Motus

Integrated report

for the year ended 30 June 2022

Reporting suite

The 2022 Motus integrated report

Online as PDF and HTML

Provides a holistic assessment of the Group's ability to create and preserve value for its stakeholders and guard against value destruction. It assesses management strategies, the risks we face, and the financial, operational, and sustainability performance against our material priorities.

Preparation and frameworks

Prepared according to:

- The Listings Requirements of the JSE Limited (JSE Listings Requirements).
- The South African Companies Act 71 of 2008, as amended (Companies Act).

Frameworks applied and/or considered:

- King Report on Corporate Governance for South Africa™ (2016)* (King IV). The King IV application register can be found online.
- The IFRS Foundation, formerly the Value Reporting Foundation's International <IR> Framework (2021).
- Task Force on Climate-related Financial Disclosures (TCFD).
- United Nations (UN) Sustainable Development Goals (SDGs).

Assurance

Certain financial information contained within the extracts of summarised financial information has been extracted from the audited consolidated and separate financial statements which were audited by the external auditors, although the extract is not itself audited. In addition, assurance is provided through an independent accountants report on the pro forma information, labelled as such in this integrated report within the divisional performance section.

The 2022 Motus environmental, social and governance report

Online as PDF and HTML

Provides an in-depth assessment of the Group's environmental, social and governance (ESG) performance for the year, including the report from the Chairman of the Social, Ethics and Sustainability (SES) Committee.

Preparation and frameworks

Frameworks applied and/or considered:

- King IV.
- Global Reporting Initiative's (GRI) Standards.
- JSE Sustainability Disclosure Guidance.
- TCFD.
- UN SDGs.

Assurance

Independent limited assurance is provided on selected non-financial information contained within the ESG report.

Audited consolidated and separate annual financial statements

Online as PDF

The audited consolidated and separate annual financial statements for the year ended 30 June 2022, including the report of the Audit and Risk Committee (ARC).

Preparation and frameworks

Prepared in accordance with:

- The International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB).
- The South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides issued by the Accounting Practices Committee.
- Financial Reporting Pronouncements issued by the Financial Reporting Standards Council (FRSC).
- Companies Act.
- JSE Listings Requirements.

Assurance

Assurance is provided on the fair presentation of the consolidated and separate annual financial statements in accordance with IFRS and the Companies Act.

Key company information

Motus Holdings Limited

Incorporated in the Republic of South Africa
Motus Holdings Limited registration number: 2017/451730/06
ISIN: ZAE000261913

JSE Main Board: Specialty retailers
Listing date: 22 November 2018
Share code: MTH
(Motus or the company or the Group)

How to navigate our reports

For easy navigation, icons are used to refer readers to information elsewhere in this report or our other reports online.

Read more in this report.

Read more online.

https://www.linkedin.com/company/motus-sa

Detailed online information

Stakeholders can access the Group's interim and annual financial results announcements and presentations at **https://www.motus.co.za/investors/** or scan the QR code to be taken there directly.

Feedback

We value feedback from our stakeholders and use it to ensure that we are reporting appropriately on the issues that are most relevant to them. Please take the time to give us your feedback on this report.

Email: **MotusIR@motus.co.za**

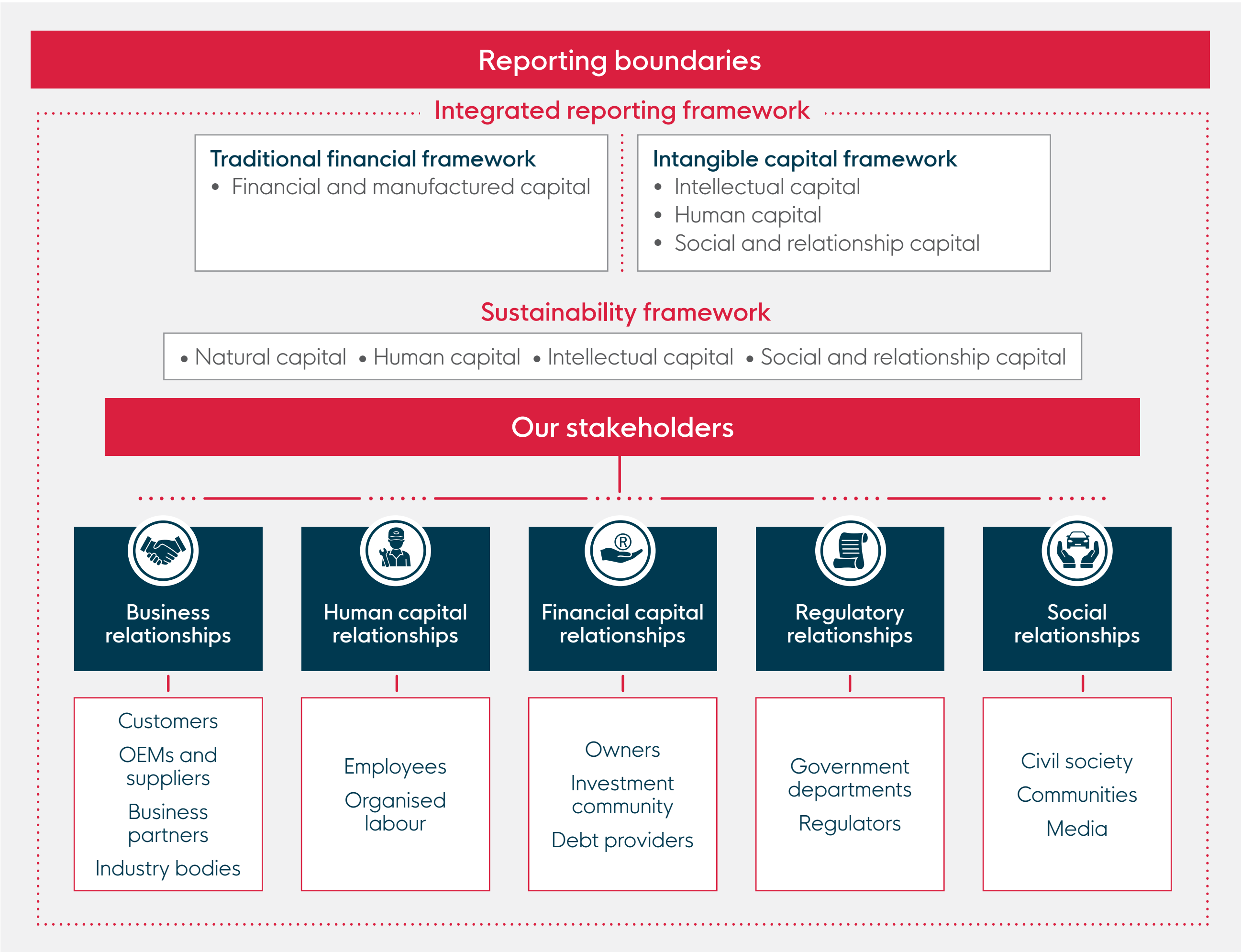
Contents

About this report

The Motus integrated report provides a holistic assessment of the Group's ability to create and preserve value for stakeholders and guard against value destruction. It assesses management of strategy, the risks we face, and the Group's financial, operational, and sustainability performance, as well as the material priorities that may affect value creation over time. We aim to provide stakeholders with balanced, transparent and comprehensive reporting that supports their decision-making.

Scope and boundary

The 2022 integrated report covers the businesses over which the Group has operational control for the period 1 July 2021 to 30 June 2022, including subsidiaries, joint ventures and associates. The report also covers the risks, opportunities, stakeholder concerns, and outcomes beyond the financial reporting boundaries insofar as they materially affect the Group's ability to create value in the short and long term. The report is primarily aimed at providers of financial capital and will be of interest to other stakeholders, including our employees, customers, original equipment manufacturers (OEMs) and suppliers.



Time horizons

Certain statements in this report are forward-looking. By their nature, these statements are inherently predictive, speculative and involve risk and uncertainty as they relate to events and depend on circumstances that will occur in the future which may impact performance and expectations.

Short term
Within the next one to three years

Medium term
Three to six years

Long term
Six years and beyond

A disclaimer on forward-looking statements can be found on page 224 of this report.

Reporting frameworks and assurance

The integrated report is guided by the principles and requirements of a diverse set of frameworks, including those set out on the inside front cover. Financial information is extracted from the audited consolidated and separate annual financial statements for the year ended 30 June 2022 (available in full online). A summary of financial information, including the five-year review and value-added statement are included from page 176.

The audited consolidated and separate annual financial statements have been prepared in accordance with IFRS and its interpretations adopted by the IASB in issue and effective for the Group at 30 June 2022 and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the FRSC, the Companies Act and the JSE Listings Requirements. The Group's external assurance providers, Deloitte & Touche, have issued an unmodified audit opinion on the audited consolidated and separate annual financial statements.

In this year's ESG report, the Group has made a first attempt to link material ESG issues to the UN SDGs based on current strategies, projects and objectives. This has been guided by a review of the individual targets of each SDG and identifying which targets the Group is able to make a contribution towards. Detailed disclosure can be found in the ESG report online.

Assurance has also been provided on selected non-financial information by Deloitte & Touche and their independent limited assurance report is included from page 219.

Pro forma financial information

The integrated report contains certain pro forma financial information to provide a more meaningful assessment of the Group's performance for the year under review. The directors of Motus are responsible for compiling the pro forma financial information on the basis applicable to the criteria as detailed in paragraphs 8.15 to 8.34 of the JSE Listings Requirements and the SAICA Guide on Pro Forma Financial Information, revised and issued in September 2014 (applicable criteria). The pro forma information does not constitute financial statements that are fairly presented in accordance with IFRS and has been prepared for illustrative purposes only.

Assurance on the compilation of pro forma financial information has been provided by Deloitte & Touche and their pro forma financial information accountants report is included from page 222.

Materiality determination

In the business and social context in which we operate, described on page 54, our material priorities are those factors most likely to influence the conclusions of our stakeholders when assessing how we create, preserve, or may erode value over time. The factors considered to be within the control of Group leadership, and which have been identified for close and careful management over the short, medium and long term, are included in detail from page 72. Management selected these priorities to deepen the Group's resilience, relevance, and responsibility in pursuing sustainable value for stakeholders. They reflect our plans to manage the risks and opportunities associated with the Group's strategy and meet the expectations of stakeholders. Our material priorities are grouped into key themes. Sub-issues then expand on those themes and inform the content in the integrated and ESG reports. We explain our approach to determining our material priorities and related processes on page 71.

Preparation and presentation of this report

The Investor Relations Manager, with support from specialist external reporting advisors, ensures that the report preparation process is followed. Oversight and guidance of the process, reporting approach and content planning, is provided by the Group Executive Committee members, who also oversee the process and controls applied in the information gathering and drafting process.

Information included in this report is sourced from interviews with leadership, internal and external sources of trusted information. This includes reports and presentations relating to strategy, business plans and board documents used for decision-making purposes. All reports in the reporting suite are prepared in parallel to ensure that information and data is aligned and consistent.

The ARC assists the board of directors of Motus (the board) in overseeing the quality and integrity of the reporting process across the Group's reporting suite. An ad hoc board sub-committee, consisting of the Group executive directors and the Chairman of the ARC, approves the final integrated report on behalf of the board.

Board responsibility and approval statement

The Motus board acknowledges its responsibility to ensure the integrity of the 2022 integrated report. The ARC, together with executive management, is responsible for the preparation and presentation of the report and is comfortable that the appropriate systems, procedures, and controls are in place and operated effectively to ensure the integrity of the integrated report.

The committee has reviewed the report and recommended it to the board for approval. In the board's opinion, the report addresses all material priorities and matters that impact the Group's ability to create value over time and provides a balanced and appropriate review of Motus' strategy and performance. The board is satisfied that the integrated report has been prepared in accordance with the guidelines of the <IR> Framework.

The board is satisfied that the Group has complied with and operates in conformity with the provisions of the Companies Act, the Group's memorandum of incorporation (MOI) and any other applicable laws relating to its incorporation.

On behalf of the board

Graham Dempster
Chairman

Osman Arbee
Chief Executive Officer

26 September 2022

Integrated business

About Motus

Motus is a multi-national provider of automotive mobility solutions, and vehicle products and services, with a leading market presence in South Africa and a growing offering in the United Kingdom (UK), Australia and Asia.

