The Colonial Motor Company Limited

108th Annual Report

2026

BOARD OF DIRECTORS	Ashley J Waugh, Chair Graeme D Gibbons Stuart B Gibbons John W M Journee Gillian D Watson John O Hutchinson John A Beveridge
CHIEF EXECUTIVE	Alexander P Gibbons
CHIEF FINANCIAL OFFICER	Sebastian C Black
GROUP MANAGER People, Process & Technology	June E Gibbons
COMPANY SECRETARY	Jack G Tuohy
AUDITOR	Grant Thornton New Zealand Audit Limited (Partner Jacques Du Toit)
BANKERS	ANZ Bank New Zealand Limited Bank of New Zealand Westpac New Zealand Limited
SHARE REGISTRY	Computershare Investor Services Limited Level 2, 159 Hurstmere Road Takapuna, North Shore Private Bag 92119 Auckland 1142 Website: www.computershare.co.nz/investorcentre
REGISTERED OFFICE AND ADDRESS FOR SERVICE	Level 6 57 Courtenay Place PO Box 6159 Wellington 6141 New Zealand Telephone (04) 384-9734 E-mail address cmc@colmotor.co.nz Website www.colmotor.co.nz

PROSPECTIVE DATES FOR 2027

Interim Half Year Report	Late February
Interim Dividend	30 March
Preliminary Full Year Report	Late August
Annual Report	Late September
Final Dividend	4 October
Annual Meeting	5 November

Shareholder enquiries can be addressed to the Registered Office or directly to the Share Registry.

The Company is able to send shareholders e-mail notifications of the announcement and release of its half year (in February) and full year results (in August) and of the Annual Report (in September). If you are not already receiving these e-mail notifications then to register for this service you can send an e-mail to our Share Registry at ecomms@computershare.co.nz from the e-mail account you wish to receive the notifications to. Please put “Email Notifications” in the subject line. You will need to record the full name your shares are held in and the relevant CSN / Shareholder number – you can find that number on your Dividend Statement or Securities Transaction Statement.

Notice of 108th Annual Meeting

Notice is hereby given that the 2026 annual meeting of shareholders of

The Colonial Motor Company Limited

will be held at

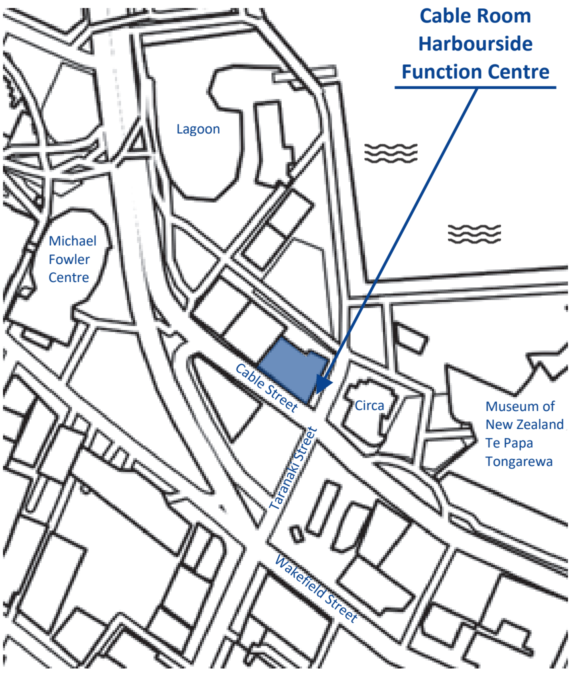
The Harbourside Function Venue, 4 Taranaki Street, Wellington

on Friday, 6 November 2026 commencing at 12:00 midday

BUSINESS

1. Chair's introduction
2. Address from the Chair
3. Report from the Group Chief Executive
4. Shareholder discussion
5. Resolutions
   To consider and if thought fit, to pass the following resolutions:
   (see explanatory notes on the next page)
   1. To re-elect Graeme Durrad Gibbons as a director of the Company.
   2. To re-elect Stuart Barnes Gibbons as a director of the Company.
   3. To record the on-going appointment of Grant Thornton as auditor and to authorise the directors to fix the auditor's remuneration.
6. General business

LOCATION



Explanatory Notes – relating to the annual meeting

Voting

All voting at annual meetings must be conducted by poll. Procedures for voting, the appointment of proxies and representatives, vote counting and the announcement of the results are applied and disclosed in detail.

Proxies, representatives and postal voting

If you choose not to attend the meeting, a form is provided with this annual report for you to complete to appoint a proxy or corporate representative to vote on your behalf. If you wish you can lodge a postal vote rather than a proxy vote.

Detailed guidance is provided on the form on how to complete it for either proxy or postal voting purposes. Further copies of the form may be obtained from the Company or downloaded from our website.

Resolutions

Each of the resolutions will be considered as a separate ordinary resolution. To be passed, an ordinary resolution requires a simple majority of votes of shareholders entitled to vote and voting. Each share in the Company carries one vote.

The Board supports passing all of the resolutions.

Re-election and election of directors

The Listing Rules require that a director must not hold office (without re-election by shareholders) past the third annual meeting that follows the director's last election or 3 years, whichever is longer.

A director appointed by the Board must not hold office (without re-election by shareholders) past the annual meeting following the director's appointment.

Resolution 1

Graeme Gibbons was last re-elected as a director at the 2023 annual meeting. He is eligible and offers himself for re-election.

Graeme took up the role of Chief Executive of the Group in 1990 and became a Director of the Company in 1995. He is a Director of the Company's subsidiary, Southpac Trucks Ltd and was previously a director of Motor Trade Finance Ltd and Chair of its Audit Committee. Graeme retired from the Chief Executive role at the end of September 2021, remaining on the Board and as a member of the Audit & Compliance Committee.

Resolution 2

Stuart Gibbons was last re-elected as a director at the 2023 annual meeting. He is eligible and offers himself for re-election.

Stuart joined the Group in 1982, holding various roles across Group subsidiaries until his appointment as Chief Executive and Dealer Principal of Stevens Motors in 2002. When Stevens Motors was merged with Capital City Motors on 1 July 2020, he remained with Capital City Motors in a senior management role until June 2022. From July 2022 to June 2025, Stuart took up the Group Office role of Group Manager: Strategic Development and then from March to June 2025 he was the acting Dealer Principal at Fagan Motors. Stuart became a Director of the Company in July 2014.

Auditor re-appointment and remuneration

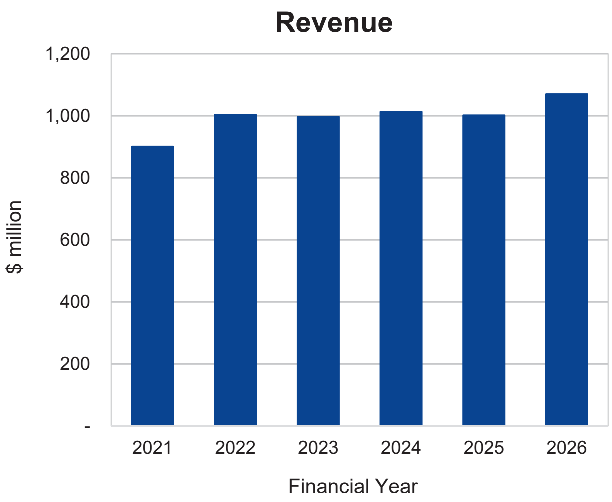
Resolution 3

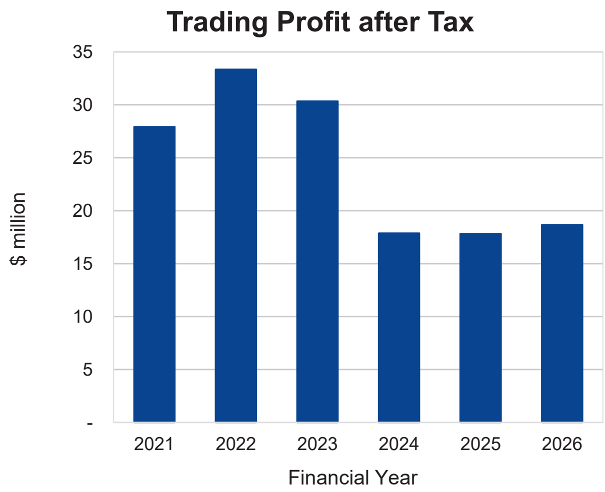
Under section 200 of the Companies Act 1993, the auditor is automatically re-appointed each year unless ineligible or replaced.

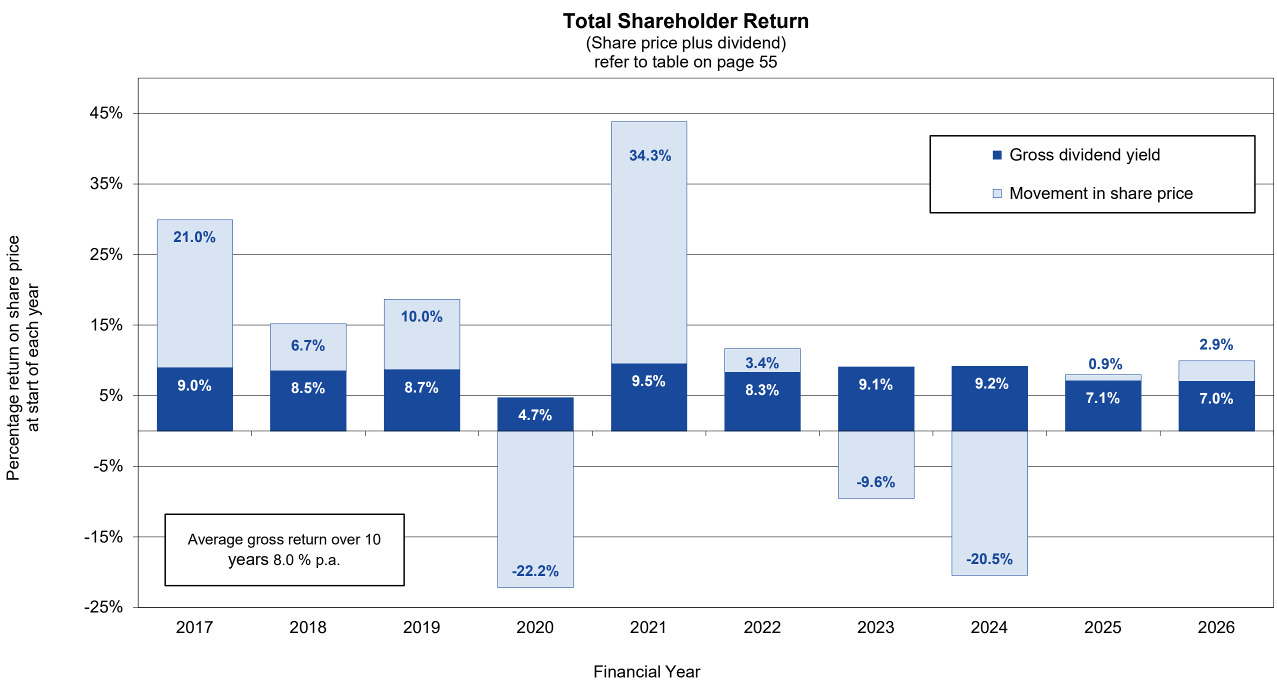
The fee paid to the auditor is disclosed in the annual report each year (refer page 18).

Facts at a glance

	2022	2023	2024	2025	2026
Revenue ($000)	1,002,848	997,225	1,012,920	1,001,621	1,069,936
Trading profit after tax (excluding non-trading Items) ($000)	33,345	30,339	17,884	17,831	18,665
Profit after tax attributable to shareholders ($000)	33,183	27,848	4,535	18,343	19,871
Return on average shareholders' funds					
- trading profit after tax	11.8%	9.9%	5.9%	5.9%	5.9%
○ profit attributable to shareholders	11.7%	9.1%	1.5%	6.1%	6.3%
Trading margin	3.3%	3.0%	1.8%	1.8%	1.7%
Earnings per share - trading profit after tax	102.0c	92.8c	54.7c	54.5c	57.1c
- profit attributable to shareholders	101.5c	85.2c	13.9c	56.1c	60.8c
Dividend per share	62.0c	57.0c	35.0c	35.0c	40.0c
Total dividends for the year ($000)	20,271	18,636	11,443	11,443	13,078
Shares on issue at reporting date (000)	32,695	32,695	32,695	32,695	32,695
Current ratio	1.6	1.4	1.3	1.5	1.6
Shareholders' equity as a percentage of total assets	66.2%	56.7%	49.5%	52.3%	59.6%
Net tangible asset backing per share (after final dividend is paid)	$8.78	$9.05	$8.84	$9.16	$9.52







Directors' report

Your Directors have pleasure in presenting the 108th annual report and audited consolidated financial statements of The Colonial Motor Company Limited (CMC or Company) and its subsidiaries (Group) for the year ended 30 June 2026.

Revenue and profit

Revenue for the year was $1,069.9m, a 0.7% increase on the previous year's $1,001.6m. This year's revenue compares to $1,012.9m in 2024 and $997.2m in 2023.

The trading profit after tax for the year was $18.7m, up 0.5% on the previous year's $17.8m reflecting a subdued final quarter affected by the Middle East conflict and related oil shock and supply disruptions. Trading profit after tax is not specified under Generally Accepted Accounting Practice but is a consistent measure of the underlying trading profitability of the Group before valuation changes of assets and deferred tax movements. It is also the reference point used by the Board when considering dividends.

Profit for the year attributable to shareholders was $19.9m, up 8.7% compared to $18.3m in the previous year.

Statement of financial position

Total assets were $537.6m at year end (2025: $586.5m). Inventory reduced by $53.7m, reflecting the continued efforts of the previous year to reduce inventory holding, particularly in heavy trucks and agricultural equipment. Changes to Land & Buildings were limited to a number of smaller capital projects in progress and completed. The annual independent revaluation of the Group's property portfolio brought about a total increase of $5.9m.

Total liabilities were $211.46m at year end (2025: $274.1m). Bank borrowings reduced by 49.0m and Vehicle floorplan finance by $20.2m, mainly due to the reduced inventory.

At the reporting date, shareholders' equity was $320.5m (2025: $307.0m).

Dividends

Dividends attributable to the 2026 financial year will total 40.0 cents per share (2025: 35.0 cents). An interim dividend of 15.0 cents was paid on 30 March 2026 and a final dividend of 25.0 cents will be paid on 5 October 2026. The dividend will carry the maximum level of imputation credits. The value of the distributions for this financial year will be $13.1m (2025: $11.4m), representing 70% (2025: 64%) of the trading profit after tax.

Total shareholder returns over the past ten years are shown in the graph on page 3.

Directors

The independent Directors at 30 June 2026 and the date of this report were A J Waugh, J W M Journee and J A Beveridge.

The Listing Rules of the New Zealand Stock Exchange specify that a director must not hold office (without re-election) past the third annual meeting following the Director's appointment or three years, whichever is longer. On that basis, the Directors to retire this year are G D Gibbons and S B Gibbons. They are eligible and are seeking re-election at the forthcoming annual meeting.

Ashley Waugh will retire as a Director at the conclusion of the Annual Meeting in November, following which the Board will elect a new Chair.

Director and company disclosures

Information required to be disclosed by the Directors and by the Company, to comply with the Companies Act 1993 and the Listing Rules, is provided on pages 50 to 56. A separate Governance Statement is provided on pages 45 to 48 and a report on the CMC Group operating strategy is on page 5.

For the Directors 14 September 2026

A J Waugh
Chair of the Board

J W M Journee
Chair of the Audit & Financial Risk Committee

CMC Group operating strategy

Management of capital resources

The Group has a strong balance sheet, with significant shareholder equity and very few long term financial commitments. The major assets on the balance sheet are property and inventory, with property funded by retained earnings and inventory funded by short term borrowing (bank borrowing, at call deposits and bailment). There is minimal goodwill.

The Group owns most of its key operational properties. The Group does not have investment properties as such, as all of the properties are occupied or intended to be occupied by our dealerships. Ownership brings greater flexibility when tailoring facilities to the Group's particular requirements. It provides security of tenure whilst conversely enabling the Group to sell and relocate as needs arise without the constraints of a long term lease.

