2 CHEAP CARS GROUP LIMITED

TARGET COMPANY STATEMENT

IN RESPONSE TO A FULL TAKEOVER OFFER FROM SENA & CO LIMITED

27 JULY 2026

THE INDEPENDENT DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU ACCEPT THE OFFER

You should read this Target Company Statement in its entirety, including the Independent Adviser's Report from Simmons Corporate Finance Limited, carefully and in full when considering whether to accept the Offer. This is an important document and requires your urgent attention. If you have any questions in respect of this document or the Offer, you should seek advice from your financial or legal adviser.

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Letter from the Chair

27 July 2026

Dear Shareholder,

The Independent Directors of 2CC unanimously recommend that you accept Sena & Co's offer for all your Shares in 2CC.

You will have received a takeover offer (**Offer**) from Sena & Co Limited (**Sena & Co**) to acquire all of your ordinary shares (**Shares**) in 2 Cheap Cars Group Limited (**2CC**) for $0.80 in cash per Share.

Sena & Co is the majority Shareholder of 2CC, holding approximately 76% of the Shares in 2CC. It is wholly owned by the trustees of the Sena Family Trust, of which Yusuke David Sena, 2CC's CEO and director, is a trustee and beneficiary.

This Offer comes after engagement between the Independent Directors and Sena & Co, following receipt of a confidential non-binding indicative offer (**NBIO**). The price per share in the NBIO was initially $0.75 per Share. After negotiations, Sena & Co submitted an amended NBIO, offering $0.75 per Share if the 90% minimum acceptance condition was waived, and $0.80 per Share if the 90% minimum acceptance condition was satisfied. Following further negotiations, Sena & Co ultimately increased the Offer price to $0.80 per Share in all cases. This Offer is now being presented to Shareholders. Despite numerous discussions the Independent Directors were unable to get Sena & Co to increase the Offer price beyond $0.80 per Share. However, the Independent Directors are not confirming either that Sena & Co will not increase the Offer price.

Takeover Committee

2CC's response to, and the Board's consideration of, the Offer has been delegated to, and managed by, the Takeover Committee, which comprises the Independent Directors of 2CC, being Michael Stiassny (chair of the committee) and Gordon Shaw.

Yusuke David Sena does not sit on the Takeover Committee given his affiliation with Sena & Co and the resulting conflict of interest.

The Takeover Committee has sought legal advice from MinterEllisonRuddWatts. The Takeover Committee also sought advice from Craigs Investment Partners regarding valuation methodologies used in comparable transactions to assist the Takeover Committee in its process. The Takeover Committee has made the recommendation set out below after carefully considering the Independent Adviser's Report from Simmons Corporate Finance on the merits of the Offer.

The key reasons why the Independent Directors recommend that you accept the Offer are:

- the Offer price of $0.80 per Share is within the Independent Adviser's valuation range of $0.71 to $0.90;
- the Offer price represents a 21% premium to the pre-announcement trading price of 2CC's Shares ($0.66 per Share), and a 39% premium to the volume weighted average price on the NZX Main Board (**VWAP**) of $0.577 per Share for the 12 months ended 9 July 2026;
- 2CC is substantively under the control of Sena & Co;
- trading in 2CC's Shares is illiquid and the Offer presents a certain opportunity to sell; and
- no competing proposal has emerged.

Further details in relation to these reasons are set out in section 1 of this Target Company Statement (*Reasons for the Independent Directors' Recommendation*). You are encouraged to read those reasons carefully and in full.

Ultimately, it is your decision whether or not to accept the Offer. You should consider your own individual circumstances, views on value and the merits of the Offer, and your investment horizon when making this decision. You are encouraged to consider taking your own separate professional advice (for example, from your financial adviser, lawyer or tax adviser) tailored to your circumstances.

Takeover Committee intentions

Michael Stiassny, who has an interest in 102,139 Shares, and Gordon Shaw, who has an interest in 10,181 Shares, intend to accept the Offer.

Key terms of the Offer

The full terms of the Offer are set out in Sena & Co's Offer Document, which was sent to all Shareholders together with this Target Company Statement on 27 July 2026 and is available online at: https://www.takeoveroffer.co.nz/2cc.

The key features of the Offer are as follows:

- The Offer is for all of the Shares that Sena & Co does not already own in 2CC.
- The Offer price is $0.80 in cash for each Share.
- The Offer is conditional on, amongst other things:
    - Sena & Co receiving acceptances under the Offer that result in it becoming the owner of 90% or more of the Shares:
        - If this condition is satisfied Sena & Co has stated that it will compulsorily acquire the remaining Shares. The compulsory acquisition price will be the same as the Offer price.
        - If this condition is not satisfied but is waived by Sena & Co, it has stated that it does not currently intend to seek the delisting of 2CC from the NZX Main Board.
    - Sena & Co's senior debt facilities with ANZ Bank New Zealand Limited (**ANZ**) to fund the Offer (**ANZ Acquisition Facility**) not being terminated or withdrawn by ANZ in accordance with their terms prior to the settlement of the Offer. In accordance with the Takeovers Code, this condition is not dependent on the judgement of Sena & Co or any of its associates, nor is the fulfilment of this condition in the power, or under the control, of Sena & Co or any of its associates. Sena & Co has confirmed that ANZ's ability to terminate or withdraw the ANZ Acquisition Facility is limited to standard rights in their general terms and conditions applicable to the ANZ Acquisition Facility each of which would not ordinarily be expected to apply or occur.

The Takeover Committee understands that the ANZ Acquisition Facility is conditional on Sena & Co satisfying the 90% minimum acceptance condition. If this condition is not satisfied, then the ANZ Acquisition Facility would lapse and cannot be used to fund the Offer. Therefore, at the end of Offer period, Sena & Co would need to assess whether it has sufficient alternative sources of funding to acquire the Shares in respect of which acceptances have been received. If it does, then Sena & Co has stated that it may (not that it will) waive the 90% minimum acceptance condition. Sena & Co has not disclosed the total amount of this alternative funding, and therefore the level of acceptances in respect of which it could waive the 90% minimum acceptance condition is unknown.[1]

Timing

The Offer will remain open for acceptances until 11:59pm on Monday, 24 August 2026. If Sena & Co wishes to do so, it may extend the Offer (in one or more extensions) beyond this date to as late as 11:59pm on

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[1] See paragraph 10.3 of the Target Company Statement for further details on the alternative sources of funding.

Monday, 19 October 2026. If Sena & Co extends the Offer, the new closing date will be announced through NZX. Sena & Co must give at least 10 working days' notice of an extension of the Offer period.

If you validly accept the Offer, you will be paid the Offer price for your Shares by Sena & Co within five working days after the **latest** of:

- the date on which the Offer becomes unconditional;
- the date on which your acceptance is received; and
- 24 August 2026.

If you accept the Offer, your acceptance cannot be withdrawn unless Sena & Co fails to pay you for your Shares in accordance with the Takeovers Code. If you accept the Offer, you will be unable to sell your Shares to any other person.

If you wish to accept the Offer for only some of your Shares, you should follow the instructions in the Offer Document and the acceptance form which accompanied the Offer Document.

If you do not wish to accept the Offer, you do not need to take any action.

Potential outcomes of the Offer

The Offer could result in the following outcomes:

- Sena & Co could satisfy the 90% minimum acceptance condition and the Offer could be declared unconditional. In these circumstances, Sena & Co has said that it intends to acquire the remaining Shares under the compulsory acquisition process under the Takeovers Code at the same price as the Offer price (and Shareholders whose Shares are acquired in this manner would not have the right to object to the compulsory acquisition price)[2];

- Sena & Co could fail to satisfy the 90% minimum acceptance condition but waive that condition and the Offer could be declared unconditional. In these circumstances, Sena & Co has stated that its current intention is that 2CC would remain listed on the NZX Main Board with Sena & Co remaining as its majority Shareholder, albeit with likely a greater shareholding than its current approximately 76% shareholding and correspondingly reduced liquidity; and

- the Offer could lapse if one or more of the conditions is not satisfied (and, if Sena & Co has the right to waive the relevant condition, Sena & Co does not waive the relevant condition). In these circumstances, 2CC would remain listed on the NZX Main Board and Sena & Co would not acquire any Shares under the Offer. Sena & Co would therefore remain with its current shareholding of approximately 76%.

Further information on the implications for Shareholders, if a compulsory acquisition does not occur, is set out in Schedule One.

Conclusion

The Independent Directors of 2CC unanimously recommend that Shareholders **ACCEPT** the Offer.

Please read this Target Company Statement (including the Independent Adviser's Report) carefully and in full. It will assist you in making an informed decision on whether or not to accept the Offer. You may also wish to seek independent financial, taxation, legal or other professional advice regarding the Offer.

If you have any queries in relation to the Offer or this Target Company Statement, you should ask your professional adviser.

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[2] Shareholders may have the right to object to the compulsory acquisition price where Sena & Co's holding of Shares increases above 90% in other circumstances, as described in paragraph 5.8 of Schedule One.

Your Independent Directors will continue to keep you updated on all material developments in relation to the Offer. Announcements are available on the NZX website (www.nzx.com/companies/2CC) and 2CC's website (https://www.2cheapcars.co.nz/content/announcements).

Yours faithfully,

Michael Stiassny
Chair of the Takeover Committee

Section 1 – Reasons for the Independent Directors' Recommendation

1. The Offer price of $0.80 per Share is within the Independent Adviser's valuation range of $0.71 to $0.90

2CC engaged Simmons Corporate Finance to provide an Independent Adviser's Report on the merits of the Offer. Simmons Corporate Finance has assessed the value of 2CC to be in the range of $0.71 to $0.90 per Share (midpoint of $0.81). The Offer price of $0.80 per Share is therefore within this valuation range.

2. The Offer price represents a premium to the pre-announcement trading price of 2CC's Shares

The Offer price of $0.80 per Share represents:

- a 21% premium to 2CC's undisturbed share price of $0.660 per Share on the NZX Main Board on 9 July 2026 (being the last day of trading prior to the announcement by 2CC of receipt of the takeover notice from Sena & Co (**Takeover Notice**));
- a 20% premium to the VWAP of $0.665 per Share for the 30 days ended 9 July 2026;
- a 23% premium to the VWAP of $0.650 per Share for the 90 days ended 9 July 2026;
- a 24% premium to the VWAP of $0.644 per Share for the six months ended 9 July 2026; and
- a 39% premium to the VWAP of $0.577 per Share for the 12 months ended 9 July 2026.

3. 2CC is substantively under the control of Sena & Co

If Sena & Co does not undertake a compulsory acquisition as a result of the Offer, Sena & Co will continue to control the composition of the Board of 2CC (subject to compliance with the NZX Listing Rules and the commitments Mr Sena made on 10 September 2023 to maintain a majority of independent directors and to enable consultation with minority shareholders prior to the appointment of future independent directors) and, through the Board, will continue to control 2CC's business strategy and corporate policies (including the dividend policy). Shareholders will, however, continue to have the benefit of certain protections for minority Shareholders under the NZX Listing Rules, Companies Act 1993 and Takeovers Code. Further details on these matters are set out in Schedule One to this Target Company Statement.

4. Trading in 2CC's Shares is illiquid and the Offer presents a certain opportunity to sell

Given current poor Share trading liquidity and the prospect of its further reduction after the Offer, a key feature of the Offer is that it provides you with a certain opportunity to sell all of your Shares in 2CC at a cash price per Share above the recent price levels on the NZX, in one transaction and free of brokerage.

Share trading liquidity is the ability to buy or sell Shares in reasonable quantities and within a short timeframe without materially affecting the Share price. Liquidity is affected by the quantity of trades through the NZX, which is influenced by the number of Shares that are available to trade (often referred to as "free float"). A decrease in free float means that fewer Shares are available to trade, which can reduce liquidity.

Limited liquidity can have important consequences. It may hamper your ability to sell your Shares on the NZX at the time that you wish at a price that you consider acceptable. It may lead to increased volatility in the Share price and increase the likelihood that the trading price for Shares does not reflect the underlying value of the Shares.

As ~76% of the Shares in 2CC are owned by Sena & Co, the free float is not significant and therefore Share trading liquidity is poor. In the 12 months prior to 9 July 2026, a total of 2.23 million Shares traded through the NZX, representing 4.9% of the total number of Shares (and 20% of the free float).[3]

Liquidity would be reduced further by the Offer if it proceeds and a compulsory acquisition does not occur, given Sena & Co's larger shareholding in that scenario. Sena & Co would also have the ability to acquire further Shares in 2CC in the future, as noted in Schedule One.

It is possible that the Share price may not change materially in the short term after the end of the Offer period. This is due to the liquidity constraints discussed above and the potential for Shareholders who do not accept the Offer to be unwilling to sell Shares on market for less than the Offer price. There may also be limited buyers at or above the Offer price. However, the Takeover Committee can provide no assurances as to the post-Offer Share price. Shares may trade below, at, or above the Offer price.

5. No competing proposal has emerged

Sena & Co owns ~76% of the Shares in 2CC before making the Offer. Accordingly, no other transaction involving a change of control of 2CC or the majority of its assets (whether structured as a takeover offer under the Takeovers Code, scheme of arrangement, asset sale, or otherwise) can be implemented without the support of Sena & Co.

Since the Takeover Notice was announced through the NZX market announcements platform on 13 July 2026, and up until 23 July 2026 (being the latest practicable date prior to the date of this Target Company Statement), 2CC has not received or become aware of any proposal for an alternative transaction.

[3] For further information about the volume of Shares traded through the NZX Main Board, see section 4.10 of the Independent Adviser's Report.

2 Cheap Cars Group Limited – Target Company Statement

This Target Company Statement has been prepared by 2CC pursuant to Rule 46 and Schedule 2 of the Takeovers Code in relation to a full takeover offer made by Sena & Co. Where any information required by Schedule 2 to the Takeovers Code is not applicable, no statement is made regarding that information. The following matters are stated as at the date of this Target Company Statement.

1. Date

1.1 This target company statement (**Target Company Statement**) is dated 27 July 2026.

2. Offer

2.1 This Target Company Statement relates to a full takeover offer (**Offer**) by Sena & Co Limited (**Sena & Co**) to purchase all of the ordinary shares (**Shares**) in 2 Cheap Cars Group Limited (**2CC**) at $0.80 in cash per Share.

2.2 The terms of the Offer are set out in Sena & Co's offer document dated 27 July 2026 (the **Offer Document**), a copy of which accompanies this Target Company Statement.

3. Target Company

3.1 The name of the target company is 2 Cheap Cars Group Limited (NZX: 2CC).

3.2 The postal address of 2CC is:

102 Mays Road, Onehunga
Auckland 1061
New Zealand.

3.3 2CC's investor website is https://www.2cheapcars.co.nz/investors/announcements.

3.4 The contact email address for 2CC is info@2ccgroup.co.nz.

4. Directors of 2CC

4.1 The Directors of 2CC are:

(a) Michael Stiassny (Chair and Independent Director);

(b) Yusuke 'David' Sena (Non-Independent Director and CEO); and

(c) Gordon Shaw (Independent Director).

5. Ownership of 2CC's equity securities

5.1 Shares are the only class of equity securities on issue in 2CC.

5.2 The following table sets out the number and percentage of Shares held or controlled by each director or senior manager[4] of 2CC (a **Director** or **Senior Manager** respectively), or their associates, as at the date of this Target Company Statement.[5]

[4] For the purposes of this Target Company Statement, the Independent Directors have determined that the only senior manager of 2CC for the purposes of the Takeovers Code is Angus Guerin (CFO).

[5] This information is based on responses to questions circulated to the Directors and Senior Manager by 2CC.

Name	Description	Number of Shares held or controlled	Percentage of total Shares
Michael Stiassny	Director	102,139	0.224%
Gordon Shaw	Director	10,181	0.022%
Angus Guerin	Senior Manager (CFO)	94,133	0.207%
Sena & Co Limited[6]	Associate of Director (David Sena)	34,586,927	75.924%
Humi Sena[7]	Associate of Director (David Sena)	250,000	0.549%
Kosuke Sena[8]	Associate of Director (David Sena)	20,000	0.044%

5.3 Except as set out in paragraph 5.2 above, no Director or Senior Manager, or their associates, holds or controls any Shares (or derivatives for which the underlying is Shares).

5.4 Except as set out in paragraph 5.2 above, to 2CC's knowledge, no other person holds or controls 5% or more of the Shares (or derivatives for which the underlying is a Share).

5.5 No Director or Senior Manager (or an associate of a Director or Senior Manager) has, during the two-year period ending on the date of this Target Company Statement:

(a) been issued with any Shares; or

(b) obtained a beneficial interest in any Shares under any 2CC employee share scheme or other remuneration arrangement.

6. Trading in 2CC equity securities

6.1 No Director, Senior Manager or their associates, and to the knowledge of 2CC, no other person holding or controlling 5% or more of the Shares, has acquired or disposed of equity securities of 2CC (or derivatives for which the underlying is a Share) during the six-month period before 23 July 2026 (being the latest practicable date before the date of this Target Company Statement).

7. Acceptance of Offer

7.1 The table below sets out the name of each Director and Senior Manager, and each associate of a Director and Senior Manager, who (to 2CC's knowledge) has accepted or intends to accept the Offer and the number of Shares in respect of which that person has accepted, or intends to accept, the Offer. Sena & Co (which is an associate of David Sena, a Director) is excluded from the table below as it is the offeror.[9]

[6] Sena & Co Limited is wholly owned by Tompkins Wake Trustees 2022 Limited and Yusuke 'David' Sena as the trustees of the Sena Family Trust. Mr. Sena is a beneficiary of that Trust.

[7] Mr. Sena's mother.

[8] Mr. Sena's father. Kosuke Sena is deceased but there remain 20,000 shares in 2CC registered in his name which are held by his estate.

[9] As at 23 July 2026 (being the latest practicable date before the date of this Target Company Statement) 2CC is not aware of whether Humi Sena and the estate of Kosuke Sena intend to accept the Offer.

Name	Description	Number of Shares in relation to which the person has accepted or intends to accept the Offer
Michael Stiassny	Director	102,139
Gordon Shaw	Director	10,181
Angus Guerin	Senior Manager (CFO)	94,133

8. Ownership of equity securities of Sena & Co or of related company

8.1 The table below sets out, as at the date of this Target Company Statement, the name of each Director, Senior Manager and their associates who holds or controls equity securities of any class of Sena & Co:

Name	Description	Number of equity securities	Designation	Percentage of Class
David Sena (jointly with Tompkins Wake Trustees 2022 Limited as trustees of the Sena Family Trust)	Director, CEO	100	Ordinary shares	100%

8.2 Except as set out in paragraph 8.1 above, neither 2CC, nor any other Director, Senior Manager or associate of a Director or Senior Manager holds or controls any equity securities of any class of Sena & Co.

8.3 Except as set out in paragraph 5.2 above (noting that 2CC is a related company of Sena & Co), neither 2CC, nor any Director, Senior Manager or associate of a Director or Senior Manager holds or controls any equity securities of any class of any related company of Sena & Co.[10]

9. Trading in equity securities of Sena & Co or of related company

9.1 Neither 2CC, nor any Director, Senior Manager or associate of a Director or Senior Manager has acquired or disposed of any equity securities of Sena & Co or any related company of Sena & Co during the six-month period before 23 July 2026 (being the latest practicable date before the date of this Target Company Statement).[11]

10. Arrangements between Sena & Co and 2CC

10.1 On or around 26 February 2026, 2CC and Sena & Co entered into a confidentiality agreement under which Sena & Co agreed to keep information provided by 2CC in connection with a potential acquisition by Sena & Co of all of the shares in 2CC confidential and to use the information obtained solely for that purpose.

10.2 A costs reimbursement agreement between 2CC and Sena & Co was negotiated in April 2026 but only signed on 8 July 2026. Under this agreement, Sena & Co agreed to reimburse costs that were incurred by 2CC and its Directors prior to the termination date, and which were of a type and amount

[10] This information is based on responses to questions circulated to the Directors and Senior Manager by 2CC.

[11] This information is based on responses to questions circulated to the Directors and Senior Manager by 2CC.

that would be reimbursable by an offeror to a target company under section 49 of the Takeovers Act, even if a takeover notice was not ultimately delivered by Sena & Co. The termination date of the agreement is the earlier of the date the Offer is completed or is withdrawn or otherwise unsuccessful.

10.3 2CC understands that Sena & Co's associates include Humi Sena (Mr. Sena's mother), Soon Ki Kwon (Mr. Sena's sister), and Yusuke David Sena. Because Sena & Co is a related company of 2CC (given Sena & Co's significant shareholding in 2CC), agreements or arrangements between any of them and Sena & Co in connection with, in anticipation of, or in response to, the Offer also need to be disclosed. 2CC understands that these arrangements include the following:

(a) Each of Humi Sena and Soon Ki Kwon have entered into a loan facility agreement with Sena & Co (each a **Loan Facility Agreement**). Each Loan Facility Agreement is for an amount up to $500,000 and at a commercial interest rate. These Loan Facility Agreements may be utilised after the close of the Offer by Sena & Co to fund the Offer if the 90% minimum acceptance condition is waived and Sena & Co has not received sufficient acceptances of the Offer to result in Sena & Co holding or controlling 90% or more of the voting rights in 2CC, but has sufficient funding (which may include the Loan Facility Agreements and the borrowing described in paragraph 10.3(b) below) to complete the acquisition of Shares in respect of which acceptances have been received. Sena & Co has not disclosed the total amount of this funding, and therefore the level of acceptances in respect of which it could waive the 90% minimum acceptance condition is unknown. If the 90% minimum acceptance condition is satisfied, then Sena & Co intends to use the ANZ Acquisition Facility to fund the Offer, and the Loan Facility Agreements would not be relevant.

(b) Sena & Co may borrow funds from the Sena Family Trust and/or Yusuke David Sena if the 90% minimum acceptance condition is waived and Sena & Co has not received sufficient acceptances to result in Sena & Co holding or controlling 90% or more of the voting rights in 2CC but has sufficient funding as described above. If the 90% minimum acceptance condition is satisfied, then Sena & Co intends to use the ANZ Acquisition Facility to fund the Offer, and this would not occur.

