autos



- Mitsubishi has a balanced model range with a core strength in the passenger/SUV segments.
- While early days, Manukau Autos has hit the ground running – well done to Jason and the Team.

The Colonial Motor Company Limited

Success Story: Group used car sales



In 2023 we set three objectives:

1. Improve the resilience, profitability and capability within the used car business.
2. Achieve growth through supporting existing dealerships.
3. Ensure the used car business remains complementary to new vehicles.

All three objectives are being achieved

The Colonial Motor Company Limited

Used Car Market

FY 2024/25

- Variable market
- Reduced flow of Japanese used imports driving an increase in demand for locally sourced used cars
- Small independent used dealerships appear to be finding life increasingly tough

Outlook

- Variable market
- No change in Japanese import dynamics
- Large players competing for locally sourced used inventory
- As new vehicle demand improves segments of the used market could soften

Business Focus

- Continue investing to develop the resilience and scale of operations
- Develop new digital tools to drive used vehicle integration and capability Group-wide
- Maintain balance to ensure used cars continue to complement new car operations

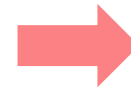
Trucks & TRP (Truck Related Parts)

FY 2024/25



- Declining market
- Lower freight volumes delaying fleet replacements
- High inventory costs due to carrying additional trucks to support customers/business through model changes

Outlook



- Challenging market
- New truck demand is expected to remain subdued
- Lower interest rates and rising consumer confidence will eventually drive increased freight volumes

Business Focus

- Lead the market by standing with customers through all economic conditions
- Reduce inventory ahead of the introduction of new models
- Build the JAC light-duty-truck opportunity now integrated into Southpac and their service network
- Grow the TRP brand and business

Tractors & Equipment

FY 2024/25

- Market in recovery
- Clearing inventory
- Cost pressure driving demand towards lower specification tractors

Outlook

- Improving market
- Increasing confidence within the rural sector
- Continuation of demand for lower specification tractors

Business Focus

- Concentrate on the core heavy tractor business
- Continue investing in the delivery of a first class customer service both at dealership and on-farm
- Integrate insights and analytical tools developed for the car business into Agricentre

Outlook: Q1 FY 2025/26

Q1 - Cautious optimism

- First quarter trading has resulted in a positive start to the new financial year, with trading trending in the right direction.
- The market and economy remain patchy and the Company continues to observe a two tier recovery between rural/metro markets.
- Lower interest rates and a degree of buoyancy in the agricultural sector can only be seen as a positive sign for New Zealand.
- Cautious optimism, a good start but three quarters remain.

Supporting our Dealerships

How we promote change in a decentralised business



The Colonial Motor Company Limited

Threads that bind dealerships together

Clear Expectations

The "CMC Way"
concept

GoSafe Health &
Safety Guide

Tools in common

Dealership
Management System
& IT Infrastructure

GoSafe H&S App

Leveraging AI

Review

Internal Audits

Comparatives

H&S Audits



Sebastian Black (CA)
Chief Financial Officer

Our analytics & reporting tools

Under present market conditions, it has never been more important to understand our business and our customers.

CMC has developed industry leading comparative reporting tools over the past three years to analyse the performance of our automotive businesses.

This data is shared across our dealership group to facilitate relevant and informed decision making.

The Colonial Motor Company Limited

Supporting our dealers

Our Dealer Principals sit in the drivers seat of their businesses. Our aim is to ensure that they have access to the best possible suite of tools for success.

The Benefits are Tangible

- Engagement and understanding has improved.
- New and Used vehicle departments have increased sales volumes.
- Workshop capacity has become an opportunity.
- Productivity per person has increased.



Threads that bind dealerships together

Clear Expectations

The "CMC Way"
concept

**GoSafe Health &
Safety Guide**

Tools in common

Dealership
Management System &
IT Infrastructure

GoSafe H&S App

Leveraging AI

Review

Internal Audits

Comparatives

H&S Audits