Motus is South Africa's leading automotive group, employing over 17 250 people globally. Motus has grown over 75 years from humble beginnings as a small dealership in downtown Johannesburg into a Group that offers diverse mobility solutions, vehicle products and services. Today, Motus is the largest, diversified (non-manufacturing) automotive group in sub-Saharan Africa with unrivalled scale and scope in South Africa, a selected international presence primarily in the UK and Australia, as well as a limited presence in South East Asia, and Southern and East Africa.

Our services extend across all segments of the automotive value chain

Motus offers a differentiated value proposition to OEMs, suppliers, customers and business partners. Our fully integrated business model spans across the automotive value chain, delivered through four key business segments.

Import and Distribution

Importer and distributor of passenger, light commercial vehicles (LCVs) and parts to serve a network of dealerships, car rental companies, fleets and government institutions in South Africa.

For more information on **Import and Distribution** see pages 80 to 85.

Retail and Rental

Retailer of new and pre-owned passenger and commercial vehicles across all segments in South Africa and the UK, and passenger vehicles in Australia.

Selling of parts and accessories.

Servicing and maintenance of vehicles.

Rental of passenger vehicles and LCVs in Southern Africa.

For more information on **Retail and Rental** see pages 86 to 93.

Mobility Solutions[1]

Developer, seller, manager and administrator of service, maintenance and warranty plans, and value-added products and services (VAPS).

Provider of **fleet management services and business process outsourcing** through sophisticated technology and call centre capabilities.

Leader of the Group's **innovation centre**.

For more information on **Mobility Solutions** see pages 94 to 101.

Aftermarket Parts

Distributor, wholesaler and retailer of parts and accessories mainly for **out-of-warranty vehicles** in Southern Africa, the UK and Europe, **through retail and franchised stores,** and **specialised franchised workshops** in South Africa.

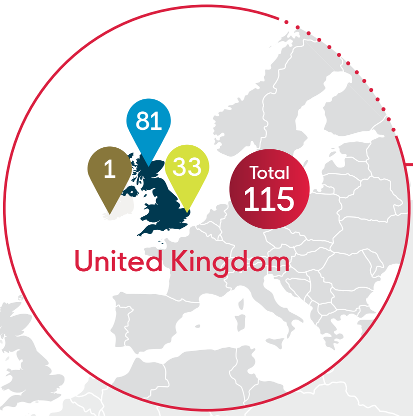
Distribution centres in South Africa, Taiwan, China and the UK.

For more information on **Aftermarket Parts** see pages 102 to 109.

[1] *Formerly known as the Financial Services business segment. The segment adopted a new name to broaden its purpose as well as its products and services offering.*

Operational footprint

The Group's networks in the economic hubs of South Africa and selected international presence provides Motus with opportunities to replicate aspects of our integrated business model in our selected international markets.



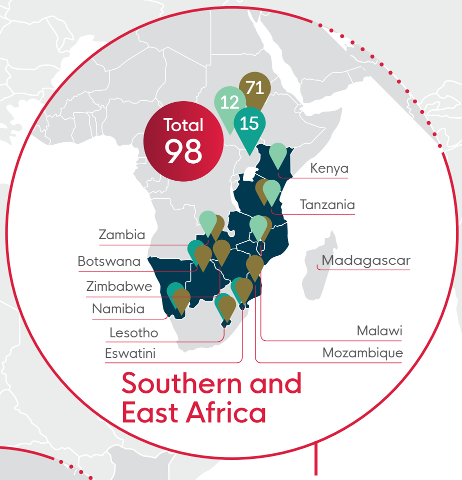
United Kingdom

Commercial dealerships	81
Passenger dealerships	33
Aftermarket Parts distribution centre	1

South East Asia

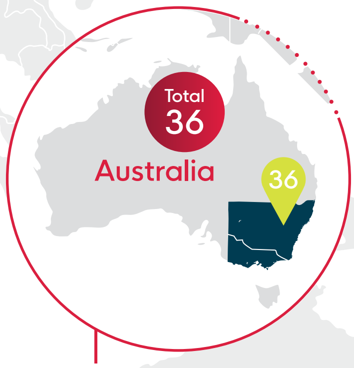
Aftermarket Parts distribution centres and agencies (Shanghai and Taiwan)	4

- Commercial dealerships
- Passenger dealerships
- Retail dealerships
- Car rental branches
- Aftermarket Parts



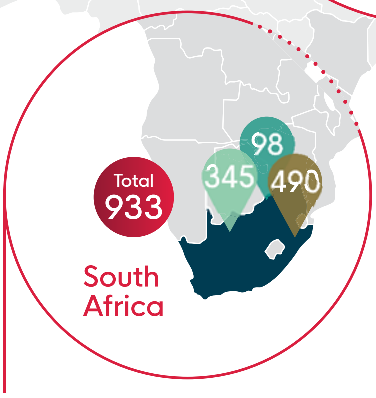
Southern and East Africa

Retail dealerships	12
Car rental branches	15
Aftermarket Parts owned and franchised outlets and distribution centres	71



Australia

Passenger dealerships	36



Our South African footprint

	Total
Retail dealerships	345
Commercial dealerships	36
Passenger dealerships	204
Pre-owned dealerships	105
Car rental branches	98
Aftermarket Parts	490
Owned and franchised outlets and distribution centres	485
Canopy fitment centres	5
Mobility Solutions	Distributes innovative vehicle-related financial products and services through importers, dealers, finance houses, insurers, call centres and digital channels in South Africa.

About Motus (continued)

What makes Motus unique

The strength of the Group lies in an integrated business model, diversification and scale. This allows us to be resilient and agile to navigate cyclical challenges and to capitalise on opportunities as they arise.

Our Vision

- We will improve people's lives by envisioning, innovating and creating new access to leading-edge mobility solutions.
- We will rely on strong relationships with suppliers, principals and service providers to offer comprehensive solutions at competitive prices in the geographical areas where we operate.
- We will ensure sustainable value creation for all stakeholders, including suppliers and business partners.

Our Mission

- We provide value for customers and build market share through relevant and innovative products, and exceptional service at competitive prices.
- We deliver returns to shareholders through innovation-driven growth and portfolio optimisation that allows us to increase our participation in all aspects of the automotive value chain to enhance our earnings while proactively managing risk and capital allocation.
- We drive a diverse, fair and inclusive working environment and provide development opportunities to ensure our teams are highly competent and experienced to deliver our strategic priorities.

Our Values

- We are fair, accountable, driven and ensure that we operate in an environmentally friendly and responsible manner.
- We comply with rules and regulations, operate at the highest levels of integrity and ethics, and ensure we have non-discriminatory business practices.

Investment highlights

We continue to drive organic growth, innovation and acquisitions, supplemented by ongoing operational enhancements and innovation, to create value for all stakeholders.

1 Our differentiated offering

We have long-standing importer and retail partnerships with leading OEMs, representing some of the world's most recognisable brands. We provide these partners with a highly effective route-to-market and have a deep understanding of strategies, customer preferences, and mobility-related technologies.

Our quality marketing, high levels of customer satisfaction, strategically located dealership network and innovation, positions us to act as the vital link between our OEM partners and the customer throughout the vehicle ownership cycle. In addition, we sell accessories and aftermarket parts for out-of-warranty vehicles, as well as VAPS to customers.

2 Our unrivalled scale in South Africa

In South Africa, our unrivalled scale underpins our differentiated value proposition, positioning us to maintain our leading retail market share. Our integration offers multiple customer touchpoints that support resilience and customer loyalty across the entire vehicle ownership cycle.

We continuously align ourselves to emerging digital, mobility and automation trends so that we are able to develop and offer innovative mobility solutions and products to our customers.

3 Our fully integrated business model

Our integrated business model across the automotive value chain has multiple customer touchpoints throughout the vehicle ownership cycle and is most mature in South Africa. It provides the flexibility to maximise the revenue and income opportunities for each vehicle sold. This is enhanced by the growing car parc created to provide access to annuity income streams through indirect vehicle-related revenue from parts, workshops and mobility solutions that are not directly dependent on the sale of new vehicles.

4 Our strong financial position

Clear organic growth supports our shareholder return profile, achieved through ongoing portfolio optimisation, innovation-driven improvement, and selective acquisitions to expand the dealership and retail footprint and increase our participation in the automotive value chain. We leverage best-in-class expertise to diversify and enhance our earnings for the long term.

High free cash flow generation is underpinned by access to indirect vehicle-related annuity income streams across the vehicle ownership cycle, together with returns on invested capital (ROIC) that exceed the weighted average cost of capital (WACC). The high free cash flow generation provides a platform for acquisitions and competitive dividend yields over the medium to long term.

5 Our people

Our experienced, agile, and entrepreneurial management team has deep knowledge of regional and global automotive markets, a proven track record, and years of collective experience. A strong and diverse board guides and complements the management team.

A skilled, diverse, productive and motivated workforce enables us to operate cost-effectively and efficiently to meet stakeholder needs, and in turn, we endeavour to provide our employees with equal and fair opportunities for all our people in a safe working environment.

6 Our commitment to stakeholders

Dependability is embedded in our organisational culture and underpins our efforts to nurture strong relationships with all our stakeholders. The trust that our stakeholders place in the Group is the outcome of reliability and high standards of accountability and transparency. Our commitment to unwavering integrity is the foundation on which Motus is built.

We execute our business strategy as a responsible corporate citizen in an environmentally conscious and responsible manner and adopt practices that support the growth of the economies and communities in which we operate.

We are committed to making a real difference in our communities. Our long-term relationships with our corporate social investment (CSI) partners support programmes on road safety awareness, literacy and reading skills, and primary healthcare, as well as our work with non-governmental organisations (NGOs).

Strategic priorities

We grow and expand our participation in all aspects of the automotive value chain with competitive products and services that maximise our share of the customer's vehicle investment and engender loyalty.

Our strategic initiatives underpin the delivery of our aspirations and support our ambition to achieve mobility for good while enhancing shareholder value.

Strategic initiatives

Enhance financial performance

Enhance financial performance and achieve our financial targets.

Ensure market leadership

Grow market share and maintain competitiveness in local and international markets.

Drive innovation

Drive agility and leverage our entrepreneurial flair to deliver innovative mobility solutions and services.

Invest in human capital and ESG initiatives

Develop and empower leaders, with a strong focus on transformation and succession.

Manage environmental and social impacts.

Maintain and enhance governance practices and processes.

Improve technology solutions

Leverage existing and form new strategic partnerships to deliver innovative mobility solutions and vehicle, products and services and enhance customer experiences.

To achieve our purpose:

Mobility for Good

To enhance shareholder value, we aim to:

- Deliver strong profit margins and cash flows.
- Maintain a strong balance sheet and liquidity to fund working capital, invest in diversified growth through selective bolt-on and complementary acquisitions, leverage vertical integration strategies and support share buy-backs.
- Maintain a reliable dividend return.
- Provide our employees with career growth opportunities and a safe, rewarding and fair working environment.

Our key competitive advantages

- Our business model is fully integrated across the vehicle value chain.
- We are well positioned to maintain our leading retail market share in South Africa.
- Our unrivalled scale underpins a differentiated value proposition.

We are:	Leaders	Innovators	Customer champions

The long-term strategic priorities of the Group remain unchanged and are focused on ensuring that we are the leading automotive group in South Africa, with a select international presence in the UK and Australia and a limited presence in South East Asia, and Southern and East Africa.

We remain focused on deepening our competitiveness and relevance across the automotive value chain, driving organic growth through optimisation and innovation, and leveraging existing capabilities and networks. Further selective expansion will focus on enhancing existing brands and businesses through bolt-on and complementary acquisitions locally and internationally, while exploring strategic acquisitions that enhance the supply chain and the technology capabilities of the Group.

We have embarked on a number of initiatives to ensure that engaging with Motus is more convenient and faster to do across various customer touchpoints. We are streamlining processes, reducing operational requirements and leveraging automation, data accuracy and customer self-serve capabilities. This will allow us to offer a differentiated service in a competitive market.

In executing our business strategy as a responsible corporate citizen, the business is led in a manner that is environmentally conscious to ensure its sustainability and adopts policies and practices that enhance the growth of the economies in which it operates.