10.4 Except as set out in paragraphs 10.1 to 10.3 above, no agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Sena & Co or any associates of Sena & Co, and 2CC or any related company of 2CC, in connection with, in anticipation of, or in response to, the Offer.

11. Relationship between Sena & Co, and Directors and Senior Managers of 2CC

11.1 Except as set out in paragraph 10.3(b), no agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Sena & Co or any associate of Sena & Co, and any Director or Senior Manager or any of the directors or senior managers of any related company of 2CC (including payment or other benefits proposed to be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office) in connection with, in anticipation of, or in response to the Offer.[12]

11.2 Yusuke David Sena is a Director and CEO of 2CC (including its subsidiaries, excluding NZ Motor Finance Limited) and is also a Director of Sena & Co.

12. Agreement between 2CC, and Directors and Senior Managers

12.1 No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between 2CC or any related company of 2CC, and any of the Directors or Senior Managers or their associates of 2CC or any related company of 2CC, under which a payment or other benefit may be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office in connection with, in anticipation of, or in response to, the Offer. Mr. Sena is expected to remain as the CEO of 2CC after the Offer closes.

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[12] This information is based on responses to questions circulated to the Directors and Senior Manager by 2CC.

13. Interests of Directors and Senior Managers of 2CC in contracts of Sena & Co or related company

13.1 2CC is a related company of Sena & Co, given Sena & Co's shareholding in 2CC. Each Director and Senior Manager receives remuneration for their role with 2CC. Further, 2CC has taken out an insurance policy to insure its Directors and officers against potential liabilities and costs incurred in any proceeding, except to the extent prohibited by law. The remuneration and insurance arrangements are entered into in the ordinary course of 2CC's business and on usual terms and conditions.

13.2 Yusuke David Sena has entered into a deed of indemnity with 2CC in respect of a personal guarantee he provided to Mizuho Bank for a JPY 80 million loan facility extended to Car Plus KK, a subsidiary of 2CC. Under the deed, 2CC agreed to indemnify David Sena for any liabilities incurred under the guarantee, up to the full facility amount plus associated penalties, costs, and interest, subject to certain exclusions, which indemnity is capped at JPY 80 million (approximately $842,000 based on the exchange rate as at 23 July 2026). These arrangements are entered into in the ordinary course of 2CC's business.

13.3 Except as set out in paragraphs 10.3, 13.1 and 13.2 above, no Director or Senior Manager or any of their associates has an interest in any contract to which Sena & Co, or any related company of Sena & Co, is a party.[13]

13A. Interests of 2CC's substantial security holders in material contracts of Sena & Co or related company

13A.1 For the purposes of funding the Offer, Sena & Co has entered into the ANZ Acquisition Facility. 2CC understands that the ANZ Acquisition Facility has a limit of $9m, and is conditional on (among other things) sufficient acceptances being received under the Offer to result in Sena & Co holding or controlling 90% or more of the voting rights in 2CC. 2CC also understands that it is a condition subsequent of the ANZ Acquisition Facility that the 2CC group of companies provides a cross-guarantee to secure the facilities made available to Sena & Co for the purpose of the Offer. This would only occur if Sena & Co acquires 100% of the Shares in 2CC. For completeness, neither 2CC nor any other member of the 2CC group of companies is a party to the ANZ Acquisition Facility or has agreed to provide a guarantee of Sena & Co's obligations under the ANZ Acquisition Facility.

13A.2 Except as set out in paragraphs 10.1 to 10.3 and paragraph 13A.1 above, no person who, to the knowledge of the Directors or the Senior Managers holds or controls 5% or more of the Shares, has an interest in any material contract to which Sena & Co, or any related company of Sena & Co, is a party.[14]

14. Additional information

14.1 The information in the Offer Document is the responsibility of Sena & Co. In the opinion of the Independent Directors, there is no additional information within the knowledge of 2CC required to make the information in the Offer Document correct or not misleading.

15. Recommendation

15.1 The Independent Directors have carefully considered a full range of expert advice available to them (including Simmons Corporate Finance's Independent Adviser's Report on the merits of the Offer) and unanimously recommend that Shareholders should **ACCEPT** the Offer.[15]

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[13] This information is based on responses to questions circulated to the Directors and Senior Manager by 2CC.

[14] This information is based on responses to questions circulated to the Directors and Senior Manager by 2CC.

[15] The Independent Directors may change their recommendation if a higher value alternative proposal emerges or if for any reason the Offer price ceases to be within the Independent Adviser's valuation range. The Independent Directors consider that it is unlikely that such an alternative proposal will emerge during the Offer period.

15.2 The key reasons for the Independent Directors' recommendation are set out in section 1 of this Target Company Statement (*Reasons for the Independent Directors' Recommendation*).

15.3 Director Yusuke David Sena has a conflict of interest and therefore is not making a recommendation on whether to accept or reject the Offer. David Sena is the sole director and one of the joint shareholders of Sena & Co.

15.4 You are advised to read this Target Company Statement and the Independent Adviser's Report from Simmons Corporate Finance carefully and in full.

16. Actions of target company

16.1 Other than the agreements summarised in paragraphs 10.1 to 10.3 and paragraph 13A.1 above, there are no material agreements or arrangements (whether legally enforceable or not) of 2CC or any related company of 2CC entered into as a consequence of, in response to, or in connection with, the Offer.

16.2 There are no negotiations underway as a consequence of, in response to, or in connection with the Offer that relate to, or could result in:

(a) an extraordinary transaction, such as a merger, amalgamation or reorganisation, involving 2CC or any of its related companies;

(b) the acquisition or disposition of material assets by 2CC or any of its related companies;

(c) an acquisition of equity securities by, or of, 2CC or any of its related companies; or

(d) any material change in the issued equity securities of 2CC, or the policy of the 2CC Board relating to distributions of 2CC.

17. Equity securities of target company

17.1 As at the date of this Target Company Statement, 2CC has 45,554,500 Shares on issue. All Shares currently on issue are fully paid.

17.2 Subject to the NZX Listing Rules and 2CC's constitution, each Share confers upon the holder the right to:

(a) an equal share in dividends authorised by the Board;

(b) an equal share in the distribution of surplus assets on liquidation of 2CC;

(c) participate in certain further issues of equity securities of 2CC; and

(d) cast one vote on a show of hands or the right to cast one vote per share on a poll, at a meeting of Shareholders on any resolution, including a resolution to:

(i) appoint or remove a director or auditor;

(ii) alter 2CC's constitution;

(iii) approve a major transaction by 2CC;

(iv) approve an amalgamation involving 2CC; and

(v) put 2CC into liquidation.

18. Financial information

18.1 A copy of 2CC's most recent annual report (being the annual report for the period ended 31 March 2026) is available on 2CC's website at https://www.2cheapcars.co.nz/investors/announcements.

18.2 Each person to whom the Offer is made may also request a non-electronic copy of that annual report from 2CC by making a written request to info@2ccgroup.co.nz or, alternatively, by making a written request to Computershare Investor Services Limited (enquiry@computershare.co.nz) (please include '2 Cheap Cars Group Limited 2026 Annual Report' in the email subject line).

18.3 2CC has not yet issued its half-yearly report for the six months ending 30 September 2026.

18.4 No interim report has been issued since the issue of the annual report for the period ended 31 March 2026.

18.5 Since its annual report for the financial year ended 31 March 2026 there has been the following material change in the financial or trading position, or prospects, of 2CC. As announced to the market on 19 June 2026, unaudited management accounts for April and May 2026 also each show NPAT of approximately $0.6 million (being equal to the NPAT in March 2026). This is significant when compared to the NPAT for the full year to 31 March 2026 which was $3.2 million. However, the Takeover Committee notes that this trading reflects a short period and may not be representative of the balance of FY27, noting that trading in June and July 2026 has been weaker.[16]

18.6 Other than as set out elsewhere in this Target Company Statement, or as contained in the Independent Adviser's Report:

(a) as at 23 July 2026 (being the latest practicable date prior to the date of this Target Company Statement), there have been no other known material changes in the financial or trading position, or prospects, of 2CC since the 31 March 2026 annual report; and

(b) there is no other information about the assets, liabilities, profitability and financial affairs of 2CC that could reasonably be expected to be material to the making of a decision by Shareholders to accept or reject the Offer.

19. Independent advice on merits of offer

19.1 Simmons Corporate Finance is the independent adviser who has provided a report under Rule 21 of the Takeovers Code on the merits of the Offer. A copy of Simmons Corporate Finance's Independent Adviser's Report accompanies this Target Company Statement.

19.2 The Independent Adviser's Report includes:

(a) a statement of the qualifications and expertise of Simmons Corporate Finance; and

(b) a statement that Simmons Corporate Finance has no conflict of interest that could affect its ability to provide an unbiased report.

19.3 To the maximum extent permitted by law, 2CC and its related companies and their respective directors, officers, employees and advisers do not assume any responsibility for the accuracy or completeness of the opinions, analysis and conclusions contained in the Independent Adviser's Report prepared by Simmons Corporate Finance.

19A. Different classes of securities

19A.1 2CC only has ordinary shares on issue.

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[16] Please see the commentary in section 4.7 of the Independent Adviser's Report.

20. Asset valuation

20.1 No information provided in this Target Company Statement refers to any valuation of any assets of 2CC.

20.2 The Independent Adviser's Report refers to the valuation of 2CC. The basis of computation and key assumptions on which that valuation is based are set out in the Independent Adviser's Report.

21. Prospective financial information

21.1 The Independent Adviser's Report contains prospective financial information in relation to 2CC. The principal assumptions on which the prospective financial information is based are set out in the Independent Adviser's Report.

21.2 The Independent Adviser's Report sets out certain details of 2CC's internal financial scenarios for the 2027 financial year. In considering such information, Shareholders should note that it was prepared for internal management purposes only and was not prepared for, or with the intention of giving, guidance as to the expected future financial performance of 2CC. Accordingly, the basis of preparation of the information, while appropriate for internal management purposes, may differ from the basis which would be adopted when preparing prospective financial information for external reporting purposes. Shareholders should also note paragraph 27.5 of this Target Company Statement.

21.3 Other than the prospective financial information referred to in paragraph 21.1 above, this Target Company Statement does not refer to any other prospective information about 2CC.

22. Sales of unquoted equity securities under offer

22.1 The Shares, which are the subject of the Offer, are quoted on the NZX Main Board (NZX:2CC).

23. Market prices of quoted equity securities under offer

23.1 The Shares are quoted on the NZX Main Board.

23.2 The closing price on the NZX Main Board of the Shares on:

(a) 23 July 2026, being the latest practicable working day before the date on which this Target Company Statement is sent to Shareholders, was $0.79; and

(b) 9 July 2026, being the last day on which the NZX was open for business before the date on which 2CC received the Takeover Notice, was $0.66.

23.3 The highest and lowest closing market prices of the Shares on the NZX Main Board (and the relevant dates) during the six months before 13 July 2026, being the date 2CC received the Takeover Notice (**Notice Date**), were as follows:

(a) the highest closing market price was $0.70 (on 19 June 2026); and

(b) the lowest closing market price was $0.56 (on 13 and 14 January 2026).

23.4 During the six-month period before the Notice Date, 2CC did not issue any equity securities or make any changes to equity securities on issue or make any distributions which could have affected the market prices of Shares referred to above.

23.5 Other than as set out in this Target Company Statement and the Independent Adviser's Report, there is no other information about the market price of the Shares that would reasonably be expected to be material to the making of a decision by Shareholders to accept or reject the Offer.

24. Other information

24.1 The following information is considered by the Independent Directors to be information that could reasonably be expected to be material to the making of a decision by Shareholders as to whether to accept or reject the Offer:

(a) if Sena & Co increases the price of the Offer in respect of Shares, Sena & Co must provide the increased price to all Shareholders whose Shares are acquired under the Offer, whether or not the Shareholder accepted the Offer before or after the price was increased; and

(b) payment for Shares in respect of which the Offer is accepted will only be made by Sena & Co within five working days of the latest of (i) the date on which the relevant acceptance is received, (ii) the date on which the Offer becomes unconditional, or (iii) 24 August 2026.

25. Approval of target company statement

25.1 The contents of this Target Company Statement have been approved by the Independent Directors of 2CC (being Michael Stiassny and Gordon Shaw), who have been delegated with authority by the Directors to do so.

25.2 As disclosed in paragraph 15.3, Yusuke David Sena has a potential conflict of interest in respect of the Offer. As a result, he has not approved this Target Company Statement.

26. Interpretation

26.1 In this Target Company Statement:

2CC means 2 Cheap Cars Group Limited.

ANZ means ANZ Bank New Zealand Limited.

ANZ Acquisition Facility means Sena & Co's senior debt facilities with ANZ to fund the Offer.

Board means the board of directors of 2CC.

Companies Act means the Companies Act 1993.

Director means a director of 2CC.

Independent Adviser's Report means the independent adviser's report prepared by Simmons Corporate Finance Limited under Rule 21 of the Takeovers Code on the merits of the Offer, a copy of which accompanies this Target Company Statement.

Independent Directors means Michael Stiassny and Gordon Shaw.

Loan Facility Agreements means the loan facility agreement between Sena & Co and Humi Sena, and the loan facility agreement between Sena & Co and Soon Ki Kwon (and **Loan Facility Agreement** means either one of them).

Notice Date means 13 July 2026 (being the date 2CC received the Takeover Notice).

NPAT means net profit after tax.

NZSA means the New Zealand Shareholders Association.

NZX means NZX Limited, and, as the context requires or permits, includes any authorised delegate of NZX (including NZX Regulation Limited).

NZX Main Board means the main board equity securities exchange operated by NZX.

NZX Listing Rules means the NZX Listing Rules made by NZX from time to time.

Offer means the full takeover offer by Sena & Co to purchase all of the Shares at $0.80 in cash per Share.

Offer Document means Sena & Co's offer document dated 27 July 2026, a copy of which accompanies this Target Company Statement.

Sena & Co means Sena & Co Limited.

Senior Manager means a person who is not a Director but occupies a position that allows that person to exercise significant influence over the management or administration of 2CC.

Shareholders means the holders of Shares.

Shares means ordinary shares in 2CC.

Takeovers Act means the Takeovers Act 1993.

Takeovers Code means the takeovers code approved in the Takeovers Regulations 2000 (SR 2000/210) as amended, including any applicable exemption granted by the Takeovers Panel under the Takeovers Act.

Takeover Committee means the takeover committee comprising the Independent Directors.

Takeover Notice means the takeover notice 2CC received from Sena & Co under Rule 41 of the Takeovers Code on 13 July 2026.

Target Company Statement means this target company statement dated 27 July 2026.

VWAP means the volume weighted average price on the NZX Main Board.

26.2 Words and expressions defined in the Takeovers Act or the Takeovers Code and not otherwise defined in this Target Company Statement have the same meaning when used in this Target Company Statement.

27. Miscellaneous

27.1 **Rounding:** All shareholding percentages in this Target Company Statement are subject to rounding.

27.2 **Reliance on information:** In preparing this Target Company Statement, 2CC has relied on the completeness and accuracy of the information in the Offer Document and the information provided to it by or on behalf of various persons, including 2CC's Directors and Senior Manager, Shareholders holding or controlling 5% or more of the Shares, and Sena & Co.

27.3 **Your decision:** You are responsible for making your own decision as to whether to accept the Offer. This Target Company Statement does not take into account your individual investment objectives, financial or tax situation or needs. If you have questions or if you are in doubt as to what you should do in respect of the Offer, you should seek your own professional advice.

27.4 **Websites:** References in this Target Company Statement to any website are for informational purposes only. To the extent permitted by law, 2CC and its Directors and Senior Manager do not assume responsibility for the contents of any such website.

27.5 **Forward looking statements:**

(a) This Target Company Statement (including the Independent Adviser's Report) contains certain forward-looking statements. These statements generally may be identified by the use of forward-looking words such as: aim, anticipate, believe, estimate, expect, forecast, foresee, future, intended, likely, may, planned, potential, projection, should and other similar words.

(b) You should be aware that there are risks (known and unknown), uncertainties, assumptions and other important factors that could cause actual conduct, results, performance or achievements of 2CC to be materially different to the future conduct, results, performance or achievements expressed or implied by any forward looking statements.

(c) Future conduct, results, performance or achievements could be materially different from historical conduct, results, performance or achievements. Such deviations are both normal and to be expected.

(d) No person, including the Directors and the Senior Manager of 2CC, gives any warranty, representation or assurance that any conduct, results, performance or achievements expressed or implied by any forward looking statements in this Target Company Statement (including the Independent Adviser's Report) will actually occur.

27.6 **Currency:** Unless otherwise stated, all references in this Target Company Statement to $ are to New Zealand dollars.

27.7 **Sena & Co's shareholding in 2CC:** Sena & Co is required to file substantial product holder notices that promptly disclose certain increases in acceptances to the Offer. Those notices can be found on the NZX website (www.nzx.com) under the code '2CC'.

28. Certificate

28.1 To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this Target Company Statement is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by 2CC under the Takeovers Code.

SIGNED by:

Michael Stiassny Director of 2CC	**Gordon Shaw** Director of 2CC
Yusuke David Sena CEO	**Angus Guerin** CFO

SCHEDULE ONE – OTHER FACTORS FOR YOU TO CONSIDER

1. WHAT IS THIS SCHEDULE?

1.1 One potential outcome of the Offer is that Sena & Co may end up controlling between 75.92% and 89.99% of the Shares.

1.2 This would occur if Sena & Co were to waive the 90% minimum acceptance condition and the Offer were to become unconditional. This would require the satisfaction or waiver of all other conditions of the Offer as set out in clause 4.3 of the Offer Document. Such an outcome would only occur, if it occurs, after the Offer closes, and if Sena & Co has sufficient funding to complete the acquisition of Shares in respect of which acceptances have been received. Sena & Co has not disclosed the amount of this funding, and therefore the level of acceptances in respect of which it could waive the 90% minimum acceptance condition is unknown.

1.3 This Schedule outlines certain implications if this were to occur.

2. CONTROL OVER THE BOARD AND BUSINESS STRATEGY

2.1 As Sena & Co controls >75% of the Shares, Sena & Co controls the composition of the 2CC Board subject to compliance with the NZX Listing Rules (i.e., Sena & Co is already able to pass ordinary resolutions (a resolution passed by a bare majority of the votes cast on it) to appoint and remove any and all Directors, even if all other Shareholders voted against such resolutions).

2.2 Mr. Sena has, however, undertaken to maintain a majority of independent directors on the Board and enable consultation with minority Shareholders and their representatives prior to the appointment of future independent directors. Sena & Co also intends to maintain its representation on the Board, and expects that Mr. Sena would remain the Chief Executive Officer of 2CC, though it acknowledges that this remains a matter for the full Board.

2.3 At paragraph 13.2(c) of Schedule 1 of the Offer Document, Sena & Co has stated that, based on information currently known to it, it does not currently intend to make material changes to the business activities, material assets or capital structure (including dividend policy) of the 2CC group.

2.4 Accordingly, it is possible that, after the Offer, Sena & Co could support a change in relation to the matters in paragraph 2.3. As the nature, detail and timing of a future change in strategy cannot be known now, the Takeover Committee is unable to assess impact on value and risk profile of any change.

2.5 Sena & Co, in addition to being able to pass ordinary resolutions, can also pass special resolutions (a resolution passed by a 75% majority of the votes cast on it). This means that, subject to certain restrictions in the Companies Act and NZX Listing Rules, Sena & Co can pass special resolutions to approve changes to 2CC's constitution, approve a major transaction (see paragraph 8.1 to 8.4 of this Schedule One), or approve the appointment of a liquidator to 2CC, even if all other Shareholders voted against such resolutions.

2.6 Sena & Co's ability to vote on ordinary resolutions and special resolutions relating to certain matters is subject to restrictions in the Companies Act, the NZX Listing Rules and the Takeovers Code. Some of the key restrictions are outlined in paragraphs 6.4, 8.5(b), 8.6, 9.1 and 10.1(c) of this Schedule One.

3. DIVIDENDS

3.1 2CC's current dividend policy is to distribute 60% of NPAT.

3.2 As noted in paragraph 2.3 above Sena & Co has indicated that it would not currently seek to change this policy if its shareholding increases due to the Offer. However, there is no guarantee that this will not occur in the future if circumstances change, nor is there any guarantee that 2CC will pay any dividends, or as to the timing or quantum of any such dividends, after completion of the Offer.

4. LIQUIDITY AND POST OFFER PRICE

4.1 Shareholders are directed to commentary on the reduction in Share liquidity and post Offer Share price in paragraph 4 of *Section 1 – Reasons for the Independent Directors' Recommendation*.

5. FUTURE CONTROL TRANSACTIONS

Sena & Co currently can, and will continue to, determine the future control of 2CC

5.1 No change of control transaction (such as a full takeover offer by a third party or a takeover by way of scheme of arrangement promoted by a third party) affecting 2CC can be successful unless that transaction is supported by Sena & Co, given that Sena & Co currently owns, and after the Offer will continue to own, more than 75% of the Shares.

Sena & Co may increase its control of 2CC after the Offer

5.2 At the 2023 AGM, Shareholders approved, for the purposes of Rule 7(c) of the Takeovers Code, the acquisition of 13,679,934 Shares (approximately 30% of all Shares) by David (Yusuke) Sena and Tompkins Wake Trustees 2022 Limited (as trustees of the Sena Family Trust) from Eugene Hamilton Williams and TLR Williams Trustee Company Limited (as trustees of the E & Co Trust). That acquisition completed on 3 October 2023.

5.3 On 10 September 2023, Mr. Sena agreed to additional measures with the New Zealand Shareholders Association (**NZSA**) to further protect the interests of minority Shareholders including not utilising the "creep" provisions of the Takeovers Code for a period of three years from the date of the share acquisition above.

5.4 From 3 October 2026 Sena & Co's agreement with the NZSA not to utilise its creep allowance expires and therefore Sena & Co will be able to acquire up to an additional 5% of 2CC's Shares in any 12-month period **at a price below, at or above the Offer price**, whether by way of on-market and/or off-market transactions. This is permitted under the "creep" provisions of the Takeovers Code, however, acquisitions of or increases in voting rights under the Offer are deducted from the 5% allowance for acquisitions in the 12 months after the last acquisition of Shares under the Offer.