The Group seeks to pay regular dividends calculated at 60 - 70% of trading profit after tax. The dividends have the maximum imputation credits available to New Zealand shareholders. The remaining profit is reinvested in the business, either for controlled growth or maintaining and reinvesting in the quality of the existing assets.

This investment or reinvestment may be in the form of establishing or acquiring a dealership business, or in developing a new property for use by a dealership, or refurbishing and upgrading an existing facility.

By adopting an approach to capital management of:

- paying 60 - 70% of trading profit after tax as dividends;
- not overly gearing up the balance sheet by taking on significant long term debt; and
- not going to the shareholders for more capital;

the Group is able to provide controlled growth for shareholders without shareholder dilution.

Operational Model

CMC is the parent company for a group of motor vehicle dealerships – the success of these dealerships is CMC's lifeblood.

The CEOs / Dealer Principals of our subsidiary companies operate within a financial and operational mandate but have wide discretion and local autonomy. Their role involves balancing the often conflicting demands of the franchisor, customers, employees and profitability.

We consider each dealership business individually, including its needs for reinvestment and growth opportunities.

The Group balances the need to change and adapt with an awareness that it has specific areas of expertise. The operational expertise revolves around the franchise business model, as a franchisee in a local market area or on a national basis. In this model the franchisor supplies the product and brand positioning, with the franchisee concentrating on promoting the brand and selling the product and service to the customer. The model brings its own unique challenges and opportunities.

In a highly competitive and fragmented market place, we have moved to a 'hub and spoke' model where the operational circumstances suit. Under this structure the main dealership facility is complemented by facilities in customer-convenient locations. These can be both sales and/or service facilities and the model is operational in South Auckland, Greater Wellington and Christchurch.

To be successful and grow a dealership, or establish a new one, we need to have management strength and depth and also a franchise opportunity that fits. Where we have an existing property, or can provide a property solution, this enhances our ability to take action. Ideally, we will grow by representing a new franchise partner in a number of locations rather than as a one off. We have most recently achieved this with our expanded representation of the BYD and Mitsubishi brands.

With Southpac Trucks we have expanded over time by increasing the market position of the Kenworth and DAF brands in the heavy truck industry. This brings growing parts and service opportunities for that business and its network of independent parts and service dealers. Southpac has also extended its operation into the light duty truck segment with JAC Trucks.

The location of our dealerships spans most all of New Zealand and the businesses range from small to large and from single to multiple brands. The major brands with significant representation are in light vehicles - Ford and Mazda; heavy trucks - Kenworth and DAF; tractors - New Holland and Case IH. We also take pride in our relationship with a range of other brands we partner with across our dealership network.

Chief Executive's report

Over recent years, the automotive retail market has been challenging to navigate, with disruption and uncertainty an everyday norm. It would be hard to find many other industries of equal scale and global complexity that have undergone the same level of government interference, technology change and global supply chain disruption. When considering the added disruption in the second half of the year created by the Middle East conflict and resulting oil shock, this made the result for the 2026 financial year a particularly satisfying outcome. Trading Profit after Tax finished 4.7% ahead of the previous year. Combined with significantly reduced borrowings and a considerably improved inventory position, these factors have resulted in a strengthened balance sheet. The overall outcome was a result our dealership teams across the country can be proud of.

The road ahead is not expected to be any easier, particularly for the new light vehicle industry where structural changes underway will continue to play out over the long term. The Australasian automotive industry (effectively an open market for new brands) is reconciling itself to an unprecedented wave of new entrants. This is diluting market share and placing the new light vehicle industry under intense competitive pressure.

For our dealers this means reacting and adapting as they always have in realigning their operations to drive productivity and efficiency to meet demand. We are fortunate to have a solid foundation of experienced leadership across our dealer network, with strong processes and a culture that values both people and automotive excellence. In this changing automotive world, support from our long-standing franchise partners is a critical factor. For franchise dealerships like ours, access to desirable and competitively priced product will always be core to the foundations of profitability and prosperity.

People

Across the Group we have always emphasised the 'family' aspect of working for a CMC company and with it, encouraged a high level of interaction between our businesses. A tradition started many decades ago is the award of a gold watch to employees who achieve 25 years of continuous service with the Group. These gold watch awards are notified to shareholders each year via our Half Year Report.

To recognise staff at an earlier juncture we have introduced a 10-year service award of engraved belts that have been well received by our dealership staff.

The previous financial year saw a number of significant Dealer Principal (DP) retirements. This year Stuart Reid replaced Paul Fiebiger at Southern Lakes Motors in Queenstown where he will be DP of the Company's Mitsubishi and Nissan dealership. Stuart has come from outside the Group and was welcomed at the recent annual Awards Night – we wish him every success.

In June we announced our expanded representation of the BYD brand that brought with it a need to scale-up the people side of that business. Chris Damsteegt, who had been the CFO responsible for the Christchurch-wide, Nelson and Timaru businesses, was the standout candidate for the position of DP of the BYD operations.

At the Board level we will be losing our Chair Ash Waugh when he retires at the conclusion of November's annual meeting. Ash joined the Board in 2015 and was elected Chair in 2021. From a personal perspective, Ash has been more than just a sounding board. Without fail he has been there with sage advice and given me and the Management team his full support and always with good humour – he will be missed.

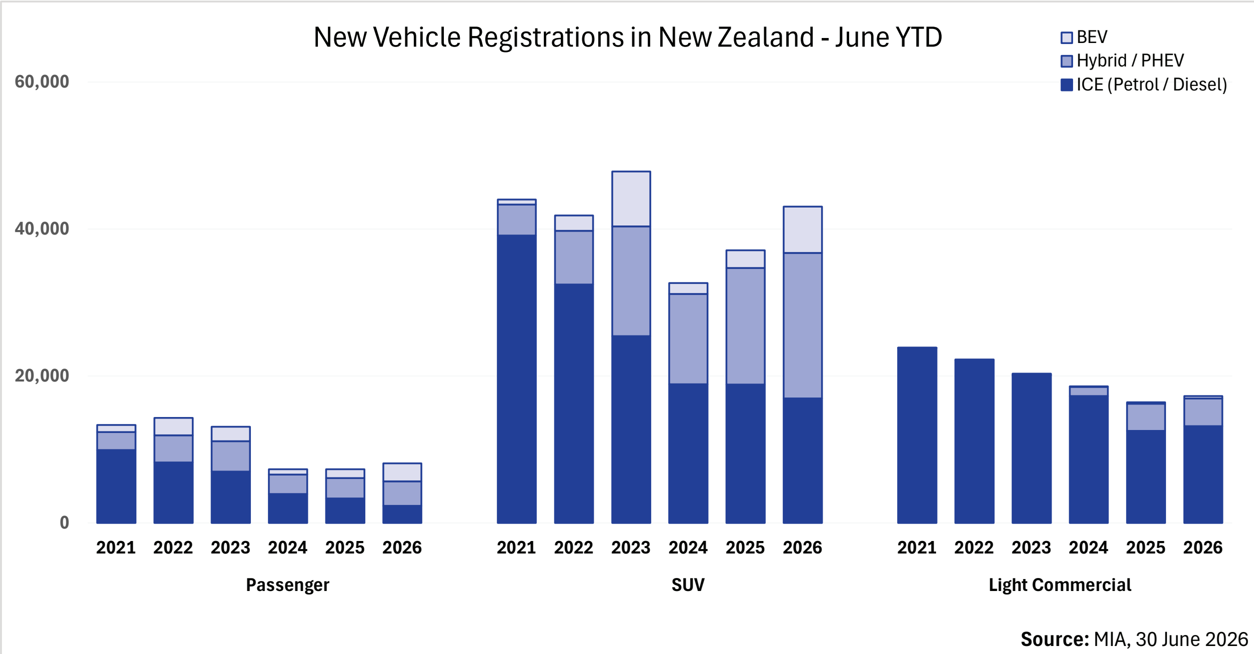
New Car Dealerships

As noted earlier, a significant part of what makes up the CMC Group is our new vehicle retail business, an industry undergoing unprecedented change and where three dynamics are evolving simultaneously.

The first is a pivot towards New Energy Vehicles (NEVs), especially in the Passenger and SUV segments (the charts on the following page show these are the fastest growing segments in the market). The growth in NEV models is not a new phenomenon, although it had seen only modest growth until recently and that was often driven up or down by changes in government policy. The Middle East conflict changed that narrative and has acted as the catalyst for the recent accelerated adoption of NEVs in our region. While an NEV may not be the best vehicle for every application, they are playing an increasing part in the evolution of the market.

Sitting adjacent to the NEV is the second dynamic, the continued improvement in battery technology and with it, the increasing strength of Chinese automotive manufacturing. Both of these factors are challenging the value equation at a global level. Affordable small to mid-sized passenger vehicles have become ground zero where price relativity and range anxiety are not the barriers they once were. In the light commercial vehicle range, the acceptance of NEVs in the urban environment is also on the rise, albeit at a much more modest pace.

The third factor is the continued and unrelenting wave of new brands entering the Australasian market. All of these new brands have aggressive market share aspirations and for the most part, have or are imminently bringing with them a complete range of models.



The new vehicle market was already considered a competitive environment to operate in. It would be fair to say this added multi-layer of competition has taken the market to an unsustainable level that will result in brand consolidation for a small market like New Zealand. To put this in perspective, more than a dozen new Chinese automotive brands have entered the local market in the past two years. The Company is not immune to these impacts. We have to be realistic and like others who wish to remain long-term players in this market, we must navigate these current turbulent times by both rolling up our sleeves and adapting.

In terms of our new vehicle strategy, we are taking a pragmatic and balanced approach to change. The impact of China's growth and capability in automotive manufacturing cannot be underestimated, as is plainly obvious in today's market. That does not mean Chinese brands will simply dominate the entire market, as some headlines might suggest. This is where established brands with comprehensive dealer networks bring reputational advantage. This comes with the proviso that they can only continue catering to their customer base by evolving their model range to meet changing consumer preferences.

In our view there are far too many new brands converging on the market at once that are not created equal and it must be a daunting prospect for new vehicle buyers to decide where to place their investment. To that end, it is pleasing to see Mazda leveraging its long-standing (20 year) 'Changan Mazda' joint venture to deliver a new generation of fully electric vehicles (Mazda 6e and CX-6e), both of which are expected to be in showrooms before Christmas.

The Company's long and proud history with the Ford Motor Company, dating back to 1908, continues to be a core pillar of our business in 2026, some 118 years later. The Ford model range is proven to be resilient, with the Ranger retaining the crown as New Zealand's number one selling commercial vehicle. Ford has recently planted a stake in the ground by clearly stating their ambition to refresh and expand their New Zealand model range to compete in existing and broadened areas of the light vehicle market by 2030. We can see the first stage of this strategy playing out through Ford leveraging global partnerships to bring the Transit City Electric Van and Bronco Basecamp to dealerships in 2027, both vehicles firmly sitting in the NEV space. We have faith that Ford Motor Company will, as they have done in the past, continue to deliver 'great to drive' new models to their stable that align with quickly evolving market trends.

Our need to forge new strategic alliances is not dissimilar to the rise of the Japanese automotive industry in the 1960s and 70s. The increased representation of the BYD brand brings with it a wide-ranging portfolio of small and mid-sized NEV vehicles that is expected to strengthen our position in these important market segments.

Used Vehicles

Sales of used vehicles in the first three quarters of the 2026 financial year continued to be an area of growth and prosperity for our dealerships. Unsurprisingly, the impacts of the Middle East conflict disrupted this momentum and significantly impacted used vehicle demand, particularly for large diesel vehicles. The impact on margins was swift and the decision was made early to revalue inventory to meet the market, a painful but necessary exercise.

Despite this short-term pain, the growth potential and fundamentals of our used vehicle operations remain an important strategic initiative for the Group. The reality is that an acute and unforeseen shock is not something our dealerships have control over. The answer is to always respond quickly to mitigate the debilitating longer-term impacts of aged vehicles. This proved pivotal in this instance as we entered the new financial year.

We are seeing signs of success with the Team Hutchinson All Makes used vehicle business, although it is still in its infancy. Equally, an increased focus and drive to improve the capability and support for used car departments across the Group has been a critical factor in maintaining dealership profitability at a time when the new vehicle market is under pressure.

Truck & Tractor Dealerships

The heavy-duty truck market remained flat over the 2026 financial year. The instability in the Middle East affected business and consumer confidence and subdued demand in construction and consumer products. In contrast there was some upside, with demand from the rural sector remaining robust and supported by strong export commodity prices. Overall, it was another challenging year for the heavy truck industry but there are some early signs for optimism for 2027, as economic activity is starting to lift demand for fleet replacements.

The post-covid supply chain disruption and resulting impact of increased truck inventory has now ended and a 'normal' flow of manufacturing and ocean freight schedules has been restored. The first half of the financial year will see a few leaner sales months as the Southpac Trucks team manages the runout and changeover to the Next Generation DAF (NGD).

Speaking of the NGD, the first customer deliveries have taken place and you will increasingly start to see them on the road. PACCAR, the owner of the DAF and Kenworth brands, is not sitting idle when it comes to both DAF and Kenworth, with new models and technology well advanced in their global development.

Southpac's parts and service business continues to expand through the continued investment from independent service dealers that support the company's new truck business.

It has taken time to find the right formula for the JAC light duty trucks, as breaking into a new segment of the market is not a simple feat when the market is subdued. The JAC team is steadily overcoming the entry barriers with consistent sales momentum now building.

Agricentre South's tractor business remains robust and as a result of a business realignment, has become more efficient and focused on its core Case IH and New Holland tractor trade. Despite performing well this year, a result spurred on by a buoyant rural sector, competition remains fierce in the tractor market. Success requires a close working relationship with international manufacturers to ensure products remain competitive in the New Zealand market.

For both the truck and tractor businesses, the founding principle remains one of supporting customers through good times and tough times, a principle that continues to be the case today and has been an important mantra these last two to three years.

Property

The allocation of capital and justification for new and upgraded facilities is always important, especially when there is uncertainty in the market. For the CMC-preferred model of owning the strategic properties from which we operate, the balance sheet needs to remain an area of focus and CMC strength.

In terms of new capital investments, the Company has acquired property in Hornby (Christchurch) on the corner of Main South and Springs Roads to home the Adventure Motor Group subsidiary and its associated BYD operations. The facility nearby, that was previously the Mahindra and JAC dealership in Sockburn, will provide a temporary base for operations in the meantime. Being an NEV brand, BYD will have a purpose-built solar powered dealership which will be carefully monitored to determine if the business case applied there justifies future solar investment at other company-owned facilities.

Alongside the new Christchurch facility, the other supporting BYD facilities associated with Adventure Motor Group are being progressed, for the most part on CMC-owned properties. An important element of this project is the recycling of capital, with a significant portion of the investment into this new venture expected to be generated from the recycling of under-utilised property assets.

At the same time, the Company's Ford facilities in Rangiora (Christchurch region) and Botany (East Auckland) will be the first to deploy Ford's latest "Signature 2.0" design in New Zealand. Both of these facilities are spokes of their respective central hub dealerships, with construction work scheduled to begin imminently. The facility upgrades include enhancements to sales operations at both sites that will support the new and used vehicle sales functions.

The Company's property on Vickerman Street in Nelson is in the final stages of renovation to become MS Motors' new home for its Kia business. This property was a strategic purchase made in early 2024, as acquiring suitable properties in Nelson had historically proven to be elusive.

In the main, property projects aim to achieve a balance of the ongoing requirement for continued investment in existing operations and a need to expand for the purposes of diversification and to build confidence in new business relationships.

Strategic Direction

The challenge this financial year means focussing on what is within our leadership's ability to control at the dealership and Group levels, rather than trying to deal with the complexity of all that is happening around us. Put simply, this means focusing on best practice and aligning operations and business cost structures with market realties. More than ever, winning in the current environment needs a strong relationship between the dealer and their franchisor. Our dealership teams need to continue delivering a first-class customer experience in order to compete effectively in the market.

Where we bring people, facilities and know-how on the ground, our brand partners' responsibility is to deliver vehicles that align with consumer demand. The right product at the right price keeps the dealership in the fight, allowing the expertise of our people to deliver the customer experience and market share aspirations of the franchisor.