We encourage a high-performance culture with tailored training and development opportunities for all levels of staff and promote diversity, equity and inclusion (DEI) in the workplace.

Read more about the strategic progress we have made in the sections of the report that follow.

Strategic priorities (continued)

Our medium-term value-creating priorities

Our strategic initiatives

underpin the delivery of our aspirations in the medium-term

Ensure market leadership

Enhance financial performance

Import and Distribution

- Enhance the retail strategy and customer experience throughout the vehicle ownership cycle.
- Grow market share for entry level, and small and medium sports utility vehicles (SUVs).
- Manage inventory availability.
- Expand aftersales product and service offerings.
- Grow parts and service business.
- Manage costs and forward cover in line with Group policy.
- Deepen our strategic alliances with existing OEMs and expand our OEM partnerships and product ranges.

Retail and Rental

- Maintain pre-owned vehicle market share.
- Rationalise the dealership footprint, aligned to OEM strategies, and continue to implement the multi-franchise model where feasible.
- Manage inventory availability.
- Improve brand representation through select bolt-on acquisitions in South Africa, the UK, and Australia.
- Be the leading car rental service provider in the Southern African market by providing outstanding customer service, value for money proposition and innovative product offering.
- Sell new energy vehicles (NEV)[1] in the UK and Australia where charging infrastructure and government support are available, and keep informed of changes in South Africa's policies to ensure we are well positioned for when the infrastructure and government support become accessible and available.
- Invest in technology to drive digitisation and to support customer service and experience.

Our ESG strategy

Manage our activities that impact **the environment** and actively strive to uphold our commitments to all stakeholders.

- Deliver on our environmental strategy: renewable (solar) energy and rainwater harvesting.
- Meet our environmental targets for water, fuel and electricity.
- Set a baseline for waste management and recycling.
- Drive key projects to reduce our environmental footprint and improve our measurement and reporting of environmental performance.

Remain committed to **socio-economic growth**, employment creation, the upliftment of our communities and our stakeholder commitments.

- Deliver on our B-BBEE[2] strategy, particularly meeting our employment equity and procurement targets.
- Maintain our Level 4 B-BBEE scorecard rating supported by a detailed B-BBEE plan.
- Implement procedures and processes to ensure transparency, and ethical and fair treatment within the supply chain.

[1] *NEV collectively refers to battery-powered electric vehicles (BEVs), plug-in hybrids (PHEV) and mild hybrid electric vehicles (MHEVs).*
[2] *B-BBEE: Broad-Based Black Economic Empowerment.*

Drive innovation

Improve technology solutions

Invest in human capital and ESG initiatives

Mobility Solutions

- Expand service offerings and drive further integration into the dealer networks.
- Develop new and innovative channels to market.
- Continuously align with digital and automation trends, as well as changing customer needs.
- Continue to focus on financial technology (fintech) developments and leverage relationships with financial institutions and joint venture partnerships.
- Explore opportunities to grow the business through data monetisation.
- Through the innovation centre:
  - Develop innovative products and services.
  - Foster a culture of innovation.
  - Drive Group-wide innovation.

Aftermarket Parts

- Grow the retail footprint and optimise the operating structure, with the support of franchisees.
- Drive optimisation of the supply chain management.
- Strengthen the core business through improved efficiency and volume buying.
- Grow the number of buying groups in which we are members.
- Invest in information technology (IT) to drive digitisation and e-commerce expansion.
- Rationalise distribution centres in South Africa and China.
- Manage inventory availability.
- Expand the product range across all tiers, mainly entry level.
- Extend distributor footprint internationally.

Continue to deepen the maturity of our **governance** practices and processes.

- Maintain our reputation as an organisation that effectively manages existing controls and implements new controls when required.
- Ensure compliance in an increasingly complex regulatory environment.
- Monitor new legislative developments to stay abreast of regulatory changes.
- Deliver training to enhance governance implementation.

Our **people** priorities

- Develop a skilled, diverse and motivated workforce.
- Maintain a strong focus on transformation, succession and empowering employees.
- Encourage a high-performance culture with tailored training and development opportunities for all levels of staff.
- Promote DEI in the workplace.
- Be an employer of choice.

Integrated business model

The Group's entrepreneurial management, its scale and reach, and the flexibility its integrated business model creates, underpins our ability to create value for all stakeholders over the long term. The strategic agility in our responses to changing market conditions has positioned Motus to deepen competitiveness, maintain and grow market shares and realise its growth opportunities.

IMPORT OF VEHICLE FROM OEM FACTORY

Vehicle ownership lifecycle

Motus participation in the lifecycle of automotives

0 YEARS
New vehicle market

Customer touchpoint

First sale **of vehicle, vehicle financing, insurance and value-added products**

Import and distribute passenger vehicles and LCVs, and OEM parts and panels

Retail new vehicles through dealerships and online platforms

Passenger vehicles, LCVs and commercial vehicles

Passenger vehicles and LCVs

Provide service, maintenance and warranty plans and other VAPs to customers

Provide vehicles for rental of passenger vehicles and LCVs, and fleet management services

0 – 6 YEARS
Life of new vehicle

Customer touchpoint

Recurring touchpoints after first sale, including **customer services and maintaining the vehicle**

Workshops, parts and servicing of new vehicles under service, maintenance and warranty plans

Import and Distribution

Retail and Rental

Mobility Solutions

Aftermarket Parts

REVENUE STREAM CONTRIBUTION

We participate in all aspects of the automotive value chain, with an integrated approach across the full vehicle ownership cycle. Our broad scope of activities diversifies our revenue and profit streams and is cash generative, enabling us to cross-sell and leverage opportunities across the Group.

0 – 6 YEARS

Pre-owned vehicle market | Trade-in

Customer touchpoint

Second sale **of vehicle together with vehicle financing, insurance and value-added products**

Retail pre-owned vehicles through dealerships and online platforms

Passenger vehicles, LCVs and commercial vehicles

Passenger vehicles and LCVs

Additional vehicle-related financial products and services (for example extended warranty plans)

Distribute, wholesale and retail parts and accessories for out-of-warranty vehicles

AFTER 6 YEARS

Pre-owned vehicle market | Trade-in

Customer touchpoint

Further **vehicle servicing and maintenance, insurance and value-added products and supply of parts and accessories to the car parc**

Retail pre-owned vehicle sales through dealerships and online platforms

Passenger vehicles, LCVs and commercial vehicles

Passenger vehicles and LCVs

Develop and provide vehicle-related financial products and services

Distribute, wholesale and retail parts and accessories to the older car parc

END OF VEHICLE LIFE (OFF THE ROAD)

Revenue stream key

- New motor vehicle sales
- Pre-owned motor vehicle sales
- Parts and other goods sales
- Vehicle workshops, maintenance, service and warranty
- Motor vehicle rental
- Fees on vehicles, parts and services sold

Integrated business model (continued)

Creating sustainable value

We use the resources and relationships that are available to us to support how we create value over time through the activities that underpin the flexibility inherent in our integrated business model.

Our inputs

Financial Capital

A strong balance sheet and cash flow generation, structured capital allocation, and financial discipline ensure our resilience, thereby supporting sustainable returns to stakeholders over time.

- Ability to generate cash provides liquidity to fund working capital and invest in growth opportunities.
- Strong balance sheet is underpinned by a focus on cost management and financial discipline.
- Disciplined capital management and allocation to ensure strategic flexibility.

More detail about our financial performance can be found in the Chief Financial Officer's Review on page 48.

Human Capital

A skilled, diverse, productive and motivated workforce enables us to operate cost-effectively and efficiently to meet stakeholder needs.

In turn, we provide our employees with career growth opportunities and a fair, rewarding, and safe work environment.

- 17 283 employees (2021: 16 708).
- South African training spend of R166 million (2021: R144 million) and UK and Australian training spend of R124 million (2021: R127 million).
- An experienced, diverse and stable leadership team.
- High-performing, inclusive and collaborative culture supports diversity, innovation and entrepreneurial flair.
- A human capital strategy that is designed to provide business informed people practices and frameworks that accelerate innovation and growth.

More information on our people is provided in the insights from leadership section and the people section of the social report from pages 28 and 120 respectively.

Read the full review online in our ESG report.

Social and Relationship Capital

Our commitment to building quality relationships with our stakeholders enables us to build trust, securing our licence to operate, protecting our reputation and achieving our strategic objectives.

- Strong and long-standing relationships with OEMs, suppliers and customers, as well as business partners, including joint venture and technology partners.
- Constructive relationships with regulators, governments and local communities.
- We are committed to making a real difference in our communities, directing our contributions to improving literacy and community healthcare, and promoting road safety awareness.
- Enterprise development spend of R121 million in South Africa (2021: R76 million).
- CSI spend of R30 million, invested in community upliftment, supporting education, health, youth development, and road safety (2021: R18,6 million).

More information on stakeholder engagement and other social initiatives is provided in the engaging with stakeholders and social report sections on pages 59 and 118 respectively.

Our outcomes

- Revenue of R92,0 billion (2021: R87,2 billion).
- Operating profit of R5,0 billion (2021: R3,8 billion).
- Headline earnings of R3,5 billion (2021: R2,1 billion).
- Headline earnings per share (HEPS) of 2 025 cents per share (2021: 1 179 cents per share).
- Full year dividend of 710 cents per share, with a final dividend of 435 cents per share and an interim dividend of 275 cents per share declared and paid.
- Net debt to earnings before interest, tax, depreciation and amortisation (EBITDA)[1] of 0,8 times (2021: 0,8 times).
- Free cash flow generated from operations of R4,8 billion (2021: R5,9 billion).
- Continued to buy back shares, totalling R1,4 billion, during the year.
- Invested in select acquisitions during the year to further deliver our longer-term growth strategies, for a total net of cash purchase consideration of R758 million.

- 76% of employees are based in South Africa, of whom 75% are black.
- Black representation at top management level in South Africa of 50% (2021: 36%), including the appointment of one new black Executive Committee member.
- 343 employees participated in managerial development programmes (2021: 274) – 71% of participants were black and 42% were women.
- 83% of total South African training spend supported technical training (2021: 83%).
- Continued to comply with all health and safety guidelines for COVID-19, focusing on keeping our people safe.
- Included as one of the 30 most inclusive and diverse organisations on the JSE in the Satrix Inclusion and Diversity exchange traded fund (ETF) that ranks JSE-listed companies according to metrics unique to South Africa.
- Held workshops to develop a purposeful DEI vision for Motus.
- Ockert Janse van Rensburg, Chief Financial Officer (CFO) was nominated in the 2021 CFO Awards for his exemplary skills and vision.
- Kerry Cassel, the Chief Executive Officer (CEO) of Mobility Solutions and the Head of Innovation and Technology for the Group, was one of 50 finalists in the Africa.com Definitive List of Women CEOs running big businesses in Africa.
- Michele Seroke, the Chief People Officer, has been nominated for the 2022 CHRO Awards.
- Membership on business forums and industry associations, where Motus representatives hold a number of officer roles, including Gary Scott on naamsa | The Automotive Business Council (naamsa) and Corné Venter on the Southern African Vehicle Rental and Leasing Association (SAVRALA), among others.

- We continue to enhance our communication with stakeholders, including funders, investors and our people, to better manage our relationships.
- The Imperial and Motus Community Trust supports 63 school resource centres and libraries, providing access for over 72 000 learners. The Trust employs 65 full time staff, many of whom were unemployed learners from the communities wherein the resource centres are based.
- Reached over 1,96 million learners through the Motus Safe Scholar programme that teaches road safety in over 2 300 schools.
- Continued supporting the South African YES4YOUTH (YES) programme, investing R18,7 million to date and with an annual intake of over 400 youths. The Imperial and Motus Community Trust and the Unjani Clinics network also benefit from these placements. From the first cohort, 196 (48%) YES learners have been employed at Motus.
- Support a network of 118 Unjani Clinics and six mobile clinics and health pods in lower income areas, which provide primary healthcare services and employ 475 people, with clinic consultations to date exceeding 2,9 million.
- Donated R6 million to communities in KwaZulu-Natal who were either impacted by the July 2021 unrest (R3 million) or by the floods that devastated the province in April 2022 (R3 million).