5.5 Importantly, unless certain limited exceptions apply, Sena & Co cannot make any "creeping" acquisition of Shares at any time while Sena & Co is in possession of inside information (in broad terms, non-public price sensitive information) concerning 2CC.

5.6 In addition to "creeping" acquisitions, Sena & Co is entitled to make a follow-on takeover offer (or a takeover by scheme of arrangement) at any time after settlement of the Offer at any price, whether **at a price below, at or above the Offer price**. A scheme of arrangement would require agreement with 2CC and therefore approval by the Board (excluding conflicted directors) at the relevant time and the scheme would need to be approved by Shareholders in accordance with the requirements of the Companies Act (see paragraph 8 below).

5.7 If Sena & Co increases its holding of Shares to 90% or more, whether as a result of "creeping" acquisitions or another takeover offer, Sena & Co is entitled, within a specified period, to compulsorily acquire the remaining Shares. If Sena & Co chooses not to do so then, within a specified period, remaining holders of Shares can require Sena & Co to purchase those Shares.

5.8 The compulsory acquisition price will depend on the manner in which Sena & Co increased its shareholding to 90% or above. In some cases (for example, if Sena & Co increased its shareholding to 90% or above as a result of "creeping" acquisitions), the compulsory acquisition price must be a cash sum certified as fair and reasonable by an independent adviser. If the compulsory acquisition price was determined in this manner, then outstanding Shareholders holding 2% or more of the total number of Shares or 10% or more of the outstanding number of Shares could object and require that the compulsory acquisition price be a fair and reasonable cash price set by a different independent expert.

6. SHAREHOLDER PROTECTIONS

6.1 If Sena & Co increases its shareholding in 2CC to between 75.92% and 89.99%, and you continue to hold Shares, you will have the benefit of various legal protections for minority Shareholders.

6.2 The following paragraphs are intended to be a general (and non-exhaustive) summary of certain of those legal protections. This summary is not legal advice. If you have any questions about your legal rights as a holder of Shares (whether before or after the Offer), you should seek your own legal advice which is specific to your circumstances.

Ongoing NZX Listing

6.3 Many of the Shareholder protections described below arise under the NZX Listing Rules. Sena & Co has stated that it does not currently intend to seek a delisting of 2CC if it does not receive sufficient acceptances to undertake a compulsory acquisition. However, in the future Sena & Co could seek for the Board to apply to NZX for a delisting of 2CC from the NZX.

6.4 Ultimately, delisting from NZX, and the conditions of delisting, are at NZX's discretion. The Takeover Committee understands that, where a company is delisting from NZX and not moving to another recognised stock exchange, NZX usually requires, as a pre-condition to delisting, that the delisting be approved by an ordinary resolution of the minority Shareholders (i.e., Shareholders who hold less than 10% of the Shares). Sena & Co could not vote on that resolution.

7. GOVERNANCE PROTECTIONS

Requirement for New Zealand resident Directors and independent Directors

7.1 The NZX Listing Rules require the Board to have at least two Directors who are resident in New Zealand and at least two independent Directors. As noted in paragraph 2.2 Mr. Sena has also undertaken to maintain a majority of independent Directors on the Board.

7.2 Although independent Directors must satisfy the independence requirements contemplated by the NZX Listing Rules (see paragraph 8.3 of this Schedule), as noted in paragraph 2.1 of this Schedule, Sena & Co is already able to, and will continue to be able to, determine who the independent Directors are, as Sena & Co is able to pass a resolution to appoint or remove any independent Director, provided that it consults with minority Shareholders and their representatives prior to the appointment of future independent Directors.

7.3 For the purposes of the NZX Listing Rules, an independent Director is a Director who is not an employee of 2CC and who does not have any direct or indirect interest, position, association or relationship that could reasonably influence, or could reasonably be perceived to influence, in a material way, the Director's capacity to:

(a) bring an independent view to decisions in relation to 2CC;

(b) act in the best interests of 2CC; or

(c) represent the interests of Shareholders generally,

including having regard to the factors described in the NZX Corporate Governance Code that may impact Director independence, if applicable. The NZX Corporate Governance Code is set out in Appendix 1 to the NZX Listing Rules, which are available on NZX's website at: https://www.nzx.com/regulation/nzx-rules-guidance/nzx-listing-rules.

Directors' duties

7.4 The Companies Act provides that all Directors, including any Sena & Co representatives who are appointed as Directors of 2CC, owe the same duties to 2CC.

7.5 Amongst other duties, all Directors, in their capacity as Directors, must act in good faith and in the best interests of 2CC (i.e., rather than in the best interests of Sena & Co or any other particular Shareholder(s)).

Prohibitions on interested Director voting

7.6 The NZX Listing Rules require a Director to not vote on a Board resolution in which a Director is interested. A Director will be interested in a matter in various circumstances, including:

(a) if the Director is a party to, or may derive a material financial benefit from, the matter;

(b) if the Director has a material financial interest in another party to the matter; or

(c) if the Director is a director or officer of another party to, or person who may derive a material financial benefit from, the matter.

7.7 The two exceptions to the above rule are that a Director may vote on:

(a) a matter in which a Director is interested if, under the Companies Act, the matter requires Directors to sign a certificate (for example, for the issue of Shares or a solvency certificate for the authorisation of a dividend); or

(b) the approval of Director indemnities granted under the Companies Act.

8. SHAREHOLDER OVERSIGHT

Major transactions

8.1 A "major transaction" under the Companies Act involving 2CC requires Shareholder approval by special resolution (a 75% majority of the votes actually cast on the resolution).

8.2 In broad terms, a major transaction is the sale or purchase of assets having a value in excess of 50% of the pre-transaction market value of 2CC's gross assets. Importantly, the major transaction rules are entity specific. A transaction by a subsidiary of 2CC will not require major transaction Shareholder approval under the Companies Act.

8.3 If the Board proposes a major transaction and that transaction is approved by Shareholders, those Shareholders who vote all of their Shares against the major transaction have minority buyout rights, being the right to require 2CC to acquire their Shares for a fair and reasonable cash price.

8.4 Under the NZX Listing Rules, a transaction under which 2CC will, in broad terms, acquire or dispose of 2CC group assets which involve a gross value above 50% of 2CC's average market capitalisation, or a transaction which would significantly change the nature of 2CC's business, requires Shareholder approval by ordinary resolution (a bare majority of the votes actually cast on the resolution), unless the transaction is a major transaction, in which case Shareholder approval must be by special resolution.

Schemes of arrangement

8.5 The Companies Act provides that if 2CC wishes to implement a scheme of arrangement, including a scheme under which Sena & Co proposes to acquire the remaining Shares, the scheme would need to be approved by Shareholders by:

(a) a resolution approved by a simple majority of the votes of those Shareholders entitled to vote. Sena & Co and its associates would be entitled to vote on this resolution and, accordingly, would be able to pass it even if all other Shareholders voted against it; and

(b) a resolution approved by a majority of 75% of the votes of the Shareholders in each interest class entitled to vote and voting on the resolution. If the scheme involved the acquisition of Shares by Sena & Co, Sena & Co and its associates would constitute a separate interest class to other Shareholders and, therefore, the scheme would need to be approved by a majority of 75% of the votes of the non-Sena & Co and associated Shareholders entitled to vote and voting. However, if the scheme involved the acquisition of all of the Shares by a third party, including Shares owned by Sena & Co and its associates, and they were treated the same as other Shareholders under the scheme, then it is likely that they would vote in the same interest class as other Shareholders. In the latter circumstance, Sena & Co and its associates would be able to pass the 75% resolution even if all other Shareholders voted against it.

Related party transactions

8.6 The NZX Listing Rules provide that 2CC must not enter into a "material transaction" (or related series of transactions) with a "related party" without Shareholder approval by ordinary resolution. The related party and its associated persons cannot vote in favour of this resolution. Sena & Co is a related party of 2CC as it is the majority Shareholder of 2CC, and will continue to be a related party of 2CC if it increases its shareholding to between 75.92% and 89.99%.

8.7 "Material transactions" include asset sales or purchases having a value of more than 10% of 2CC's average market capitalisation and service arrangements where the annual gross cost to 2CC is more than 1% of 2CC's average market capitalisation. In addition, the issue of securities having a market value of more than 10% of 2CC's average market capitalisation is also a "material transaction".

Annual meetings

8.8 2CC must continue to hold annual meetings of Shareholders.

8.9 Under the NZX Listing Rules, 2CC must hold each annual meeting in New Zealand, or Australia if Shareholders can participate in the meeting by audio, audio and visual, and/or electronic means.

9. ANTI-DILUTION PROTECTION FOR MINORITIES

NZX Listing Rules restrictions on Share issues

9.1 Under the NZX Listing Rules, 2CC must not issue Shares without Shareholder approval by ordinary resolution unless an exception applies. A Shareholder (e.g., Sena & Co and its associated persons) cannot vote in favour of a resolution to approve the issue of Shares to itself.

9.2 Under the NZX Listing Rules, the key exceptions to the Shareholder approval requirements are for:

(a) pro-rata rights issues (including renounceable or accelerated rights issues) and share purchase plans;

(b) placements of up to 15% of 2CC's share capital in a 12-month period; and

(c) issues under employee share schemes or dividend reinvestment plans.

9.3 Placements of new Shares will be subject to the related party transaction rules summarised in paragraph 8 above as well as the Takeovers Code restrictions described in paragraph 10 below among other legal requirements.

9.4 In addition, as Sena & Co has Board representation (which the Takeover Committee understands will continue after the Offer) the NZX Listing Rules prohibit a placement of Shares solely to Sena & Co without Shareholder approval.

Governance requirements

9.5 Under the Companies Act, to issue Shares, the Board must resolve, and Directors must certify, that the price for the issue and the terms of the issue are fair and reasonable to 2CC and to all existing Shareholders.

10. RESTRICTIONS ON SENA & CO INCREASING ITS SHAREHOLDING

10.1 Under the Takeovers Code, after completion of the Offer, and while 2CC remains listed by NZX (or otherwise subject to the Takeovers Code), Sena & Co cannot increase its shareholding in 2CC, except by way of one of the following:[17]

(a) another takeover offer under the Takeovers Code;

(b) by way of a scheme of arrangement (see paragraph 8.5 of this Schedule);

(c) with prior Shareholder approval by ordinary resolution (on which Sena & Co cannot vote); or

(d) the "creep" rules summarised in paragraphs 5.3 to 5.5 of this Schedule One.

11. SHAREHOLDER INFORMATION

Annual reports

11.1 Under the NZX Listing Rules, 2CC must prepare, and make available to Shareholders, an annual report. This is also a Companies Act obligation.

11.2 The annual report must include audited consolidated financial statements for 2CC and certain other matters.

Continuous disclosure

11.3 Under the NZX Listing Rules 2CC must immediately disclose price sensitive information to NZX, subject to certain limited exceptions.

[17] There are also a number of exemptions that would permit Sena & Co to temporarily increase its shareholding in certain circumstances, provided it reduced that shareholding within a specified time period and met certain other conditions. Sena & Co would generally be allowed to retain any increase which is permitted under the "creep" allowance.

2 Cheap Cars Group Limited

Independent Adviser's Report

In Respect of the Full Takeover Offer by Sena & Co Limited

July 2026

Statement of Independence

Simmons Corporate Finance Limited confirms that it:

- has no conflict of interest that could affect its ability to provide an unbiased report; and
- has no direct or indirect pecuniary or other interest in the Sena Offer considered in this report, including any success or contingency fee or remuneration, other than to receive the cash fee for providing this report.

Simmons Corporate Finance Limited has satisfied the Takeovers Panel, on the basis of the material provided to the Takeovers Panel, that it is independent under the Takeovers Code for the purposes of preparing this report.

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Appendix

1. Executive Summary

1.1 2 Cheap Cars Group Limited

2 Cheap Cars Group Limited (**2CC** or the **Company**) is one of New Zealand's largest used vehicle retailers, with a network of 10 dealerships and a 4% share of the New Zealand dealer-to-public used vehicle market. The Company also offers third party finance and insurance options.

2CC's shares are listed on the main equities securities market (the **NZX Main Board**) operated by NZX Limited (**NZX**) with a market capitalisation of approximately $35.8 million as at 22 July 2026. Its audited total equity was approximately $22.2 million as at 31 March 2026.

A profile of 2CC is set out in section 4.

1.2 Sena & Co Limited

Sena & Co is 2CC's largest shareholder, holding 34,586,927 ordinary shares. This represents 75.92% of the Company's ordinary shares on issue.

Sena & Co is an investment vehicle associated with David (Yusuke) Sena. It was incorporated on 3 December 2024.

Sena & Co has 100 shares on issue, held jointly by David Sena and Tompkins Wake Trustees 2022 Limited (as trustees of the Sena Family Trust) (the **Sena Trustees**).

David Sena is the sole director of Sena & Co.

Mr Sena is the co-founder of 2CC and is currently an executive director and the chief executive officer of the Company.

The 2CC business was founded by David Sena and Eugene Williams in 2011, when the first Auckland dealership was opened.

The Sena Trustees acquired the 30.03% shareholding in 2CC held by interests associated with Mr Williams (the **Williams Trustees**) on 3 October 2023, following shareholder approval on 28 September 2023.

The Sena Trustees transferred their 75.92% shareholding in 2CC to Sena & Co on 5 December 2024 in exchange for 100% of the shares in Sena & Co.

1.3 Sena Offer

On 13 July 2026, Sena & Co sent 2CC a Takeover Notice stating its intention to make a full takeover offer for all of the shares in 2CC that it currently does not hold or control (the **Sena Offer**).

The Sena Offer Document will be sent to 2CC's shareholders on or about 27 July 2026.

Number of Shares Sought

The Sena Offer is for all of the ordinary shares in 2CC that it currently does not hold or control. This represents 10,967,573 ordinary shares, being 24.08% of the Company's ordinary shares currently on issue.

Consideration

Sena & Co is offering cash of $0.80 for each 2CC ordinary share (the **Offer Price**).

Conditions

The Sena Offer is conditional on Sena & Co receiving sufficient acceptances such that Sena & Co holds or controls 90.00% or more of the voting rights in 2CC (the **Minimum Acceptance Condition**).

The Sena Offer is also conditional on Sena & Co's senior debt facilities provided by ANZ Bank New Zealand Limited (**ANZ**) to fund the Sena Offer (the **ANZ Acquisition Facility**) not being terminated or withdrawn by ANZ prior to the settlement of the Sena Offer (the **ANZ Facility Condition**).

The Sena Offer is also subject to the satisfaction of the following conditions, in summary:

- no material adverse events occur
- 2CC not declaring or paying any dividends, bonuses or other payments or distributions
- no changes being made to the capital structure of the Company
- no changes being made to the rights, privileges, benefits, entitlements or restrictions attaching to the Company's shares
- there is no alteration to 2CC's constitution
- no liquidator, receiver, manager, administrator, statutory manager or similar official is appointed
- the Company does not merge or amalgamate with any third party or be liquidated
- the business of the Company is carried on, in all material respects, in the normal and ordinary course
- no material proceedings against the Company arise
- 2CC has not contravened the NZX Listing Rules
- no licence, permit, authorisation, permission or consent under which 2CC operates has been withdrawn or modified
- no fine or penalty has been imposed on 2CC
- 2CC has not provided any guarantees or provided an indemnity for any person outside of the Company
- there is no temporary restraining order, injunction or other order making the implementation of the Sena Offer void, unenforceable or illegal
- no 2CC board resolution or shareholders' resolution is passed or authorised in respect of any of the above matters.

Any of the conditions may be waived by Sena & Co at its discretion, subject to compliance with the Takeovers Code (the **Code**).

Change of Circumstances

The Sena Offer contains provisions that if there is a change in circumstances on or after 13 July 2026 that impacts on 2CC's shares and the offer is unconditional or becomes unconditional, then an adjustment will be made so as to ensure that the Sena Offer results in the same financial outcome for Sena & Co as if the change in circumstance did not occur.

The changes in circumstance relate to 2CC:

- declaring, making or paying any dividend or any other distribution
- making any issue of shares, convertible securities or other securities of any nature by way of bonus issue
- subdividing or consolidating its shares.

Payment Date

Sena & Co intends to pay the consideration to accepting shareholders within 5 working days of the later of:

- the date on which the Sena Offer becomes unconditional
- the date of receipt of acceptance
- 24 August 2026.

Offer Dates

The Sena Offer is to be dated 27 July 2026.

The offer closes at 11.59pm on 24 August 2026 (unless extended by Sena & Co in accordance with the provisions of the Code).

No Agreements to Accept the Sena Offer

No shareholder has agreed conditionally or unconditionally to accept the Sena Offer.

We note that Humi Sena (David Sena's mother) and Kosuke Sena (David Sena's deceased father) currently hold 0.55% and 0.04% of the Company's shares respectively.

We understand that as at the date of this report, neither Humi Sena nor the estate of Kosuke Sena have indicated as to whether they will accept the Sena Offer.

2CC's independent directors Michael Stiassny and Gordon Shaw currently hold 0.22% and 0.02% of the Company's shares respectively.

We understand that Mr Stiassny and Mr Shaw have both stated their intention to accept the Sena Offer.

1.4 Summary of Opinion

In our opinion, there are compelling reasons for shareholders to accept the Sena Offer:

- Sena & Co currently holds 75.92% of the Company's shares and already has significant control over 2CC:
  - it is able to control the outcome of any ordinary resolution and special resolution that it is permitted to vote on
  - it can control appointments to 2CC's board of directors (the **Board**) (subject to Mr Sena's commitment to maintain a majority of independent directors on the Board and to enable consultation with minority shareholders and their representatives prior to the appointment of future independent directors)
  - it can determine 2CC's dividend policy

- we assess the full underlying value of 2CC's shares to be in the range of $0.71 to $0.90 per share. The Offer Price of $0.80 per share is within our assessed valuation range, marginally below the midpoint of our range. Accordingly, we consider the Offer Price to be fair
- the Offer Price represents premia of between 20% and 39% over 2CC's recent share prices (measured over various periods up to a year prior to the announcement of the Sena Offer on 13 July 2026)
- the Sena Offer provides an opportunity for shareholders to realise cash of $0.80 per share for their investment in a thinly traded share
- if Sena & Co receives acceptances which result in it holding 90% or more of the Company's shares, it will be able to, and intends to, compulsorily acquire the remaining shares. Non-accepting shareholders will be required to sell their shares to Sena & Co
- if Sena & Co does not reach the 90% acceptance level but waives the Minimum Acceptance Condition and settles the acceptances, then shareholders who do not accept the Sena Offer will continue as shareholders in a company largely controlled by Sena & Co. This would potentially result in:
  - reduced liquidity in share trading of 2CC's shares on the NZX Main Board
  - 2CC's share price receding from current levels, once the Sena Offer closes
- alternatively, if Sena & Co does not reach the 90% acceptance level and does not waive the Minimum Acceptance Condition, then the Sena Offer will lapse and all shareholders would retain their shares (irrespective of whether they accepted their shares into the Sena Offer or not)
- the likelihood of an alternative takeover offer is remote
- the Company's 2 independent directors have stated that they intend to accept the Sena Offer in respect of all of the shares they hold.

This summary of our opinion should be read in the context of the whole of this report, including our detailed analysis of the merits of the Sena Offer set out in section 2.

1.5 Regulatory Requirements

2CC is a code company as it is listed on the NZX Main Board (and has financial products that confer voting rights) and is subject to the provisions of the Code.

Rule 6 of the Code prohibits:

- a person who holds or controls no voting rights or less than 20% of the voting rights in a code company from holding or controlling an increased percentage of the voting rights in the code company unless, after that event, that person and that person's associates hold or control in total not more than 20% of the voting rights in the code company
- a person who holds or controls 20% or more of the voting rights in a code company from holding or controlling an increased percentage of the voting rights in the code company

unless done in compliance with exceptions to this fundamental rule.

One of the exceptions, set out in Rule 7(a) of the Code, enables a person to increase its control of voting rights beyond 20% by making a full offer for all of the shares of the target company.

Rule 21 of the Code requires the directors of a target company to obtain an Independent Adviser's Report on the merits of the offer. This Independent Adviser's Report is to accompany the Target Company Statement required to be sent to the target's shareholders pursuant to Rule 46 and Schedule 2 of the Code.

1.6 Purpose of the Report

The Company's board of directors has formed an independent committee of directors comprising independent directors Michael Stiassny and Gordon Shaw to oversee 2CC's response to the Sena Offer (the **Takeover Committee**).

The Takeover Committee has engaged Simmons Corporate Finance Limited (**Simmons Corporate Finance**) to prepare an Independent Adviser's Report on the Sena Offer in accordance with Rule 21 of the Code.

Simmons Corporate Finance was approved by the Takeovers Panel on 9 June 2026 to prepare the Independent Adviser's Report.

Simmons Corporate Finance issues this Independent Adviser's Report to assist the Company's shareholders not associated with Sena & Co in forming their own opinion on whether or not to accept the Sena Offer. We note that each shareholder's circumstances and objectives are unique. Accordingly, it is not possible to report on the merits of the Sena Offer in relation to each shareholder. This report on the merits of the Sena Offer is therefore necessarily general in nature.

The Independent Adviser's Report is not to be used for any other purpose without our prior written consent.

2. Evaluation of the Merits of the Sena Offer

2.1 Basis of Evaluation

Rule 21 of the Code requires an evaluation of the *merits* of the Sena Offer.

There is no legal definition of the term merits in New Zealand in either the Code or in any statute dealing with securities or commercial law.

In the absence of an explicit definition of merits, guidance can be taken from:

- the Takeovers Panel *Guidance Note on Independent Advisers* dated 7 April 2026
- definitions designed to address similar issues within New Zealand regulations which are relevant to the proposed transaction
- overseas precedents
- the ordinary meaning of the term *merits*.

We are of the view that an assessment of the merits of the Sena Offer should focus on:

- the background and rationale for the Sena Offer
- the assessed value of 2CC's shares and the value of the consideration to be received by shareholders
- the implications of the conditions attached to the offer
- the likelihood of alternative offers or alternative transactions
- the advantages and disadvantages for the shareholders of accepting the Sena Offer
- the implications for the shareholders of not accepting the Sena Offer.