The Company continues to stand behind and support its long-term brand partnerships while at the same time balancing the need for strategic diversification. We must remain vigilant around the use of our shareholders' capital and where necessary, take the tough decisions on its deployment to more productive areas of the business. There is a fine balance between supporting a business through a start-up phase or difficult trading period versus continuing to support a venture for the sole reason that we own it.

Outlook

The current market conditions will make for a challenging first half. The light vehicle markets, both new and used, are a big part of our Group's operations and margins are expected to come under continued pressure due to price volatility and the sheer volume of vehicles coming to the New Zealand market. While the Middle East conflict remains unresolved, the negative impacts will linger.

Signs of life are appearing in the light and heavy-duty truck markets, with fleets looking to replace assets when the economic climate and with it, confidence starts to build. In tandem with what is now a robust rather than depressed rural economy, we anticipate another solid year for our tractor business.

The short-term outlook will have speed bumps but the medium-term looks to be one of improved economic growth for New Zealand. This bodes well for the Company, which is in a sound financial position.

CMC, our people and our partners are in a good state and we collectively have a track record of finding a way to progress in whatever 'state of the market' we find ourselves in. There will be opportunities to capitalise on in this financial year and we will focus our time and energy on what is within our control.

A P Gibbons
Chief Executive

Group dealerships

Company Name	Chief Executive / Dealer Principal	Franchises	Location	Web address
Southpac Trucks Ltd	Maarten Durent	Kenworth & DAF Heavy Trucks JAC Light Trucks	Manukau City, Hamilton, Rotorua, Gisborne, New Plymouth, Palmerston North, Nelson, Christchurch, Timaru & Dunedin	www.spt.co.nz
South Auckland Motors Ltd	Michael Tappenden	Ford & Mazda	Manukau City, Auckland Airport, Botany, Takanini & Pukekohe	www.southaucklandford.co.nz www.southaucklandmazda.co.nz
Southern Autos – Manukau Ltd	Darren Gibson (DP)	Suzuki & JAC	Botany	www.southernautos.co.nz www.southernautosjac.co.nz
Manukau Autos Ltd	Jason Robb	Mitsubishi	Manukau City	www.manukauautos.co.nz
Energy City Motors Ltd	Russell Dempster	Ford	New Plymouth & Hawera	www.energyford.co.nz
Energy Motors Ltd	Tim Paul (DP)	BYD & JAC	New Plymouth	www.energymotors.co.nz
Ruahine Motors Ltd	Paul Shanks	Ford	Waipukurau	www.ruahinemotors.co.nz
Fagan Motors Ltd	Alex Delaney	Ford & Mazda	Masterton	www.faganford.co.nz www.faganmazda.co.nz
Capital City Motors Ltd	Matthew Carman	Ford & Mazda	Lower Hutt, Wellington, Porirua & Kapiti	www.capitalcityford.co.nz www.capitalcitymazda.co.nz
M.S. Motors (1998) Ltd	Jimmy Banks	Ford	Nelson	www.msford.co.nz
		Nelson KIA Service Lane Bridgestone Tyres	Nelson Richmond Motueka & Richmond	www.nelsonkia.co.nz
Hutchinson Motors Ltd	John Hutchinson	Ford	Christchurch & Greymouth	www.teamhutchinsonford.com
		Bridgestone Tyres	Christchurch	
Avon City Motors Ltd	Richard Burns	Ford	Christchurch & Rangiora	www.avoncityford.co.nz
		Bridgestone Tyres	Christchurch	
Timaru Motors Ltd	Nick Hutchinson	Ford & Mazda	Timaru	www.timaruford.co.nz www.timarumazda.co.nz
Dunedin City Motors Ltd	David Lavington	Ford & Mazda	Dunedin, Oamaru & Alexandra	www.dcford.co.nz www.dcmazda.co.nz
Macaulay Motors Ltd	Tim Rabbitte	Ford & Mazda	Invercargill, Queenstown & Wanaka	www.macaulayford.co.nz www.macaulaymazda.co.nz
Southern Lakes Motors Ltd	Stuart Reid (DP)	Mitsubishi & Nissan	Queenstown & Wanaka	www.southernlakesmotors.co.nz
Agricentre South Ltd	Grant Price	New Holland, Case IH Tractors & Equipment Kuhn & Other Agri Equipment Yamaha motorcycles	Invercargill, Gore, Milton & Cromwell	www.agricentre.co.nz
NZ Automotive Ltd	Andrew Craw	JAC Motors	New Zealand-wide distributor	www.jacnz.co.nz
Adventure Motor Group Ltd	Chris Damsteegt	BYD		

Consolidated statement of financial performance
for the year ended 30 June 2026

		Notes	2026 $000	2025 $000
Revenue				
	Revenue		1,067,853	999,037
	Other revenue		2,083	2,584
Total revenue		1	1,069,936	1,001,621
Trading expenses				
	Cost of products and services sold		868,160	808,169
	Remuneration of staff		104,199	97,848
	Depreciation and amortisation		9,156	9,057
	Property occupation costs		5,268	4,933
	Marketing, promotion and training		11,224	9,693
	Other operating costs		34,375	30,005
	Interest	3	9,872	14,153
Total trading expenses		2	1,042,254	973,858
Trading profit before tax			27,682	27,763
Taxation				
	Current tax	4	8,394	8,548
	Deferred tax	4	(230)	209
	Total tax on trading		8,164	8,757
Non-controlling interest			853	1,175
Trading profit after tax			18,665	17,831
Non-trading items				
	Reversal of revaluation losses / (revaluation losses)		435	(47)
	Total non-trading items before tax		435	(47)
Taxation				
	Deferred tax	4	771	559
Non-trading items after tax			1,206	512
Profit attributable to shareholders			19,871	18,343

Profit for the year

			2026 $000	2025 $000
Profit attributable to:	Shareholders			
	Trading profit after tax		18,665	17,831
	Non-trading items after tax		1,206	512
	Total attributable to shareholders		19,871	18,343
	Non-controlling interest		853	1,175
Profit for the year			20,724	19,518

Statistics per share

		Notes	2026	2025
Basic and diluted earnings per share		7		
	Profit attributable to shareholders (cents)		60.8	56.1
	Trading profit after tax (cents)		57.1	54.5
Dividends attributable to the financial year				
	Dividends (cents per share)		40.0	35.0
	Total dividends ($000)		13,078	11,443
Net tangible assets per share ($)			9.77	9.36

The consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of comprehensive income
for the year ended 30 June 2026

	Notes	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			
Fair value movement		5,420	4,271
Deferred tax	4	(623)	(1,119)
Items that will be reclassified subsequently to profit or loss when specific conditions are met			
Cash flow hedge reserve			
Movement in fair value of hedge derivatives		443	795
Deferred tax	4	(124)	(223)
Total other comprehensive income for the year		5,116	3,724
Total comprehensive income for the year		25,840	23,242
Total comprehensive income for the year attributable to:			
Shareholders		24,939	21,981
Non-controlling interest		901	1,261
Total comprehensive income for the year		25,840	23,242

Consolidated statement of changes in equity
for the year ended 30 June 2026

	Notes	2026 $000	2025 $000
Total equity at beginning of the year		312,460	301,561
Comprehensive income			
Profit for the year		20,724	19,518
Other comprehensive income		5,116	3,724
Total comprehensive income		25,840	23,242
Dividends paid to shareholders	21	(11,443)	(11,443)
Dividends paid to non-controlling interest		(604)	(900)
Total equity at end of year	19	326,253	312,460

The consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of financial position
at 30 June 2026

	Notes	2026 $000	2025 $000
Shareholders' equity			
Share capital	20	15,968	15,968
Retained earnings		181,692	172,259
Property revaluation reserve		122,530	118,738
Foreign exchange cash flow hedge reserve		287	16
Total shareholders' equity		320,477	306,981
Non-controlling interest		5,776	5,479
Total equity		326,253	312,460
Current liabilities			
Borrowings	24	1,000	26,546
At call deposits	23	28,222	28,074
Trade & other payables	11	47,330	47,895
Vehicle floorplan finance	22	72,259	92,451
Financial liabilities – credit contracts	13	342	156
Lease liabilities	14	2,201	2,000
Tax payable		3,214	2,599
Total current liabilities		154,568	199,721
Non-current liabilities			
Bank borrowings	24	20,722	44,180
Financial liabilities – credit contracts	13	465	437
Lease liabilities	14	30,341	24,167
Deferred Tax	4	5,297	5,551
Total non-current liabilities		56,825	74,335
Total equity and liabilities		537,646	586,516
Current assets			
Cash & cash equivalents	12	10,976	11,996
Trade & other receivables	10	40,586	46,370
Inventory	8	188,428	242,162
Financial assets – credit contracts	13	334	154
Financial derivatives – foreign exchange	28	470	27
Total current assets		240,794	300,709
Non-current assets			
Financial assets – credit contracts	13	465	437
Intangible assets	15	1,028	1,028
Investments	17	492	492
Property, plant & equipment	9	264,982	259,600
Right of use assets	14	29,885	24,250
Total non-current assets		296,852	285,807
Total assets		537,646	586,516

For the Directors

A J Waugh
Chair of the Board

J W M Journee
Chair of the Audit & Financial Risk Committee

Authorised for issue on 14 September 2026

The consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows
for the year ended 30 June 2026

	Notes	2026 $000	2025 $000
Operating cash flows			
Receipts from customers		1,075,349	1,012,174
Interest received		185	53
Dividends received		76	51
Payments to suppliers and employees		(973,727)	(946,769)
Interest paid		(8,167)	(12,953)
Income taxes paid		(7,780)	(7,251)
Net operating cash flows	6	85,936	45,305
Investing cash flows			
Proceeds from sale of property, plant & equipment		2,202	877
Purchase of property, plant & equipment		(8,064)	(12,545)
Net investing cash flows		(5,862)	(11,668)
Financing cash flows			
Movement in borrowings		(65,511)	(16,244)
Repayment of lease liabilities		(3,684)	(3,277)
Movement in deposits		148	(1,250)
Dividends paid to shareholders		(12,047)	(12,343)
Net financing cash flows		(81,094)	(33,114)
Net change in cash held		(1,020)	523
Cash at beginning of year		11,996	11,473
Cash at end of year	12	10,976	11,996

The consolidated financial statements should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements
for the year ended 30 June 2026

Index to the notes

Notes on the preparation of the consolidated financial statements

About the reporting entity

The financial statements presented are for The Colonial Motor Company Limited (the Company) and its subsidiaries (the Group). The Company is an FMC Reporting Entity under the Financial Markets Conduct Act 2013 (FMCA 2013). Where an FMC Reporting Entity prepares consolidated financial statements, parent company disclosures are not required and have therefore not been included in these financial statements.

The Group is a Tier 1 for profit reporting entity as set out in the External Reporting Board's Accounting Standards Framework. The Colonial Motor Company Limited is a New Zealand registered company listed on the New Zealand Stock Exchange.

The Group's principal activity is operating franchised motor vehicle dealerships. There is a list of the dealerships and the franchises they represent on page 10.

Statement of compliance

These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) issued by the New Zealand Accounting Standards Board, Part 7 of the FMCA 2013 and the Companies Act 1993. They also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The consolidated financial statements were authorised for issue by the Directors on 14 September 2026.

Basis of preparation

The consolidated financial statements have been prepared

- on an historical cost basis, modified by the revaluation of certain assets and liabilities to fair value through profit or loss and other comprehensive income, and
- on the assumption that the Group is a going concern

The consolidated financial statements are presented in New Zealand Dollars, which is the Group's functional and presentation currency, rounded to the nearest thousand dollars.

Critical accounting assumptions, estimates and judgements

The Group makes assumptions, estimates and judgements concerning the future. They are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Estimates and judgements that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities are detailed in the relevant notes of these consolidated financial statements.

Notes on accounting policies

The accounting policies set out in these notes have been applied consistently to all periods presented in these consolidated financial statements.

The following material accounting policies relate to the overall consolidated financial statements. Policies specific to particular transactions or balances are detailed within each relevant note and are highlighted by a solid blue bar as indicated below:

Denotes a specific accounting policy

Material accounting policies

Impairment

The carrying amounts of the Group's assets, with the exception of cash, are reviewed at each reporting date to determine whether there is any objective evidence of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised as an expense in the consolidated statement of financial performance.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing fair value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate of the time value of money and risks specific to that asset.

In respect of all assets (except goodwill and intangibles with indefinite useful lives) an impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount.

Goods & Services Tax

The consolidated financial statements are prepared net of Goods & Services Tax (GST) with the exception of receivables and payables which are stated including GST.

Changes in accounting policies and accounting standards

There have been no changes in the existing accounting policies during the year.

No new accounting standards which became effective from 1 July 2025 were considered to be material for the Group.

New standards, interpretations and amendments
At the date of authorisation of these consolidated financial statements, certain new interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Group.

All pronouncements will be adopted in the first accounting period beginning on or after the effective date of the new standard. A new standard, NZ IFRS18 – Presentation and Disclosure in Financial Statements has been issued but is not yet effective. An assessment of the exact impacts of the standard has not been performed however, it will have an impact on the Group in future reporting periods. The standard introduces new requirements around how information is presented in the financial statements including new categories for the grouping of data. The Group will adopt the standard in the June 2028 financial statements.

Notes on financial performance

1 Revenue

Revenue from Contracts with Customers

All of the revenue from contracts with customers arises from the sale of goods or services. The transaction price is measured as the fair value of the consideration received or receivable and is net of returns, trade allowances and rebates. All contracts are short term in nature.

For the supply of goods, the performance obligation is considered to be satisfied when control of the goods has been passed to the buyer. This generally happens on delivery and revenue is recognised at that time. Payment is usually required before the goods are delivered.

For the supply of services, performance obligations are considered satisfied when the service has been completed. Revenue is recognised at that time. Payment is due on completion of the service.

The Group sells some products which have extended warranty or maintenance periods. These are part of the price of the original goods or services and are not identified or treated separately. Any costs incurred by the Group in respect of these services are recovered from the manufacturers providing the extended warranties and maintenance agreements.

Other Revenue

Rental revenue arising from premises rental is accounted for on a straight line basis over the lease term. Interest comprises interest on funds invested and is recognised in the statement of financial performance as it accrues using the effective interest rate method.

	2026 $000	2025 $000
Revenue from		
Sale of products	974,422	909,909
Sale of services	93,431	89,128
Total revenue from contracts with customers	1,067,853	999,037
Interest	185	53
Other revenue	1,898	2,531
Total other revenue	2,083	2,584

2 Expenditure

Expenditure in the consolidated statement of financial performance includes:

	2026 $000	2025 $000
Auditor's remuneration *		
Audit fees – statutory audit	619	615
Other services	-	-
Total auditor's remuneration	619	615
Operating lease expense	133	256
Directors' fees	514	309
Bad debts written off	106	116
Donations	65	46
Contributions to retirement savings		
CMC Workplace Savings Scheme	939	880
KiwiSaver	2,171	1,968
Increase/(decrease) in impairment allowance for:		
Parts inventory obsolescence	(88)	(433)
Used stock provision	38	(260)
Doubtful debts	69	21
Credit contracts	4	(3)

* In addition to the statutory audit, the auditor performed certain assurance-related services comprising procedures in relation to specified Trust Deed requirements and an agreed-upon procedures engagement over shareholder voting results at the 2026 Annual General Meeting. No additional remuneration was charged or payable for these services and accordingly no amount has been disclosed under "Other services".

3 Interest

Interest expense comprises interest on deposits, vehicle floorplan finance, borrowings and bank overdraft facilities.

See note 27 (b) for interest rate disclosures.

Interest costs are recognised using the effective interest rate method and expensed in the period they are incurred.

4 Taxation

4(a) Tax expense

Tax expense comprises current and deferred tax. Tax is recognised in the consolidated statement of financial performance except when it relates to items recognised directly in the consolidated statement of comprehensive income.

	2026 $000	2025 $000
Trading profit before tax	27,682	27,763
Non-trading items before tax	435	(47)
Profit before tax for the year	28,117	27,716
Expected tax charge at 28%	7,873	7,760
Tax adjustments for:		
Non-deductible expenses	(25)	98
Changes in unrecognised temporary differences	546	284
Prior year adjustment	-	406
Actual current tax charge	8,394	8,548
Movement in deferred tax	(1,001)	(350)
Total tax expense	7,393	8,198
Effective current tax rate on trading profit before tax	30.3%	30.8%
Effective current tax rate on profit before tax	29.9%	30.8%

4(b) Deferred tax

The calculation of deferred tax uses the liability approach that recognises deferred tax assets and liabilities based on differences between the accounting and tax values of specific items in the consolidated statement of financial position.