[1] *Calculated by applying the funders covenant methodology.*

Integrated business model (continued)

Creating sustainable value (continued)

Our inputs

Intellectual Capital

Our IT architecture plays a critical role in securing our data, improving efficiencies, and integrating business segments. Embedding effective management systems assists in providing insight and oversight to ensure continuity and in driving competitiveness and agility as our operating environment evolves. Our omni-channel access improves our ability to engage with customers, at their convenience, and deepens loyalty.

- Our relationships and capabilities enable us to adapt to emerging digital, mobility, and automation trends, as well as changing customer needs.
- Investment in IT, innovation and training supports our collaborative customer engagement model and enhances the customer experience across the vehicle ownership cycle.
- Ongoing optimisation of operating models and assessing our responsiveness to disruption.
- We invest in IT security and governance to ensure the safety of our data and systems.
- We have registered our trademarks and intellectual property.

More information on our innovation and IT strategy can be found in the innovation and digitisation review and managing our risk and opportunities reports from pages 42 and 62 respectively.

Manufactured Capital

Our property, plant and equipment support our capacity to generate longer-term returns for our stakeholders. Our scale and highly effective route-to-market is supported by our dealership footprint.

- Our footprint includes a network of ~357 dealerships and 113 car rental branches in Southern and East Africa, supplemented by 81 commercial and 33 passenger dealerships in the UK and 36 passenger dealerships in Australia.
- We invest in maintaining our assets to ensure that they operate safely, reliably, and efficiently.
- Motus owns real estate worth R6,4 billion to support its businesses.

More information can be found in Chief Executive Officer's review on page 34.

Natural Capital

We responsibly manage the direct environmental impacts within our control and the critical natural resources required by our businesses (water, electricity, fuel). Our waste strategy ensures that we manage hazardous and non-hazardous waste responsibly and comply with applicable waste management laws. Where possible, we recycle to reduce waste going to landfill.

- We are committed to operating in an environmentally conscious and responsible manner.
- Our environmental management approach supports our value proposition and credibility among OEMs, customers, strategic partners, and employees.
- 609 191 kilolitres of water consumed (2021: 570 089 kilolitres).
- 70 108 megawatt hours of electricity purchased from municipalities (2021: 73 317 megawatt hours).
- 16,6 million litres of road fuel consumed (2021: 16,1 million litres).

More information on environmental management is provided in the environmental report on page 112.

Read the full review online in our ESG report.

Our outcomes

- Our innovation platform, Motus Xponential, or m^x, has 3 876 members participating from across the Group.
- Balanced innovation portfolio of 23 concepts across three categories – efficiency innovations, sustaining innovations and transforming innovations.
- In South Africa, we developed a website tool to automate and simplify the vehicle finance application process, and a digital customer verification process.
- Continued to enhance brand awareness and functionality of motus.cars, to deepen our ability to engage digitally with our customers, including integration with getWorth innovative technology.
- Partner with institutes like the Henley Business School South Africa to grow our internal innovation capability.

- We actively manage our dealership footprint and have multi-franchise dealerships in various locations and opened our single biggest multi-franchise business in 2022.

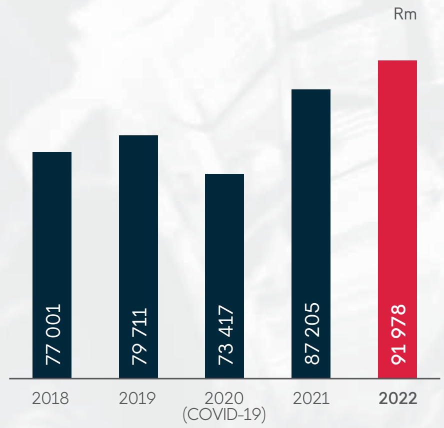
- We achieved an environmental score of 2,0 out of 5 in the FTSE4Good Index Series (2021: 3,0 out of 5).
- 111 841 tCO_2e* across scopes 1 and 2 emissions (2021: 117 982[1] tCO_2e).
- No incidents of non-compliance with environmental regulations.
- Partnered with registered waste disposal companies to recycle various wastes generated in our workshops.
- Secured two sustainability-linked financing facilities based on years of measuring our environmental performance and ability to meet targets.

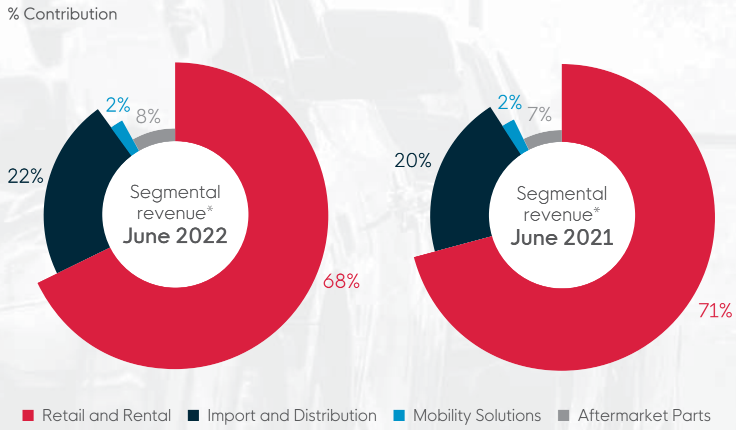
** tCO_2e: tonnes of carbon dioxide equivalent.*
[1] 2021 restated due to a change in carbon emission factors applied to better reflect the South African environment.

Performance overview

Financial performance

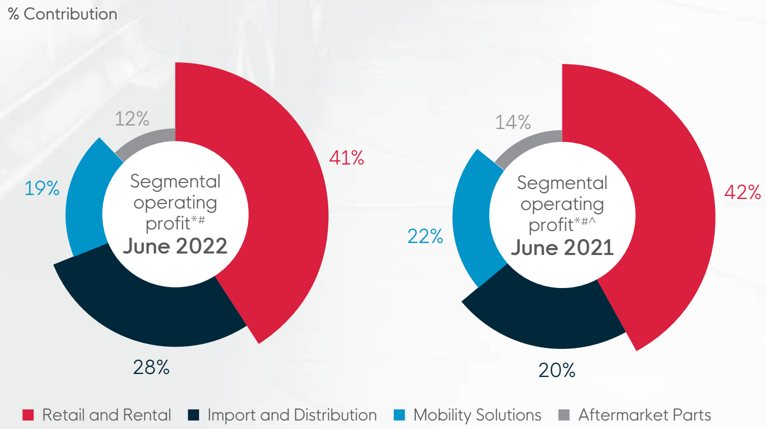
Revenue





* Excludes Head Office and Eliminations.

Operating profit



* Excludes Head Office and Eliminations.
\# Operating profit before capital items and net foreign exchange gains/(losses).
^ Adjusted for the re-presentation to include share of results from associates and joint ventures in operating profit.

Revenue

R91 978 million
(2021: R87 205 million)
▲ 5%

EBITDA

R6 785 million
(2021: R5 302 million)
▲ 28%

Profit before tax

R4 473 million
(2021: R2 860 million)
▲ 56%

Attributable profit

R3 290 million
(2021: R2 098 million)
▲ 57%

Headline earnings per share

2 025 cents per share
(2021: 1 179 cents per share)
▲ 72%

Net asset value per share

8 143 cents per share
(2021: 6 586 cents per share)
▲ 24%

Free cash flow generated from operations

R4 835 million
(2021: R5 904 million)

Net debt to equity

36%
(2021: 28%)

Return on invested capital[3]

17,8%
(2021: 14,8%)

Weighted average cost of capital[3]

10,9%
(2021: 9,5%)

Net debt to EBITDA[4] **(debt covenant)**

0,8 times
(2021: 0,8 times)
Required: to be less than 3 times

EBITDA to net interest[4] **(debt covenant)**

17,9 times
(2021: 10,9 times)
Required: to be greater than 3 times

Operating profit[1]

R5 029 million
(2021: R3 838 million[2])
▲ 31%

Earnings per share

1 902 cents per share
(2021: 1 153 cents per share)
▲ 65%

Total dividend per share

710 cents per share
(paid interim dividend of 275 cents per share)
(2021: 415 cents per share)
▲ 71%

1 *Operating profit before capital items and net foreign exchange gains/(losses).*
2 *Adjusted for the re-presentation to include share of results from associates and joint ventures in operating profit.*
3 *The ROIC and WACC is prepared on a 12-month rolling basis.*
4 *Calculated by applying the funders covenant methodology.*

Performance overview (continued)

Non-financial performance

Environment

Water

609 191 kilolitres
purchased
(2021: 570 089 kilolitres)

Environmental compliance

No environmental-related fines or penalties incurred

Electricity

70 108 megawatt
hours purchased
(2021: 73 317 megawatt hours)

Carbon footprint*

111 841 tCO_2e
(2021: 117 982[1] tCO_2e)

* Scope 1 and 2 emissions.
[1] 2021 restated due to a change in carbon emission factors applied to better reflect the South African environment.

Social

Black representation

75%
of the Group's South African workforce
(2021: 73%)

Women representation

32%
of the Group's workforce
(2021: 31%)

CSI spend

R30 million
(2021: R18,6 million)
▲ 61%

South African training spend

R166 million
(2021: R144 million)
▲ 15%

Governance

FTSE4Good Index Series

3,3 out of 5
overall score achieved and 5,0 out of 5 for governance
(2021: 3,8 out of 5 overall)

Satrix Inclusion and Diversity ETF

Recognised as one of the 30 most inclusive and diverse organisations on the JSE

Secured a sustainability-linked funding facility worth R6 billion and a working capital facility of R800 million. Targets achieved result in a favourable interest rate or an increase in the interest rate if not achieved.

For more information, refer to our environmental, social and governance reports starting from pages 112, 118 and 136 respectively.

For more information, read about our ESG performance and objectives online in our ESG report.

Segment overview

Import and Distribution

22% of Group revenue

28% of Group operating profit

6,3% operating margin

- Exclusive South African importer of Hyundai, Kia, Renault and Mitsubishi
- Operates in South Africa and neighbouring countries
- Exclusive distribution rights for Nissan in four East African countries
- ~24,5% passenger only vehicle market share in South Africa
- Car parc >750 000 vehicles

Retail and Rental

68% of Group revenue

41% of Group operating profit

3,0% operating margin

South Africa

- Represents 23 OEMs: ~345 dealerships
- ~22,4% retail market share
- Car rental (Europcar and Tempest): 113 branches in Southern Africa
- ~29% rental market share

United Kingdom

- Represents 19 OEMs
- 81 commercial dealerships
- 33 passenger dealerships

Australia

- Represents 20 OEMs
- 36 passenger dealerships

A diversified business in the automotive industry

Mobility Solutions

2% of Group revenue

19% of Group operating profit*

- Developer, manager and administrator of vehicle-related financial products and services to >740 000 vehicles including third party products under administration
- Provider of fleet management services
- Provider of business process outsourcing through sophisticated technology and call centre capabilities
- Leading the Group's innovation centre

Aftermarket Parts

8% of Group revenue

12% of Group operating profit

7,9% operating margin

- Distributor, wholesaler and retailer of parts and accessories for mainly out-of-warranty vehicles
- Operates in Southern Africa, South East Asia and the UK
- 518 franchised outlets (62 owned) supported by 43 wholesale distribution points (40 owned)
- 5 canopy fitment centres (owned)
- Supported by distribution centres in South Africa, Taiwan, China and the UK
- Franchise base comprises:
  – Resellers (Midas and Alert Engine Parts)
  – Specialised workshops

The above financial measures exclude Head Office and Eliminations.
** Operating profit includes profit streams without associated revenue.*

Group leadership

Board of directors

Motus is led by a diverse board of directors with extensive industry knowledge, experience and expertise.

Non-executive directors

Graham
Dempster
67

Committees: AL NOM REM

Chairman and independent non-executive director

BCom (Hons), CA(SA), AMP (Harvard)

Appointed on 1 August 2018.

Graham has over 30 years' experience in the financial services industry, both in South Africa and internationally. He currently also serves as a non-executive director at Shoprite Holdings Limited and Sun International Limited. He previously served as a non-executive director of Imperial Logistics Limited (Imperial).

Ashley (Oshy)
Tugendhaft
74

Committees: NOM REM SES

Deputy Chairman and non-executive director

BA, LLB

Appointed on 1 August 2018.