Our opinion should be considered as a whole. Selecting portions of the evaluation without considering all the factors and analyses together could create a misleading view of the process underlying the opinion.

2.2 Background and Rationale for the Sena Offer

Background

The 2CC business was founded by David Sena and Eugene Williams in 2011, when the first Auckland dealership was opened.

The Sena Trustees acquired the 30.03% shareholding in 2CC held by the Williams Trustees on 3 October 2023, following shareholder approval on 28 September 2023.

The Sena Trustees transferred their 75.92% shareholding in 2CC to Sena & Co on 5 December 2024 in exchange for 100% of the shares in Sena & Co.

David Sena entered into discussions with the 2 independent directors on or around 26 February 2026 in respect of the possibility of Sena & Co making a full takeover offer for the shares in 2CC that Sena & Co did not hold. Sena & Co's motivation was that upon acquiring full control of 2CC, the Company would be delisted from the NZX Main Board and operated as a closely-held private company.

The 2 independent directors formed the Takeover Committee and sought legal advice from MinterEllisonRuddWatts. The Takeover Committee also sought advice from Craigs Investment Partners regarding valuation methodologies used in comparable transactions to assist the Takeover Committee in its process.

On 10 April 2026, Sena & Co provided 2CC with a non-binding indicative offer (NBIO) to acquire all of the Company's shares not currently held by Sena & Co.

Following discussions with the Takeover Committee on 15 and 24 April 2026, Sena & Co provided 2CC with revised NBIOs and entered into a cost reimbursement agreement on 8 July 2026, culminating in Sena & Co submitting the Takeover Notice on 13 July 2026.

Rationale

Sena & Co has provided the following narrative in the Sena Offer Documentation as to the rationale for its offer:

- having steered 2CC through its years as a listed company, Mr Sena is now of the view that the business is best positioned to realise its full potential as a private entity
- Mr Sena's commitment to 2CC is long term and unconditional. As the Company's founder, its largest shareholder through Sena & Co and its chief executive officer, he is uniquely positioned to lead 2CC into its next phase – one characterised by focused, founder-led decision-making
- the objective of the Sena Offer is to acquire all of the remaining ordinary shares in 2CC to consolidate ownership and streamline the Company's structure
- the Sena Offer provides minority shareholders with an opportunity to realise their investment at a premium to 2CC's current trading prices, in circumstances where the shares have been thinly traded and secondary market liquidity has been limited.

We consider the rationale for the Sena Offer to be sound. Other than enhanced visibility and profile, there appears to be little benefit to 2CC being a listed company. It is relatively small in size and trading of its shares on the NZX Main Board is extremely thin. The costs that the Company incurs associated with being listed most likely outweigh the benefits derived from 2CC's profile as a listed company.

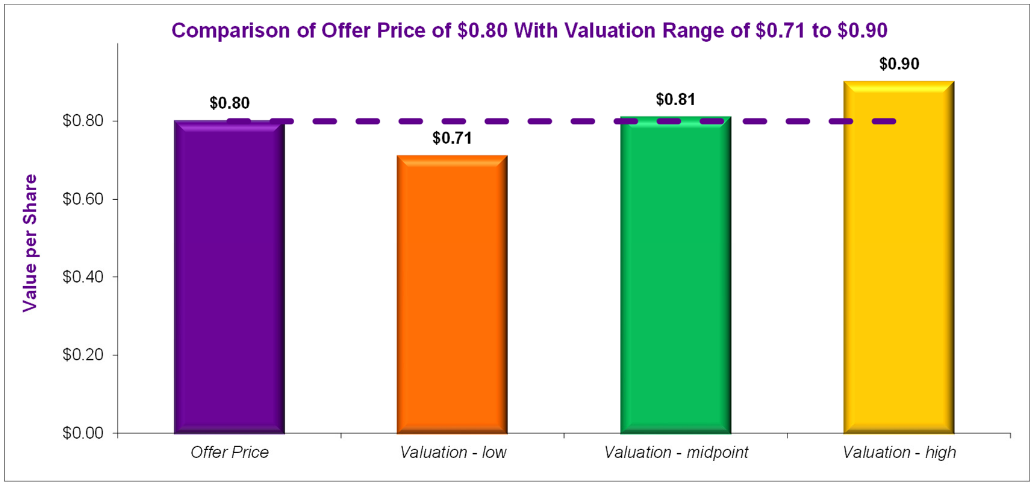
2.3 Value of 2CC's Shares Compared with the Offer Price of $0.80

In our opinion, the full underlying value of the 2CC shares is in the range of $0.71 to $0.90 per share, as set out in section 5.

This value is for 100% of the ordinary shares based on the Company's current strategic and operational initiatives and therefore reflects the value of control. However, it excludes the value of any synergies that Sena & Co may specifically derive from acquiring full control of 2CC.

The Sena Offer consideration is cash of $0.80 per share, which is marginally below the midpoint of our valuation range.

Accordingly, we consider the Offer Price to be fair.



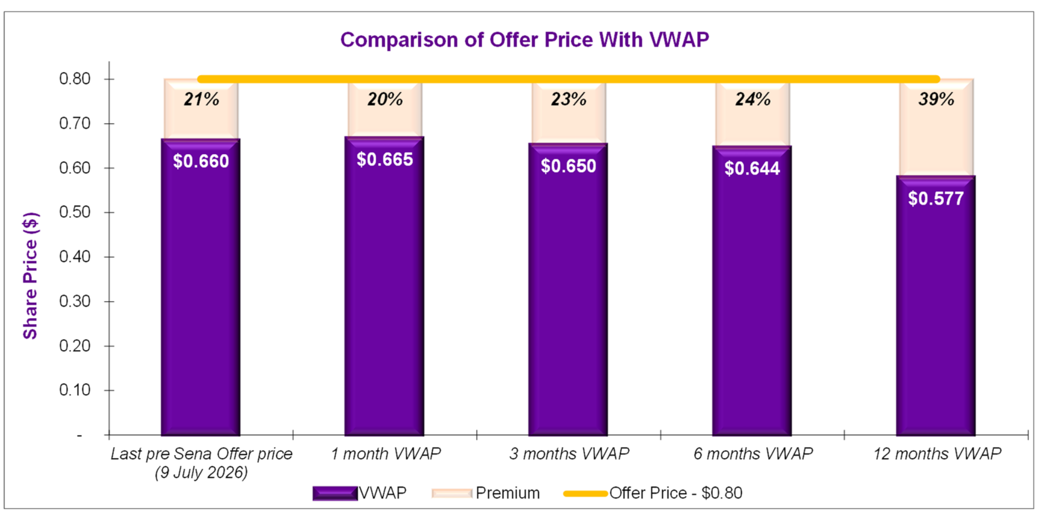
2.4 2CC's Share Price Compared with the Offer Price of $0.80

A summary of 2CC's daily closing share price and monthly volumes of shares traded since it first listed on the NZX Main Board on 25 February 2021 is set out in section 4.10.

The analysis shows that the shares have traded at prices between $0.23 and $1.30 during the approximately 5 and a half years period at a volume weighted average share price (**VWAP**) of $0.723.

The Offer Price of $0.80 per share represents a premium of:

- 21% on the undisturbed share price of $0.660 (being the price that the shares last traded at on 9 July 2026 before the Sena Offer was announced on 13 July 2026)
- 20% on the one month VWAP to 9 July 2026 of $0.665
- 23% on the 3 months VWAP to 9 July 2026 of $0.650
- 24% on the 6 months VWAP to 9 July 2026 of $0.644
- 39% on the 12 months VWAP to 9 July 2026 of $0.577.



Source: NZX Company Research

The vast majority of successful takeovers of listed companies are at a premium to recent trading prices and, in general terms, tend to be priced at a premium in the vicinity of 20% to 35%.

The Offer Price of $0.80 represents premia of 20% to 39% over 2CC's recent share prices (measured over various periods up to one year), which is in line with the range of premia generally observed in successful takeovers.

We note that trading in the Company's shares is extremely thin, given that prior to the Sena Offer, the 10 largest shareholders (including Sena & Co) collectively held 89.82% of the Company's shares.

Since the announcement of the Sena Offer on 13 July 2026, 492,189 2CC shares have traded at between $0.75 and $0.81 and at a VWAP of $0.788 up to 22 July 2026.

2.5 Potential Synergies

The obvious immediate synergies available to Sena & Co arising from its full ownership of 2CC will be a reduction in the level of administration costs that would be incurred as a result of 2CC's shares not being listed on the NZX Main Board.

The Company would not incur NZX listing fees and would face reduced share registry and shareholder communication costs, legal and public relations costs.

This could lead to between approximately $130,000 and $160,000 of cost savings per annum, which equates to approximately $0.003 to $0.004 per share per annum.

2CC could also choose not to have any independent directors on its board and it may choose not to be audited (if permitted to do so by its finance provider). These 2 costs totalled approximately $470,000 in the 2026 financial year, equating to $0.01 per share per annum.

2.6 Conditions of the Sena Offer

Minimum Acceptance Condition

A key condition of the Sena Offer is the Minimum Acceptance Condition, whereby Sena & Co must receive acceptances for 90% or more of the voting rights in 2CC by the end of the offer period (unless extended by Sena & Co).

In order for Sena & Co to secure 90% or more of the shares under the Sena Offer, it would need to receive acceptances of at least 6,412,123 shares (14.08% of the total shares on issue) from the 10,967,573 shares collectively held by the Company's shareholders other than Sena & Co (the **Free Float**).

The Free Float accounts for 24.08% of the total shares on issue. The 6,412,123 shares needed by Sena & Co in order to reach the 90% acceptance level represents 58.46% of the Free Float.

Sena & Co may waive the Minimum Acceptance Condition at its discretion, subject to compliance with the Code.

ANZ Facility Condition

A second key condition of the Sena Offer is the ANZ Facility Condition.

As at the date of this report, we are advised that Sena & Co has not received any communication from ANZ that would indicate that this condition will not be met.

Sena & Co may waive the ANZ Facility Condition at its discretion, subject to compliance with the Code.

Other Conditions

The other conditions of the Sena Offer relate to distributions, capital structure and business operations.

Conditions of this nature are common in takeover offers. We do not consider any of these conditions represent a major impediment to the offer being declared unconditional. Furthermore, Sena & Co may waive any of these conditions at its discretion, subject to compliance with the Code.

2.7 Potential Outcomes of the Sena Offer

Sena & Co Secures 90% or More of the Shares

If, as a result of the Sena Offer, Sena & Co secures 90% or more of the shares in 2CC, then under the provisions of the Code, Sena & Co will have the right to compulsorily acquire the remaining shares it does not already control under Part 7 of the Code.

Sena & Co has stated that it intends to proceed with the compulsory acquisition in those circumstances and apply for 2CC to be delisted from the NZX Main Board.

The compulsory acquisition price would be the same as the Offer Price (ie $0.80 per share).

In order for Sena & Co to secure 90% or more of the shares under the Sena Offer, it would need to receive acceptances of at least 6,412,123 shares (14.08% of the total shares on issue) from the Free Float of 10,967,573 shares.

The Free Float accounts for 24.08% of the total shares on issue and the 6,412,123 shares needed by Sena & Co in order to reach the 90% acceptance level represents 58.46% of the Free Float.

Sena & Co Secures Less Than 90% of the Shares

If Sena & Co receives acceptances that result in it holding less than 90% of the Company’s shares, then it will not be able to compulsorily acquire the remaining shares.

Sena & Co would then decide to either:

- waive the Minimum Acceptance Condition, or
- not waive the Minimum Acceptance Condition.

Sena & Co Waives the Minimum Acceptance Condition

If Sena & Co waives the Minimum Acceptance Condition and the Sena Offer is declared unconditional:

- Sena & Co would acquire the shares held by accepting shareholders
- the shareholders who do not accept the Sena Offer would retain their shares.

The shareholding position for non-accepting shareholders would be similar to that which exists at present:

- Sena & Co is able to control the outcome of any ordinary resolution (greater than 50% of votes cast acceptance level) and any special resolution (75% of votes cast acceptance level) put to shareholders and which it is permitted to vote on
- Sena & Co is able to control appointments to the Board (subject to Mr Sena's commitment to maintain a majority of independent directors on the Board and to enable consultation with minority shareholders and their representatives prior to the appointment of future independent directors)
- Sena & Co has stated in the Sena Offer Document that it "*does not currently intend to seek for 2CC to be delisted from the NZX Main Board*". If Sena & Co acquires any Free Float shares under the Sena Offer, then the size of the Free Float will decrease, which will likely lead to a further reduction in the liquidity of the Company's shares which in turn may suppress the price at which 2CC's shares trade in the future
- the attraction of 2CC as a takeover target is limited given that Sena & Co currently holds 75.92% of the Company's shares
- Sena & Co is permitted to *creep* towards the 90% threshold over time by buying up to a further 5% per annum in accordance with Rule 7(e) of the Code. Sena & Co's ability to *creep* in the first 12 months after the Sena Offer closes will depend on the level of acceptances into the offer. However, Sena & Co does not have to wait 12 months to make another takeover offer after the current offer closes
- we note that Sena & Co has stated that it intends to continue to comply with the commitments previously given by Mr Sena to the New Zealand Shareholders Association in 2023 that Sena & Co would not utilise the *creep* provisions for a period of 3 years up to 3 October 2026
- if *creeping* results in Sena & Co holding or controlling 90% or more of the Company's shares, it could then invoke the compulsory acquisition provisions of the Code. The compulsory acquisition price would be a price certified as fair and reasonable by an independent adviser, which could potentially be challenged under the provisions of the Code
- depending on Sena & Co's level of shareholding after the Sena Offer has closed, Sena & Co may decide to make another takeover offer at a later date (often referred to as a "mop up" offer). However, there is no certainty that such a mop up offer would occur and it is possible that such an offer could be at a discount to the current offer if 2CC's share price dropped significantly. It is also possible that a mop up offer could be at a premium to the Offer Price of $0.80
- unless a mop up offer is anticipated by the market, 2CC's shares are likely to trade at levels below the Offer Price of $0.80 following the close of the Sena Offer (assuming they continue to be quoted on the NZX Main Board)
- non-accepting shareholders are unlikely to face any material change in business risk as the Company's operating policies are unlikely to be changed (positively or negatively) due to Sena & Co's possible increased shareholding in the Company

- non-accepting shareholders may face a change in the Company's dividend policy (which currently is to distribute 60% of net profit after tax (**NPAT**)) given that Sena & Co has only stated that its current intention (based on information that is currently known to it) is not to make material changes to 2CC's dividend policy. Therefore, if for example, Sena & Co decided to reinvest future earnings in growth initiatives, this could reduce the level of dividends that the Company distributes to shareholders in the future.

Sena & Co Does Not Waive the Minimum Acceptance Condition

If Sena & Co does not receive sufficient acceptances to reach the 90% threshold and it does not waive the Minimum Acceptance Condition, then the Sena Offer will lapse.

In this scenario, all shareholders would retain their shares (irrespective of whether they accepted their shares into the Sena Offer or not).

2.8 Likelihood of Alternative Takeover Offers is Extremely Remote

Given that Sena & Co currently holds 75.92% of the Company's shares, we consider the likelihood of an alternate takeover offer to be extremely remote.

We are advised by the Takeover Committee that as at the date of this report, it is not aware of any alternative takeover offer or alternative transaction impacting on the control of the Company.

For the sake of completeness, we note that if an alternative takeover offer was made, then those shareholders who had already accepted the Sena Offer would not be able to accept those shares into the alternative takeover offer until the Sena Offer lapsed. However, given that the likelihood of an alternate takeover offer is negligible, we do not consider that this matter should influence a shareholder's decision as to whether to accept the Sena Offer.

2.9 Likelihood of Sena & Co Increasing the Offer Price is Uncertain

We are not aware of any intention on Sena & Co's part to increase the Offer Price of $0.80.

In the event that Sena & Co felt that it was not likely to receive sufficient acceptances to reach the 90% compulsory acquisition threshold, it may decide to increase the Offer Price.

Alternatively, if it did not receive sufficient acceptances to reach the 90% compulsory acquisition threshold, it is possible that rather than increase the Offer Price, Sena & Co may let the offer close and evaluate whether it makes a mop up offer sometime in the future to acquire the remaining shares in the Company or utilise the *creep* provisions to reach the 90% threshold over time.

We note that in the event that Sena & Co does increase its price under this offer, the increased price will be available to all shareholders, including those who have already accepted the Sena Offer at $0.80 per share.

2.10 Prospect of an Investor Acquiring a Strategic Shareholding of Less Than 20%

It is possible that an investor could acquire a strategic shareholding of greater than 10% in 2CC, which could be considered a blocking shareholding as it would prevent Sena & Co from reaching the 90% compulsory acquisition threshold.

If this were to happen, it is possible that the acquisition of the strategic shareholding could be made at a premium to the Offer Price.

However, there is no certainty that any party will acquire a strategic shareholding in 2CC during the period of the Sena Offer and we consider the probability of this occurring to be low.

2.11 Advantages of Accepting the Sena Offer

The Sena Offer provides an opportunity for shareholders to realise cash for their investment in a thinly traded share.

Acceptance of the offer will enable shareholders to realise cash of $0.80 per share and not incur any brokerage costs.

The Offer Price of $0.80 represents a premium in the range of 20% to 39% over the prices that 2CC's shares have traded at in the past year prior to the announcement of the Sena Offer on 13 July 2026.

Those shareholders wishing to continue to invest in the New Zealand used automotive retail industry will be able to invest in Turners Automotive Group Limited (**Turners**), whose shares are also listed on the NZX Main Board.

2.12 Disadvantages of Accepting the Sena Offer

Forego Possible Future Uplift in 2CC Share Price

By accepting the Sena Offer, shareholders will forgo the possibility that the value of the Company's operations may increase in time and may be reflected in an increase in 2CC's share price.

As discussed in section 4.7, 2CC provided a trading update to the market on 19 June 2026 stating that the improved trading momentum recorded in the second half of the 2026 financial year has continued into the early part of the 2027 financial year (based on 2CC's financial performance for the 2 months ended 31 May 2026). However, the Board noted that this may not be representative of the balance of the 2027 financial year.

Enhanced earnings or enhanced market recognition of current financial performance may lead to a re-rating of 2CC's share price. However, shareholders should bear in mind that 2CC faces considerable competition in the used automotive retail sector and various industry and business risks (as discussed in section 3.8) which may result in the Company's actual financial performance for the 2027 financial year to differ materially from the illustrative financial performance scenarios discussed in section 4.7.

Inability to Transact Accepting Shares

We note for the sake of completeness that if a shareholder accepts the Sena Offer, then, until the expiry of the offer period, they will be unable to dispose of the shares which they have accepted into the Sena Offer, whether by selling them on-market or by accepting them into an alternative takeover offer (if such an offer arose).

However, we do not view the inability to transact accepting shares to be a major disadvantage for shareholders as:

- we consider the possibility of an alternative takeover offer to be remote
- since the announcement of the Sena Offer on 13 July 2026, 492,189 shares have traded on the NZX Main Board (representing 1.1% of the shares on issue) between $0.75 and $0.81 and at a VWAP of $0.788 up to 22 July 2026.

2.13 Implications of Not Accepting the Sena Offer

If Sena & Co receives acceptances which result in it holding 90% or more of the Company's shares, it will be able to, and intends to, compulsorily acquire the remaining shares. Non-accepting shareholders will be required to sell their shares to Sena & Co.

If Sena & Co does not reach the 90% acceptance level and the Minimum Acceptance Condition is waived, then shareholders who do not accept the Sena Offer will continue as shareholders in a company whose shares will continue to be quoted on the NZX Main Board (at least in the near term) and will be subject to the issues set out in section 2.7 *Sena & Co Secures Less Than 90% of the Shares*.

2.14 Impact on 2CC's Share Price if the Sena Offer is not Successful

2CC's shares have traded between $0.48 and $0.71 in the year prior to the announcement of the Sena Offer on 13 July 2026 at a VWAP of $0.577. 492,189 shares have traded since then, at a VWAP of $0.788 up to 22 July 2026.

Following the conclusion of the Sena Offer, we are of the view that the Company's share price will likely revert closer to its trading range prior to the announcement of the Sena Offer if the Company's shares remain quoted on the NZX Main Board.

While the Sena Offer has provided the market with greater information upon which to evaluate the Company's prospects and its value, trading in the Company's shares is minimal due to the relatively small Free Float and limited demand and these factors may lead to a decrease in the share price.

However, there may be an expectation of a further mop up offer and this expectation may keep the share price at levels close to the Offer Price of $0.80.

2.15 Loan Facility Agreements

Sena & Co entered into 2 *Facility Agreements* with Humi Sena (Mr Sena's mother) and with Soon Ki Kwon (Mr Sena's sister) on 1 June 2026 (the **Loan Facility Agreements**).

Each Loan Facility Agreement is for an amount up to $500,000 and at a commercial interest rate based on a margin over the New Zealand 90-Day Bank Bill Rate (BKBM).

The Loan Facility Agreements may be utilised by Sena & Co if, at the date that the Sena Offer closes (the **Closing Time**), Sena & Co has not received sufficient acceptances of the offer to result in Sena & Co holding or controlling 90% or more of the voting rights in 2CC, but has sufficient funding (including, if required, the funding from the Loan Facility Agreements) to complete the acquisition of shares in respect of which acceptances have been received. In those circumstances, Sena & Co may waive the Minimum Acceptance Condition after the Closing Time. Unless it arranges additional financing during the offer period (which it has stated that it does not currently intend to do), Sena & Co would not be in a position to waive the Minimum Acceptance Condition during the offer period.

If the Minimum Acceptance Condition is met, then Sena & Co intends to use the ANZ Acquisition Facility to fund the offer and the Loan Facility Agreements with Humi Sena and Soon Ki Kwon would not be relevant.

Rule 20 of the Code requires that a takeover offer must be made on the same terms and provide the same consideration for all securities belonging to the same class of equity securities under offer.

As Humi Sena currently holds 0.55% of the Company's shares, the Loan Facility Agreement with her represents a collateral arrangement under the Takeovers Panel guidance note *Rule 20 and Collateral Arrangements* dated 1 August 2013.

If the effect of the collateral arrangement is to provide terms or consideration to a target company shareholder under a takeover offer which differ from those offered to other shareholders, those arrangements will breach Rule 20.

