The Colonial Motor Company Limited

Unaudited PRELIMINARY RESULT

For the year ended 30 June 2026

STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2026

	2026 $'000	2025 $'000
Revenue		
Products	974,422	909,909
Services	93,431	89,128
Other Income	2,083	2,584
Total Revenue	1,069,936	1,001,621
Less Expenses		
Cost of Products Sold	868,160	808,169
Remuneration of Staff	104,199	97,848
Depreciation & Amortisation	9,156	9,057
Interest	9,872	14,153
Other	50,867	44,631
Trading Profit before Tax	**27,682**	**27,763**
Less Taxation		
Current	8,394	8,548
Deferred	(230)	209
	19,518	19,006
Less Non Controlling Interest	853	1,175
Trading Profit after Tax	**18,665**	**17,831**
Property – Fair Value Movement	435	(47)
Deferred Tax Movement	771	559
Investment – Fair Value Movement	-	-
Profit after Tax	19,871	18,343
Profit for the year attributable to:		
Shareholders	19,871	18,343
Non Controlling Interest	853	1,175
PROFIT FOR THE YEAR	**20,724**	**19,518**

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2026

	2026 $'000	2025 $'000
Profit for the year	20,724	19,518
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss:		
Property revaluation reserve		
Change in fair value	5,420	4,269
Deferred tax movement	(623)	(1,119)
Items that may be classified subsequently to profit or loss:		
Foreign exchange hedging reserve		
Change in fair value	443	797
Deferred tax movement	(124)	(223)
Total comprehensive income	25,840	23,242
Attributable to:		
Shareholders	**24,939**	**21,981**
Non Controlling Interest	901	1,261
	25,840	**23,242**

	2026	2025
Basic & Diluted Earnings per Share on		
- Profit attributable to shareholders	60.8c	56.1c
- Trading Profit after Tax	57.1c	54.5c
Dividend per Share	40.0c	35.0c
Net Tangible Assets per Share	$9.77	$9.36

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2026

	2026 $'000	2025 $'000
Equity at beginning of year	312,460	301,561
Total comprehensive income	25,840	23,242
Dividends paid to Shareholders	(11,443)	(11,443)
Dividend paid to Non Controlling Interest	(604)	(900)
Equity at end of year	**326,253**	**312,460**

STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

	2026 $'000	2025 $'000
Current Liabilities		
Borrowings	1,000	26,546
At Call Deposits	28,222	28,074
Vehicle Floorplan Finance	72,259	92,451
Credit Contracts	342	166
Other Current Liabilities	52,745	52,484
Total Current Liabilities	154,568	199,721
Non Current Liabilities		
Lease Liabilities	30,342	24,177
Bank Borrowings	20,722	44,180
Other Non Current Liabilities	5,761	5,978
Total Non Current Liabilities	56,825	74,335
Shareholders' Equity	320,477	306,981
Non Controlling Interest	5,776	5,479
Total Equity	326,253	312,460
Total Equity and Liabilities	**537,646**	**586,516**
Assets		
Inventory	188,428	242,162
Cash & Bank	10,976	11,996
Credit Contracts	334	154
Other Current Assets	41,056	46,397
Total Current Assets	240,794	300,709
Non Current Assets		
Property, Plant & Equipment	294,867	283,850
Credit Contracts	465	437
Other Non Current Assets	1,520	1,520
Total Non Current Assets	296,852	285,807
Total Assets	**537,646**	**586,516**

These summary consolidated Financial Statements have not been audited.