Oshy is a senior partner at law firm Tugendhaft Wapnick Banchetti & Partners (TWB). He also serves as a non-executive director and Chairman of Alviva Holdings Limited. He previously served as a non-executive director and deputy Chairman of Imperial.

PJS (Smit)
Crouse
46

Committees: AL

Independent non-executive director

LLB, LLM (International Taxation), IDP-C (INSEAD)

Appointed on 10 November 2020.

Smit has over 20 years of experience in international banking, corporate finance, general commerce and law. He is a former senior executive and special advisor to the World Bank Group's International Finance Corporation and held senior executive positions at Nedbank Group and PricewaterhouseCoopers Inc. (PwC). Smit is an admitted Advocate of the High Court of South Africa.

Board committee key

- AL — Asset and Liability Committee
- ARC — Audit and Risk Committee
- NOM — Nomination Committee
- REM — Remuneration Committee
- SES — Social, Ethics and Sustainability Committee
- C — Chairman

Bridget
Duker
43

Committees: ARC

Independent non-executive director

Bcom (Hons), CA(SA)

Appointed on 10 November 2020.

Bridget is the Chief Operating Officer (COO) and an executive director at Rothschild & Co South Africa. Prior to this, she served as Group CFO of Ubuntu-Botho Investments. Bridget started her career at Deloitte & Touche where she was an audit partner. In this role, she led multi-disciplinary engagement teams servicing JSE listed companies in geographies spanning Africa, Europe, and America. She currently serves as a non-executive director on Assupol Holdings Limited board. She previously served as a non-executive director of Imperial.

Saleh
Mayet
66

Committees: AL ARC

Independent non-executive director

Bcom, Bcompt (Hons), CA(SA)

Appointed on 22 November 2018.

Saleh is a seasoned finance professional with well over 30 years of experience in the Anglo American Group in South Africa. He has held several listed and unlisted board positions and brings with him extensive experience across the full spectrum of corporate activities. He currently also serves as a non-executive director at Astral Foods Limited.

Johnson (JJ)
Njeke
64

Committees: NOM REM SES

Independent non-executive director

Bcompt (Hons), CA(SA), H Dip Tax Law

Appointed on 22 November 2018.

JJ is the Executive Chairman of Silver Unicorn Coal and Minerals. He serves as Chairman of the Hollard Foundation Trust, and as a non-executive director of Clicks Group Limited, Datatec Limited and Delta Property Fund. He previously served as a non-executive director of MTN and Sasol, and as Chairman of Momentum Metropolitan Holdings Limited.

Fundiswa
Roji
46

Committees: ARC SES

Independent non-executive director

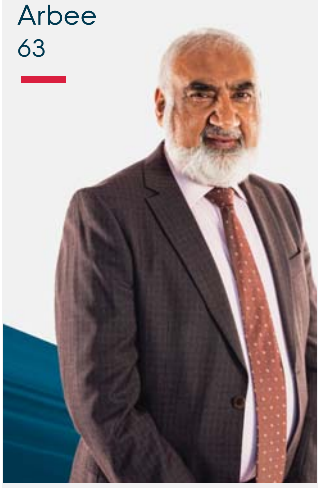
Bcom (Hons), CA(SA), Post grad diploma Fin Planning

Appointed on 1 September 2021.

Fundiswa served her articles at EY and is a CA(SA), with extensive professional experience. She previously served as a senior manager responsible for strategy and investor relations at Imperial. Prior to joining Imperial, she worked for over 10 years at Kagiso Trust Investments and later at Kagiso Tiso Holdings as a director of investments. Over the last 20 years, she has served on a number of boards across various industries.

Executive directors

Osman Arbee
63



Chief Executive Officer (CEO)

B Acc, CA(SA), H Dip Tax

Appointed on 12 October 2017.

Osman was previously with Imperial, having joined in September 2004. He was appointed to the Imperial board in July 2007. During his tenure at Imperial, Osman held the following positions: CEO and CFO of Imperial, CEO of the then Car Rental and Tourism division, and the Chairman of the Aftermarket Parts and the Automotive Retail divisions. He resigned from the Imperial board during November 2018 at the time of the listing of the Group on the JSE.

Osman is a director of various Motus subsidiaries, including those based in the UK and Australia.

Prior to joining the Group, Osman was a senior partner at Deloitte & Touche, where he spent 23 years in various roles, which included being a member of the board and Executive Committee.

Ockert Janse van Rensburg
49

Chief Financial Officer (CFO)

Bcompt (Hons), CA(SA), H Dip Co Law

Appointed on 12 October 2017.

Ockert joined Imperial in January 2015, at which time he was appointed as CFO of Motus Corporation (previously a subsidiary of Imperial). Ockert acted as CEO during the unbundling and listing of Motus for six months ending 31 December 2018 while performing his function as CFO.

Prior to joining Motus, Ockert was CFO of Foodcorp Holdings Limited, a multi-national food manufacturer and a partner at accounting and auditing firm, PwC.

Ockert is a member of various Motus subsidiary boards, including those based in the UK and Australia, and a trustee of the Group medical aid, retirement funds, and the Imperial and Motus Community Trust.

Kerry Cassel
49

CEO – Mobility Solutions & Head: Innovation and Technology

Bcom (Hons), CA(SA)

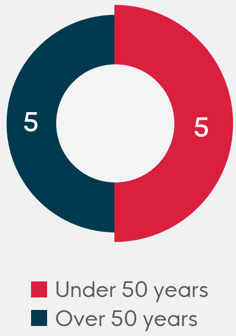
Appointed on 1 July 2019.

Kerry joined Motus in 2002 and, prior to joining Motus, was an audit manager at Deloitte & Touche.

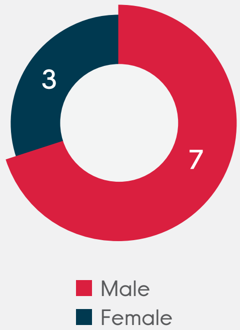
Prior to being appointed to the board, Kerry has held multiple senior positions within the Group.

In addition to being an executive director, Kerry serves on the boards of various subsidiaries of the Group.

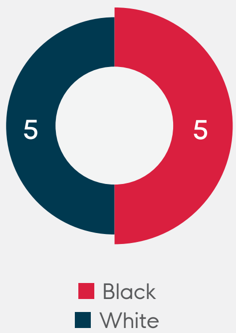
Board age



Board gender representation



Board race diversity



Group leadership (continued)

Executive committee

The board is supported by a highly experienced management team with years of collective experience and expertise, extensive industry knowledge of regional and global markets, and a proven track record.

Osman Arbee
63

Chief Executive Officer

B Acc, CA(SA), H Dip Tax

See page 25.

Ockert Janse van Rensburg
49

Chief Financial Officer

Bcompt (Hons), CA(SA), H Dip Co Law

See page 25.

Kerry Cassel
49

CEO – Mobility Solutions & Head: Innovation and Technology

Bcom (Hons), CA(SA)

See page 25.

Berenice Francis
46

Corporate Affairs, Risk and Sustainability

Bcom (Acc), Bcompt (Hons), MBA, CIA

Berenice joined Motus from Imperial, where she served on the Group Executive Committee from 2009. She is the representative director of Ukhamba Holdings and related operations. Berenice has been actively involved in the Institute of Risk Management of South Africa (IRMSA) where she serves as the Chairman of the Education & Technical committee. She is also past President of the Institute. She also served as a past Vice President and Regional Governor of the Institute of Internal Auditors (IIASA).

Niall Lynch
46

CEO – Hyundai Automotive South Africa

Bcom, MBS

Niall has been with the Group for 12 years, during which time he has held various franchise director positions within the Retail and Rental business segment. He previously served as Managing Director of Renault South Africa Proprietary Limited (now known as Motus Vehicles Distributor). Niall has been the CEO of Hyundai Automotive South Africa for the past seven years.

Barbara Makhubedu
47

CFO – Motus Corporation

Bcom, CA(SA), H Dip Tax

Barbara joined Motus in April 2022, at which time she was appointed as CFO of Motus Corporation. Prior to joining Motus, Barbara was CFO and an executive director of Shell Downstream South Africa, a subsidiary of a global energy company operating a fully integrated downstream business in South Africa. She was also a director on various Shell SA Group companies and joint venture boards and committees.

Malcolm
Perrie
63

CEO – Aftermarket Parts

BSc, MBA

Malcolm completed his BSc (Electrical Engineering) and MBA at the University of the Witwatersrand (Wits). He gained experience in Telkom, BMI (an industrial market research company), and established The Marketing Shop, a consultancy focusing on the automotive and engineering sectors. Between 2004 and 2012, Malcolm headed up Federal-Mogul (South Africa), the leading component manufacturer and supplier in South Africa. In 2013, he joined Imperial as Managing Director of Parts Incorporated, a division of Aftermarket Solutions, and in April 2015 was appointed as the CEO of the Aftermarket Parts business.

Gary
Scott
47

CEO – Kia South Africa

Bcom (Hons), CA(SA)

Gary joined Kia South Africa in 2002 from Deloitte & Touche, where he qualified as a Chartered Accountant. His 20 years of automotive experience includes roles in finance, Group projects and parts. He served as a Sales Director at Kia South Africa in 2013 before being appointed as CEO in 2017. Gary currently serves as Vice-President: Independent Vehicle Importers and Distributors at naamsa.

Michele
Seroke
51

Chief People Officer

BsocSci

Michele joined Imperial as Human Resources Director for the Imperial Vehicle Retail, Rental and Aftermarket Parts division in August 2016. Her career began at Eskom after obtaining her BscoSci from the University of Cape Town. She has held senior management and executive positions in human resources both in local and multi-national companies, including Eskom, Productivity SA, ArcelorMittal and General Electric.

Ntando
Simelane
50

Company Secretary and Head of Legal Counsel

B.Juris, LLB, Advanced Company Law

Ntando joined Motus in April 2021 as Company Secretary and Head of Legal Counsel. Ntando is a lawyer with over 20 years of corporate law and more than 15 years of company secretarial experience. Prior to joining Motus, he served as the Company Secretary and Head of Legal at Adcock Ingram Holdings Limited.

Shumani
Tshifularo
48

CEO – Motus Vehicles Distributor (Renault SA)

Bcom (Hons), CA(SA)

Shumani joined Motus in January 2020 as Commercial Director for Kia South Africa, and then Commercial Director for Motus Vehicles Distributor. Shumani was appointed as CEO of Motus Vehicles Distributor from March 2022. Before joining Motus, he was Managing Director of Eqstra Industrial Equipment Group from July 2015. He has also held other executive roles including CFO of Saficon Industrial Equipment, Managing Director of Eqstra Fleet – Rest of Africa Division and Divisional CFO of Imperial Fleet Services.

Corné
Venter
46

CEO – Retail South Africa

Bcom Acc, Bcom (Hons), Mcom

Corné is the CEO of Retail South Africa, having also been responsible for the Car Rental division until 30 June 2022. He joined Imperial in 2005 as Financial Director of Premier Motor Holdings. He previously held the position of Managing Director at Premier Motor Holdings, Porter Motor Group, and Imperial Commercials. Corné is a trustee of the Imperial Motus Pension and Provident Fund and is the President of SAVRALA.

Insights from leadership

Chairman's welcome

"Motus' performance over the past three years should reassure stakeholders that the Group has both the solidity and dynamism to absorb shocks and capture opportunities, even in challenging conditions."

Demonstrating the Group's strategic agility

Motus' financial strength and flexibility emanate from its size and structure. As a multi-national provider of automotive mobility solutions and vehicle products and services, our scale and scope are unrivalled in South Africa and growing in key international markets. Our scale allows us to respond dynamically to the needs of OEMs, suppliers, customers and business partners in variable conditions; our scope means that whatever mobility need our customers have, one of our four segments can likely offer a solution.

Our importer and retail partnerships with leading OEMs representing some of the world's most recognised brands are long-standing and have been proven over many market cycles. We provide these partners with a highly effective route-to-market supported by our deep understanding of OEM strategies, customer preferences, and mobility-related technologies. Our quality marketing, high levels of customer satisfaction, strategically located dealership network and culture of innovation, position us as the conduit between our OEM partners and our customers.