We are of the opinion that the terms and conditions of the Loan Facility Agreements are on commercial terms and therefore the effect of the collateral arrangement does not provide any terms or consideration to Humi Sena which differ from those offered to 2CC's other shareholders.

2.16 Summary of the Evaluation of the Merits of the Sena Offer

The Sena Offer is a full offer for all of the shares in the Company. Factors that shareholders should consider when deciding whether to accept or reject the Sena Offer include:

- Sena & Co currently holds 75.92% of the Company's shares, enabling it to control the outcome of any ordinary resolution and special resolution that it is permitted to vote on and to control appointments to the Board (subject to the commitments given by Mr Sena in respect of the appointment of independent directors)
- we assess the full underlying value of 2CC's shares to be in the range of \$0.71 to \$0.90 per share. The Offer Price of \$0.80 per share is within our assessed valuation range, marginally below the midpoint of our range. Accordingly, we consider the Offer Price to be fair
- the Offer Price represents premia in the range of 20% to 39% over the Company's VWAP measured over various periods up to a year prior to the announcement of the Sena Offer on 13 July 2026
- the Sena Offer provides an opportunity for shareholders to realise cash of \$0.80 per share for their investment in a thinly traded share
- Sena & Co already has significant control over the Company in that it is able to singlehandedly control the outcome of any ordinary resolution and any special resolution that it is permitted to vote on and control appointments to the Board (subject to the commitments given by Mr Sena in respect of the appointment of independent directors)
- in order for Sena & Co to reach the 90% compulsory acquisition threshold, it will require 14.08% of the Company's shares to be accepted into the Sena Offer from the Free Float
- the likelihood of an alternative takeover offer is remote
- assuming the Sena Offer does not lead to the compulsory acquisition of the remaining shares, Sena & Co expects to maintain 2CC's shares quotation on the NZX Main Board.

The main advantage for shareholders of accepting the Sena Offer is that they will be able to realise cash of \$0.80 per share for their shares without having to pay brokerage. This represents an exit opportunity for all shareholders which is not readily available on the NZX Main Board (particularly for larger parcels of 2CC shares) as the shares are thinly traded and the Offer Price is at a premium price.

The Offer Price aligns with our assessment of the value of 2CC's shares.

The main disadvantage of accepting the Sena Offer is that shareholders will not participate in any potential appreciation in the value of the Company's shares from enhanced market recognition of the Company's existing financial performance or as a result of improved performance.

While 2CC's trading in the first 2 months of the 2027 financial year (April and May) was strong, trading in the last 2 months (June and July) has been weaker.

Shareholders should also take into consideration that the Company faces considerable risks and uncertainty in its operations in respect of near term economic conditions and the regulatory environment and there is no guarantee that 2CC will successfully execute its business strategy or that the continuation of the current trading momentum will result in an appreciation in the Company's share price.

Shareholders who do not wish to accept the Sena Offer (as they may consider the Offer Price to be too low and / or they may wish to participate in a possible uplift in share price) should be mindful of a number of key issues:

- following the Sena Offer, Sena & Co will continue to control 2CC
- there is no certainty that the Company's current dividend policy will continue in the longer term
- Sena & Co will be able to continue to *creep* over time towards the 90% shareholding threshold to enable it to invoke the compulsory acquisition provisions of the Code (noting that Sena & Co may only use the *creep* provisions after the period of its commitment statement ends on 3 October 2026 and if Sena & Co acquires shares under the Sena Offer, its *creep* allowance will be limited to that extent in the following 12 month period)
- trading in the shares is currently extremely thin and liquidity will likely diminish following the completion of the Sena Offer. Furthermore, while Sena & Co has stated that it expects that the Company's shares will remain quoted on the NZX Main Board, there is no guarantee of this.

2.17 Acceptance or Rejection of the Sena Offer

Acceptance or rejection of the Sena Offer is a matter for individual shareholders based on their own views as to value and future market conditions, risk profile, liquidity preference, tax position and other factors. In particular, taxation consequences will vary widely across shareholders. Shareholders will need to consider these consequences and consult their own professional adviser if appropriate.

3. Overview of the New Zealand Used Automotive Retail Industry

3.1 Industry Overview

The New Zealand used automotive retail industry was valued at over $500 million in 2025 and serves one of the highest vehicle-ownership ratios in the world.

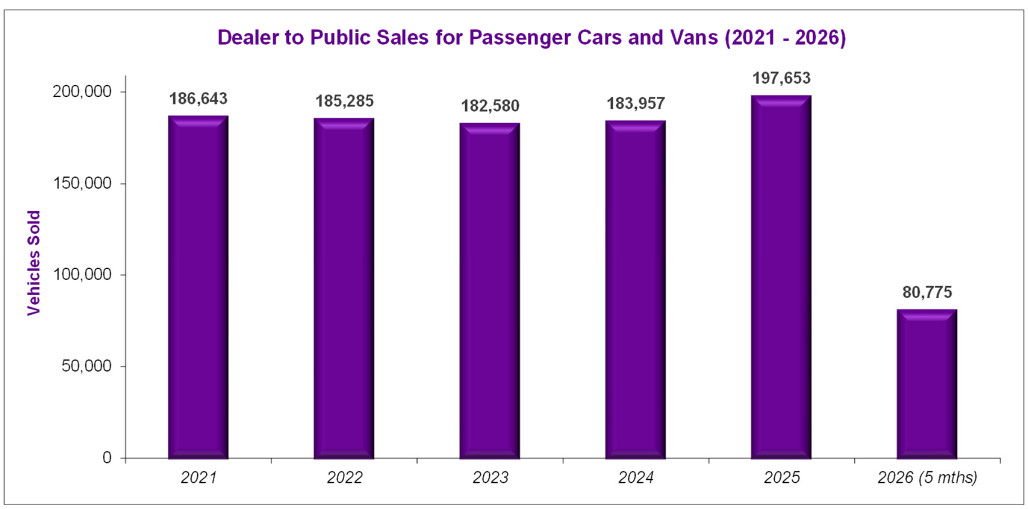
The key characteristics of the New Zealand used automotive retail industry are:

- a high import dependence (with a significant role for Japanese used vehicles)
- a fragmented dealer landscape
- price-sensitive customers.

The industry is influenced by:

- macroeconomic conditions
- consumer confidence
- interest rates
- exchange rates
- import vehicle supply
- emissions regulation
- finance availability.

Dealer to public sales of passenger cars and vans have been close to 200,000 vehicles each year for the past 5 years.



*Source: NZ Transport Agency (**NZTA**)*

The industry can be split into vehicles that were previously:

- "New Zealand-new" or
- "used-import".

The used-import vehicle industry was deregulated in the 1980s, resulting in an improvement in vehicle quality, choice and affordability. It also built a network of jobs around compliance, finance, insurance, logistics, retail, maintenance and repairs.

There were 77,449 used vehicles imported into New Zealand during 2025, a drop of 12% when compared with 88,180 in 2024. The total included 74,986 from Japan, which was down from more than 86,000 in the prior year. Meanwhile, Australia was the source for 1,608 vehicles, up from the previous year's total of around 1,300 vehicles and next was the UK with 334 vehicles.

The used vehicles market is resilient, large and needs-based. Growth is primarily driven by increasing consumer demand for affordable and reliable transportation options, coupled with a growing trend towards sustainability and environmental consciousness.

The industry is fragmented, with a range of industry participants including:

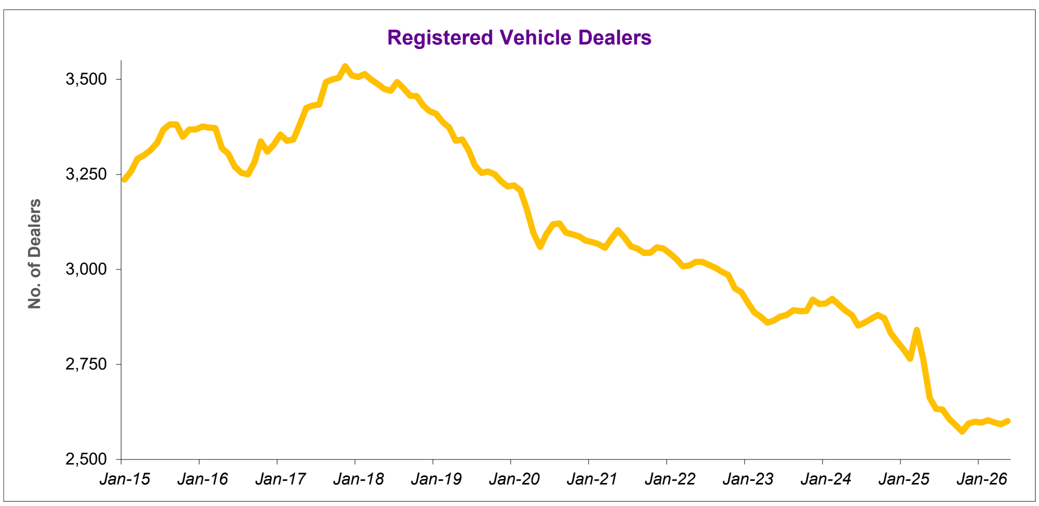
- large corporate groups and chains
- smaller independent dealers
- digital platforms.

3.2 Industry Structure and Participants

The New Zealand used automotive vehicle industry is fragmented with a range of industry participants, including:

- Turners – the largest player in the used vehicle and automotive finance market
- large groups and chains – corporate players such as 2CC, Armstrong's and Enterprise Motor Group
- independent dealers – thousands of smaller independent dealerships and used-import specialists. These dealers account for the majority of overall market volume, importing directly or sourcing locally
- digital platforms – such as Trade Me Motors and AutoTrader.

Dealer numbers have decreased by 26% from a high of 3,518 in February 2018 to 2,601 in May 2026, partly reflecting import difficulties.



Source: MBIE, Motor Vehicle Traders Register

3.3 Market Forces

The key market forces in the industry include:

- supply constraints and import volatility – fluctuations in import numbers, exchange rates and shipping affect the number of good quality used vehicles available
- fuel costs and efficiency – with rising fuel prices and increased awareness of running costs, hybrid and electric vehicles (**HEV / EVs**) are becoming more attractive. At the same time, fully electric models are less common in the used import space due to availability, import prices and regulations
- economic pressure – whilst interest rates have decreased lately, inflation and vehicle maintenance costs are rising. This makes second-hand vehicles a more viable choice than new ones
- geopolitical factors – a range of factors including the increased cost of transportation and increased cost of fuel
- regulation and policy shifts – the end of subsidies, changes in import rules and emission standards all play a part in how attractive used imports are for both dealers and consumers
- changes in buyer preference – sports utility vehicles (**SUVs**), utility vehicles (**utes**) and HEV / EVs are becoming a more popular choice for buyers.

3.4 Market Trends

The key market trends in the New Zealand used automotive retail industry include:

- the legacy of the Government's Clean Car Standard and rebate – despite the cessation of the Clean Car Discount on 31 December 2023, there is continued demand for HEV / EVs with registrations nearly doubling in early 2025 versus the prior year
- the increasing supply of budget HEV / EVs ex-Japan imports – the flow of electrified imports raises consumer exposure to HEV / EVs ownership, accelerating the likelihood of repeat purchases
- accelerated online-to-offline retail integration – consumers increasingly expect seamless digital journeys, prompting dealers to embed virtual showrooms, instant finance calculators and remote paperwork into traditional processes
- digital transformation accelerates – offline showrooms processed ~58% of the New Zealand used vehicle market transactions in 2025, but online channels expanded at an 8% compound annual growth rate (**CAGR**) as listing platforms add finance, inspection and delivery plugins.

3.5 Industry Customers

Industry customers fall into 3 categories:

- retail buyers – mid-income households seeking reliable, cost-effective transportation (with the $10,000 – $29,999 price bracket driving the bulk of volume)
- commercial and fleet buyers – businesses, tradespeople and rental companies constantly refreshing their light commercial vehicles and utes
- tech seekers – a growing subset of environmentally-conscious consumers driving demand for the expanding supply of used HEV / EVs.

3.6 Industry Suppliers

Securing the supply of vehicles is key to success within the used vehicle sector.

The key suppliers to the industry are:

- overseas exporters – Japan is the primary supplier of used passenger vehicles, followed by Australia (a major source for used utility vehicles like the Toyota Prado and Ford Ranger)
- fleet management companies – New Zealand corporations and leasing firms offloading their company cars onto the used market
- after-market suppliers and compliance centres – providers of spare parts, diagnostic tools and statutory border compliance services.

3.7 Regulatory Environment

The industry is strictly regulated to ensure vehicle safety and consumer protection:

- Motor Vehicle Sales Act 2003 – requires all dealers selling to the public to be registered on the Motor Vehicle Traders Register
- Consumer Guarantees Act 1993 – dealers must guarantee that vehicles are of acceptable quality, fit for purpose and structurally sound
- Consumer Information Notice (**CIN**) – dealers are legally required to display specific information including odometer, registration and money owing on all vehicles via a physical and online CIN
- NZTA and Safety Requirements – vehicles must pass warrant of fitness checks and offshore imports require strict border and entry certification to ensure they meet local safety standards
- Climate Change Response (Zero Carbon) Amendment Act 2019 – this mandates net-zero emissions for New Zealand by 2050. For the used vehicle market, this means phasing out high-emission internal combustion vehicles and heavily taxing, limiting or penalising the importation of older, inefficient used vehicles
- Clean Car Standard – a vehicle carbon dioxide emissions standard aimed at reducing transport-related greenhouse gas emissions. The standard ensures that imported vehicles meet annual carbon dioxide targets, promoting fuel efficiency and the uptake of HEV / EVs. The Clean Car Standard is implemented under the Land Transport (Clean Vehicle Standard) Regulations 2022 and amended by the Land Transport (Clean Vehicle Standard) Amendment Act 2025.

3.8 Industry Challenges and Risk Factors

The key challenges and risks faced by the industry include:

- supply chain disruptions – the used vehicle market in New Zealand faces significant challenges due to ongoing supply chain disruptions. These disruptions have led to inventory shortages, making it difficult for dealerships to meet consumer demand, ultimately impacting sales and market stability
- regulatory compliance costs – compliance with evolving regulations poses a challenge for used car dealers. The financial burden may deter smaller dealerships from maintaining inventory, leading to reduced competition and potentially higher prices for consumers, which could hinder market growth

- economic headwinds – inflation, fluctuating interest rates and reduced consumer discretionary spending heavily impact big-ticket purchases
- residual value risk – rapid shifts in EV technology and Government policies, such as the introduction of road user charges for EVs, create uncertainty around the future trade-in value of specific vehicle types
- supply chain volatility – global shipping disruptions, currency fluctuations and changes to offshore emission rules affect import costs and inventory.

3.9 Industry Growth Drivers and Opportunities

The key growth drivers and opportunities for the New Zealand used automotive industry include:

- increasing demand for affordable transportation – the New Zealand used vehicle market is experiencing a surge in demand, driven by the need for affordable transportation options
- rising environmental awareness and preference for used vehicles – environmental concerns are influencing consumer preferences, with a notable shift towards used vehicles. The Government's aim to reduce greenhouse gas emissions in line with its emissions budgets under the Zero Carbon framework has also supported the uptake of lower-emission vehicles and has driven market growth
- growth in online car sales platforms – the digital transformation of the automotive industry is reshaping how consumers purchase used vehicles. This shift is facilitated by platforms like Trade Me and AutoTrader, which provide comprehensive vehicle listings and user-friendly interfaces, making it easier for buyers to access a wider range of options and enhancing overall market accessibility
- value-added services – growth in margins is shifting toward integrated financing, insurance and extended warranty sales at the point of purchase.

3.10 Outlook for the Industry

The used vehicle market remains resilient and is poised for continued evolution, driven by technological advancements and changing consumer preferences.

As digital platforms become more prevalent, the purchasing process will likely become increasingly streamlined, enhancing customer experiences. Additionally, the growing interest in HEV / EVs will create new segments within the market, catering to environmentally conscious consumers.

According to Mordor Intelligence, the New Zealand used vehicle market size is expected to grow from $527 million in 2025 to $556 million in 2026 and is forecast to reach $722 million by 2031 at 5.4% CAGR. Demand remained resilient despite the end of the Clean Car Discount on 31 December 2023 and the introduction of road user charges for EVs on 1 April 2024, as buyers adapt to evolving policy settings.

Growth is fuelled by a shift from yard-only shopping to digital-first journeys. Consumer appetite for versatile SUVs stays strong, while a steady influx of competitively priced Japanese HEV / EVs imports, supported by a weak Yen, broadens low-emission choices.

These conditions create opportunities for dealers that blend omnichannel retailing, emissions-compliant inventory and transparent vehicle histories to serve an expanding, tech-savvy customer base.

4. Profile of 2 Cheap Cars Group Limited

4.1 Background

The 2CC business was founded by David Sena and Eugene Williams in 2011.

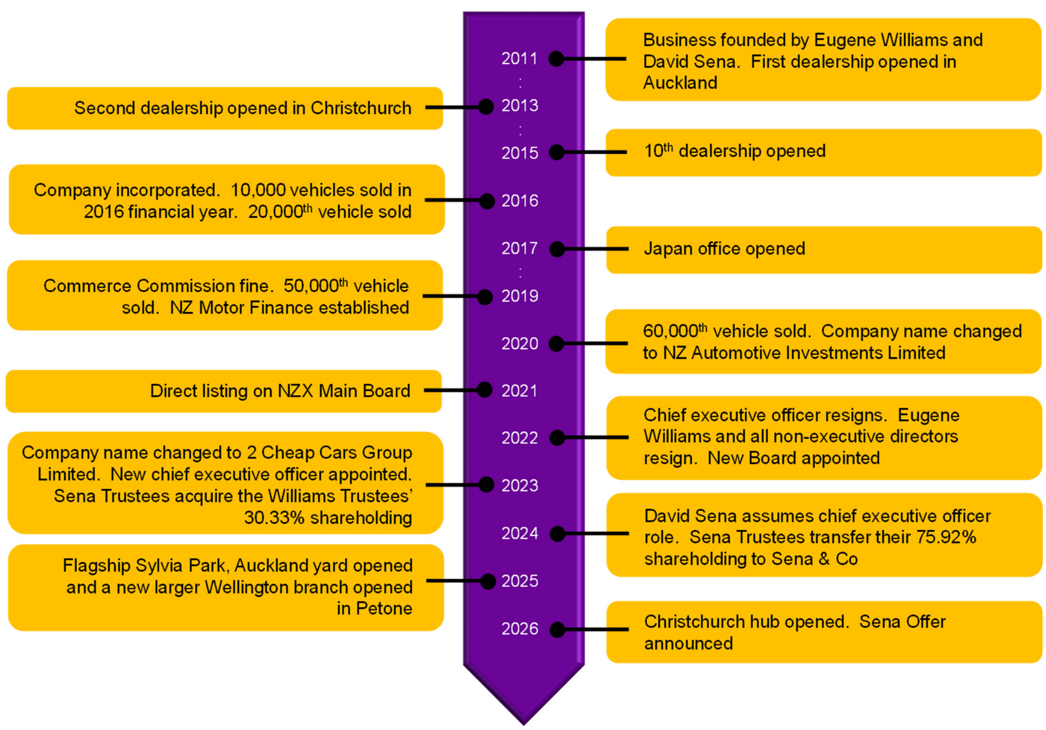
The Company was incorporated on 14 October 2016 as 2CC Holding Limited. It changed its name to:

- NZ Automotive Investments Limited on 19 November 2020
- 2 Cheap Cars Group Limited on 26 June 2023.

2CC's shares were listed on the NZX Main Board on 25 February 2021 by way of a direct listing (ie no fresh equity was raised).

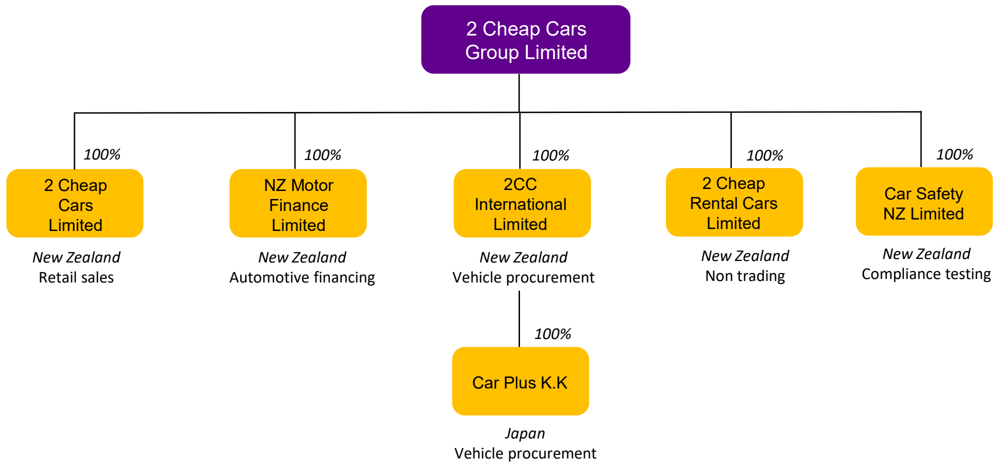
As part of the direct listing, 2CC issued an NZX Listing Profile dated 25 February 2021 (the **2CC Listing Profile**).

The Company's key events are set out below.



4.2 Group Structure

The 2CC group consists of 2CC and 6 subsidiaries.



4.3 Overview of 2CC's Operations

2CC is a nationwide leading retailer of quality, affordable vehicles and offers competitive third-party finance and insurance options.

The Company has 10 dealerships nationwide:

- Auckland (6)
- Hamilton
- Tauranga
- Wellington
- Christchurch.

The Company is one of New Zealand's largest used vehicle retailers. It sold 7,239 vehicles in the 2026 financial year, accounting for a 4% market share.

With a vertically integrated supply chain, 2CC benefits from a Japanese-based team who source, inspect and select vehicles that align with the needs of the New Zealand market.

Once landed in New Zealand, vehicles are processed through entry compliance. They are then prepared for retail sale through a combination of internal and external providers, including panel and paint, grooming, servicing and further mechanical quality-control checks. Vehicles are then photographed and dispatched to 2CC's dealerships.