Deferred tax assets and liabilities are carried:

- at the tax rates expected to apply when the assets are recovered or liabilities settled
- on the basis that the Group expects future profits to exceed any reversal of existing temporary differences

Deferred tax liability	2026 $000	2025 $000
At the beginning of the year	(5,551)	(4,559)
Movement through the consolidated statement of financial performance		
On trading profit	230	(209)
On non-trading property depreciation	771	559
Movement through property revaluation reserve	(623)	(1,119)
Movement through foreign currency cash flow hedge reserve	(124)	(223)
At the end of the year	(5,297)	(5,551)

Deferred tax assets and liabilities are attributable to the following:

Trade and other payables	9,273	7,485
Trade and other receivables	47	28
Employee benefits	1,407	1,288
Inventories	1,024	1,143
Financial derivatives	(132)	(8)
Impairment allowance for finance bad debts	2	1
Property, plant and equipment	(8,368)	(6,790)
Building depreciation rule change	(8,550)	(8,698)
Deferred tax liability at the end of the year	(5,297)	(5,551)

4(c) Imputation credit account

	2026 $000	2025 $000
Imputation credits available for use in subsequent reporting periods	57,187	53,623

The New Zealand imputation regime enables tax credits to be attached to dividends paid to shareholders as a method of avoiding double-taxation of company profits.

5 Segment report

The Group is structured so that each motor vehicle dealership is managed locally under the control of a Dealer Principal who reports monthly to the Group Chief Executive. The Group Chief Executive is considered to be the Chief Operating Decision Maker in terms of NZ IFRS 8 - Operating Segments. The key measures used to assess dealership performance are revenue, trading profit before tax, trade receivables and inventory.

The dealerships have similar economic characteristics, financial performance (as measured by their gross profitability), products, services, processes, customers, methods of distribution and all operate in the same regulatory environment. On that basis, all of the Group's operating segments have been aggregated into a single reporting segment to most appropriately reflect the nature and financial effects of the business activities in which the Group engages and the economic environment in which it operates.

	2026			2025		
	Operating segment $000	Corporate $000	Total Group $000	Operating segment $000	Corporate $000	Total Group $000
Revenue from customers	1,068,979	772	1,069,751	1,000,673	895	1,001,568
Depreciation & amortisation	5,918	3,238	9,156	5,158	3,899	9,057
Interest income	149	36	185	53	-	53
Interest expense	6,335	3,537	9,872	7,794	6,359	14,153
Trading profit before tax	25,474	2,208	27,682	25,703	2,060	27,763
Income tax	7,419	975	8,394	7,441	1,107	8,548
Total assets	287,322	250,324	537,646	338,281	248,235	586,516
Material non-cash items						
Reversal of revaluation losses / (revaluation losses)	-	435	435	-	(47)	(47)
Deferred tax	208	793	1,001	(232)	582	350

6 Reconciliation of profit for the year with operating cash flows

	2026 $000	2025 $000
Profit for the year	20,724	19,518
Adjustments for non-cash items		
Depreciation and amortisation	9,156	9,057
Revaluation of property and investments	(435)	47
Cancellation of lease	(112)	(403)
Movement in		
Impairment of credit contracts	7	(3)
Deferred tax	(1,001)	(350)
Movement in working capital		
Trade and other payables	(2,536)	(9,768)
Tax payable	615	1,297
Trade and other receivables	5,784	10,656
Inventory	53,734	15,254
Net cash flow from operations	85,936	45,305

7 Earnings per share

	2026 $000	2025 $000
Trading profit after tax	18,665	17,831
Profit after tax for the year attributable to shareholders	19,871	18,343

Weighted average number of shares on issue – see note 20

	Cents per share	Cents per share
Basic and diluted earnings per share on		
Trading profit after tax	57.1	54.5
Profit after tax attributable to shareholders	60.8	56.1

Basic and diluted earnings per share are calculated by dividing the profit after tax attributable to shareholders by the weighted average number of shares outstanding during the year.

There were no potentially dilutive ordinary shares outstanding at the reporting date (2025: none).

Notes on financial position

8 Inventory

Inventory is valued at the lower of cost or net realisable value. New and used vehicles are recognised on a specific identification basis. Parts, accessories, workshop stocks, fuels and gases are recognised using where applicable, the first in first out method. Cost includes expenditure incurred in acquiring the inventory and bringing it to the existing location and condition. Due allowance has been made for obsolete and slow-moving stock.

Inventory, particularly of vehicles, is reviewed on a transaction-by-transaction basis as part of normal commercial trading. Estimates and judgement are required to ensure that carrying values do not exceed net realisable values at the reporting date.

Parts inventory is reviewed regularly for slow-moving or obsolete stock. At each reporting date an impairment allowance is recognised based on the age of stock and historical evidence of inventory held for a similar timeframe. The movement in the parts obsolescence allowance is as a result of a combination of the realisation and scrapping of aged stock during the reporting period.

	2026 $000	2025 $000
Vehicles	150,052	205,935
Parts, accessories, workshop fuels and gases	41,741	40,122
Impairment allowance	(3,365)	(3,895)
Total inventory	188,428	242,162
Total inventory write-down including parts, parts obsolescence and vehicles	500	(408)

9 Property, plant & equipment

Land & buildings
Land and buildings owned by the Group are categorised as property, plant & equipment because they are owned specifically for use in the revenue generating operations of its subsidiaries.

All land and buildings, other than properties held for sale (if any), were independently valued at reporting date by Quotable Value Limited to comply with Property Institute New Zealand Professional Practice Standards and International Valuation Standards.

All property was valued at its highest and best use by applying either the direct sales comparison approach or the income approach.

All property has been classified as either level 2 or Level 3 in the fair value hierarchy specified in NZ IFRS 13 – Fair Value Measurement depending upon the valuation approach.

Any revaluation surplus is credited to the property revaluation reserve unless it reverses a revaluation decrease for the same asset previously recognised in profit or loss. In that case, the surplus is credited to profit or loss to the extent of the decrease previously charged. Any revaluation deficit is recognised through profit or loss unless it directly offsets a previous surplus in the same asset in the property revaluation reserve.

Other property, plant & equipment
Property, plant & equipment other than land and buildings are carried at cost less accumulated depreciation and impairment losses. Cost includes all expenditure that is directly attributable to the acquisition of the asset. Software that is integral to the functionality of the related equipment is capitalised as part of the asset.

Depreciation
Land is not depreciated. The economic life of buildings has been assessed at between 33 and 100 years and buildings are depreciated accordingly. Any accumulated depreciation on buildings at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Other plant and equipment has been depreciated over its estimated useful life on an accounting basis that the Group considers best reflects the decline in the economic service potential of each class of assets. The general rate bands are shown below:

Furniture, fittings and equipment 7.5 – 60% of Diminishing Value
Service vehicles 18 – 36% of Diminishing Value

Carrying values and depreciation rates are reviewed at each reporting date to ensure depreciation rates are appropriate.

	Land & buildings	Furniture, fittings & equipment	Service vehicles	Total
	$000	$000	$000	$000
Cost or fair value at 30 June 2024	141,572	32,403	13,120	187,095
Accumulated depreciation	-	(22,247)	(5,123)	(27,370)
Revaluation	97,978	-	-	97,978
Net book value at 30 June 2024	239,550	10,156	7,997	257,703
Additions	6,704	1,637	4,184	12,525
Disposals	(103)	(180)	(7,747)	(8,030)
Depreciation	(3,199)	(2,064)	(1,559)	(6,822)
Movement in revaluation	4,224	-	-	4,224
Net book value at 30 June 2025	247,176	9,549	2,875	259,600
Cost or fair value at 30 June 2025	144,974	31,557	7,641	184,172
Accumulated depreciation	-	(22,008)	(4,766)	(26,774)
Revaluation	102,202	-	-	102,202
Net book value at 30 June 2025	247,176	9,549	2,875	259,600
Additions	3,063	3,046	1,952	8,061
Disposals	(1,356)	(272)	(505)	(2,133)
Depreciation	(3,380)	(2,131)	(890)	(6,401)
Movement in revaluation	5,855	-	-	5,855
Net book value at 30 June 2026	251,358	10,192	3,432	264,982
Comprised of:				
Cost or fair value at 30 June 2026	143,301	33,453	8,258	185,012
Accumulated depreciation	-	(23,261)	(4,826)	(28,087)
Revaluation	108,057	-	-	108,057
Net book value at 30 June 2026	251,358	10,192	3,432	264,982

	2026	2025
	$000	$000
Reversal of revaluation losses (revaluation losses) recognised as non-trading items through the statement of financial performance	435	(47)
Capital work in progress included in the value of land & buildings at reporting date. Capital work in progress is not subject to depreciation until completed and brought into use	2,517	1,715
Capital commitments Commitments to the future acquisition of new dealership facilities and development projects to existing facilities	5,697	188

If land and buildings were measured at cost the carrying value would be $143,301k (2025: $144,976k)

10 Trade and other receivables

	2026 $000	2025 $000
Trade receivables	34,537	40,714
Impairment allowance for expected credit losses	(165)	(99)
	34,372	40,615
Other receivables	5,502	5,136
Prepayments	712	619
Total trade and other receivables	40,586	46,370
Bad debts written off in year	106	116

The net carrying value of trade receivables and prepayments is considered to be their fair value.

The Group has adopted the simplified model of recognising lifetime expected credit losses as none of the trade or other receivables contain a significant financing component.

In measuring expected credit losses, the trade receivables have been assessed on a collective basis as they share similar credit risks. Expected loss rates are based on historic trading patterns over the last 5 years adjusted for anticipated changes in the 12 months following reporting date.

The items included in other receivables do not share the same credit risks as trade receivables and no credit loss is expected to arise.

Trade receivables are written off as bad debts when there is no expectation of recovery.

On the above basis the expected credit loss of trade receivables is as follows:

	2026 $000	2025 $000
Expected credit loss rate	0.48%	0.24%
Gross carrying amount	34,537	40,714
Expected credit loss	165	99
Movements in the loss allowance are as follows:		
Balance at 1 July	99	78
Allowance recognised in the statement of financial performance	66	21
Allowance recovered	-	-
Balance at 30 June	165	99

11 Trade and other payables

Trade and other payables are stated at amortised cost and includes benefits accrued for employees including unpaid wages and incentives and annual leave.

Trade and other payables are all due within one year.

The Group has finance arrangements with a number of providers who pay manufacturers for new vehicles under normal trade terms. These liabilities have a maximum term of one year and are disclosed separately. See note 22 for more details.

	2026 $000	2025 $000
Trade payables	29,909	29,423
Employee benefits	9,501	9,022
Other payables	7,920	9,450
Total trade and other payables	47,330	47,895

12 Cash and cash equivalents

	2026 $000	2025 $000
Bank accounts in funds	10,976	11,996
Net cash and cash equivalents	10,976	11,996

These balances include all cash and cash equivalents.

Bank overdrafts are payable at call.

The Company guarantees the amounts owing by its subsidiaries under overdraft facilities and the subsidiaries guarantee the indebtedness of the Company.

Aggregate limit on bank overdrafts	6,635	6,635

13 Credit contracts

Dealerships arrange finance for customers to buy vehicles with a number of finance companies. Before the customers enter into the finance agreements, information is gathered and provided to the finance companies to check that customers meet their creditworthiness, affordability and other criteria. Dealerships make the initial loans to the customer but instantaneously assign them to the finance company.

Credit contracts with Motor Trade Finance Limited
Credit contracts with Motor Trade Finance Limited (MTF) differ from the other finance companies. MTF retains the right of recourse to the dealership if a particular customer defaults on their payments. Accounting for the MTF credit contracts results in creating a receivable from the customer (which is collected by MTF due to the assignment) and an equal and opposite liability for the amount that may become payable to MTF if the customer defaults. In the normal course of business, the receivable and liability for each finance deal reduce in parallel as customers make routine repayments.

The financial liabilities under credit contracts at reporting date consist of the outstanding balances on customers' accounts. The movement in the liability is detailed in note 26.

Financial receivables – credit contracts
There is a risk if customers fail to make the necessary repayments that the receivable will not be recoverable and the liability will remain payable to MTF. Factors that mitigate this risk include:

- credit checks that are carried out when the finance is arranged
- timely credit control practices
- the number of outstanding loans means there is no concentration of credit risk on a restricted number of debtors
- security over the vehicles that are financed so that, if other measures fail, the vehicles can be repossessed and sold to offset bad debts

Bad debts
If customers default and the sale proceeds of the vehicle do not cover the outstanding balance, the deficit is recognised as an expense in the statement of financial performance.

Impairment
The balances are routinely reviewed for impairment and an allowance is made for amounts that are unlikely to be recovered. The impairment allowance is calculated as a percentage of net amounts outstanding under the credit contracts based on historic trading patterns.

Amounts owed by customers are recoverable over a number of years. To determine the percentage used for the impairment allowance, estimates are based on historical data for contracts in default.

Financing agreements outstanding at reporting date that have been assigned to MTF with recourse have the following repayment schedule:

	2026 $000	2025 $000
Up to 1 year	342	156
1 to 2 years	203	281
2 to 3 years	240	142
3 to 4 years	22	14
4 to 5 years	-	-
Total	807	593
Impairment allowance	(8)	(2)
Carrying value of receivables	799	591

Number of credit contracts	25	27
Value of impaired accounts written off in the year ($000)	-	-
Actual arrears past due at 30 June ($000)	-	-
Arrears as a percentage of total	-	-
Total value of accounts in arrears at 30 June ($000)	2	5
Accounts in arrears as a percentage of total	0.25%	0.84%

The amounts payable by customers under the financial assets – credit contracts, including future interest, have the following repayment profile, which is the maximum amount the Group may be required to pay if subject to recourse under its contractual obligations.

	2026 $000	2025 $000
Less than 1 year	408	208
1 to 2 years	241	315
More than 2 years	280	170
Total	929	693

14 Leases

With the exception of low value assets and short term leases, at the start date of an operating lease the Group recognises a right of use asset, representing the right to use the underlying asset, and a lease liability, representing the obligation to make lease payments.

The right of use asset is initially measured at cost comprising the lease liability recognised, any initial direct costs including lease payments made before the commencement date, less any incentives. Right of use assets are then depreciated on a straight line basis over the shorter of the lease term or the estimated useful life of the assets. The Group also assesses the impairment of the right of use asset when such indicators exist.

The lease liability is recognised from the start date of the lease measured at the present value of lease payments to be made over the life of the lease. When calculating the present value of lease payments, the Group uses its incremental borrowing rate at the commencement date of the lease as the interest rate implicit in the lease is not determinable. After the commencement date, the amount of the lease liability is increased to reflect the addition of interest charges and reduced for the lease payments made. The carrying amount of lease liabilities is remeasured if there is a change in the terms of the lease (for example a change in the length of the lease or a change in the lease payments). The term of the lease includes any rights of renewal where there is a reasonable level of certainty that the lease will be renewed.

Lease payments on low value assets or short term leases (less than 12 months) are recognised as an expense on a straight line basis over the lease term.

The Group has leases for dealership facilities, including showrooms, workshops, office space and storage areas at a number of sites across the country and for office accommodation in Wellington. With the exception of short term leases and leases on low value assets, each lease is reflected on the statement of financial position as a right of use asset and an associated lease liability. Property leases have original terms up to 24 years and most have rights to renew exercisable at the option of the Group. The majority of leases allow for a market rent increase when renewals are exercised and some have annual inflation increases.