Our business model, which combines and integrates these solutions across the lifecycle of a vehicle – from sale to end of use – provides multiple customer touchpoints to deliver the differentiated Motus customer experience. This provides us with the flexibility to maximise the revenue and income opportunities for each vehicle sold. It also offers multiple access points to indirect vehicle-related revenue opportunities, such as parts, workshops and value-added mobility services, not directly dependent on the sale of new vehicles.

Maturity paves the way for growth and returns

Motus' ability to continually optimise its portfolio, improve through innovation, and grow through carefully selected acquisitions translate into growth opportunities that supports our shareholder return objective. We leverage best-in-class expertise to diversify and enhance our earnings over the long term to create shareholder value. The Group resumed dividend payments last year and has continued to generate healthy returns for our shareholders. We declared a final dividend of 435 cents per share, with full year dividends totalling 710 cents per share.

We can make acquisitions and pursue exciting growth opportunities, while still offering our shareholders competitive dividend yields, because Motus generates strong free cash flow. The maturity of our Import and Distribution and Retail and Rental business segments provides the Group not only the financial strength, but also the car parc to generate indirect vehicle-related income streams through Mobility Solutions and Aftermarket Parts; and the customer touchpoints to support the ability to pilot innovation ideas and concepts.

Besides our size and reach, it is how well we do in addressing our customers' needs, and our standard of service at any one of these contact opportunities, that secures their return to the Group for everything mobility related. Customer loyalty – bringing customers back, doing more for them, and finding better ways to solve their needs – enables us to make the cash to invest in growth and to generate attractive returns.

Delivering outstanding solutions and service vests in our people. The industry's dramatic and rapid shift online demands a competent workforce with the skills that the modern industry requires. We therefore match our investments in new technology with our spending on attracting, developing and retaining the skills our industry demands. Besides being skilled and motivated, our workforce is also diverse.

The management team have made good progress, especially in transforming middle and top management levels. Several black executives assumed senior leadership roles in the last year. Although some targets were marginally missed, the executive team is to be commended for following a pragmatic and measured approach to achieving the challenging transformation targets we set. Importantly, we give close attention and careful thought to succession planning at all executive levels and I am confident that the Group's emergency and longer-term leadership development pipeline is sound.

Ultimately, Motus' financial solidity and entrepreneurial agility – its ability to absorb shocks and capture opportunities even in the harshest conditions – is in the hands of this highly experienced, hands-on management team. The board is reassured by their deep knowledge of regional and global automotive markets, and years of collective experience in leveraging the full benefits of Motus' business model to optimise, improve and grow in volatile and uncertain times.

Headline earnings per share

2 025 cents per share
(2021: 1 179 cents per share)
▲ 72%

Net asset value per share

8 143 cents per share
(2021: 6 586 cents per share)
▲ 24%

Full year dividend

710 cents per share
(2021: 415 cents per share)
▲ 71%

Ultimately, Motus' financial solidity and entrepreneurial agility – its ability to absorb shocks and capture opportunities even in the harshest conditions – is in the hands of this highly experienced, hands-on management team.

GW Dempster
Chairman

Chairman's welcome (continued)

Positioning for market challenges and the direction of travel

The global vehicle market is going through a turbulent time. We were still recovering from the pandemic when the conflict in Ukraine began. The global cost-of-living crisis and the risk of an international recession are real threats. Supply, particularly of vehicles, parts and components, is likely to remain erratic before normalising in the middle of the 2023 calendar year. Yet, this has been a highly successful year for Motus, not just despite the market conditions, but because Motus' size, scope and structure allow it to succeed.

Whatever the prevailing economic conditions might be, some part of Motus will stand to benefit; whichever direction the market is pointing. The 12 million vehicles in the South African internal combustion engine (ICE) car parc are ageing, which signals demand for both new vehicles and parts and services to keep the existing fleet moving. The same holds for the UK and Australia with vast ICE car parcs of 35 million and 20 million, respectively. Across our territories, more vehicles need to be maintained, and the Group is well placed to help their owners do that with parts, services and solutions that respond to their needs at every stage of the vehicle's lifecycle.

In the past year, several regulations came into effect that directly affect the automotive industry. The Group took the necessary steps to understand the requirements, identify the impact and implement the required controls into the business in response. They are well-positioned to respond to potential emerging regulations and have the flexibility and experience that will allow them to meet future requirements as they arise.

Motus' structural resilience will be increasingly important in this evolving environment. While it is possible to foresee an end to the severe impact of COVID-19, the long-term challenges associated with climate change and geo-political tensions remain unquantifiable. Carbon emissions from road transportation are significant contributors to climate change, and we depend on OEMs to develop and supply NEVs and more efficient vehicles relevant for the markets in which we operate. In the interim, we will consider and take all measures within our control to minimise the Group's environmental footprint, while also advocating for the changes that will facilitate the transport sector's inevitable transition to a low-carbon future.

I encourage you to read the environment report on page 112 for more perspective on this critical topic.

The Group's sense of social responsibility extends to long-standing relationships in our local communities through CSI partner programmes, investing R30 million in FY2022. We choose to focus on education and skills development, road safety and primary healthcare. By consistently supporting our partners, we can make a long-lasting positive difference to the economies and in the communities in which we work and live. We also support NGOs as need arises; for instance, the Group, together with Hyundai Motor Company of South Korea, donated R3 million to Gift of the Givers to support communities affected by the recent floods in KwaZulu-Natal.

There is more information about how we support our communities in the social report on page 118.

Board matters

Commitment to strong governance and unwavering integrity are the foundation of the dependability and trustworthiness that underpins every effort to nurture lasting relationships with all our stakeholders. The Motus board is the custodian of this commitment and, by ensuring that the board is strong, diverse and effective, the Group entrenches this strong moral compass at all levels of the business. After welcoming three new board members last year, the membership of the board has been stable, with the relevant mix of skills and experience to ensure that it discharges its duties effectively and responsibly.

The board regularly assesses its performance and that of its sub-committees. From the last assessment, and considering the increasing focus on ESG matters, we re-constituted the SES Committee to ensure that it incorporated the appropriate level of focus and skills to meet our ESG commitments.

In keeping with the requirements of King IV to have an independent non-executive director as the Remuneration Committee (RemCo) chair, Mr. A Tugendhaft stepped down as the Chairman at the Group's annual general meeting (AGM) in November 2021, while remaining a member of the committee. We thank Oshy Tugendhaft for the impeccable and professional manner in which he oversaw the complex transition of the Motus remuneration policy during the unbundling. Mr. MJN Njeke was appointed as Chairman of RemCo at the same time. This, and other steps were taken to update the Group's remuneration policy and implementation in response to shareholder feedback in the prior year. The remuneration policy and implementation reports were well received by shareholders at the 2021 AGM, endorsed by 97,83% and 97,71% of shareholders respectively.

PwC has been appointed as the Group's external auditors, replacing Deloitte & Touche, whose mandate will end after the 2023 financial year. The appointment is subject to shareholder approval at the Group's 2022 AGM. The Group initiated it to comply with the Independent Regulatory Board for Auditors' (IRBA) 2017 ruling on mandatory audit firm rotation, which requires a company to rotate its external auditor where it has held such appointment for more than 10 consecutive financial years.

In closing

The resilience that the Group showed during the height of the pandemic, and which has been sustained since, speaks to the agility of its business model and the entrepreneurial mindset of our leaders and the passion and skill of our people. Alongside the enduring support of all our stakeholders, including our customers and staff, for which we are deeply grateful, their ability to respond quickly and effectively to both threats and opportunities as they emerge will secure Motus' future. Our thanks to all our people ably led by our CEO, Osman Arbee, and his executive team for an exceptional set of results and for the substantive strategic progress made in the last year. At this highly uncertain time in the world, and as the Group turns 75, it is most pleasing to say with confidence that the road ahead is exciting for Motus.

GW Dempster
Chairman

26 September 2022

Chief Executive Officer's review

"Strategic agility and entrepreneurial leadership drove an exceptional performance in challenging circumstances – something I am proud to say again this year. Our results affirm the resilience and differentiation of Motus' business model, and the flexibility it gives us to position the Group for sustained profitable growth in a dynamic environment."

Earnings per share growth of 65% to

1 902 cents per share

(2021: 1 153 cents per share)

Free cash flow generated from operations

R4 835 million

(2021: R5 904 million)

Net debt to EBITDA

0,8 times

(2021: 0,8 times)
Required: to be less than 3 times

Operating in an unpredictable world

The agility we showed in response to the pandemic, now a feature of how we do things at Motus, combined with our competitive advantages of scale, integration and differentiation, and the strength of our entrepreneurial leadership team, gives the Group its resilience and positions it for future growth. We set this expectation with confidence, despite an uncertain outlook for the world and tough times for our domestic market.

The Group has performed strongly over the past three years, demonstrating an ability to find opportunity in even the most challenging circumstances. Four themes underpin this resilience in market conditions that demand hands-on day-to-day involvement from the Group leadership:

Business model and governance

Motus' integrated business model enables us to capture opportunities when others face challenges, within the parameters of good governance and guided always by our strong moral compass.

Innovation and digitisation

Motus' ability to adapt and innovate, specifically by accelerating the digitisation of front-end services and back-office processing, enables us to respond rapidly to changes in consumer buying preferences and to stay at the forefront of mobility services.

Stakeholder relationships

Motus' enduring and long-standing relationships with OEMs, suppliers and other stakeholders enables us to limit the impact of erratic product supply. The funding from financial institutions to fund our customers and Motus allow us to implement our growth strategies.

Our people

Motus' people continue to demonstrate the entrepreneurial flair and commitment to professional standards that have been the hallmark of the Group's character for 75 years.

These characteristics will continue to support the Group's ability to respond dynamically to an unpredictable environment; economic, social and environmental volatility will remain a feature of the 'new normal' even as the COVID-19 crisis recedes.

Globally, central banks are facing challenges in curbing inflation, expected to translate into rising interest rates over the short to medium term. The longer-term effects of the pandemic continue to impact emerging markets disproportionately, with challenging market conditions including rising interest rates and escalating costs of labour, energy, fuel and raw materials. The ongoing Russia-Ukraine conflict has heightened supply challenges, putting additional pressure on fuel and food supply chains, and dampening global growth forecasts.

Growth in profit before tax of 56% to

R4 473 million

(2021: R2 860 million)

Motus sells more than one in five new vehicles in South Africa

Return on invested capital

17,8%

(2021: 14,8%)

Motus

The Group has performed strongly over the past three years, demonstrating an ability to find opportunity in even the most challenging circumstances.

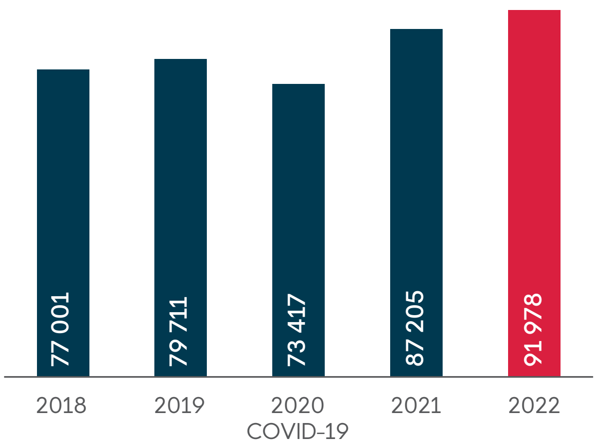
Osman Arbee
Chief Executive Officer

Chief Executive Officer's review (continued)

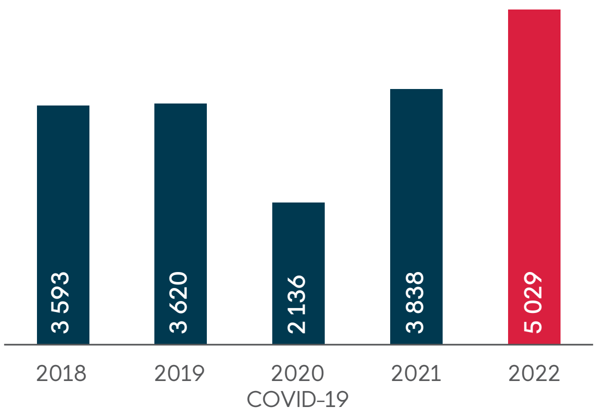
Performing under pressure

Results for the year reflect strong strategic and operational achievements, demonstrating clearly the benefits of the Group's integrated business model. The strong positions of our businesses, which cover the full automotive value chain, and our integrated approach across the vehicle ownership cycle, which gives us many opportunities to serve our customers' mobility needs, diversifies our revenue and profit streams and enables us to cross-sell and leverage opportunities. This makes the Group highly cash generative, and in turn allows us to invest in growth opportunities.