Gaining greater control over its supply chain by insourcing additional activities means the Company reduces costs and gets vehicles online and onto yards faster.

2CC has transitioned its business model to focus solely on the vehicle retail business. As a result, 2CC's finance company NZ Motor Finance Limited's loan book has been run down from approximately $3.9 million as at 31 March 2023 to approximately $0.2 million as at 30 June 2026 and 2CC now acts as a finance agent.

The Company employs approximately 84 full time equivalent employees.

4.4 Corporate Strategy

2CC's mission is to deliver on its promise – *2 Cheap Cars, driving better deals, every day*.

2CC's corporate strategy focus is on:

- supply chain leadership
- retail footprint to win
- gross margin expansion
- customer experience
- its people.

4.5 Directors and Senior Management

The Board consists of 3 directors:

- David Sena, executive director and chief executive officer
- Gordon Shaw, independent non-executive director
- Michael Stiassny, independent non-executive chair.

The Company's senior management team consists of:

- David Sena, chief executive officer
- Angus Guerin, chief financial officer.

4.6 Capital Structure and Shareholders

2CC currently has 45,554,500 fully paid ordinary shares on issue held by 223 shareholders.

The names, number of shares and percentage holding of 2CC's 10 largest shareholders as at 20 July 2026 are set out below.

2CC's 10 Largest Shareholders

Shareholder	No. of Shares	%
Sena & Co	34,586,927	75.92%
Forsyth Barr Custodians Limited	1,437,133	3.15%
New Zealand Depository Nominee Limited	1,332,485	2.93%
New Zealand Central Securities Depository Limited (**NZCSD**)	1,235,419	2.71%
Austen Kyle	755,000	1.66%
Lorraine McCaffrey	500,000	1.10%
Ian Hurst and Gloria Hurst	250,000	0.55%
Humi Sena	250,000	0.55%
Hong Reiner	220,000	0.48%
Black Duck Investments Limited	205,714	0.45%
Top 10 shareholders	40,767,678	89.49%
Others (213 shareholders)	4,786,822	10.51%
Total	45,554,500	100.00%

Source: NZX Company Research

NZCSD is the recorded holder of shares owned by Accident Compensation Corporation.

4.7 Financial Performance

Historic Financial Performance

A summary of 2CC's recent historic financial performance is set out below.

Summary of 2CC Historic Financial Performance

	Year to 31 Mar 23 (Audited) $000	Year to 31 Mar 24 (Audited) $000	Year to 31 Mar 25 (Audited) $000	Year to 31 Mar 26 (Audited) $000
No. of vehicles sold	8,367	8,169	7,675	7,239
Revenue and income	82,737	86,783	81,965	81,714
Cost of sales	(67,905)	(66,118)	(64,174)	(64,272)
Contribution margin	14,832	20,665	17,791	17,442
Operating expenses	(9,788)	(8,909)	(9,814)	(9,352)
EBITDA	5,044	11,756	7,977	8,090
Depreciation and amortisation	(2,134)	(2,332)	(2,650)	(2,907)
EBIT	2,910	9,424	5,327	5,183
Net interest	(1,090)	(702)	(739)	(754)
NPBT	1,820	8,722	4,588	4,429
Taxation	(528)	(2,481)	(1,288)	(1,241)
NPAT	1,292	6,241	3,300	3,188

EBITDA: Earnings before interest, taxation, depreciation and amortisation
EBIT: Earnings before interest and taxation
NPBT: Net profit before tax

Source: 2CC annual reports

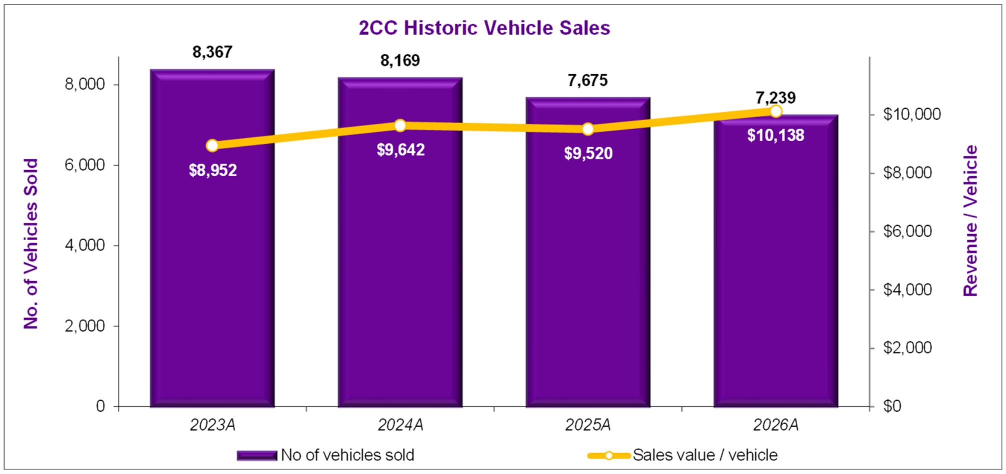
Revenue consists mainly of the sale of vehicles, as well as finance and insurance agent commissions and finance and interest income.

The key drivers of 2CC's vehicle sales volumes are:

- cost of living – higher cost of living increases the demand for affordable vehicles as consumers seek to manage their budget more tightly
- interest rates – in a high interest rate environment, low wage individuals find it harder to qualify for loans and they face higher borrowing costs
- immigration – low immigration rates can reduce the number of potential new customers.

HEV / EVs make up a significant and growing proportion of 2CC's sales mix following the December 2024 increase to Clean Car Standard fees.

HEV / EVs represented 61% of the vehicles sold in the 2026 financial year.

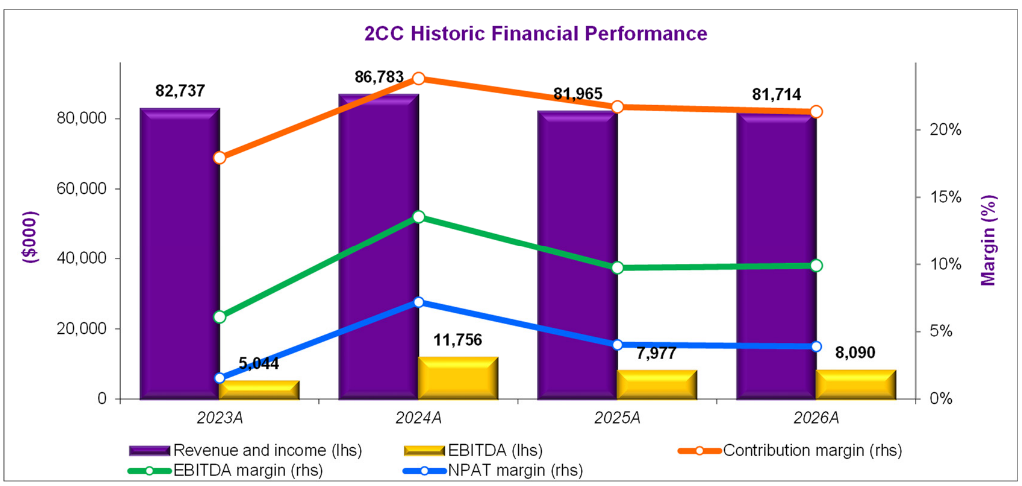


While the number of vehicles sold has decreased each year from 8,367 vehicles in the 2023 financial year to 7,239 vehicles in the 2026 financial year, the average sales value per vehicle has increased from $8,952 to $10,138 over the period.

Cost of sales mainly represent the costs associated with the purchase of vehicles.

The Company's main operating expenses are:

- administrative expenses
- employee benefits
- advertising expenses
- property expenses.



2CC sold 8,367 vehicles in the 2023 financial year, resulting in revenue and income of $82.7 million and NPAT of $1.3 million.

The 2024 financial year generated a significantly improved financial result, despite the prolonged and deep economic downturn in New Zealand. The improvement in financial performance was achieved through stripping out unnecessary costs, leveraging 2CC's supply chain dominance and expanding contribution margin. While the number of vehicles sold decreased 2% to 8,169, the Company's revenue and income increased by 5% to $86.8 million and NPAT increased by 383% to $6.2 million.

The 2025 financial year was a challenging year for 2CC, reflecting New Zealand's continuing recessionary economic conditions, soft market conditions, a fall in immigration and an uncertain regulatory environment. The number of vehicles sold decreased by 6% to 7,675, revenue and income decreased by 6% to $82.0 million and NPAT decreased by 47% to $3.3 million. Revenue and income included $1.7 million of carbon credit income, representing a gain relating to carbon credits generated and retained in the prior financial year but not previously recognised as assets due to uncertainty regarding the measurement of their future economic benefits at the time. This revenue was then partly offset by $1.1 million of carbon credit costs associated with net credits attached to vehicles sold in the 2025 financial year.

The 2026 financial year presented a demanding landscape for the used vehicle sector, marked by rising regulatory costs, subdued consumer sentiment and broader economic headwinds that tempered demand throughout much of the year. The number of vehicles sold decreased by 6% to 7,239, revenue and income was relatively steady at $81.7 million and NPAT decreased by 3% to $3.2 million.

2027 Illustrative Financial Performance Scenarios

2CC provided a trading update to the market on 19 June 2026, stating that the improved trading momentum recorded in the second half of the 2026 financial year has continued into the early part of the 2027 financial year (based on 2CC's financial performance for the 2 months ended 31 May 2026). However, the Board noted that this may not be representative of the balance of the 2027 financial year. 2CC stated that it was not providing earnings guidance for the 2027 financial year at this time.

In order to assist Simmons Corporate Finance with our valuation analysis, 2CC management has provided 3 illustrative financial performance scenarios for the 2027 financial year:

- Low Scenario
- Base Case Scenario
- Optimistic Scenario.

The illustrative financial performance scenarios do not constitute forecasts, budgets, earnings guidance or statements of the outcome expected by the Board or the Takeover Committee for the 2027 financial year. Their purpose is to illustrate the potential financial performance consequences of different assumptions. Actual financial performance may fall within or outside the scenario range.

The Low Scenario assumes:

- sales volumes of 580 vehicles in June 2026 and then 600 vehicles per month for the remainder of the financial year, totalling 7,216 vehicles for the year (a similar volume to the previous year)
- contribution margins for the remainder of the financial year reduce for both vehicle sales and finance and insurance
- carbon credits change from January 2027 onwards at $27 per credit.

The Base Case Scenario assumes:

- sales volumes of 620 vehicles in June 2026 and then 600 vehicles per month for the remainder of the financial year, totalling 7,256 vehicles for the year (a similar volume to the previous year)
- contribution margins match the contribution margins achieved in the second half of the 2026 financial year.

The Optimistic Scenario assumes:

- sales volumes increase to 620 per month for the remainder of the year, totalling 7,436 vehicles for the year (an increase of 3% over the previous year)
- contribution margins continue in line with the contribution margins achieved in the first 2 months of the 2027 financial year.

All 3 scenarios assume:

- HEV / EVs represent 54% of the vehicles sold
- a 3% increase in operating expenses
- a chief operating officer and operations manager are employed
- advertising expenditure is increased based on the current run rate
- leases include the Christchurch hub commencing in June 2026.

2027 Illustrative Scenarios Key Assumptions

	2026	Scenario Low	Scenario Base Case	Scenario Optimistic
Sales per month (approximately)	603	601	605	620
Sales p.a.	7,239	7,216	7,256	7,436
Contribution margin	21%	23%	24%	26%
Finance penetration	31%	31%	34%	37%
Insurance penetration	44%	45%	46%	48%

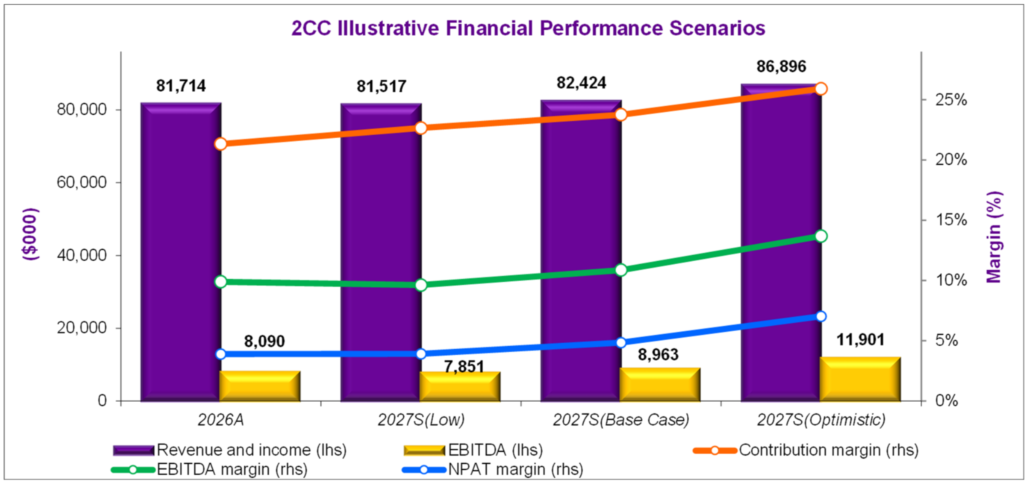
Source: 2CC 2027 management illustrative financial performance scenarios

A summary of 2CC's actual financial performance for the 2026 financial year and its illustrative financial performance for the 2027 financial year under the 3 scenarios is set out below. The Takeover Committee has authorised the scenarios to be provided to Simmons Corporate Finance for the sole purpose of assisting our valuation analysis. Neither the Board nor the Takeover Committee has adopted any scenario as a Company forecast, budget, earnings guidance or expected outcome for the 2027 financial year.

Summary of 2CC 2027 Illustrative Scenarios Financial Performance

	Year to 31 Mar 26 (Audited) $000	Illustrative Scenarios for Year to 31 Mar 27 Low $000	Illustrative Scenarios for Year to 31 Mar 27 Base Case $000	Illustrative Scenarios for Year to 31 Mar 27 Optimistic $000
No. of vehicles sold	7,239	7,216	7,256	7,436
Revenue and income	81,714	81,517	82,424	86,896
Cost of sales	(64,272)	(63,041)	(62,836)	(64,370)
Contribution margin	17,442	18,476	19,588	22,526
Operating expenses	(9,352)	(10,625)	(10,625)	(10,625)
EBITDA	8,090	7,851	8,963	11,901
Depreciation and amortisation	(2,907)	(2,950)	(2,950)	(2,950)
EBIT	5,183	4,901	6,013	8,951
Finance expenses	(754)	(457)	(457)	(457)
Profit before income tax	4,429	4,444	5,556	8,494
Income tax expense	(1,241)	(1,244)	(1,556)	(2,378)
Profit for the period	3,188	3,200	4,000	6,116

Source: 2CC 2026 annual report and 2027 management illustrative financial performance scenarios



The 3 scenarios show a significant variance in potential financial performance for the 2027 financial year, ranging from a result similar to the 2026 financial year (the Low Scenario) to a potential result where revenue and income is 6% higher than 2026, EBITDA is 47% higher and NPAT is 92% higher (the Optimistic Scenario).

The Base Case scenario suggests that revenue and income will be 1% higher than 2026, EBITDA will be 11% higher and NPAT will be 25% higher.

We reiterate that the Board stated in the trading update to the market on 19 June 2026 that the trading results for the first 2 months of the 2027 financial year may not be representative of the balance of the 2027 financial year.

The Optimistic Scenario assumes that sales volumes track at approximately 620 vehicles per month for the remainder of the 2027 financial year, slightly higher than the year to date average of 615 vehicles per month, with contribution margins continuing broadly in line with recent trading performance. This leads to the Optimistic Scenario assuming:

- an average sales value per vehicle of $10,435 – 3% higher than achieved in the 2026 financial year
- a contribution margin of 26% – significantly higher than the 21% contribution margin achieved in the 2026 financial year.

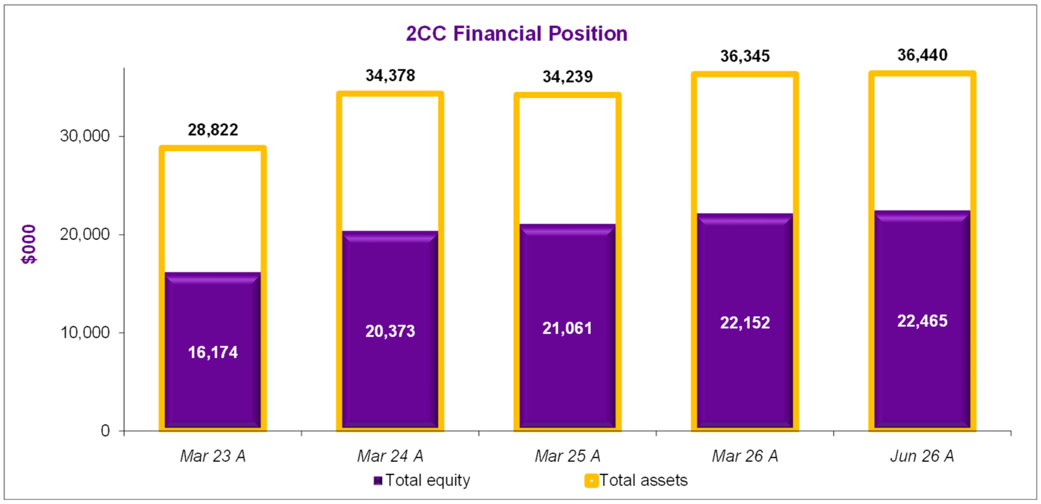
The scenarios illustrate a range of possible outcomes for the 2027 financial year. The Optimistic Scenario was based largely on the April and May 2026 trading run rate. 590 vehicles were sold in June 2026 and we are advised that July 2026 trading to date has been weaker than the first quarter. While this does not necessarily establish a trend, it increases the uncertainty associated with the Optimistic Scenario.

4.8 Financial Position

A summary of 2CC's recent financial position is set out below.

Summary of 2CC Financial Position					
	As at 31 Mar 23 (Audited) $000	As at 31 Mar 24 (Audited) $000	As at 31 Mar 25 (Audited) $000	As at 31 Mar 26 (Audited) $000	As at 30 Jun 26 (Unaudited) $000
Current assets	17,451	22,665	21,773	24,043	24,593
Non current assets	11,371	11,713	12,466	12,302	11,847
Total assets	28,822	34,378	34,239	36,345	36,440
Current liabilities	(6,570)	(8,388)	(6,757)	(6,879)	(6,913)
Non current liabilities	(6,078)	(5,617)	(6,421)	(7,314)	(7,062)
Total liabilities	(12,648)	(14,005)	(13,178)	(14,193)	(13,975)
Total equity	16,174	20,373	21,061	22,152	22,465

Source: 2CC annual reports and 30 June 2026 management accounts



2CC's current assets as at 30 June 2026 consisted mainly of:

- inventories – $19.0 million
- cash and cash equivalents – $2.5 million
- prepayments – $1.6 million
- tax receivable – $0.7 million.

Non current assets as at 30 June 2026 consisted mainly of:

- right of use assets (properties and equipment) – $7.6 million
- property, plant and equipment (mainly leasehold improvements) – $2.6 million.

Current liabilities as at 30 June 2026 comprised mainly:

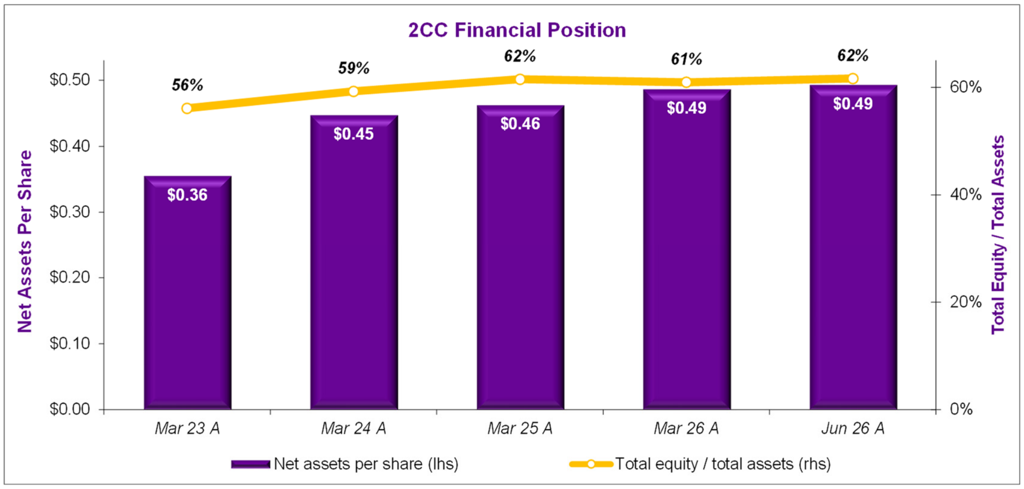
- trade and other payables – $2.4 million
- lease liabilities – $2.3 million
- employee benefits liabilities – $0.8 million.

Non current liabilities as at 30 June 2026 consisted of:

- lease liabilities – $6.3 million
- borrowings (from Mizuho Bank, Japan) – $0.7 million.

The Company had total equity of $22.5 million as at 30 June 2026, comprising:

- share capital – $39.3 million
- retained earnings – $19.6 million
- reserves – negative $36.4 million.



2CC's net assets per share has increased from $0.36 as at 31 March 2023 to $0.49 as at 30 June 2026.

The Company's ratio of total equity to total assets has increased from 56% as at 31 March 2023 to 62% as at 30 June 2026.