The following table summarises the Group's leasing activities:

	Number leased	Range of remaining terms (years)	Average remaining term (years)	Number with renewal options	Number with rent reviews
Dealership facilities	27	1 to 23	8	21	24
Office building	1	4	4	1	1

The value of right of use assets by type is summarised below:

	Dealership facilities	Office building	Total
	$000	$000	$000
At 1 July 2024	18,998	791	19,789
Additions	8,734	64	8,798
Depreciation	(2,199)	(150)	(2,349)
Disposals	(1,988)	-	(1,988)
Right of use assets at 30 June 2025	23,545	705	24,250
Additions	9,225	-	9,225
Depreciation	(2,671)	(151)	(2,822)
Disposals	(768)	-	(768)
Total right of use assets at 30 June 2026	29,331	554	29,885

Lease liabilities are presented as current or non-current liabilities based on the maturity date of the underlying lease. The maturity of lease liabilities is as follows:

	Within one year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 10 years	Over 10 years
	$000	$000	$000	$000	$000	$000	$000
2026							
Lease liability	2,201	2,404	2,412	2,381	2,134	10,300	10,710
Finance charge	1,607	1,479	1,345	1,210	1,084	3,743	2,532
2025							
Lease liability	2,000	1,903	1,976	2,057	2,027	8,444	7,760
Finance charge	1,432	1,319	1,209	1,091	965	3,121	2,309

Interest costs for the year on lease liabilities was $1,706k (2025: $1,200k). This has been included in interest in the statement of financial performance.

A number of leases have right to renew options exercisable by the lessee. The Group has included all of these renewal options in the right of use asset with the exception of three properties which are sub-leased and exercise of the renewal is subject to the head lease.

The Group has a number of properties which are leased on terms which have less than 12 months to run. The cost of these leases was $624k (2025: $523k) for the year and has been included in property occupation costs in the statement of financial performance. At 30 June 2026 the total commitment on these leases was $93k (2025: $167k).

The Group owns some properties that are not completely occupied by Group companies and the space is leased to third parties. The leases are negotiated under normal commercial arrangements with varying terms, escalation clauses and renewal conditions and without undue restrictions. Rent of $1,137k (2025: $1,307k) has been included in other revenue. The rent is receivable during the non-cancellable periods of these leases according to the following schedule.

Lease receivables

	2026 $000	2025 $000
Within one year	943	1,059
Between one and two years	616	768
Between two and five years	178	543
Over five years	349	-
Total operating lease receivables	2,086	2,370

15 Intangible assets

Intangible assets consist of goodwill.

Goodwill is recognised on acquisitions of subsidiaries or purchases of business assets and represents the excess of the acquisition costs over the fair value of the individually identified acquired assets and liabilities at acquisition date.

Goodwill relates to the acquisition of business assets which have no foreseeable limit to the period over which they are expected to generate cash inflows for the Group. As such they are considered to have an indefinite useful life.

The value of intangibles is compared with the "value in use" of the affected dealerships, being South Auckland Motors Ltd and Dunedin City Motors Ltd, which have been identified as the cash generating units associated with the intangibles. Impairment of the intangible assets is recognised if there is considered to be a permanent reduction in the "value in use".

Impairment testing calculations require the use of estimates and assumptions. The calculations of "value in use" are based on the actual results for the past five reporting periods together with the projected results for the next five reporting periods.

Key assumptions relate to the general economic outlook, the size of the new and used vehicle industries and the performance of the Group's business units in this environment.

The discount rate used in completing the cash flow forecast to assess value in use was 10.5% (2025: 9.8%).

Management considers that any reasonable change in a key assumption used in the determination of the value in use would not cause the carrying amount of goodwill to exceed the recoverable amount.

The value of intangible assets was reviewed at 30 June 2026. There was no indication of impairment below their carrying amount (2025: $Nil).

Goodwill	2026 $000	2025 $000
Balance at 1 July	1,028	1,028
Impairment loss during the year	-	-
Balance at 30 June	1,028	1,028
Cost	1,028	1,028
Accumulated amortisation and impairment	-	-
Balance at 30 June	1,028	1,028

Notes on investments

16 Subsidiaries

Subsidiaries are entities controlled by the Company. Control requires the investor to have exposure or rights to variable returns and the ability to affect those returns through power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, and any revenue and expenses from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Non-controlling interests in the results and equity of subsidiaries are shown separately in each of the consolidated financial statements. They represent the portion of the profit or loss, other comprehensive income and net assets of subsidiaries that are not held by the Group based on their respective ownership interests.

All subsidiaries are 100% owned (2025: 100%), with the exception of Southpac Trucks Limited which is 85% owned (2025: 85%). All subsidiaries have a reporting date of 30 June. All Group companies are registered in New Zealand. Subsidiary companies operate as motor vehicle dealerships and related or incidental activities. The Company provides administrative and financial services to the subsidiaries as well as leasing them, at market rates, many of the properties they occupy.

Trading subsidiaries
Adventure Motor Group Ltd (formerly Trucks South Ltd), Agricentre South Ltd, Auto Clearance NZ Ltd (formerly Centennial Motors Ltd) Avon City Ltd, Avon City Motors Ltd, Capital City Motors Ltd, Dunedin City Motors Ltd, Energy City Motors Ltd, Energy Motors Ltd, Fagan Motors Ltd, Hutchinson Motors Ltd, M.S. Motors (1998) Ltd, Macaulay Motors Ltd, Manukau Autos Ltd, NZ Automotive Ltd, Ruahine Motors Ltd, South Auckland Motors Ltd, Southern Autos – Manukau Ltd, Southern Lakes Motors Ltd, Southpac Trucks Ltd and Timaru Motors Ltd.

Non-trading subsidiaries
Agricentre Ltd, Avery Motors Ltd, Central Lakes Automotive Ltd, CMC Motor Group Ltd, CMC Motors Ltd, East City Ford Ltd, EV Trucks Ltd, KB Ford Ltd, Panmure Motors Ltd, Queenstown Motors Ltd, South Auckland Ford Ltd, Southland Tractors Ltd, Stevens Motors Ltd and The Motor Company Ltd.

Non-controlling interest
Southpac Trucks Ltd operates branches and service agencies throughout New Zealand and its principal place of business is Auckland. The summarised financial position and cash flows at the reporting date were as follows:

	2026 $000	2025 $000
Shareholders' equity	37,548	35,633
Total liabilities	58,239	108,186
Total equity and liabilities	95,787	143,819
Total assets	95,787	143,819
Net cash flows from:		
Operating activities	19,851	15,884
Investing activities	(2,367)	(950)
Financing activities	(17,759)	(16,262)
Net movement in cash held	(275)	(1,328)
Opening cash balance	2,719	4,047
Closing cash balance	2,444	2,719

17 Investments

	2026 $000	2025 $000
Shares in Motor Trade Finance Limited (MTF)	491	491
Other	1	1
Total investments	492	492

MTF shares are traded in a quoted but restricted market and are categorised as level 2 in the fair value hierarchy set out in NZ IFRS 13 – Fair Value Measurement.

Shares are carried at fair value with changes in value recognised through the statement of financial performance.

Notes on funding

18 Capital management

The Group's capital includes share capital, retained earnings and property revaluation reserves.

The Group's policy is to maintain a strong capital base to ensure that it continues as a going concern, to maintain investor, supplier and market confidence and to sustain future development of the business. The Board regularly monitors future capital requirements and costs to maintain an appropriate balance of shareholders' equity and debt. The Group generally maintains the capital structure by setting a sustainable level of dividends.

The Group issues call debt securities and maintains relationships with a number of financial institutions to ensure that adequate debt facilities are available to meet short to medium term strategic cash flow requirements and as a buffer for unexpected events. The Group complied with all of the financial covenants incorporated in the borrowing facilities (note 24) and the at call deposit trust deed (note 23) at the reporting date and at 30 June 2025. There are no other externally imposed capital requirements.

There has been no change in the Group's management of capital during the years ended 30 June 2026 or 30 June 2025.

19 Movements in equity

	Share capital (Note 20) $000	Property revaluation reserve $000	Foreign exchange cash flow hedge reserve $000	Retained earnings $000	**Total attributable to share-holders $000**	Non-controlling interest $000	**Total equity $000**
Balance at 30 June 2024	15,968	115,586	(470)	165,359	296,443	5,118	301,561
Dividends paid - note 21	-	-	-	(11,443)	(11,443)	(900)	(12,343)
Total transactions with shareholders	-	-	-	(11,443)	(11,443)	(900)	(12,343)
Profit for the year	-	-	-	18,343	18,343	1,175	19,518
Other comprehensive income							
Property revaluation reserve							
Fair value movement	-	4,271	-	-	4,271	-	4,271
Deferred tax	-	(1,119)	-	-	(1,119)	-	(1,119)
Foreign exchange cash flow hedge reserve							
Fair value movement	-	-	676	-	676	119	795
Deferred tax	-	-	(190)	-	(190)	(33)	(223)
Total comprehensive income	-	3,152	486	18,343	21,981	1,261	23,242
Balance at 30 June 2025	15,968	118,738	16	172,259	306,981	5,479	312,460
Dividends paid - note 21	-	-	-	(11,443)	**(11,443)**	(604)	**(12,047)**
Total transactions with shareholders	-	-	-	(11,443)	**(11,443)**	(604)	**(12,047)**
Profit for the year	-	-	-	19,871	**19,871**	853	**20,724**
Other comprehensive income							
Property revaluation reserve							
Fair value movement	-	5,420	-	-	**5,420**	-	**5420**
Deferred tax	-	(623)	-	-	**(623)**	-	**(623)**
Transfer on sale of property	-	(1,005)	-	1,005	**-**	-	**-**
Foreign exchange cash flow hedge reserve							
Fair value movement	-	-	376	-	**376**	67	**443**
Deferred tax	-	-	(105)	-	**(105)**	(19)	**(124)**
Total comprehensive income	-	3,792	271	20,876	**24,939**	901	**25,840**
Balance at 30 June 2026	**15,968**	**122,530**	**287**	**181,692**	**320,477**	**5,776**	**326,253**

Reserves

The property revaluation reserve arises on the revaluation of land and buildings. Where revalued land or buildings are sold, the portion of the revaluation reserve that relates to the asset and is effectively realised, is transferred directly to retained earnings.

The foreign exchange cash flow hedge reserve comprises the cumulative balance of adjustments to uncompleted transactions that qualify as effectively hedged under NZ IFRS 9 – Financial Instruments.

20 Share capital

All shares on issue are fully paid-up and have no par value.
All ordinary shares:

- have equal voting rights
- share equally in dividends
- would share equally in any surplus on winding up

	2026 $000	2025 $000
Share capital	15,968	15,968

	Thousands of shares	Thousands of shares
Number of ordinary shares authorised and on issue	32,695	32,695
Weighted average number of ordinary shares on issue	32,695	32,695

21 Dividends

	Date paid	Cents per share	2026 $000	2025 $000
Final for the previous year	6 October 2025	20.0	6,539	6,539
Interim for the current year	30 March 2026	15.0	4,904	4,904
Dividends paid during the year			11,443	11,443

For details of the final dividend for the current year, see note 32.

22 Vehicle floorplan finance

When not purchased outright, new vehicles are funded by bailment arrangements, which represent a financial liability, accounted for at amortised cost. The vehicles are initially included in inventory at the same value.

Most of the subsidiaries have bailment facilities with finance companies to provide funding for new vehicles. The main finance company is UDC Finance Limited. Under these facilities the finance companies own the vehicles that are placed in the control of the subsidiaries as bailees and are available to display for sale to the public in the dealerships. The subsidiaries pay bailment fees (similar to interest) for the use of the vehicles. The bailment agreements are subject to financial limits. The finance company pays the manufacturer for the vehicle under the normal trade terms. The vehicles are purchased from the finance companies when they are sold to customers.

If the subsidiaries breach the bailment agreements, the finance companies retain the right to repossess and sell the vehicles and the subsidiaries must meet any shortfall of the sale proceeds from the purchase price of the vehicles.

Liabilities under bailment agreements are due for payment within the next 12 months.

	2026 $000	2025 $000
Total vehicle floorplan finance	72,259	92,451

23 At call deposits

The Company offers for subscription unsecured call debt securities (Deposits) that are repayable on demand. Acceptance of Deposits is restricted to shareholders, employees and their associates.

At reporting date the Deposits were constituted by, issued under and described in, a trust deed dated 13 September 2016 between the Company, its Guaranteeing Subsidiaries (as therein defined) and Public Trust as supervisor for the holders of Deposits (the Depositors). Under the terms of the trust deed the Guaranteeing Subsidiaries unconditionally guarantee, jointly and severally, the repayment of the deposits together with interest thereon by the Company and by each of the other Guaranteeing Subsidiaries. The governance documents, including a product disclosure statement, are available at the Disclose Register.

Interest is payable on Deposits at rates that vary from time to time as disclosed to the Depositors on the application form or as subsequently notified to Depositors in writing. The interest rate applicable at 30 June 2026 was 4.00% (2025: 4.40%).

	2026 $000	2025 $000
Deposits	28,222	28,074
Maximum amount of deposits on offer	40,000	40,000

24 Borrowings

The Group has wholesale facilities with Westpac, ANZ and BNZ, three highly respected international registered trading banks. The facility with Westpac has maturity date of March 2027 and has been treated as current. The facility with ANZ has a maturity date of March 2028 and has been treated as non-current. The facility with BNZ has two components, one with a maturity date of March 2027 and one with a maturity date of March 2028. The component with a maturity date of March 2027 has been treated as current, the remainder as non-current. The facilities are used to finance working capital and are drawn and repaid as required. During the year the combined facility limits were reduced by $5m to $90m.

Wholesale bank borrowing is transacted only by the Company. Its indebtedness is guaranteed by its trading subsidiaries to the full extent of the facilities.

The agreements with each of the banks are very similar and require the Group to meet financial criteria based on ratios derived from its financial statements. The Group also pledges to the banks not to grant security over any of its assets i.e. a “negative pledge”.

	2026 $000	2025 $000
Bank borrowing – current	1,000	26,546
Bank borrowing – non current	20,722	44,180
Combined bank facility limits	90,000	95,000

25 Financial instruments

Financial instruments primarily comprise cash at bank, receivables, payables, credit contracts, forward exchange contracts, shares in companies, borrowings and loans.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss
- fair value through other comprehensive income

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset

Measurement of financial assets

Financial assets at amortised cost
Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as fair value through profit or loss):

- the assets are held to collect contractual cash flows
- the contractual terms of the assets give rise to cash flows that are only payments of principal and interest

After initial recognition, the assets are measured at amortised cost using the effective interest rate method. Discounting is ignored where the effect of discounting is not material.

Financial assets at fair value through profit or loss
Financial assets that are held under a different model than 'held to collect' or 'held to collect and sell' and assets whose cash flows are not solely payments of principal and interest are accounted for as fair value through profit or loss. All derivative financial instruments fall into this category, except for those designated and effective as hedge instruments. This category also contains any equity investments.

Assets in this category are all measured at fair value with gains or losses recognised in the statement of financial performance. The fair values of the assets in this category are determined by reference to an active market or by using an alternative valuation technique where no market exists.

Financial assets at fair value through other comprehensive income
The Group had no financial assets in this category at 30 June 2026.

Impairment of financial assets
Recognition of credit losses is not dependent on identifying a credit loss event but instead considers a broader range of information when assessing credit risk including past events, current conditions and reasonable forecasts that could affect the expected collectability of future cash flows. In applying this approach, distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition, or that have a low credit risk (Stage 1)
- financial instruments that have deteriorated in credit quality since initial recognition and whose credit risk is not low (Stage 2)
- financial instruments that have objective evidence of impairment at the reporting date

Twelve month expected credit losses are recognised for Stage 1 instruments while lifetime expected credit losses are recognised for Stage 2 instruments. Measurement of expected credit losses is determined by a probability weighted assessment of the credit losses over the life of the instrument.

The Group makes use of a simplified approach in accounting for trade receivables. See note 10 for more information.

Measurement of financial liabilities
Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivative financial instruments that are designated and effective as hedging instruments (see note 28).