Revenue (Rm)



Operating profit (Rm)



In South Africa, naamsa[1] reported that new vehicle sales volumes remain subdued, albeit with more stability as market recovery gains momentum. New vehicles retailed were up 10% to 490 124 vehicles for the 12 months to 30 June 2022.

New vehicle sales projections for the coming year indicate a steady improvement, with estimates of between 530 000 to 550 000 for the 2023 calendar year.

As the automotive industry contributes around 4,3%[1] of South Africa's annual gross domestic product (GDP), this recovery reflects the resilience of consumers amid relatively favourable credit conditions, and the willingness of the South African businesses to invest in the country's longer-term economic sustainability. The South African economy grew by 4,9%[2] during 2021, and real GDP growth of around 1,8%[3] is expected for 2022, indicating a protracted recovery.

The outlook for the UK is less favourable as increasing energy costs, higher interest rates, higher personal taxes and accelerating inflation will constrain consumer spending in the short to medium term. Despite a decline in the new vehicle market of 18,2% for the 12 months to 30 June 2022, Motus has been able to maintain its retail market share.

Australia follows the same theme, with rising prices of fuel, food and other consumables driven by global supply challenges, ongoing lockdowns in China and the recent floods. The market declined by 2,1%[4] for the 12 months to 30 June 2022, with Motus doing well to maintain its retail market share in the highly competitive Australian automotive industry.

The global automotive industry, already impacted by shortages of semi-conductors, is expected to experience ongoing supply chain pressure. Some large OEMs halted production at the onset of the Russia-Ukraine conflict due to shortages of components supplied from the Ukraine and surrounding areas; and in South Africa, the floods in KwaZulu-Natal resulted in Toyota destroying 4 500 vehicles and no production for four months.

Despite shortages of certain derivatives and vehicle models, our long-standing relationships with OEMs and vast brand portfolio and model range allows us to offer customers a wide selection of alternative vehicles. We anticipate that inventory supplies will normalise in the middle of the 2023 calendar year.

Accelerating sustainable growth

Our longer-term strategy remains unchanged, and the strategic priorities are designed to deliver sustainable growth. Our focus will be to responsibly grow the Group's multi-national footprint, and to continue leveraging the benefits of digitisation and innovation.

The development of digital solutions that find better ways to meet customer needs has become a tangible feature of our culture, generating sustainable competitive advantages that span our businesses. We are investing in digital innovation to improve processes and deliver efficiencies across the vehicle retail experience; innovative ideas that make the vehicle purchasing process smoother for customers and retailers alike, freeing up time to improve the customer experience and

1 naamsa | The Automotive Business Council.
2 International Monetary Fund | World Economic Outlook, update July 2022.
3 Nedbank Group | Unaudited Interim Results 2022.
4 Federal Chamber of Automotive Industries (fcai.com.au).

deliver the value-add that differentiates the buying process and engenders loyalty.

The integrated nature of the Motus business model creates multiple touchpoints for the Group with our customers. Each of these interactions is an opportunity to introduce additional services to meet customers' needs. This is most evident when a customer purchases a new or pre-owned vehicle, and products such as extended warranties are introduced. Similarly, service centres introduce a discussion of a trade-in of the vehicle to a newer vehicle.

Motus' comprehensive range of brands also contributes to the Group's ability to respond to market shifts. Whether the economy drives people to buy up or down, as has been the case recently, Motus has a product or service to match. For instance, the introduction of premium vehicle models in our Importer brands has supported our response to the structural transition of customers buying away from luxury brands.

As such, when market conditions and consumer confidence support vehicle sales – whether new or pre-owned – Motus' vast range of dealerships, comprehensive product offering, and online presence effectively capture market share. And when market conditions encourage customers to keep their vehicles for longer, Motus' services and aftermarket parts businesses help its customers to keep their cars for longer.

Results for the year reflect strong strategic and operational achievements, demonstrating clearly the benefits of the Group's integrated business model.

We continue to leverage these benefits to deepen our competitiveness and relevance across the automotive value chain, driving organic growth through optimisation, innovation and selective bolt-on and complementary acquisitions. In October 2021, we completed the acquisition of FAI Automotive plc (FAI) in the UK, allowing us to expand our Aftermarket Parts business offering. FAI's product line is similar and complementary to our business, with a well-established and growing private label offering, and the synergies created have allowed us to leverage our combined buying power to procure products at competitive prices.

Our dealership acquisition strategy will continue to focus on selective bolt-on dealerships in areas where we can improve brand representation across all geographies. We recently opened our flagship multi-franchise dealership in Menlyn, Pretoria – our single biggest multi-franchise dealership to date.

Chief Executive Officer's review (continued)

Progress in our digital and innovation journey saw us acquire an additional 11% in getWorth, bringing our total investment to 60%. We continue to see the benefits of this investment as we integrate it further into our digitisation approach. We also acquired 25% in a technology company, to gain access to complementary technology and expand our offering.

Accelerating digitisation and innovation

The pandemic precipitated a rapid and lasting change in customer vehicle-buying behaviour. While our physical dealership network remains indispensable in finalising transactions, customers now do most of their research and short-listing online. This shift in consumer behaviour demanded that we accelerate the digitisation process that had already begun.

Our innovation and digitisation efforts accelerated in the past year. We invested in systems, and in our people, who use them. Thanks to digitisation, information technology is no longer a support function but a critical business enabler that allows us to exceed expectations. For this reason, the omni-channel approach will play an increasingly important role in the broader purchasing process. Already, customers can complete most of the vehicle purchasing process online – from selecting a preferred vehicle to applying for finance. Despite this, there are some aspects of the purchasing process that are challenging to digitise. The need for a physical dealership to complete the transaction, as part of the omni-channel approach, remains vital.

Motus sets itself apart from its competitors by positioning itself at the forefront of various sales channels across the spectrum of new and pre-owned vehicles, traditional dealerships, online channels and warehouse retailing. This is particularly important given the emergence and rapid adoption of online sales platforms and warehouse retailing.

As the first online brand launched by a retail automotive group, motus.cars is rapidly gaining functionality and customer acceptance. Launched in 2020 to streamline the pre-owned vehicle purchasing process, it is currently a significant lead generator for the Group, representing 23 OEMs and over 300 dealerships around South Africa. We own all the vehicles on the site and motus.cars can be scaled as consumer preferences shift. It also lists thousands of pre-owned vehicles, a vast majority not older than six years.

Our investment in getWorth supports our positioning in the online vehicle buying and warehouse retailing space. Leveraging the data technology and machine learning capabilities of getWorth, we can extract insights from large data sets about customer behaviour and vehicle data to develop innovative value-added products. Our ability to blend technology, data and product thinking will allow us to build on the capabilities we have to create a truly seamless online customer experience.

Beyond the retail sector, we expect the emergence of shared mobility solutions (ride-sharing, vehicle subscription and e-hailing) to depend significantly on market-leading technology platforms. Cars connected to the internet will generate more data, which will need to be managed better to create further opportunities to monetise it.

Innovation across the Group is managed internally by leveraging existing capabilities to create efficiencies, reduce costs and improve customer experience; and externally to leverage partnerships. Investment in technology and new innovative concepts to capitalise on existing and new opportunities that will create value. Our m^x platform is central to sharing business challenges and generating ideas on how to improve our business processes, using a design sprint methodology to take an idea through from concept or problem statement into a prototype ready for deployment.

I encourage you to read the innovation and digitisation review on page 42, which discusses our approach to innovation and the progress we are making in accelerating digitisation in greater detail.

Our people

The Group's results this year are ultimately attributable to the passion of Motus' people, and the strength of our leadership teams.

Transformation remains a measured goal throughout Motus, and our aim is to secure the expertise and transformation for the future following a pragmatic, realistic and measured approach. All CEOs and senior business leaders are responsible for meeting employment equity targets, which are linked to short-term incentive payments of up to 15% of their remuneration.

	Black representation	
	2022 %	2021 %
Top management	50	36
Senior management	53	53
Middle management	50	47
Total South African employee base	**75**	73

We ensure that our employment policies and practices do not unintentionally create potential for discrimination. The Group Executive Committee and certain senior management recently attended DEI workshops, which will be rolled out across the business, deepening DEI into the bedrock of our culture, business processes and talent management.

You can read more about our people strategy in the social report on page 120, and in greater detail in our ESG report online.

Social compact

We recognise that we are part of the community ecosystem wherever we operate. The wellbeing of the Group is not separate from the people in our communities, who host our operations, resource our aspirations and become part of the Motus family. In South Africa, our efforts aim to empower individuals and expand the socio-economic opportunities that improve the human condition and restore human dignity. The Group has long-standing relationships with its CSI partners and their programmes, including those to drive education in schools, support the development of health clinics and improve road safety.

The Group also makes CSI contributions to NGOs to meet the needs of communities. During the year, Motus donated R6 million to assist communities in KwaZulu-Natal; most recently with Hyundai Automotive South Africa and Hyundai Motor Company of South Korea, donating a combined R3 million to the Gift of the Givers to assist relief efforts for residents affected by the floods in KwaZulu-Natal. As the Russia-Ukrainian conflict deepened, our UK business launched a public appeal for assistance for displaced Ukrainians seeking safe refuge in Poland. Our UK dealerships served as collection points and the appeal garnered approximately £50 000 (R1 million) in donated toiletries, baby food, nappies, baby milk, medical supplies, sanitary ware, food, blankets and children's clothes bound for the Polish Charity Centre.

The ongoing increase in South Africa's unemployment rate, particularly among the youth, remains a challenge to socio-economic growth and development. The Group continues to support the YES programme, providing work experience opportunities to unemployed youth in specifically created roles. Of the original 400 programme participants who completed their learnerships in June 2022, 196 (48%) remain employed with Motus or its CSI partners, and the intake for the next new cohort of programme participants will increase to around 420 learners.

We work with other industry role players in promoting B-BBEE and are developing sustainable working models for black-owned and managed businesses, including non-OEM branded workshops and majority owned black dealerships, in historically under-served areas near and around informal communities. We are also making our parts and services more accessible to informal traders and technicians. Not only do these initiatives aim to support communities, but they also give us access to new markets.

More about our social compact in the social report on page 118, and in greater detail in our ESG report online.

Integrity means always acting with honesty, fairness and transparency, conducting our business with diligence, and respecting each other, our customers, suppliers and stakeholders, and the communities in which we operate.

Environmental impact

We responsibly manage the direct environmental impacts within our control. Our customers care more about the health of the natural environment than they ever have before. Globally, increasing concerns around energy security, climate change and the demand for oil are driving innovation in energy-saving technology and circular economies. Through our OEM partnerships and industry memberships, we keep abreast of and contribute to changes that support the responsible management of environmental impacts when making business decisions and investments.

We invest in systems that harness cleaner energy (solar photovoltaic (PV) systems) and that provide a supply of water from alternative sources (rainwater harvesting systems). Between 10% and 15% of the investment in new build and property upgrade projects in South Africa is directed towards addressing ageing and inefficient infrastructure, and green-linked installations that reduce our reliance on the electricity grid and municipal water. Our environmental training and awareness campaigns aim to influence employee behaviour and gain their support in achieving our environmental targets and performance indicators.

We have secured two sustainability-linked facilities – most recently a Rand-denominated syndicated facility co-ordinated by Standard Bank. The facilities have been acquired based on years of measuring our environmental performance, and our ability to meet targets. In addition to fuel, water and electricity consumption, it includes gender equality targets to drive DEI.

We have limited influence on NEV production and keep informed of the shifts that our OEM partners are making in their transition to NEVs. This will ensure that when policy changes are implemented in South Africa, we will be well positioned to leverage the learnings from NEV adoption that we have already implemented in the UK and Australia. As the need arises in South Africa, we will add these types of vehicles to our portfolio, with sufficient lead time to expand our product range to include NEV suspension, steering and other vehicle components as well as higher value replacement parts in terms of sensors, vehicle management and batteries.