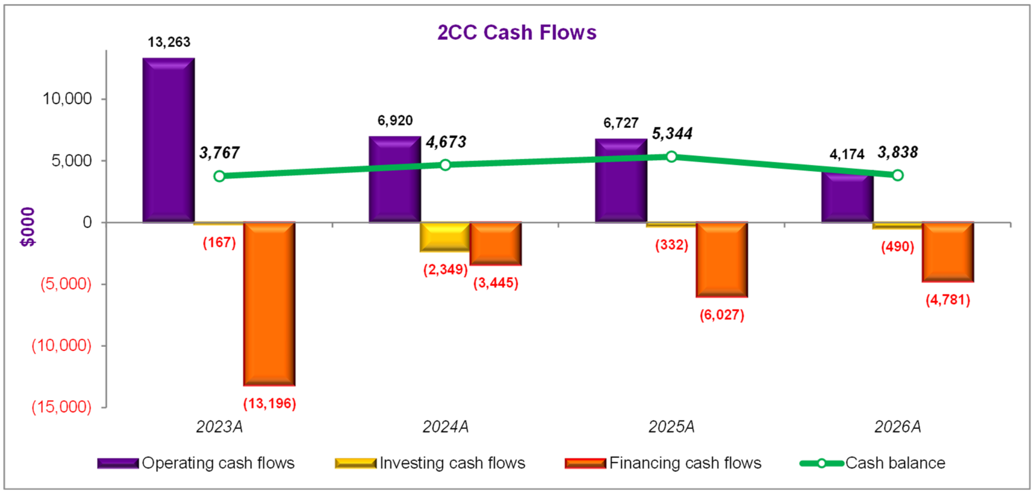
4.9 Cash Flows

A summary of 2CC's recent historic cash flows is set out below.

Summary of 2CC Historic Cash Flows

	Year to 31 Mar 23 (Audited) $000	Year to 31 Mar 24 (Audited) $000	Year to 31 Mar 25 (Audited) $000	Year to 31 Mar 26 (Audited) $000
Net cash inflow from operating activities	13,263	6,920	6,727	4,174
Net cash (outflow) from investing activities	(167)	(2,349)	(332)	(490)
Net cash (outflow) from financing activities	(13,196)	(3,445)	(6,027)	(4,781)
Net increase / (decrease) in cash held	(100)	1,126	368	(1,097)
Opening cash balance	3,790	3,767	4,673	5,344
Effect of exchange rate	77	(220)	303	(409)
Closing cash balance	3,767	4,673	5,344	3,838

Source: 2CC audited annual reports



2CC has generated significant levels of operating cash flows each year.

Investing cash flows in the 2024 financial year included a $1.5 million increase in lease guarantee deposits.

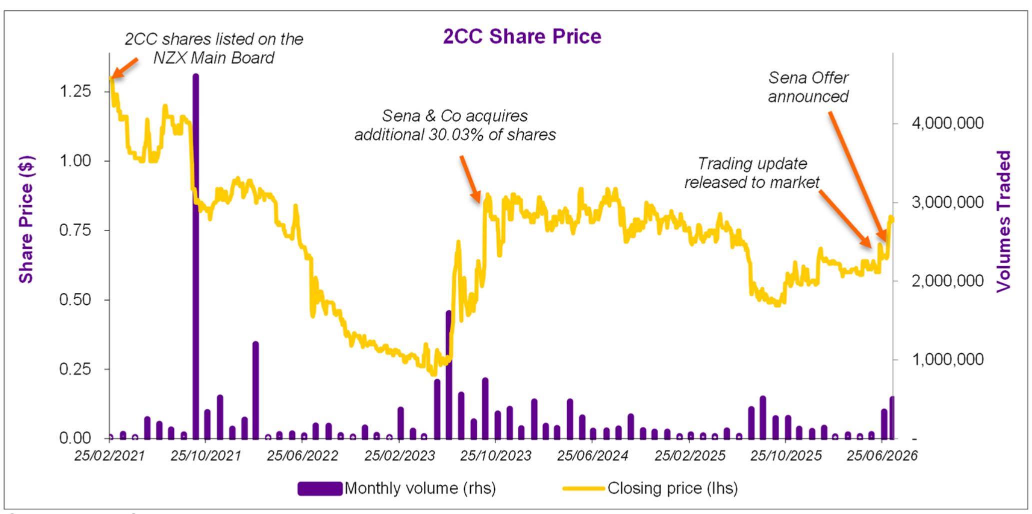
2CC's financing activities have included:

- $10.9 million paid in the 2023 financial year in respect of trade finance repayments
- dividends of $0.3 million in 2023 financial year, $1.9 million in 2024, $2.9 million in 2025 and $1.7 million in 2026.

4.10 Share Price History

2CC's shares listed on the NZX Main Board on 25 February 2021 at a price of $1.30.

Set out below is a summary of 2CC's daily closing share price and monthly volumes of shares traded from 25 February 2021 to 22 July 2026.



Source: NZX Company Research

During the period, 2CC's shares traded between $0.23 (on 19 and 26 May 2023) and $1.30 (on 25 and 26 February 2021) at a VWAP of $0.723.

An analysis of 2CC's recent VWAP, traded volumes and liquidity (measured as traded volumes as a percentage of shares outstanding) up to 9 July 2026 (the last trading day before the Sena Offer was announced) is set out below.

Share Trading up to 9 July 2026					
Period	**Low ($)**	**High ($)**	**VWAP ($)**	**Volume Traded (000)**	**Liquidity**
1 month	0.60	0.70	0.665	274	0.6%
3 months	0.59	0.70	0.650	437	1.0%
6 months	0.56	0.70	0.644	649	1.4%
12 months	0.48	0.72	0.577	2,230	4.9%

Source: NZX Company Research

The analysis highlights the relatively thin trading in the Company's shares. Only 4.9% of the Company's shares traded in the past year on 248 days.

Since the announcement of the Sena Offer on 13 July 2026, 492,189 2CC shares have traded (1.1%) at between $0.75 and $0.81 and at a VWAP of $0.788 up to 22 July 2026.

5. Valuation of 2 Cheap Cars Group Limited

5.1 Introduction

The Sena Offer is a full takeover offer for all of the Company's shares. In such circumstances, we are of the view that the appropriate basis upon which to evaluate the fairness of the Sena Offer is to compare the offer price of $0.80 per share with the full underlying value of 2CC on a standalone basis, pro-rated across all shares.

Such an approach attributes full control value to 2CC under its current strategic and operational initiatives, but excludes the value of any synergies that may accrue to a specific acquirer. The resulting value exceeds the price at which we would expect minority interests in 2CC to trade in the absence of the Sena Offer.

This approach is in line with one of the Code's core foundations that all shareholders be treated equally and is consistent with Rule 57(4) of the Code (which deals with specific circumstances when an expert determination is required in respect of compulsory acquisition), which seeks to avoid issues of premia or discounts for minority shareholdings.

5.2 Standard of Value

We have assessed the fair market value of 100% of the shares in 2CC.

Fair market value is defined as the price that a willing but not anxious buyer, with access to all relevant information and acting on an arm's length basis, would be prepared to pay to a willing but not anxious seller in an open, unrestricted and stable market.

5.3 Basis of Valuation

In general terms it is recognised that the value of a share represents the present value of the net cash flows expected therefrom. Cash flows can be in the form of either dividends and share sale proceeds or a residual sum derived from the liquidation of the business.

There are a number of methodologies used in valuing shares and businesses. The most commonly applied methodologies include:

- discounted cash flow (**DCF**)
- capitalisation of earnings
- net assets or estimated proceeds from an orderly realisation of assets.

Each of these valuation methodologies is applicable in different circumstances. The appropriate methodology is determined by a number of factors including the future prospects of the business, the stage of development of the business and the valuation practice or benchmark usually adopted by purchasers of the type of business involved.

The DCF method is the fundamental valuation approach used to assess the present value of future free cash flows (**FCF**), recognising the time value of money and risk. The value of an investment is equal to the value of FCF arising from the investment, discounted at the investor's required rate of return.

The capitalisation of earnings method is an adaptation of the DCF method. It requires an assessment of the maintainable earnings of the business and a selection of a capitalisation rate (or earnings multiple) appropriate to that particular business for the purpose of capitalising the earnings figure.

An assets based methodology is often used in circumstances where the assets of a company have a market value independent of the profitability of the company that owns them. A valuation based on an orderly realisation of assets is normally restricted to instances where the investor holds sufficient control to effect a sale of the assets and/or there is some indication that an orderly realisation is contemplated.

5.4 Valuation Approach

In the absence of Board / Takeover Committee approved forecasts for the 2027 financial year and beyond, a meaningful DCF analysis cannot be undertaken and therefore we have assessed the fair market value of 2CC using the capitalisation of earnings method.

The capitalisation of earnings method that we have applied derives an assessment of the value of the core operating business, prior to considering how the business is financed or whether it has any significant surplus assets. This ungeared business value is commonly referred to as the enterprise value and represents the market value of the operating assets (i.e. operating working capital, fixed assets and intangible assets such as brand names, licences, know-how and general business goodwill) that generate the operating income of the business.

In order to assess the value of 2CC's shares, we have added the value of cash and cash equivalents to the Company's enterprise value and deducted the value of 2CC's interest bearing debt (**IBD**) (in the form of bank borrowings and lease liabilities).

5.5 Capitalisation of Earnings Valuation

Overview

We have assessed the Company's future maintainable earnings and have reviewed the market valuation and operational performance of comparable companies to derive a range of earnings multiples to apply to our assessed level of maintainable earnings.

Future Maintainable Earnings

The evaluation of maintainable earnings involves an assessment of the level of profitability which (on average) the business can expect to generate in the future, notwithstanding the vagaries of the economic cycle. This is commonly referred to as "through-the-cycle" or "mid-cycle" earnings, smoothing out the peaks and troughs in earnings that arise over a full economic cycle.

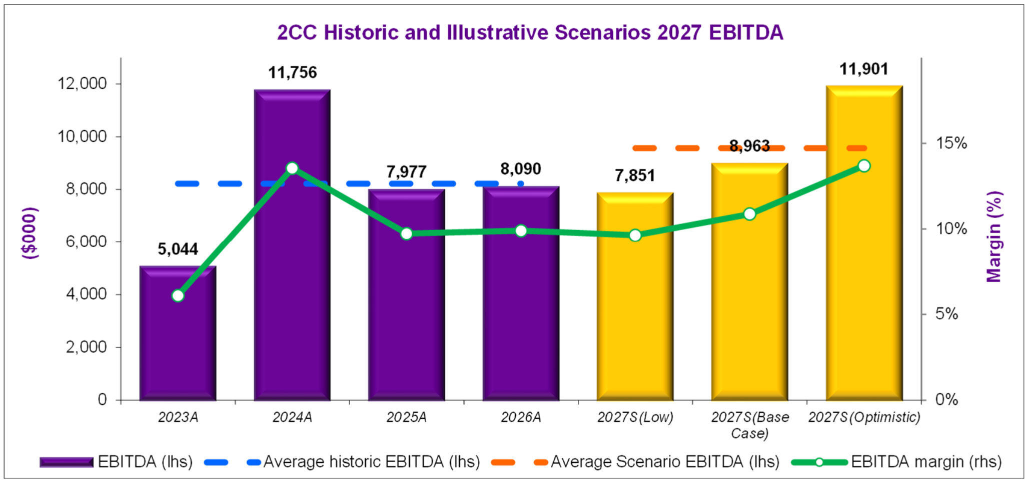
The assessment of maintainable earnings is made after considering such factors as the risk profile of the business, the characteristics of the market in which it operates, its historical and forecast performance, non-recurring items of income and expenditure and known factors likely to impact on future operating performance.

We have used EBITDA as the measure of earnings. The use of EBITDA and EBITDA multiples is common in valuing businesses for acquisition purposes as it eliminates the effect of financial leverage which is ultimately in the control of the acquirer and also eliminates any distortions from the tax position of the business and differing accounting policies in respect of depreciation and the amortisation of intangible assets.

As stated in section 4.7, 2CC's management has prepared 3 illustrative financial performance scenarios for the 2027 financial year solely for the purpose of assisting this valuation analysis.

The illustrative financial performance scenarios do not constitute forecasts, budgets or earnings guidance adopted or expected by the Board.

The graph below shows historic EBITDA for the 2023 to 2026 financial years, along with the illustrative EBITDA for the 2027 financial year under the 3 scenarios.



The average of the historic EBITDA for the 2023 to 2026 financial years equates to $8.217 million (the **Historic Average**), which we consider to be an appropriate "through-the-cycle" estimate of maintainable EBITDA.

The Historic Average is:

- 2% higher than 2026 EBITDA
- 3% higher than 2025 EBITDA.

The illustrative scenario EBITDA for the 2027 financial year ranges from $7.851 million (Low Scenario) to $11.901 million (Optimistic Scenario), with a Base Case Scenario of $8.963 million.

The Base Case Scenario EBITDA of $8.963 million is:

- 9% higher than the average historic EBITDA
- 11% higher than 2026 EBITDA
- 12% higher than 2025 EBITDA.

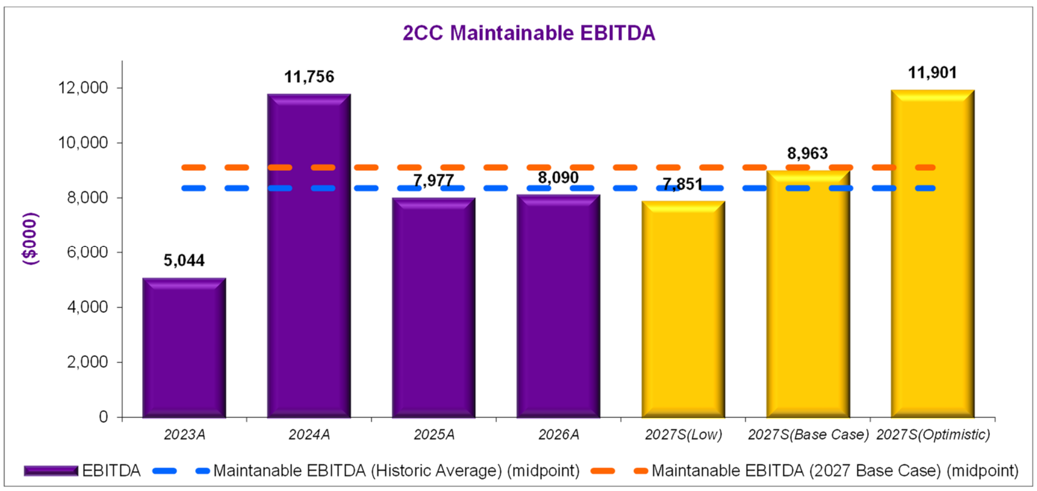
The New Zealand used automotive retail industry is cyclical, influenced significantly by general economic conditions. Given the broad range of illustrative EBITDA outcomes for the 2027 financial year due to uncertainty surrounding near term economic conditions and the regulatory environment, we have assessed 2CC's maintainable EBITDA based on the Historic Average EBITDA and the Base Case Scenario 2027 EBITDA.

We note that the Optimistic Scenario assumes that the sales volumes and contribution margins achieved for the first 2 months of the financial year will continue for the remainder of the financial year. As discussed in section 4.7, the Board stated in its trading update dated 19 June 2026 that the financial performance for the first 2 months may not be representative of the balance of the 2027 financial year. Furthermore, trading in June and July 2026 has been weaker than the first 2 months, suggesting that some of the assumptions underlying the Optimistic Scenario may prove to be too optimistic. Accordingly, we have not given significant weight to the Optimistic Scenario when assessing "through-the-cycle" maintainable EBITDA.

As stated in section 2.5, the potential synergies available to Sena & Co (or any buyer looking to delist the Company) in respect of reduced administration costs are likely to be in the range of approximately $130,000 to $160,000 per annum.

Based on the above, we assess 2CC's maintainable EBITDA to be in the range of $8.3 million to $9.1 million as set out below.

Assessment of Maintainable EBITDA		
	Low $000	**High $000**
Historic Average EBITDA	8,217	8,217
Cost savings	130	160
Maintainable EBITDA (**Historic Average**)	8,347	8,377
2027 Base Case EBITDA	8,963	8,963
Cost savings	130	160
Maintainable EBITDA (**2027 Base Case**)	9,093	9,123



Earnings Multiple

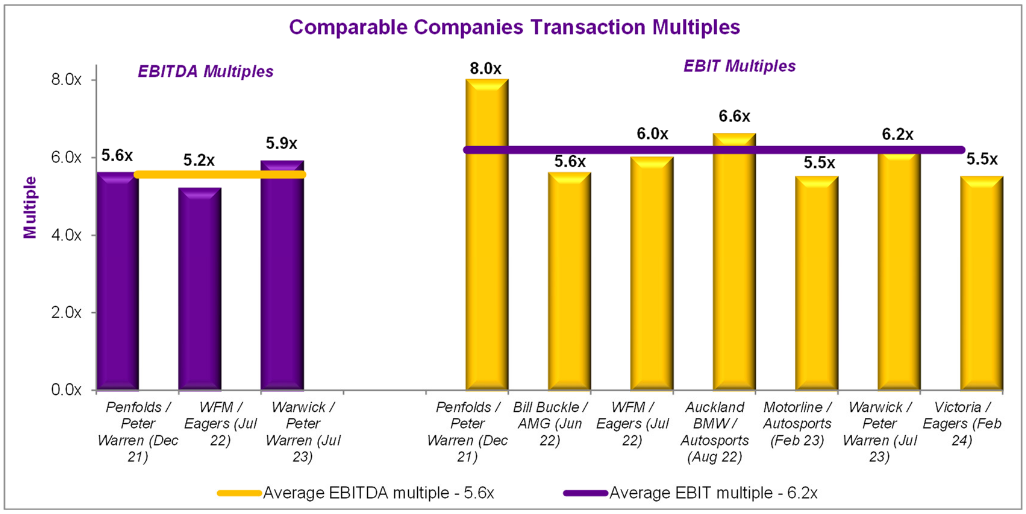
Actual sales of comparable businesses can provide reliable support for the selection of an appropriate earnings multiple. In addition, we can infer multiples from other evidence such as minority shareholding trades for listed companies in New Zealand and overseas with similar characteristics to 2CC or transactions involving businesses in the same industry.

There is no company that is directly comparable with 2CC in respect of scope of operations and size. Given the limited number of listed companies that are truly comparable with 2CC, we have reviewed multiples for companies that operate in the wider automotive retail industry in New Zealand and Australia.

Transaction Multiples

There is a limited number of transactions involving companies that are truly comparable with 2CC.

Set out at Appendix I is an analysis of 7 recent transactions involving broader Australasian automotive retail businesses, showing historic EBITDA and EBIT multiples.



Source: S&P Capital IQ, broker's reports, media coverage, company websites

The analysis shows that:

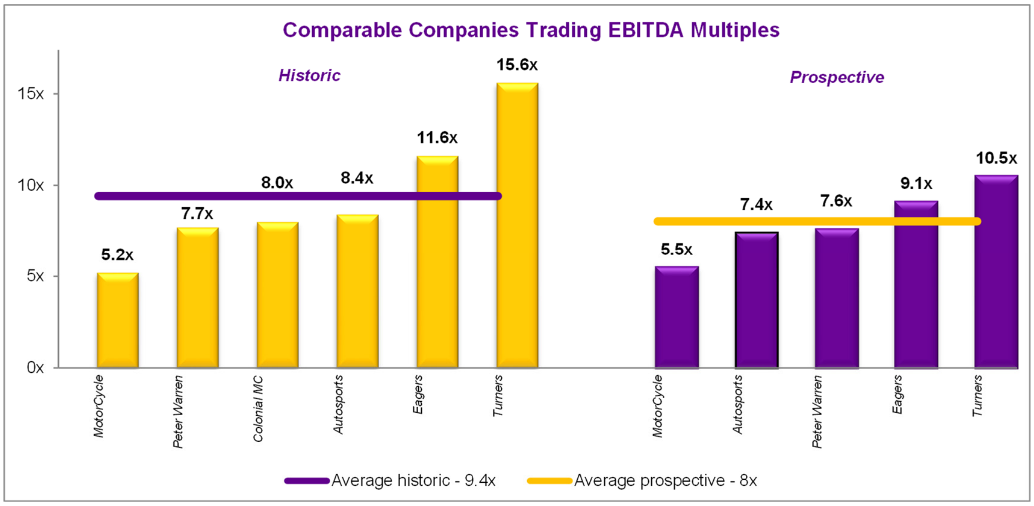
- the historic EBITDA transaction multiples range from 5.2x to 5.9x at an average of 5.6x and a median of 5.6x
- the historic EBIT transaction multiples range from 5.5x to 8.0x at an average of 6.2x and a median of 6.0x.

We note that the acquirers are motor dealerships rather than "pure-play" used vehicle retailers and therefore consider an appropriate EBITDA multiple for 2CC would benchmark towards the lower end of the observed transaction multiples to reflect 2CC's lower scale and its transactional revenue reliance (as opposed to a portion of recurring revenue and revenue from other services).

Trading Multiples

Set out in Appendix II is an analysis of historic and prospective EBITDA multiples for 7 Australasian automotive retail companies that are listed on the NZX Main Board and ASX.

The comparable companies' multiples are based on minority trades and as such do not include any premium for control.



Source: S&P Capital IQ, data as at 22 July 2026

The analysis shows that:

- the historic EBITDA trading multiples range from 5.2x to 15.6x at an average of 9.4x and a median of 8.2x
- the prospective EBITDA trading multiples range from 5.5x to 10.5x at an average of 8.0x and a median of 7.6x.

We reiterate that the comparable companies differ from 2CC in that they are all larger than 2CC, have more diverse operations and have (on average) recorded higher levels of revenue growth than 2CC. Furthermore, the large Australian companies own significant property portfolios. Accordingly, we are of the view that an appropriate EBITDA multiple for 2CC would benchmark towards the lower end of the observed trading multiples.

Conclusion

There is a considerable range in the observed transaction multiples and trading multiples.

2CC is significantly smaller than the comparable companies. Therefore we consider an appropriate EBITDA multiple for 2CC should be lower than those observed for the comparable companies.

Furthermore, the operations of the comparable companies are generally more diverse than 2CC's:

- they involve the sale of new vehicles as well as used vehicles
- they provide a full service to customers (eg vehicle sales, finance, insurance and service and repair) and thus have significant recurring revenue and insurance and financing income as opposed to only vehicle sales and commissions on insurance and financing.

The selection of an EBITDA multiple range is ultimately a matter of judgment. Based on the above, we consider an appropriate prospective EBITDA multiple for 2CC to be in the range of 4.5x to 5.5x.

Valuation Conclusion

We assess the value of 2CC's existing business to be in the range of $37.6 million to $50.2 million as at the present date based on the capitalisation of earnings method.