Financial instruments by category

	2026 $000	2026 $000	2025 $000	2025 $000
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Assets				
Cash and bank accounts	-	10,976	-	11,996
Trade and other receivables	-	39,874	-	45,752
Credit contracts	-	799	-	591
Shares in companies	492	-	492	-
Financial derivatives – foreign exchange	470	-	27	-
	Financial liabilities at amortised cost	Financial derivatives at fair value	Financial liabilities at amortised cost	Financial derivatives at fair value
Liabilities				
Bank borrowings	21,722	-	70,726	-
At call deposits	28,222	-	28,074	-
Trade and other payables	39,410	-	38,445	-
Vehicle floorplan finance	72,259	-	92,451	-
Credit contracts	807	-	593	-
Financial derivatives – foreign exchange	-	-	-	-

26 Reconciliation of liabilities arising from financing activities

Movements in liabilities from financing activities during the year were as follows:

	At 1 July 2025 $000	Cash flows $000	Non-cash changes $000	At 30 June 2026 $000
Bank borrowing – note 24	70,726	(49,004)	-	21,722
At call deposits – note 23	28,074	148	-	28,222
Vehicle floorplan finance – note 22	92,451	(20,192)	-	72,259
Total short term borrowings	191,251	(69,048)	-	122,203
Credit contracts – note 13				
Short term	156	-	186	342
Long term	437	-	28	465
Lease liabilities – note 14				
Short term	2,000	(1,979)	2,180	2,201
Long term	24,167	-	6,174	30,341
Total liabilities arising from financing activities	218,011	(71,027)	8,568	155,552

	At 1 July 2024 $000	Cash flows $000	Non-cash changes $000	At 30 June 2025 $000
Bank borrowing – note 24	76,371	(5,645)	-	70,726
Vehicle financing – note 24	6,294	(6,294)	-	-
At call deposits – note 23	29,325	(1,251)	-	28,074
Vehicle floorplan finance – note 22	100,032	(7,581)	-	92,451
Total short term borrowings	212,022	(20,771)	-	191,251
Credit contracts – note 13				
Short term	436	-	(280)	156
Long term	463	-	(26)	437
Lease liabilities – note 14				
Short term	2,070	(2,077)	2,007	2,000
Long term	19,777	-	4,390	24,167
Total liabilities arising from financing activities	234,768	(22,848)	6,091	218,011

Notes on managing risk

27 Financial risk management

27 (a) Credit risk

Financial instruments which potentially subject the Group to concentrations of credit risk consist principally of bank balances, deposits, receivables and credit contracts.

The carrying amounts of financial assets represents the Group's maximum credit exposure.

The Group places its cash and short term investments with high credit quality financial institutions (as determined by independent credit rating agencies) and limits the amount of credit exposure to any one financial institution.

The Group performs credit evaluations on all customers requiring credit and generally does not require collateral or other security to support financial instruments with credit risk.

Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers included in the Group's customer base.

The rate of impairment of amounts receivable under credit contracts (note 13) is low. If the incidence of recourse requiring balances to be written off were to increase by 1% it would increase the annual amount written off through profit or loss by $0.01m (2025: $0.01m).

27 (b) Interest rate risk

The Group is not exposed to any specific interest rate risk other than normal interest rate movements on a daily basis in the New Zealand market. The specific rates that the Group was exposed to during the year were:

	2026	2025
Bank overdrafts	5.25% - 12.45%	6.54% - 12.45%
At call deposits	4.00% - 4.40%	4.40% - 5.75%
Borrowing and bailment facilities	3.95% - 6.25%	4.95% - 8.60%

Bank borrowings are unsecured and fall within the agreed committed facility requirements in place with the Group's bankers. These facilities have maturity dates ranging from March 2027 to March 2028 and are expected to be renewed in the normal course of business. The facilities can be drawn on or repaid at any time and interest rates are variable. Vehicle financing loans are secured against the vehicle and have terms of less than one year. The loans are drawn on or repaid as the vehicles to which they relate are returned and replaced. The interest rate is variable. The carrying value of all loans is considered to be the fair value.

Interest rate sensitivity
The effect of a movement of 1% in interest rates would be to change finance costs in the statement of financial performance and equity by $0.50m per annum (2025: $0.99m).

27 (c) Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual payment obligations. The Group monitors its cash on an ongoing basis to ensure it has sufficient credit facilities to meet its obligations.

The Group obtains funding for its operations from several sources. In addition to its shareholders' funds (made up of share capital and reserves), funding is also provided by depositors through the at call deposit scheme and from banks and other financial institutions.

Financial liabilities in the form of at call deposits are repayable at call. Trade and other payables fall due within one year. The potential repayment profile of amounts due under financial liabilities – credit contracts is provided in note 13.

There is a risk that the banks may reduce or withdraw the facilities or will be unable to provide the level of funding required. The Group would then be required to obtain alternative funding which could cost more. If no alternative funding was available, the consequences would disrupt cash flows and potentially the Group may not be able to continue to pay suppliers and staff or repay depositors.

If the finance companies were to withdraw the bailment facilities described in note 22 or were unable to fund as many vehicles as required, the Group would have to seek alternative methods of funding the vehicles. This could involve bailment agreements with other providers or additional bank funding to purchase the vehicles outright. The consequences could include increased costs and disruption to the supply of new vehicles for sale.

27 (c) Liquidity risk (continued)

The Group mitigates its funding risk by adopting prudent financial management practices (such as closely monitoring its cash flows and regularly checking compliance with the financial ratios) and by maintaining open and honest relationships with the banks and finance companies.

The extent of the financing facilities is disclosed in note 24 and floorplan facilities in note 22.

27 (d) Foreign currency risk

The Group enters into fixed rate foreign exchange contracts to create cash flow hedges for the purchase of trucks on a contract-by-contract basis with firm customer orders and for units ordered for stock. Other short term transactions are covered by forward exchange contracts and accounted for at that rate.

The principal values (stated in New Zealand Dollars) of forward exchange contracts entered into and outstanding at each reporting date were denominated in the following currencies.

Currency		2026 $000	2025 $000
Australian Dollars	(AUD 12.3m)	14,775	23,100
Euros	(EUR 10.7m)	21,210	3,361
Total		35,985	26,461

Due to the close association between foreign currency commitments for imported goods, their selling price and the underlying forward exchange contracts, it is estimated that any change in the New Zealand Dollar exchange rates against the above currencies would have had minimal impact on the result and equity for the years ended 30 June 2026 or 30 June 2025.

28 Financial derivatives – foreign exchange

Foreign exchange (liability)/asset	2026 $000	2025 $000
Balance at 1 July	27	(768)
Movement during the year through		
Other comprehensive income	443	795
Statement of financial performance	-	-
Balance at 30 June	470	27

The Group uses forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group assesses whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- there is ‘an economic relationship’ between the hedged item and the hedging instrument
- the effect of credit risk does not ‘dominate the value changes’ that result from that economic relationship
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item

Hedges that meet all the qualifying criteria for hedge accounting all fall into one category of hedge and are accounted for as described below:

Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognised in Other Comprehensive Income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of financial performance. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item. The Group continues to designate all of the forward contracts as hedging instruments.

The amounts accumulated in Other Comprehensive Income are accounted for depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of inventory.

29 Dealership franchise agreements

Each of the trading subsidiaries enters into agreements in their own right with the New Zealand distributor to sell and service specific brands of motor vehicle in a defined primary marketing area. As national distributors, Southpac Trucks Limited and NZ Automotive Limited have equivalent agreements with international suppliers covering the whole country. Most of these agreements (called either dealer or franchise agreements) do not have a specific duration. All of the dealer or franchise agreements contain the right for the distributor/franchisor or the dealer to terminate the arrangements at short notice. Some of these agreements have finite terms from one to three years, usually without automatic rights of renewal. If a dealership or franchise agreement is terminated or not renewed there could be a detrimental effect on the future financial performance of the Group.

The Group manages and mitigates this risk through stable and profitable operating businesses that deliver on franchise objectives in conjunction with a customer first approach. In addition, strong relationships with brand partners, at both the Group and dealership levels, focuses on delivering mutually beneficial long term outcomes to further manage this risk.

Other notes

30 Related party transactions

The Group has related party transactions with key management personnel and the CMC Group Workplace Savings Scheme.

Management personnel
Transactions with key management personnel were:

	2026 $000	2025 $000
Short term benefits (including salary, incentives, profit share, use of motor vehicles and other benefits)	8,312	7,486
Post-employment benefits (including contributions to retirement savings schemes)	325	276
Total remuneration benefits	8,637	7,762

Key management personnel includes current Directors (executive and non-executive), key management at the group office and chief executives of all trading subsidiaries.

Some key management personnel have funds on deposit with the Company by way of its unsecured at call debt securities – note 23 – on the same terms and conditions as all other depositors.

Also see remuneration of Directors on page 51 and remuneration of employees on page 52.

The CMC Group Workplace Savings Scheme

The Company is the sponsoring employer of the CMC Group Workplace Savings Scheme (the Scheme) which is a defined contribution scheme. It is categorised as an employer-related restricted workplace savings scheme registered under the FMCA 2013.

The Company ceased to be the trustee of the Scheme when a new trust deed was registered on 18 November 2016 but continues to provide administrative services to the Scheme and received fees of $0.09m during the year (2025: $0.1m).

The Scheme holds 148,196 (2025: 148,196) ordinary shares in the Company representing 3.0% (2025: 3.0%) of its total assets. The Company is a related party to the Scheme and FMCA limits investments in related parties to 5% of total assets.

All transactions between key management personnel, the Scheme and Group companies were in the normal course of business.

31 Contingencies

There were no contingent assets or liabilities at 30 June 2026 (2025: $Nil).

The Group has provided guarantees to PACCAR Australia Pty Limited in respect of obligations owed to that company. The guarantee is in proportion to the shareholding in Southpac Trucks Limited and the maximum exposure for the Group is $1.3m.

32 Events after the reporting date

On 14 August 2026, a dividend of 25.0 cents per share was declared to be paid fully imputed on 5 October 2026, representing a total payment of $8.174 million.

Grant Thornton

Independent auditor's report

To the Shareholders of The Colonial Motor Company Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of The Colonial Motor Company Limited (the "Company"), including its subsidiaries (the "Group") on pages 11 to 41 which comprise the consolidated statement of financial position as at 30 June 2026, and the consolidated statement of financial performance, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2026 and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) issued by the New Zealand Accounting Standards Board and IFRS Accounting Standards issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand*) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group. In addition to this, partners and employees of our firm deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Why the matter is significant</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>

Recognition of revenue from contracts with customers

Revenue is a significant area of audit focus due to the high volume and value of transactions across the Group. For the year ended 30 June 2026, the Group recognised revenue of $1,068 million.

There is a presumed risk of material misstatement due to fraud in revenue recognition in accordance with ISA (NZ) 240. In particular, commission-based remuneration structures and system capabilities, including the ability to forward-date vehicle sales transactions, may create incentives for revenue to be recognised before control of goods has transferred to customers or before related performance obligations have been satisfied.

While the Group's revenue recognition policies under NZ IFRS 15 are well established and consistently applied, the most significant risk relates to the timing of revenue recognition. This includes assessing whether control of vehicles and parts has transferred to customers and whether service-related performance obligations have been satisfied before revenue is recognised. Particular audit attention was directed towards transactions recognised close to year-end.

Due to the materiality of revenue and the associated risks surrounding the timing of recognition, this area required significant auditor attention and was therefore considered a key audit matter.

The Group's accounting policies relating to revenue recognition and related disclosures are set out in Note 1 to the consolidated financial statements.

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In obtaining sufficient and appropriate audit evidence, we:

- Evaluated the design and tested the operating effectiveness of key controls over revenue recognition across the Group's major revenue streams.
- Assessed the Group's revenue recognition policies for compliance with NZ IFRS 15 and evaluated the adequacy of related financial statement disclosures.
- Performed analytical procedures over revenue streams and investigated significant or unusual trends and fluctuations.
- Selected samples of vehicle, parts, and service revenue transactions and examined supporting documentation to assess whether the related performance obligations had been satisfied before revenue was recognised:
  - For vehicle sales, inspected supporting evidence including signed sales agreements, vehicle handover documentation, delivery records and other relevant evidence to assess whether control had transferred to customers.
  - For parts sales, inspected sales documentation and assessed the appropriateness of revenue recognition. Where evidence of delivery or customer collection was not available, we corroborated the occurrence of sales through examination of subsequent cash receipts and considered customer payment history and credit terms for outstanding balances.
  - For service revenue, reviewed repair orders, job cards, service completion records and other supporting documentation to confirm that services had been performed before revenue was recognised.
- Performed cut-off testing over revenue transactions recorded around year-end to assess whether revenue had been recognised in the appropriate reporting period.

</td></tr>
</table>

Information Other than the Consolidated Financial Statements and Auditor’s Report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We have nothing to report in this regard.

Directors' responsibilities for the consolidated financial statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with New Zealand equivalents to International Financial Reporting Standards issued by the New Zealand Accounting Standards Board and IFRS Accounting Standards, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the External Reporting Board's website at: https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/

Restriction on use of our report

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state to the Company's shareholders, as a body those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited

Grant Thornton

J Du Toit
Wellington

15 September 2026

Governance statement

The Colonial Motor Company Limited (CMC or Company) is a public company with its shares listed on the New Zealand Stock Exchange (NZX) operated by NZX Limited.

CMC's Board of Directors (Board) is committed to maintaining high standards of governance by implementing a framework of structures, practices and processes that it considers appropriate and effective. CMC's corporate governance policies and procedures and its board and committee charters, which document the framework, have been approved by the Board. Components of the system of governance are regularly reviewed. The Company's charters, codes, terms of reference and policies are reviewed annually, biennially or when necessary to meet NZX and relevant statutory requirements. They can be found on the Company's website (www.colmotor.co.nz).

This Statement sets out how these measures meet the recommendations made in the NZX Corporate Governance Code 31 March 2026 (Code) and the requirements of the NZX Main Board Listing Rules (Listing Rules). The Board's view is that the corporate governance structures, practices and processes have, with any stated exceptions, followed the recommendations and requirements of the Code in the year to 30 June 2026 (the reporting period).

The Group is organised so that each motor vehicle dealership is incorporated as a subsidiary company of CMC and is managed locally. The CEO of each company reports to the Group Chief Executive. Each dealership also has a direct relationship with the franchisor(s) it represents.

1. Code of ethical behaviour

Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation.

The Board ensures that, consistent with its history and industry standing, CMC conducts its dealings with all stakeholders with integrity and respect. It maintains a Directors' Manual, including a code of ethics, that extends to all staff and sets out required standards of behaviour. In particular, Directors take care to comply with rules requiring disclosure of positions and occupations they have outside of CMC that may involve a conflict of interest.

The Company has a securities trading policy that complies with prevailing legislation. It requires full disclosure by Directors and senior executives, both before and after buying and selling CMC shares. All share trades by Directors and senior executives are reported to the market and Director's trades are disclosed in the Annual Report (page 52).

The Company has a protected disclosures (whistle blower) policy to comply with prevailing practice to protect employees who make disclosures of information about serious wrongdoing within the Group.

2. Board composition and performance

To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives.

The Board operates under a written charter which sets out the roles and responsibilities of the Board and distinguishes them between the respective roles and responsibilities of the Board and Management.

The Company's constitution specifies that there should be between five and seven directors – there are currently seven. The Board contains three independent Directors, as well as three non-executive Directors and one executive Director who are not independent. The Board chair is an independent director who is not the Group Chief Executive. Information about each Director regarding their experience, length of service, independence and ownership interests are disclosed in the Annual Report (pages 50 and 53).

As vacancies arise, new directors are identified by the Nominations Committee of the Board. A person identified by that Committee can be appointed as a director by the Board during the year but must then stand for election at the next annual meeting. A person can also be nominated by shareholders and stand for election as a director at an annual meeting. The terms of appointment of each newly appointed director are provided to the individual in writing. These terms include the need for directors to utilise training in order to maintain their skills and contribution to the Board. Director and Board assessments and self-assessments are carried out regularly.

The constitution specifies that a director cannot serve (without re-election) past the third annual meeting following their appointment or three years, whichever is longer.

3. Board committees

The board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility.

Where additional detailed supervision or consideration of matters affecting the Company is required, the Board establishes committees that operate by making recommendations to the Board for final resolution. There are three standing committees, each with a written charter or terms of reference that can be found on the Company's website.

Audit & Financial Risk Committee: This Committee comprises J W M Journee (Committee chair and independent director), A J Waugh (independent director) and G D Gibbons (non-executive director). From 31 January 2025, the Code required one member of this Committee to be both an independent director and have an 'adequate accounting or financial background'. Graeme Gibbons has the requisite background but is not an independent director. The Board determined him being non-independent does not limit or decrease the value his qualifications bring to the Committee's functions. Further, the Board determined that the other members of the Committee have the required or alternative qualifications, experience and commercial background to satisfy the 'adequate accounting or financial background' test.