Dear Shareholder

- **Trading Profit after Tax (TPAT) at $18.7m, 4.7% ahead of the prior year**
- **Total Dividends for the year 40 cps, 70% of the TPAT, ahead of the 35 cps and 64% in the previous year**

Trading conditions

On 26 February we indicated in our Half Year Report that positive growth in some vehicle segments and strong used vehicle trading had delivered a solid result for the Company, and that our aim was to hold onto and ideally build on those gains in the second half. That was not to be the reality, as the geopolitical environment abruptly shifted two days later with the beginning of the Middle East conflict. The resulting oil shock and supply disruption significantly impacted the sales mix in the light vehicle market and this shift continues. Demand for diesel vehicles slowed and the desire for New Energy Vehicles (NEVs) dominated the market, as customers quickly reacted to ballooning fuel prices and oil supply uncertainty. Understandably, the timing of this shock was unfavourable for our businesses, falling as it did in a window where vehicle supply, model changes and our inventory mix were not positioned to take advantage of the demand shifts.

There is some better news. Management across the Group acted quickly and decisively, revaluing inventory to meet the market and by doing so, limiting potential impacts and maintaining sales momentum. While margins were inevitably affected, the ability to finish with an improved profit after tax position relative to last year is a satisfying and respectable outcome in what was a disrupted trading environment.

Our balance sheet is strong, particularly relative to the two previous years. This is the result of significantly lower inventory levels and reduced external borrowings.

Exciting new models are due soon, with a focus on NEVs. The arrival of Mazda's all new electric 6e model is imminent and it will be quickly followed by the CX-6e. The current Ford model range remains resilient and is maintaining its market share. The Ford Motor Company will, as it has in the past, continue to adapt its portfolio to meet evolving market trends, as demonstrated with the launch of the Ranger Hybrid. New Zealand Automotive Limited successfully previewed the new JAC T9 plug-in hybrid ute at Fieldays and Mitsubishi has also announced exciting new vehicles due this year.

Southpac is currently focused on bringing the more fuel-efficient Next Generation DAF to market, with the first customer trucks already on the road. Also, the strength of the agri-sector in general is driving growth in our tractor and implements business, a welcome recovery.

The focus on growth in used vehicles will continue across the Group. We have proven over the last two years that without market disruption this business has more potential.

We are pleased to have secured an expanded representation of the BYD brand into the Canterbury and Wairarapa regions, joining Energy Motors that operates our BYD dealership in New Plymouth. From a strategic perspective, access to a range of competitively priced NEV product is a priority.

Property developments

The added BYD dealership opportunities will require a significant investment in property and facilities in Christchurch and the other regions where we will now have representation. We have also finalised plans for a more significant Ford facility on Harris Road in Botany and at the Rangiora branch, with construction about to begin.

Dividend

The Directors have declared a fully imputed dividend of 25 cents per share to be paid on Monday, 5 October 2026 and with a record date of Friday, 25 September. This will take the total dividend for the year to 40 cps, representing 70% of the Trading Profit after Tax, ahead of the 35 cents per share in the previous year.

Annual Report

The 2026 Annual Report will be published in late September. It will include notice of the 108th Annual General Meeting to be held at The Harbourside Function Venue, 4 Taranaki Street, Wellington at midday on Friday 6 November.

Outlook

The Middle East conflict has acted as a catalyst in lifting the level of adoption of NEVs, particularly in the passenger segment. The fact is, business and consumers always seek to adapt, so life goes on. Local and geopolitical disruption seems to be the 'new normal' for a time to come and we as a company have to respond by continuing to adapt. The New Zealand economy appears to be slowly improving, with our agri-based country showing a degree of resilience. The Team across the Group has a busy year ahead.

A J Waugh
CHAIR

14 August 2026

STATEMENT OF CASH FLOWS
For the year ended 30 June 2026

	2026 *$'000*	**2025** *$'000*
Net Cash Flows from:		
Operating Activities	85,936	45,305
Investing Activities	(5,862)	(11,668)
Financing Activities	(81,094)	(33,114)
Net movement in Cash Held	(1,020)	523
Opening Cash Balance	11,996	11,473
Closing Cash Balance	**10,976**	**11,996**
Cash Flow Reconciliation		
Profit for the Year	20,724	19,518
Adjustment for Non Cash Items	7,614	8,351
Movement in Working Capital	57,598	17,436
Net Cash Flow from Operating Activities	85,936	45,305

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