Valuation of 2CC Business

	Historic Average		2027 Base Case	
	Low $000	High $000	Low $000	High $000
Future maintainable EBITDA	8,347	8,377	9,093	9,123
EBITDA multiple	4.5x	5.5x	4.5x	5.5x
Value of 2CC business	37,562	46,074	40,919	50,177

5.6 Valuation of 2CC Shares

To derive the value of the 2CC shares, the Company's cash and cash equivalents are added to the enterprise value and IBD (in the form of borrowings and lease liabilities) is deducted.

2CC's net IBD for valuation purposes amounts to $7.12 million:

- cash and cash equivalents amounted to $2.546 million as at 30 June 2026
- borrowings from Mizuho Bank totalled $1.013 million as at 30 June 2026
- lease liabilities amounted to $8.653 million as at 30 June 2026.

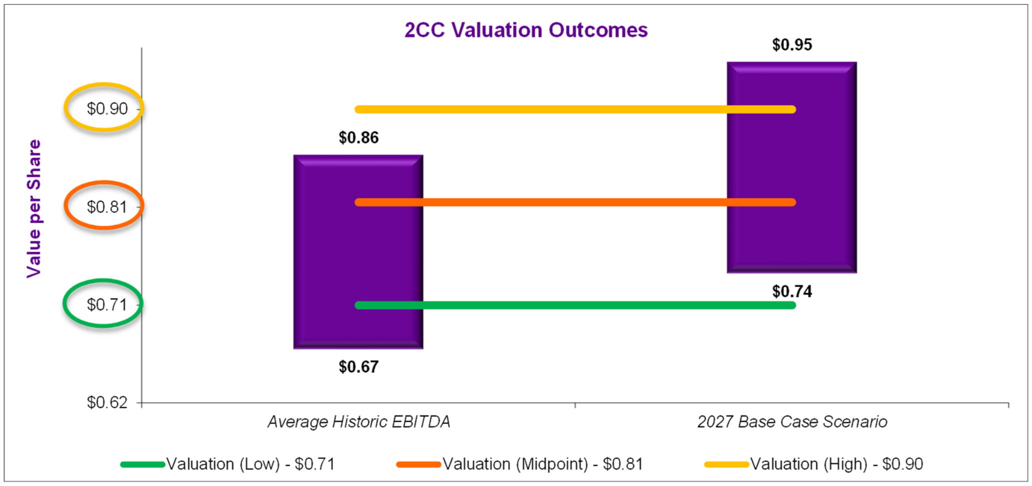
The value per share is calculated based on 2CC having 45,554,500 ordinary shares currently on issue.

Valuation of 2CC Shares

	Historic Average		2027 Base Case	
	Low $000	High $000	Low $000	High $000
Value of 2CC business	37,562	46,074	40,919	50,177
Net IBD	(7,120)	(7,120)	(7,120)	(7,120)
Value of 2CC shares	30,442	38,954	33,799	43,045
Value per ordinary share ($)	$0.67	$0.86	$0.74	$0.95

The assessed value of 2CC's shares under the 2 scenarios are:

- Historic Average Scenario – $0.67 to $0.86
- 2027 Base Case Scenario – $0.74 to $0.95.



Based on the above, we assess the fair market value of 100% of the shares in 2CC to be in the range of $0.71 to $0.90 per share as at the present date. The midpoint of the range is $0.81 per share.

This equates to a value of $32.3 million to $41.0 million for 100% of the shares in 2CC as at the present date. The midpoint of the range is $36.7 million.

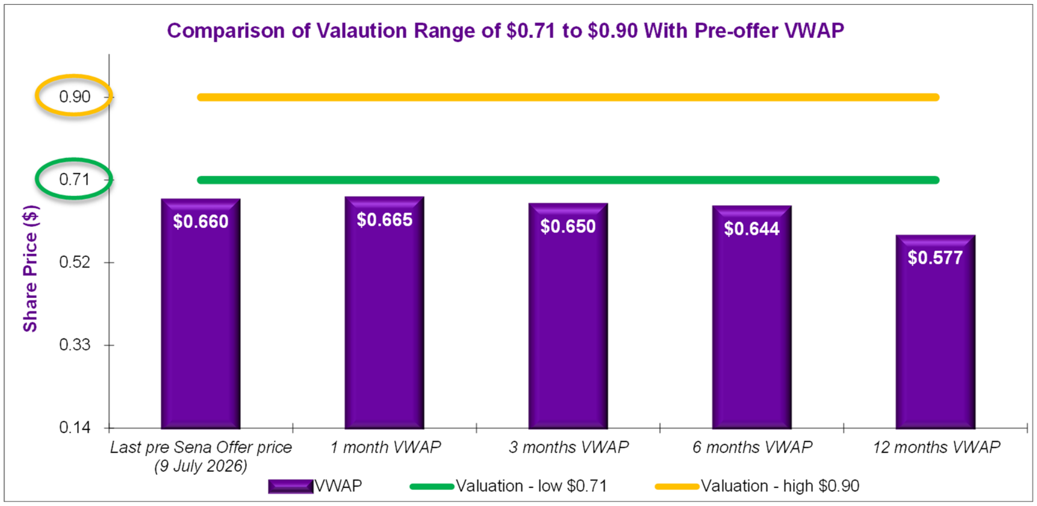
The valuation represents the full underlying standalone value of 2CC based on its current strategic and operational initiatives. The value exceeds the price at which we would expect minority interests in 2CC to trade at the present time in the absence of a takeover offer.

5.7 Implied Premium for Control

Purchasers may be prepared to pay a premium in an acquisition that will give them control of a company. Frequently, purchasers will pay more for control of a business where they perceive they can add substantial value to the business operations through synergies with other operations, changed management practices, reduced or eliminated competition, ensured sources of material supply or sales or other means.

Gaining control in itself does not create value - real value enhancement can only flow from factors that either increase future cash flows or reduce the risk of the combined entity. All rational bidders will have made some assessment of the value of the synergies that are available and the proportion of that value that they are prepared to pay away in order to complete the acquisition.

Our valuation range of $0.71 to $0.90 represents premia ranging from 8% to 56% over 2CC's share prices over the past 12 months up to the announcement of the Sena Offer on 13 July 2026.



5.8 Conclusion

We assess the fair market value of 100% of the ordinary shares in 2CC to be in the range of $32.3 million to $41.0 million as at the present date.

This equates to a value of $0.71 to $0.90 per share, with a midpoint of $0.81 per share.

The valuation represents the full underlying standalone value of 2CC based on its current strategic and operational initiatives. The value range exceeds the prices at which we would expect minority interests in 2CC to trade at the present time in the absence of a takeover offer.

6. Sources of Information, Reliance on Information, Disclaimer and Indemnity

6.1 Sources of Information

The statements and opinions expressed in this report are based on the following main sources of information:

- the Sena & Co Takeover Notice dated 13 July 2026
- the draft Sena Offer Document to be dated 27 July 2026
- the draft 2CC Target Company Statement
- the 2CC board minutes from April 2023 to March 2026
- the 2CC annual reports for the years ended 31 March, 2023 to 2026
- the 2CC management accounts for the years ended 31 March, 2023 to 2026 and the 3 months ended 30 June 2026
- the 2CC management illustrative financial performance scenarios for the year ended 31 March 2027
- the Loan Facility Agreements
- data from NZX Company Research and S&P Capital IQ in respect of 2CC and comparable companies
- publicly available information regarding the New Zealand used automotive retail industry.

During the course of preparing this report, we have had discussions with and / or received information from the Takeover Committee and the executive management of 2CC and 2CC's legal advisers.

The Takeover Committee has confirmed that we have been provided for the purpose of this Independent Adviser's Report with all information that the Takeover Committee considers relevant to the Sena Offer that is known to it and that all the factual information provided by the Company contained in this report is true and accurate in all material aspects and is not misleading by reason of omission or otherwise.

Including this confirmation, we have obtained all the information that we believe is necessary for the purpose of preparing this Independent Adviser's Report.

In our opinion, the information set out in this Independent Adviser's Report is sufficient to enable the Takeover Committee and the shareholders to understand all the relevant factors and to make an informed decision in respect of the Sena Offer.

6.2 Reliance on Information

In preparing this report we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was available from public sources and all information that was furnished to us by 2CC and its advisers.

We have evaluated that information through analysis, enquiry and examination for the purposes of preparing this report but we have not verified the accuracy or completeness of any such information or conducted an appraisal of any assets. We have not carried out any form of due diligence or audit on the accounting or other records of 2CC. We do not warrant that our enquiries would reveal any matter which an audit, due diligence review or extensive examination might disclose.

6.3 Disclaimer

We have prepared this report with care and diligence and the statements in the report are given in good faith and in the belief, on reasonable grounds, that such statements are not false or misleading. However, in no way do we guarantee or otherwise warrant that any forecasts of future profits, cash flows or financial position of 2CC will be achieved. Forecasts are inherently uncertain. They are predictions of future events that cannot be assured. They are based upon assumptions, many of which are beyond the control of 2CC and its directors and management. Actual results will vary from the forecasts and these variations may be significantly more or less favourable.

We assume no responsibility arising in any way whatsoever for errors or omissions (including responsibility to any person for negligence) for the preparation of the report to the extent that such errors or omissions result from our reasonable reliance on information provided by others or assumptions disclosed in the report or assumptions reasonably taken as implicit.

Our evaluation has been arrived at based on economic, exchange rate, market and other conditions prevailing at the date of this report. Such conditions may change significantly over relatively short periods of time. We have no obligation or undertaking to advise any person of any change in circumstances which comes to our attention after the date of this report or to review, revise or update this report.

We have had no involvement in the preparation of the Target Company Statement issued by 2CC and have not verified or approved the contents of the Target Company Statement. We do not accept any responsibility for the contents of the Target Company Statement except for this report.

6.4 Indemnity

2CC has agreed that, to the extent permitted by law, it will indemnify Simmons Corporate Finance and its directors and employees in respect of any liability suffered or incurred as a result of or in connection with the preparation of the report. This indemnity does not apply in respect of any fraud, bad faith, negligence, misconduct or breach of law. 2CC has also agreed to indemnify Simmons Corporate Finance and its directors and employees for time incurred and any reasonable costs in relation to any inquiry or proceeding initiated by any person as a result of or in connection with the preparation of this report (subject to the exceptions in the previous sentence).

7. Qualifications and Expertise, Independence, Declarations and Consents

7.1 Qualifications and Expertise

Simmons Corporate Finance is a New Zealand owned specialist corporate finance advisory practice. It advises on mergers and acquisitions, prepares independent expert's reports and provides valuation advice.

The person in the company responsible for issuing this report is Peter Simmons, B.Com, DipBus (Finance), INFINZ (Cert).

Simmons Corporate Finance and Mr Simmons have significant experience in the independent investigation of transactions and issuing opinions on the merits and fairness of the terms and financial conditions of the transactions.

7.2 Independence

Simmons Corporate Finance does not have at the date of this report, and has not had, any shareholding in or other relationship with 2CC or Sena & Co or any conflicts of interest that could affect our ability to provide an unbiased opinion in relation to the Sena Offer.

Simmons Corporate Finance has not had any part in the formulation of the Sena Offer or any aspects thereof. Our sole involvement has been the preparation of this report.

Simmons Corporate Finance will receive a fixed fee for the preparation of this report. This fee is not contingent on the conclusions of this report or the outcome of the Sena Offer. We will receive no other benefit from the preparation of this report.

7.3 Declarations

An advance draft of this report was provided to the Takeover Committee for its comments as to the factual accuracy of the contents of the report. Changes made to the report as a result of the circulation of the draft have not changed the methodology or our conclusions.

Our terms of reference for this engagement did not contain any term which materially restricted the scope of the report.

7.4 Consents

We consent to the issuing of this report in the form and context in which it is to be included in the Target Company Statement to be sent to 2CC's shareholders. Neither the whole nor any part of this report, nor any reference thereto may be included in any other document without our prior written consent as to the form and context in which it appears.

Peter Simmons
Director
Simmons Corporate Finance Limited
23 July 2026

Appendix I

Comparable Companies Transaction Multiples

Transaction Multiples

Date	Target	Acquirer	Enterprise Value ($m)	Historic Multiples EBITDA	Historic Multiples EBIT
Feb 2024	Victoria Dealerships	Eagers Automotive Limited	A$149	n/a	5.5x
Jul 2023	Warwick Farm and Bathurst Dealerships	Peter Warren Automotive Holdings Limited	A$52	5.9x	6.2x
Feb 2023	Motorline Group	Autosports Group Limited	A$66	n/a	5.5x
Aug 2022	Auckland City BMW Limited	Autosports Group Limited	NZ$69	n/a	6.6x
Jul 2022	WFM Motors Pty Limited	Eagers Automotive Limited	A$83	5.2x	6.0x
Jun 2022	Bill Buckle Auto Group	Australian Motor Group Pty Limited	A$49	n/a	5.6x
Dec 2021	Penfolds Motors Burwood Pty Limited	Peter Warren Automotive Holdings Limited	A$103	5.6x	8.0x
Minimum				5.2x	5.5x
Average				5.6x	6.2x
Median				5.6x	6.0x
Maximum				5.9x	8.0x

n/a: not available

Source: S&P Capital IQ, brokers' reports, media coverage, company websites

Victoria Dealerships / Eagers Automotive Limited

Eagers Automotive Limited acquired a portfolio of dealerships located in Victoria (the **Victoria Dealerships**) on 29 February 2024. The transaction implied an enterprise value of A$149 million for the Victoria Dealerships (excluding properties) and a historic EBIT multiple of 5.5x.

The Victoria Dealerships represent 12 leading brands with a weighting towards the prestige segment, located across Melbourne and the Mornington region of Victoria, Australia.

Warwick Farm and Bathurst Dealerships / Peter Warren Automotive Holdings Limited

Peter Warren Automotive Holdings Limited acquired the Warwick Farm Toyota and Bathurst Toyota and Volkswagen dealerships on 7 July 2023. The transaction implied an enterprise value of A$52 million, a historic EBITDA multiple of 5.9x and a historic EBIT multiple of 6.2x.

The 2 dealerships are full service dealerships located in Warwick Farm and Bathurst, New South Wales, Australia, selling new and used vehicles with dealer-arranged finance and insurance, parts distribution and ongoing servicing operations.

Motorline Group / Autosports Group Limited

Autosports Group Limited acquired BMW, Motorline MINI, Motorline Bodyshop, Gold Coast BMW and Gold Coast MINI (the **Motorline Group**) on 1 February 2023. The transaction implied an enterprise value of A$66 million and a historic EBIT multiple of 5.5x.

The Motorline Group operates BMW and MINI dealerships in Logan and the Gold Coast in Queensland, Australia. It sells new and used vehicles, arranges finance and insurance and provides servicing and parts operations.

Auckland City BMW Limited / Autosports Group Limited

Autosports Group Limited acquired Auckland City BMW Limited on 1 August 2022. The transaction implied an enterprise value of NZ$69 million and a historic EBIT multiple of 6.6x.

Auckland City BMW Limited retails new and used vehicles through 3 dealerships in Auckland. It also provides factory-authorised servicing and a range of BMW and MINI factory parts, as well as offering a range of finance products from hire purchase to operating leases. Auckland City BMW Limited was formerly known as Team McMillan Limited and changed its name to Auckland City BMW Limited in May 2015.

WFM Motors Pty Limited / Eagers Automotive Limited

Eagers Automotive Limited acquired a portfolio of dealerships located in Canberra (the **ACT Dealerships**) and associated properties from WFM Motors Pty Limited on 15 July 2022. The transaction implied an enterprise value of A$83 million for the ACT Dealerships, a historic EBITDA multiple of 5.2x and a historic EBIT multiple of 6.0x.

The ACT Dealerships comprise established multi-brand dealerships for new and used motor vehicle sales, operating across 13 sites in the Australian Capital Territory, Australia. They also provide after-sale servicing and parts and finance and insurance support.

Bill Buckle Auto Group / Australian Motor Group Pty Limited

Australian Motor Group Pty Limited acquired Bill Buckle Auto Group from Eagers Automotive Limited in June 2022. The transaction implied an enterprise value of A$49 million for the dealership operations (excluding properties) and a historic EBIT multiple of 5.6x.

Bill Buckle Auto Group is a retailer of new and used vehicles in New South Wales, Australia. It provides passenger vehicles, 4WD and SUVs, people movers and commercial vehicles. It also offers service, after care and parts, as well as finance options for vehicles.

Penfold Motor Burwood Pty Limited / Peter Warren Automotive Holdings Limited

Peter Warren Automotive Holdings Limited acquired Penfold Motor Burwood Pty Limited on 1 December 2021. The transaction implied an enterprise value of A$103 million for the dealership operations (excluding properties), a historic EBITDA multiple of 5.6x and a historic EBIT multiple of 8.0x.

Penfold Motors Burwood Pty Limited operates as an automobile dealer, selling new and used vehicles and spare parts in Burwood, Australia. It also provides after-market vehicle maintenance and repair, finance and insurance support and other related services.

Appendix II

Comparable Companies Trading Multiples

Trading Multiples						
Company	Market Capitalisation ($m)	Enterprise Value ($m)	EBITDA Multiple		PE Multiple	
			Hist.	Pros.	Hist.	Pros.
Autosports Group Limited	A$318	A$1,577	8.4x	7.4x	6.9x	7.1x
Carma Limited	A$131	A$94	n/m	n/m	n/m	n/m
Eagers Automotive Limited	A$6,005	A$8,729	11.6x	9.1x	24.6x	19.4x
MotorCycle Holdings Limited	A$181	A$307	5.2x	5.5x	9.1x	7.2x
Peter Warren Automotive Holdings Limited	A$158	A$859	7.7x	7.6x	9.9x	11.7x
The Colonial Motor Company Limited	NZ$235	NZ$420	8.0x	n/a	10.6x	n/a
Turners Automotive Group Limited	NZ$739	NZ$1,241	15.6x	10.5x	19.2x	15.1x
Minimum			5.2x	5.5x	6.9x	7.1x
Average			9.4x	8.0x	13.4x	12.1x
Median			8.2x	7.6x	10.3x	11.7x
Maximum			15.6x	10.5x	24.6x	19.4x

n/a: not available
n/m: not meaningful

Source: S&P Capital IQ, data as at 22 July 2026

Autosports Group Limited

Autosports Group Limited engages in the motor vehicle retailing business in Australia and New Zealand. The company sells new and used motor vehicles, aftermarket products and spare parts, distributes finance and insurance products and provides motor vehicle servicing and collision repair services. It also operates used motor vehicle outlets and motorcycle and motor vehicle dealerships, as well as provides motor vehicle collision repair facilities. Autosports Group Limited was founded in 2006 and is headquartered in Leichhardt, Australia.

Carma Limited

Carma Limited operates a digital platform for buying and selling used vehicles in Australia. The company sells various types of used vehicles such as SUVs, utes, hatchbacks, sedans, people movers, coupes and convertibles. It also provides direct-from-consumer sourcing, inspection and inhouse reconditioning, AI-powered pricing, online retail, dealer-only wholesale auctions, financing and delivery services. Carma Limited was incorporated in 2021 and is based in Strawberry Hills, Australia.

Eagers Automotive Limited

Eagers Automotive Limited owns and operates motor vehicle dealerships in Australia and New Zealand. It operates in 2 segments – Car Retailing and Property. The company offers a range of automotive products and services, including new and used vehicles, vehicle maintenance and repair services, vehicle parts, service contracts, vehicle brokerage services, vehicle protection products and other aftermarket products. It also engages in facilitating financing for vehicle purchases through third-party sources and motor auction and forklift rental business. In addition, the company acquires commercial properties primarily for use as facility premises for its motor dealership operations. The company was formerly known as A.P. Eagers Limited and changed its name to Eagers Automotive Limited in July 2020. Eagers Automotive Limited was founded in 1913 and is based in Newstead, Australia.

MotorCycle Holdings Limited

MotorCycle Holdings Limited owns and operates motorcycle dealerships in Australia. It operates through Motorcycle Retailing and Motorcycle Accessories Wholesaling segments. The company is involved in the sale of new motorcycles, used motorcycles, accessories and parts, mechanical protection plan contracts, wholesaling and retailing of motorcycle accessories. It also distributes motorcycles, ATVs, scooters (including electric models), as well as motorcycle and bicycle parts, accessories and apparel. In addition, the company engages in financing and insurance services for motorcycle purchases through third-party sources, as well as servicing and repair of motorcycles. MotorCycle Holdings Limited serves motorcyclists who are primarily leisure riders, recreational users, commuters, farmers and adventure sports related users through various retail and wholesale outlets in Queensland, New South Wales, Victoria, the Australian Capital Territory in Australia, as well as in New Zealand. The company was founded in 1989 and is headquartered in Brisbane, Australia.

Peter Warren Automotive Holdings Limited

Peter Warren Automotive Holdings Limited engages in the sale of new and used motor vehicles in Australia. The company offers vehicle maintenance and repair services, parts and accessories, extended service contracts and protection and other aftermarket products. It also provides financing for vehicle purchases through third-party sources and sells insurance products on behalf of retail financiers and insurers. Peter Warren Automotive Holdings Limited was founded in 1958 and is based in Warwick Farm, Australia.

The Colonial Motor Company Limited

The Colonial Motor Company Limited owns and operates franchised motor vehicle dealerships in New Zealand. The company operates Ford and Mazda motor vehicle dealerships. It also engages in the distribution and retail of Kenworth and DAF heavy duty trucks and retail of New Holland, Case IH and Kubota tractors and equipment. In addition, the company sells motorcycles and a range of new and used light vehicles. The company was founded in 1859 and is based in Wellington.

Turners Automotive Group Limited

Turners Automotive Group Limited engages in the automotive retail business in New Zealand and Australia. It operates through Auto Retail, Finance, Insurance, Servicing & Repairs and Credit Management segments. The Auto Retail segment engages in remarketing of motor vehicles, trucks, heavy machinery, commercial goods and purchasing goods for sale. The Finance segment provides asset-based finance to consumers and SMEs. The Insurance segment markets and administers a range of life and consumer insurance products. The Servicing & Repairs segment is New Zealand's largest mobile mechanic. The Credit Management segment provides collection, credit management and debt recovery services to the corporate and SME sectors. The company was formerly known as Turners Limited and changed its name to Turners Automotive Group Limited in May 2017. Turners Automotive Group Limited was incorporated in 1984 and is based in Auckland.