The Committee meets regularly with Management, the internal auditor and the external auditor to:

- review the adequacy of controls to identify and manage areas of potential risk and to safeguard the assets of the Group;
- maintain the independence of the external auditor and review the external audit functions generally; and
- evaluate the processes to ensure that financial records and accounting policies are properly maintained in accordance with statutory requirements and financial information provided to shareholders and the Board is accurate and reliable.

Management is delegated the responsibility for developing, maintaining and enforcing the system of internal controls. The same basic set of controls is applied across the Group. Monthly reports from each dealership form a key element of the financial control mechanism. An internal auditor works in conjunction with the external auditor to complete a review of all dealerships every year to ensure maintenance of the standard of accounting practices and for compliance with the Group's internal policies and procedures. The internal auditor regularly reports to the Committee.

Remuneration Committee: A J Waugh (Committee chair), G D Gibbons and J W M Journee make up this Committee, the purpose of which is to ensure the Directors and senior executives are fairly and reasonably rewarded for their individual contributions. The Committee meets as required during the reporting year. The Company's policy is to review remuneration levels for Directors and senior staff every two years. Directors' fees were last reviewed in August 2025 (for consideration at the 2025 Annual Meeting). Director and Management remuneration is disclosed in the Annual Report (page 41). The Company has no equity-based remuneration plan and does not require the Directors to purchase or hold CMC shares.

Nominations Committee: This Committee has the task of identifying potential Directors with skills that are complementary to the needs of the Company and the Board. All Directors serve on this Committee. The Committee utilises a skills matrix to determine 'best fit and skill set' to ensure the Company retains the cross-section of abilities required for a balanced board.

Takeover protocols: The Board has adopted a Takeover Response Manual that establishes protocols to assist Directors and Management with their response to unexpected takeover activity. The Manual summarises the key aspects of preparation and sets out governance, conflict and communication protocols for a takeover response.

4. Reporting and disclosure

The board should demand integrity in financial and non-financial reporting and in the timeliness and balance of corporate disclosures.

The Board normally schedules eight meetings each year to monitor the progress of Management on achieving the targets and objectives the Board has set. The Board usually meets in Wellington but at least once a year it holds a meeting at a dealership in order to meet front-line staff and experience operations at first hand. Additional ad hoc meetings are held when necessary. During the reporting period, the Board held 12 meetings through a mix of physical attendance and video/teleconference. All Directors attended each meeting bar one absence from a physical meeting and two absences from a video conference meeting. Five meetings of the Audit & Financial Risk Committee were also held during the same period, with full attendance bar one absence from a meeting.

The Board issues three reports annually – a Half Year Report, a Preliminary Full Year Report and an Annual Report – to provide shareholders with the information they need to monitor their investment in the Company. These reports are designed to deliver that information in a clear and concise manner. The reports are mailed to all shareholders and are available for download from the Company's website. Shareholders can register to receive email notification at the time of release of the Half Year and Preliminary Full Year reports and the Annual Report and approximately 85% of shareholders receive notifications in this way. During the reporting period, the Company also made four non-routine disclosures on NZX, three in relation to guidance and the other on the expansion of the Company's representation of the BYD brand.

A condition of listing is that the Company complies with the Listing Rules issued by NZX. The rules include the requirement to continuously disclose market sensitive information (the Company's continuous disclosure policy can be found on the website). The market acts in the position of all current and potential shareholders and disclosure via the NZX is considered adequate notification to all. However, CMC has a long-established policy of communicating directly with its shareholders whenever practical.

As a result of the Government significantly increasing the market capitalisation reporting threshold, the Company ceased to be a climate reporting entity. The Company will continue to report Group emissions via the Annual Report (page 49).

The Company does not have a specific formal written diversity policy but Group policies and practices address diversity, equality of treatment and opportunity. The CMC code of ethics requires all the Group's employees to value individual differences and treat others in the workplace with respect in accordance with the Company's philosophies of equal employment opportunities and the written anti-harassment and discrimination policies.

The remuneration policy requires the Company to strive to achieve pay equity across all demographics. This is to ensure there is equitable remuneration for management and employees undertaking the same role and who have the same level of responsibility, experience and competence.

5. Remuneration

The remuneration of directors and executives should be transparent, fair and reasonable.

As stated at section 3, remuneration of Directors and senior executives is considered by the Remuneration Committee. During its assessments, the Committee mainly refers to and relies on independent industry-related and recognised survey reports (for example from Strategic Pay) to provide suitable market-related benchmarks. The actual amounts paid to each Director are disclosed in the Annual Report, including full details (page 51). Remuneration of other staff is also disclosed in the $10,000 bands specified in company disclosure legislation (page 52).

The remuneration packages of the Group Chief Executive and senior staff are made up of fixed and variable components. The variable portions include only short-term incentives. There are no long-term incentives or share schemes in place. The variable elements are based on dealership profit and comprise higher proportions of the total than are seen in the general market. Participation in the financial performance provides a strong incentive for success. The Group has a proud record of staff retention, particularly at senior levels.

Remuneration principles and practices across the Group are required to adhere to the provisions of CMC's remuneration policy (that policy can be found on the Company's website).

6. Risk management

Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.

The range of tools used to mitigate risk includes elements of corporate governance outlined in this Statement, the system of internal controls and management reporting and accountability. The Board reviews the Group insurance programme annually and as needs arise and, with the assistance of an external insurance broker, assesses which risks to insure.

The Audit & Financial Risk Committee has particular responsibility for internal audit and receives regular reports from the internal auditor. Management provides that Committee with a comprehensive annual internal management and regulatory compliance summary report.

During the annual strategic planning review (and periodically throughout the year), the Board and Management review the 'whole of business' risk matrix which has captured the short and long-term risks for the Group and historically includes climate-related risks.

Health & Safety: CMC is committed to providing healthy and safe environments for all its employees, customers, contractors and other visitors to its facilities. A comprehensive group-wide workplace safety management programme (known as GoSafe) is operated and a Health & Safety Committee is active at each subsidiary. The Group Health & Safety Manager maintains and is continually improving the Group's workplace H&S systems (both electronic and manual). These systems are based on a comprehensive policy and procedures manual and are subject to independent external audits. The Board receives regular detailed reports, considers H&S issues at each of its meetings and experiences first-hand the practicalities of maintaining a healthy and safe workplace during its regular dealership visits.

7. Auditors

The board should ensure the quality and independence of the external audit process.

The role of the external auditor is to report to shareholders on the truth and fairness of the financial statements prepared by Management, authorised by the Board and included in each Annual Report.

The audit partner and the Chair of the Audit & Financial Risk Committee meet at least twice a year, the auditor attends Committee meetings at least three times a year and the audit partner attends the Company's annual meetings. The scope of discussions is not limited and includes issues identified during audits, audit planning and staffing and the extent of non-audit work (if any) carried out by the audit firm. The lead audit partner is changed periodically to provide a fresh perspective and to ensure greater independence. Fees paid to the auditors are disclosed in the Annual Report (page 18).

8. Shareholder rights and relations

The board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer.

The Board acts in a stewardship role on behalf of all shareholders. It approves the strategic direction of the Group, oversees the management of its capital resources, monitors its performance and compliance, ensures its assets are safeguarded and its workplaces are safe.

Shareholders meet in person at annual meetings to:

- consider the Company's financial performance and financial position;
- elect and/or re-elect directors;
- record the on-going appointment of the external auditor and to authorise the audit remuneration; and
- set the maximum level of director remuneration following reviews in alternate years. The actual amount paid to each director is disclosed in the Annual Report (page 51).

The shareholders adopted the Company's current constitution in 2004. This document outlines and details the administration of the Company and the relationship with shareholders. The constitution is available on the Company's website. The requirements of the Listing Rules are incorporated by reference into the constitution.

CMC maintains a website through which shareholders and interested stakeholders can communicate with the Company. The website also provides access to a wide variety of Company information including financial, operational, policy and historic information.

Computershare Investor Services Limited maintains the register of shareholders.

Emissions Statement

CMC is no longer a climate reporting entity under the Financial Markets Conduct Act 2013 but will maintain its ability to evaluate matters relating to climate change that may affect the Company.

CMC has continued to include an assessment of risks, including those that are associated with climate change, in its corporate and strategic risk assessment. These risks include those associated with potential physical impacts and those associated with regulatory, economic and social impacts.

In 2026, an emissions inventory was completed for the Group for the third year. The table below provides a summary of the results in tonnes of CO_2-equivalent (tCO_2e).

Financial Year	**2024**	**2025**	**2026**
Scope 1	2,554	2,488	2,508
Scope 2	297	438	338
Total Reported Emissions	2,851	2,926	2,846

As in previous years, measurement and reporting were undertaken based on the guidance contained in the Greenhouse Gas Protocol's Corporate Accounting Reporting Standard (revised edition). Emission factors were sourced from the most recent Ministry for the Environment guidance for the 2026 year, including the use of an average electricity emission factor for New Zealand.

The nominal decrease in total reported emissions for the year was primarily due to a decrease in the aforementioned average electricity emission factor. In 2026, the inventory was not independently verified.

Disclosures as required by the Companies Act 1993

(a) Director profiles and interests

In relation to sections 140 and 211(1)(e) of the Act, no director has declared any interest in a related party transaction with the Company during the year. The Company has received the following general disclosures of interest pursuant to section 140(2) of the Act that remain in place at the date of this report:

Ashley James Waugh, BBS
Te Awamutu

Ashley has a breadth of experience in brand and franchise management developed during an extensive business career that commenced with the Ford Motor Company in New Zealand, Australia and Taiwan. That senior management experience spans fast moving consumer goods, where he held positions with the New Zealand Dairy Board (now Fonterra) and National Foods in Australia. His governance career includes directorships in agribusinesses, with Fonterra and listed kiwifruit company Seeka Limited. Ashley's experience and roles in the listed company environment has seen him serve as Chair of Audit Committees before being elected as Chair of CMC. With his wife Catherine, they own and manage a dairy farm near Te Awamutu. Ashley became a director in November 2015.

Graeme Durrad Gibbons, BCom, CA
Wanaka

After gaining a commerce degree at Otago University, Graeme began his career with Ford New Zealand and then joined the CMC Group in 1984. He took up the role as the Group's Chief Executive in 1990 and became a director of the Company in 1995. Graeme retired as Chief Executive on 30 September 2021. He was previously a director of Motor Trade Finance Limited and Chair of its Audit Committee.

Stuart Barnes Gibbons
Lower Hutt

Stuart joined the Group in 1982 as an apprentice technician at Hawke Motors, Morrinsville. He held various roles across Group subsidiaries until his appointment as Chief Executive and Dealer Principal of Stevens Motors in 2002, holding that position until Stevens Motors was merged with Capital City Motors on 1 July 2020. Stuart remained with Capital City Motors in a senior management role until June 2022. From July 2022 to June 2025, he took up the Group Office role of Group Manager: Strategic Development and then from March to June 2025 he was the acting Dealer Principal at Fagan Motors. Stuart is a past Chair of the Ford Dealer Council. He became a director in July 2014.

John William Michael Journee, BCom
Auckland

John has held various senior executive positions in the retail industry in New Zealand and Australia, including with Noel Leeming and until 31 July 2025, interim chief executive of The Warehouse. He is currently Chair of The Warehouse Group Limited, a director of Farmlands Co-operative Society Limited and a member of the Data Insights Group Limited Advisory Board. John became a director in December 2018.

Gillian Durrad Watson, BA
Auckland

Gillian has a business background in the real estate industry and has worked in production management in the television industry. She is a significant shareholder who has had a life-long focus and interest in the Company. Gillian is a member of the Institute of Directors and became a director in September 2021.

John Ormond Hutchinson
Christchurch

John is currently the Chief Executive and Dealer Principal of Team Hutchinson Ford in Christchurch. He joined Team Hutchinson Ford in 1994 in vehicle sales and became Dealer Principal in September 2006. Previous to joining the dealership, John had worked in the UK at Investment Bank, Credit Suisse First Boston, then ran his own business in Christchurch. He is a current member and past Chair of the Ford Dealer Council. John became a director in September 2022.

John Alexander Beveridge
Auckland

John is an experienced director in both the public and non-public company environments and has held a number of senior management positions with both listed and unlisted companies. John's corporate career included senior management roles with Fletcher Building, where he was the CEO of Placemakers, following leadership roles with Pacific Steel and Golden Bay Cement. He is currently Chair of the non-public NZ Scaffolding Group of companies. John became a director in April 2025.

(b) Remuneration of Directors

Remuneration and all other benefits received by the Directors who held office during the year ended 30 June 2026 are disclosed pursuant to section 211(1)(f) of the Act as follows:

	Directors' fees 2026 $	Total remuneration 2026 $	Total remuneration 2025 $
A J Waugh (Chair)	135,000	135,000	118,391
G D Gibbons	74,250	74,250	63,700
S B Gibbons	74,250	74,250	201,169
J W M Journee	81,675	81,675	70,070
G D Watson	74,250	74,250	63,700
J O Hutchinson	-	639,080	754,192
J A Beveridge	74,250	74,250	10,616

Remuneration for the Chair historically includes the provision of a motor vehicle, with the estimated value of this benefit, or its cash equivalent ($25,000), recorded in total remuneration. This allowance to the Chair is included within Directors' fees when determining the maximum limit that requires shareholder approval. No vehicle was provided during the 2026 financial year, with the cash equivalent paid.

J W M Journee is the Audit & Financial Risk Committee Chair and receives additional fees commensurate with that position.

Executive Directors do not receive Directors' fees for acting as a director of the Company or of any subsidiary. The sole Executive Director, acting in his capacity as an employee of a subsidiary, received total remuneration including salary, incentives, superannuation contributions, use of a motor vehicle and other benefits in the year ended 30 June 2026 as disclosed above. No other employee of the Company or of any Group subsidiary retains or receives any remuneration or other benefits as a director. There are no long-term incentives or share schemes in place.

Chief Executive Officers of subsidiary companies receive a profit incentive in their remuneration based on their dealership's profit. The remuneration received by J O Hutchinson as an executive, as disclosed above, is for the 12 months to 30 June 2026 and includes a short-term profit incentive component of $425,375 (2025: $541,238). The remuneration of S B Gibbons as an executive is shown for the 12 months to 30 June 2026 and does not include a short-term profit component.

As permitted by clause 29.4 of the Company's constitution, an insurance policy is in place in relation to Directors and Officers liability. The policy ensures that, generally, Directors will incur no monetary loss as a result of actions they undertake as Directors. Certain actions are specifically excluded, such as incurring penalties and fines that may be imposed in respect of breaches of the law.

(c) Use of company information by Directors

During the year the Board did not receive any requests from any director to use Company information provided to them in their capacity as an officer or employee that would not otherwise have been available to them.

(d) Share dealings by Directors

Directors have disclosed under Section 148(2) of the Act the following acquisitions and disposals of a relevant interest in shares in the Company between 1 July 2025 and 31 August 2026.

Director	Number of shares acquired/(disposed)	Date of transaction	Price per share	Type of interest
S B Gibbons	1,000	17 September 2025	$7.30	Beneficial
J A Beveridge	2,000	24 March 2026	$8.10	Beneficial
S B Gibbons	28,750	31 March 2026	$8.18	Beneficial

Directors disclosed no other transactions in the shares of the Company during the period.

(e) Composition of the Board

At the reporting date, six Directors were male and one female. Of the 20 Group officers, there was one female officer and the rest were male (2025: 7 Directors – 6 male and 1 female, 21 officers – 20 male and 1 female).

(f) Remuneration of employees

During the year to 30 June 2026 the number of employees in the Group, not being Directors of The Colonial Motor Company Limited, who received remuneration (including salary, incentives, superannuation contributions, use of a motor vehicle and other benefits) which exceeded $100,000 were as follows:

Remuneration $			Number of employees 2026	2025	Remuneration $			Number of employees 2026	2025
100,001	-	110,000	51	54	300,001	-	310,000	3	2
110,001	-	120,000	55	55	310,001	-	320,000	2	4
120,001	-	130,000	42	31	320,001	-	330,000	4	1
130,001	-	140,000	29	19	330,001	-	340,000	2	1
140,001	-	150,000	26	23	340,001	-	350,000	-	1
150,001	-	160,000	16	22	350,001	-	360,000	1	1
160,001	-	170,000	22	13	370,001	-	380,000	-	1
170,001	-	180,000	24	16	380,001	-	390,000	1	1
180,001	-	190,000	6	8	390,001	-	400,000	-	1
190,001	-	200,000	7	7	400,001	-	410,000	-	1
200,001	-	210,000	9	7	550,001	-	560,000	-	1
210,001	-	220,000	8	4	610,001	-	620,000	1	-
220,001	-	230,000	4	2	620,001	-	630,000	1	-
230,001	-	240,000	4	8	630,001	-	640,000	1	-
240,001	-	250,000	2	3	650,001	-	660,000	1	-
250,001	-	260,000	1	1	670,001	-	680,000	1	1
260,001	-	270,000	-	4	720,001	-	730,000	-	1
270,001	-	280,000	3	2	780,001	-	790,000	1	-
280,001	-	290,000	2	1	790,001	-	800,000	1	-
290,001	-	300,000	4	1	1,010,001	-	1,020,000	-	1
							Total	335	299
							Total full time equivalent employees	1,066	1,049

The remuneration package of the Group Chief Executive, A P Gibbons, in the year to 30 June 2026 was $781,481 (2025: $721,315) comprising a fixed component (including salary, motor vehicle and superannuation contributions) of $434,399 (2025: $387,850) and an annual short term incentive component of $347,082 (2025: $333,465) based on the current year's trading performance.

Disclosures as at 30 June 2026 as required by the New Zealand Stock Exchange Listing Rules

(a) Director independence

The following Directors were Independent Directors at the reporting date:
A J Waugh (Chair)
J W M Journee (Audit & Financial Risk Committee Chair)
J A Beveridge

The following Directors were not Independent Directors at the reporting date:
G D Gibbons (Non-Executive)
S B Gibbons (Non-Executive)
G D Watson (Non-Executive)
J O Hutchinson (Executive)

(b) Directors' relevant interests at 30 June 2026

	Shares in which the director has a beneficial interest solely or jointly		Shares in which the director has a non-beneficial interest		Shares held by associated person of the director	
	2026	2025	2026	2025	2026	2025
G D Gibbons	731,482	731,482	2,696,859	2,696,859	207,701	205,201
S B Gibbons	2,131,375	2,101,625	176,087	176,087	6,151	6,151
A J Waugh	9,758	9,758	-	-	376	376
J W M Journee	2,613	2,613	-	-	-	-
G D Watson	614,069	614,069	369,810	369,810	105,000	105,000
J O Hutchinson	4,000	4,000	-	-	1,514	1,514
J A Beveridge	2,000	-	-	-	-	-

(c) Substantial Product Holders

As required by section 293 of the Financial Markets Conduct Act 2013 (Act), the Substantial Product Holders as at 30 June 2026 (from whom a notice under the Act had been received and the date of each such notice) are presented in the following table. Regardless of whether some or all of their holdings are held individually or jointly and/or beneficially or non-beneficially, a Substantial Product Holder is required by the Act to provide a notice to the Company.

Substantial Product Holder	**Notice date**	**Shares held jointly** *(with one or more other substantial product holder)*	**Shares held individually or jointly** *(with a non-substantial product holder)*	**%**
S B & A D Gibbons and L B Rogerson		1,868,554		5.71
S B Gibbons	22 May 2025		409,158	1.25
A D Gibbons	9 September 2024		-	-
L B Rogerson	9 September 2024		281,410	0.86
P L Bennett	14 November 2025		2,427,432	7.42
R H & S J Wilson and S H Majors		1,795,081		5.49
R H Wilson	16 October 2024		300,478	0.92
S J Wilson	16 October 2024		2,051	0.01
S H Majors	16 October 2024		8,217	0.02
G D Gibbons and Others		1,224,835		3.75
G D Gibbons	22 March 2021		670,656	2.05
G D Gibbons and S D Wood		1,249,632		3.82
S D and D M Wood		209,223		0.64
S D Wood	14 May 2025		413,369	1.26

Issued and fully paid capital as at 30 June 2026 was made up of 32,694,632 ordinary shares. The above disclosures include voting securities arising by reason of joint holdings, powers of attorney and directorships as specifically required by section 280(1) of the Act. No shares have been counted more than once in the Substantial Product Holder notices disclosure table.

A number of shares identified under S B Gibbons are also jointly held or have trustees in common with J H Smith and A F Peake.

A number of shares identified under G D Gibbons are also jointly held or have trustees in common with A K Gibbons, D M Wood, R D Gibbons, A D & G V Beaumont, D D & B W Harrison and G D & I W Watson.

(d) Distribution of shareholders and shareholdings

This distribution information reflects the position as at 31 August 2026.

Individual shareholding	Number of shareholders		Number of shares	
	Number	%	Number	%
1 - 999	330	22.5	143,529	0.4
1,000 - 9,999	833	56.7	2,702,566	8.3
10,000 - 99,999	240	16.4	6,011,141	18.4
100,000 - 999,999	63	4.3	20,413,567	62.4
1,000,000 +	2	0.1	3,423,829	10.5
Total	1,468	100.0	32,694,632	100.0

(e) Five year summary of total shareholder return on investment - 30 June year ended

Year	Share price at 30 June	Dividends paid - cps Date	Net	Gross	Gross dividend yield %	Change in share price cps	Total gross return cps	Gross shareholder return %
2026	$7.10	30/03/26	15.0	48.6	7.0	20.0	68.6	9.9
		06/10/25	20.0					
2025	$6.90	31/03/25	15.0	48.6	7.1	6.0	54.6	8.0
		07/10/24	20.0					
2024	$6.84	25/03/24	15.0	79.2	9.2	(176.0)	(96.8)	(11.3)
		02/10/23	42.0					
2023	$8.60	27/03/23	15.0	86.1	9.1	(91.0)	(4.9)	(0.5)
		03/10/22	47.0					
2022	$9.51	28/03/22	15.0	76.4	8.3	31.0	107.4	11.7
		04/10/21	40.0					

Note: Yields are calculated on the share price at the beginning of each year. The share price at 30 June 2021 was $9.20.

Fifty largest shareholdings as at 31 August 2026

	Shares	%
AD & SB Gibbons & LB Rogerson	1,897,304	5.8
SJ & RH Wilson & SH Majors	1,526,525	4.7
Graeme Durrad Gibbons	731,482	2.2
BR & CM Gibbons & PL Bennett	686,791	2.1
PL & LC Bennett & JP Gibbons	658,613	2.0
Diana Durrad Harrison	630,078	1.9
DM & JP Gibbons & PL Bennett	627,640	1.9
Robert Durrad Gibbons	623,930	1.9
Gillian Durrad Watson	614,069	1.9
AD & GV Beaumont & GD Gibbons	605,215	1.9
Alison Durrad Beaumont	603,454	1.9
MI & C Louisson & RM Carruthers	563,777	1.7
GD & AK Gibbons & SD Wood	510,012	1.6
JG, J & CG Harrison	458,317	1.4
Sara Durrad Wood	413,369	1.3
AR, WL & JE Gibbons	401,965	1.2
JE Gibbons, GJ Beaumont & AR Gibbons	401,965	1.2
GD & IW Watson & GD Gibbons	369,810	1.1
RD Gibbons, SD Wood & GD Gibbons	369,810	1.1
SD & DM Wood & GD Gibbons	369,810	1.1
Citibank Nominees (New Zealand) Limited	362,406	1.1
Accident Compensation Corporation	359,621	1.1
DD & BW Harrison & GD Gibbons	354,810	1.1
CG & JG Harrison	335,244	1.0
RJT Investments Limited	325,006	1.0
SKE & J Bale	324,244	1.0
E A Romans	323,482	1.0
Rebecca Hope Wilson	300,478	0.9
Leanne Barnes Rogerson	281,410	0.9
SH Majors, RH & SJ Wilson	268,556	0.8
David Grindell	254,000	0.8
K Enright & C Louisson	251,366	0.8
Leslie Ernest Gibbons	244,131	0.8
Gary Kenneth Gibbons	243,048	0.7
Jody Phillippa Gibbons	243,048	0.7
CM Louisson & McKenzie Holmes Trustees Limited	241,804	0.7
Stuart Barnes Gibbons	234,071	0.7
James Picot Gibbons	228,207	0.7
MC Duurentijdt, JT van Gaal & Van Gaal Duurentijdt Trustees Limited	225,231	0.7
New Zealand Depository Nominee Limited – Sharesies Limited *	225,127	0.7
Pauline Lucy Bennett	223,138	0.7
Donna Claire Gibbons	215,233	0.7
DM & SD Wood	209,223	0.6
Bruce Robert Gibbons	204,372	0.6
CG & AJ Harrison, JA Flygenring & JG Harrison	188,118	0.6
JH Smith, AF Peake & SB Gibbons	176,087	0.5
CMC Workplace Savings Scheme Trustee Limited	148,196	0.5
SKE & MG Bale Trustees Limited	147,929	0.5
Helen Ailsa Louisson	140,870	0.4
Estate Ian Forbes Michie Deceased	135,730	0.4
Total of fifty largest shareholdings	20,478,122	62.6
Total shares on issue	32,694,632	100.0

* Represents 1,045 individual holders of CMC shares

Today the CMC Group's core business is the operation of Ford dealerships each holding a franchise in its own right from the Ford Motor Company of NZ Ltd. A number of these dealerships also hold Mazda franchises. CMC, through Southpac Trucks Limited, is the NZ distributor and retailer of Kenworth and DAF heavy duty trucks and in Southland/Otago, Agricentre South retails New Holland and Case IH tractors and equipment.

The Colonial Motor Company originated from William Black's coachbuilding factory which started operations in 1859 at 89 Courtenay Place, Wellington. In 1881 it was taken over by Rouse & Hurrell, who expanded the business with new three storied premises, calling it Rouse & Hurrell's Empire Steam and Carriage Works. This partnership was formed into a limited liability company in 1902 with Mr Edward Wade Petherick the first Secretary of the Company. The Ford Motor Car Agency was taken up in 1908 and in August 1911 a new name, "The Colonial Motor Company Limited", was registered.

On Ford Canada's recommendation, a dominant shareholding and control was acquired by Mr Charles Corden Larmour and after negotiations in 1916, the sale of this majority holding and control to Mr Hope Gibbons and his family interests was concluded in April 1918. At that time there were 17 Authorised Ford Dealers in New Zealand, of which 10 were in the South Island. In 1919 the Company restructured with a new memorandum and articles, but the 1911 name was retained and remains the same today. 2018 marked the Company's 100th Annual Report.

The nine storied building at 89 Courtenay Place, designed by architect J M Dawson to Ford plans, opened in 1922 as the tallest Wellington construction. It was the first motor vehicle assembly plant in New Zealand – vehicles starting in boxes at the top and driving out completed at the bottom. The Company later built assembly plants at Fox Street, Auckland and Sophia Street, Timaru. This was the age of the Model T with Ford market share reaching a peak of 27% in 1926. The 'CMC' Building was sold in 2005.

In 1936, Ford Motor Company of New Zealand Limited established an assembly plant at Seaview, Lower Hutt and took over the distribution of Ford products in New Zealand. CMC then concentrated on the retail side of the business, operating the retail garages it then owned. The 1930s and 1940s were a time of survival with the depression, excess stock of new product, then no new vehicles available during the war years and petrol rationing until 1950. Service became the key to remaining in business.

Shortly after the end of the war the supply of new vehicles was resumed and the 30 years up to 1980 saw the Group consolidate. The Dealer organisation that developed proved to be one of the best retail motor groups in New Zealand. Over this period, nearly every Dealership was either rebuilt, fully refurbished or relocated and new Dealerships were opened in East, West and South Auckland to cater for Auckland's growth.

CMC was listed on the NZ Stock Exchange in May 1962.

For the 50 years up to 1987, New Zealand had import licensing, local assembly of vehicles and heavy additional sales taxes to control overseas funds. The new vehicle industry under this regime peaked in 1973, and again in 1984, at 123,000 units. The dismantling of controls and the arrival of second-hand imports from Japan saw the industry fall to just 66,500 new vehicles in 1992. It wasn't until 2014, 30 years later, that the new vehicle industry again reached the level seen in 1984.

The late 1980s and all through the 1990s was a period of change and adaptation. Over a decade, most smaller Ford dealerships either closed down or merged with their neighbours. This resulted in fewer but larger Ford dealerships. CMC closed or sold its smaller dealerships and acquired others to expand its city and provincial locations. Nelson was acquired during this period. Compounding the changes were the international decisions of Ford Motor Company to sell its tractor and heavy truck businesses, which resulted in Ford in NZ ceasing to import both products.

Most of the CMC dealership tractor departments were closed, with the exception of Southland. Thats business has since grown to become Agricentre South Limited, retailing New Holland Case IH tractors in Southland / Otago, with locations in Invercargill, Gore, Milton and Cromwell.

In 1994, CMC acquired a major interest in Southpac Trucks, the NZ distributor for Kenworth and Foden (since retired) and more recently DAF heavy duty trucks, which are all part of the USA based PACCAR organisation. Southpac Trucks has since grown into a major player in the New Zealand heavy truck industry, with locations in Manukau City, Hamilton, Rotorua, New Plymouth, Palmerston North, Gisborne, Nelson, Timaru, Christchurch and Dunedin, together with a nationwide network of independent parts & service dealers.

Guinness Peat Group plc (GPG) made a takeover offer for CMC in October 1995. Among the sellers who enabled GPG to acquire 33.9% interest were some original Gibbons Family shareholders. As part of a plan to maximise shareholder value, the Directors resolved to rationalise the non-dealership property holdings, distribute the surplus funds to the shareholders and focus the Company on its core motor trade activities.

In June 1997, GPG sold its shares to the MBM Group of Malaysia. Over the following years, MBM sold down its holding in CMC, with many of the shares acquired by members of the Gibbons Family. MBM sold its final block of 24.9% to a large number of individuals in 2003, resulting in the addition of 300 shareholders to the Company's register.

In 1999, CMC's Auckland Dealerships joined with Ford Motor Company and three other Ford dealerships to form Auckland Auto Collection Limited (AACL). This move represented the biggest change in the Ford franchise arrangements in New Zealand for over 60 years. During 1999, this new business acquired the Mazda Dealerships in Auckland and Mazda Motors joined CMC and Ford as a shareholder. From 2002, the business operated as three Ford and Mazda dealerships - North Harbour, John Andrew and South Auckland. CMC sold its shareholding back to AACL in May 2005 and in return, acquired the South Auckland Dealership.

On 16 June 2003, Ford Motor Company celebrated its centennial and the production of the original Model A Fordmobile, with CMC and its forebears having been actively involved with Ford for 95 of those 100 years. In celebration of this long relationship, a history of the Company's operations and activities, "Ford Ahead", was written and published by Roger Gardner.

During the 2000s CMC also acquired the Mazda franchises in Invercargill, Dunedin, Timaru, Wellington, Lower Hutt and Masterton. These were run as dual dealerships with the existing Ford dealerships. The policy of adding Mazda to Ford dealerships ended when Ford USA sold its interest in Mazda Japan in 2009.

It has been part of the Company's philosophy and success to own property sites from which its retail subsidiary companies operate.

In 2014 CMC acquired Jeff Gray BMW & MINI, with locations in Wellington, Christchurch, Palmerston North and Hastings. The business was subsequently sold in November 2016.

In recent years, CMC has increased its franchise representation in a number of locations as separate dealerships or aligned with existing businesses. These now include: Suzuki, Nissan, Kia, BYD, MItsubishi, Mahindra and Yamaha motorcycles. In 2024, CMC signed an agreement with JAC Motors to distribute vehicles in New Zealand. Details of the Group's current dealerships, locations and the franchises they represent are detailed on page 10.

The current major shareholdings in CMC are individual descendants of Hopeful & Jessie Gibbons and they collectively hold over 60% of the Company's issued shares. There are also many descendants of the original 1902 subscribers to the Rouse & Hurrell Carriage Building Company Limited who remain shareholders to this day.

Throughout the Company's history, change has always been with us and our ability to adapt in good times and in bad has ensured ongoing wellbeing and prosperity. As well, it has always been recognised that dedicated, skilled and enthusiastic people have been and will continue to be, the key to the Company's future.