More about our environmental impact in the environmental report on page 112, and in greater detail in our ESG report online.

Our moral compass

The need for ethical leadership and corporate responsibility has never been greater. For Motus, integrity means always acting with honesty, fairness and transparency, conducting our business with diligence, and respecting each other, our customers, suppliers and stakeholders, and the communities in which we operate. Our guidelines and governance frameworks continue to ensure that all our people are aware of their responsibilities and what is expected of them.

Motus operates within a highly regulated and complex environment. Regulatory changes have the potential to disrupt the industry. Despite several key pieces of legislation coming into effect in 2021 and 2022, we were able to quickly identify where our operations are impacted and timeously implement the required controls.

We will continue to participate in the regulatory consultation processes that precede the enactment of regulations, directly and through our membership of several industry forums.

Read more about our governance and legislation in the governance report on page 136, and in greater detail in our ESG report online.

Outlook for the year ahead

Consumer and business sentiment will remain under pressure over the short to medium term. The strength of the Group lies in our integrated business model, diversification and scale. This allows us to be resilient and agile to navigate cyclical challenges and to capitalise on opportunities as they arise. As a result, we expect to deliver positive earnings growth, a solid financial position and strong cash generation from operations for the 12 months to 30 June 2023.

We have sufficient cash available and a strong financial position to support the investment in strategic growth initiatives and acquisitions, and to pay dividends to shareholders. We will consider share repurchases as the opportunities arise.

Our commitment to ESG, within our sphere of control, will continue to be a cornerstone of our approach:

- We will manage our activities that impact the environment and actively strive to uphold our commitments to all stakeholders;
- We remain committed to socio-economic growth, employment creation, the upliftment of our communities and our stakeholder commitments; and
- We continue to deepen the maturity of our governance practices and processes.

In closing

Our integrated business model and entrepreneurial spirit has allowed us to generate outstanding financial results in an unpredictable environment, and 2022 has been an exceptional year for Motus. This achievement is more remarkable in an environment with pressing local and global challenges. This would not have been possible without hard work, resilience and agility across the Group.

Our sincere appreciation goes to the board members for their guidance and insight during the year, the support from our suppliers and funders, and the excellent effort and support from every one of our people at Motus, all working together to ensure that our business can sustainably deliver growth, and creates stakeholder value, even in tough conditions.

Osman Arbee
Chief Executive Officer

26 September 2022

Innovation and digitisation review

"The dedication of the community of innovators across Motus continues to drive conceptualisation, experimentation and collaborative execution that will enable Motus to excel in the present while simultaneously building for the future. I continue to be grateful and amazed by the passion and engagement of our people and I look forward to developing solutions that enable mobility into the future."

Shaping our future business

Innovation is a core enabler of our future. Deliberate and methodical innovation helps Motus anticipate changes and position itself strategically to benefit from shifts and trends in a transforming market.

Historically, IT (Information Technology) was viewed as a support function for businesses. Not anymore. Today, in the digitised world and the Internet of Things (IoT), technology is a business driver that is central to the relationship with customers.

We understand that the customer journey has transformed and that customers want to move between digital and in person interactions, depending on their individual requirements and preferences. Our omni-channel customer experience exemplifies the notion that – by combining our physical dealership footprint and online presence – Motus can meet its customers where they are and serve them in the way they prefer. Today, the choice is the customer's when determining how much of the vehicle-buying process should be online or in person.

This is Motus' future taking shape. As digitisation solutions become more sophisticated, we have been able to fully digitise even the most complex transactional areas of our business, such as the vehicle finance application process.

Structured innovation

Our Group vision is to improve people's lives by envisioning, innovating and creating new avenues of access to leading edge mobility solutions. The innovation strategy supports this vision. Our approach is two-fold with a dual internal and external focus. Internally, innovation is focused on leveraging existing capabilities to create efficiencies and improve customer experience. Externally, we focus on strategic innovation partnerships and investing in technology and new concepts that will allow the Group to capitalise on existing and new opportunities to create value.

Innovation is a key enabler for the longer-term sustainability of the Group and supports the progress we are making to achieve our ESG priorities. For each new innovation project, we consider the sustainability of the intended outcomes prior to implementation and embed internal practices and policies that lead to effective decision-making and legal compliance.

Innovation capability and strategy

The innovation strategy is delivered through the innovation performance model that directs our portfolio of innovation projects across three categories of innovation:

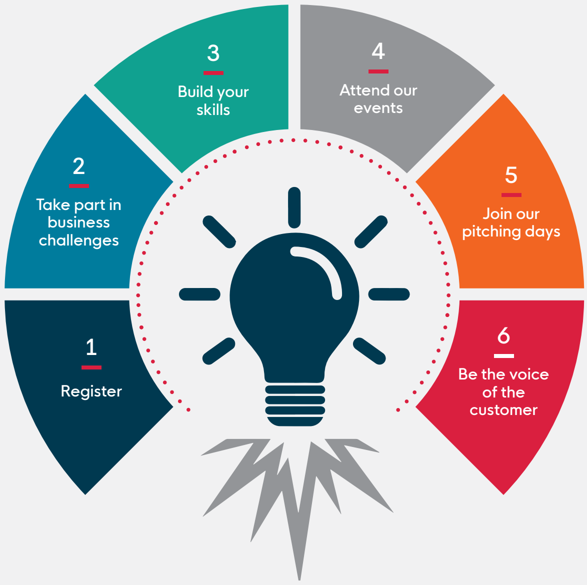
- **Efficiency Innovation:** Doing more with less.
- **Sustaining Innovation**: Staying in the game – doing things better.
- **Transformative Innovation:** Solving problems for new market segments.

Our Group vision is to improve people's lives by envisioning, innovating and creating new avenues of access to leading edge mobility solutions.

Kerry Cassel
CEO – Mobility Solutions &
Head: Innovation and Technology

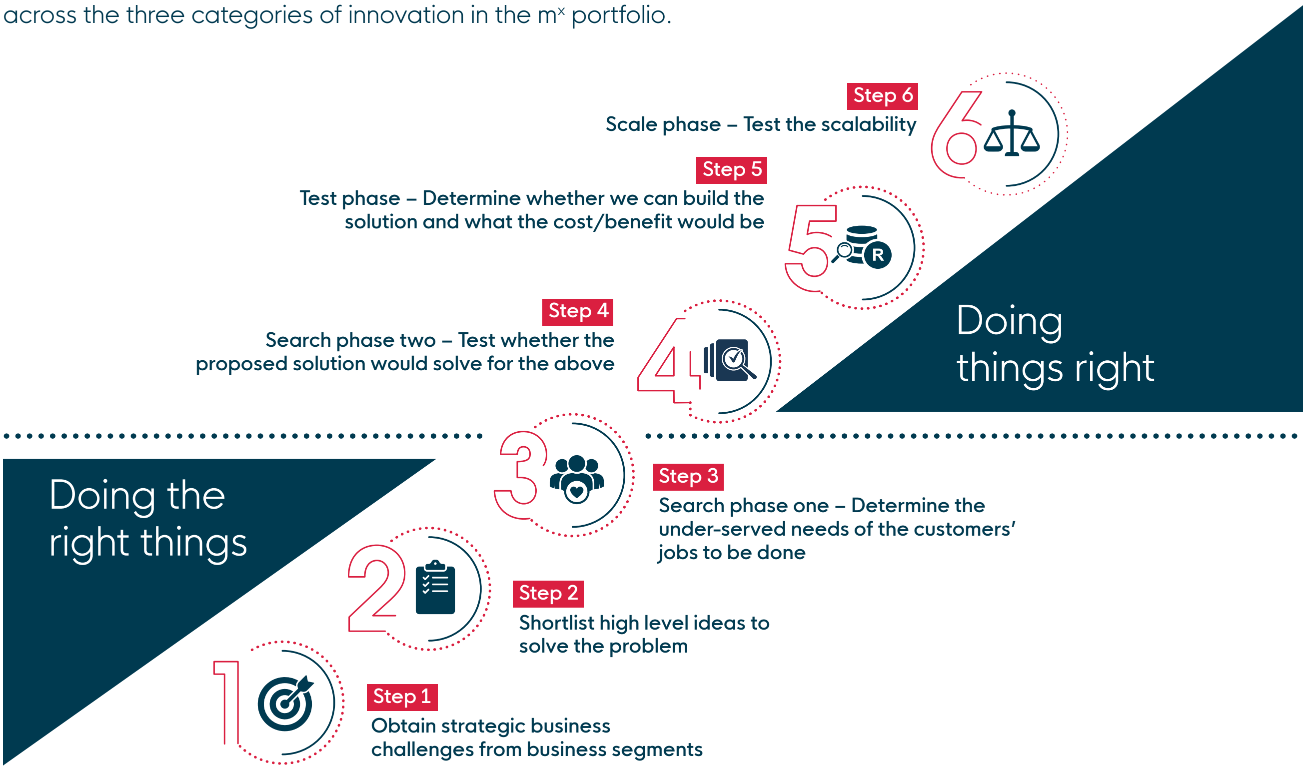
Culture of innovation

Over the past few years, Motus has established a culture of deliberate innovation. We established Motus Xponential (mˣ) as the platform to facilitate engagement, participation, and collaboration from across the Group to solve for the under-served mobility needs of South African motorists.



mˣ process

All innovation challenges, sourced from the leadership teams across Motus, are launched via the mˣ platform. Any employee can participate in these challenges either by coming up with ideas, assisting others with their ideas, joining a team to develop an idea, or idea implementation. Today, 23 concepts are in development across the three categories of innovation in the mˣ portfolio.



Trendspotting

The impact of digitisation will continue to intensify, and rapidly so. Shared mobility solutions, such as ride-sharing, vehicle subscription and e-hailing are becoming more common and attractive alternatives to traditional vehicle ownership. However, South Africa is a slow adopter of these models. The relatively high probabilities of accidents and theft on local roads increase the risks and add to the cost of business for some emerging mobility solutions. Globally, the growth of these mobility solutions will depend largely on the strength of the technology platforms they are built on. User convenience and new services' response to unmet customer needs will determine their success.

Previously, a lack of data often curtailed innovation. That is no longer the case. The IoT and connected cars, in particular, create vast amounts of data. Today, the challenge is rather to store, manage and monetise the vast quantities of data that are available.

Motus is creating data use cases through re-capturing of lost sales opportunities, upselling and cross-selling, and developing usage-based products and preventative maintenance predictors and manage various asset ownership risks in more sophisticated ways. We are also collaborating with subject matter experts in areas such as artificial intelligence (AI) and machine learning.

Our digitisation portfolio

	Harbour process	Vehicle buying process	Vehicle sales process	Car rental process	Vehicle servicing process	Aftermarket parts process
Challenge:	Multiple stakeholder touchpoints and handovers of imported vehicles.	Nine in 10 vehicle buyers indicated that they prefer the search, shortlisting and comparison steps of vehicle buying to be virtual.	Adherence to multiple regulatory and compliance processes are time and evidence intensive.	Minimise the average five-minute peak-time rental vehicle collection time.	Accurate vehicle health (visible, electric and mechanic) assessment and future maintenance planning.	Parts picking efficiency and on-demand manufacturing for slow moving exotic parts and the cost of holding this inventory.
Solution:	Digitised every touchpoint from arrival in the port, move to bond yard, move between sections in the yard, to automation of a self-billing process across all carriers.	motus.cars offers a single platform that enables these vehicle buying steps virtually.	Digitisation of the finance and insurance aspect of the vehicle sale process ensuring 100% regulatory compliance with 50% time reduction.	Ready2Go offers a 'walk-through' solution with once-off registration, pre-rental contract signing and payment.	Digital (tablet) process to record and communicate vehicle health status and requirements.	Exploration of future technologies like 3D printing of aftermarket parts for exotic vehicles and robotics to assist with parts picking.

Innovation and digitisation review (continued)

Enabling the business

Information, innovation and mobility solutions enable Motus through four types of responses to the changing environment, namely through the expansion of networks and applications; digitisation of business processes; compilation of business insights and actionable data; and building innovation capability.

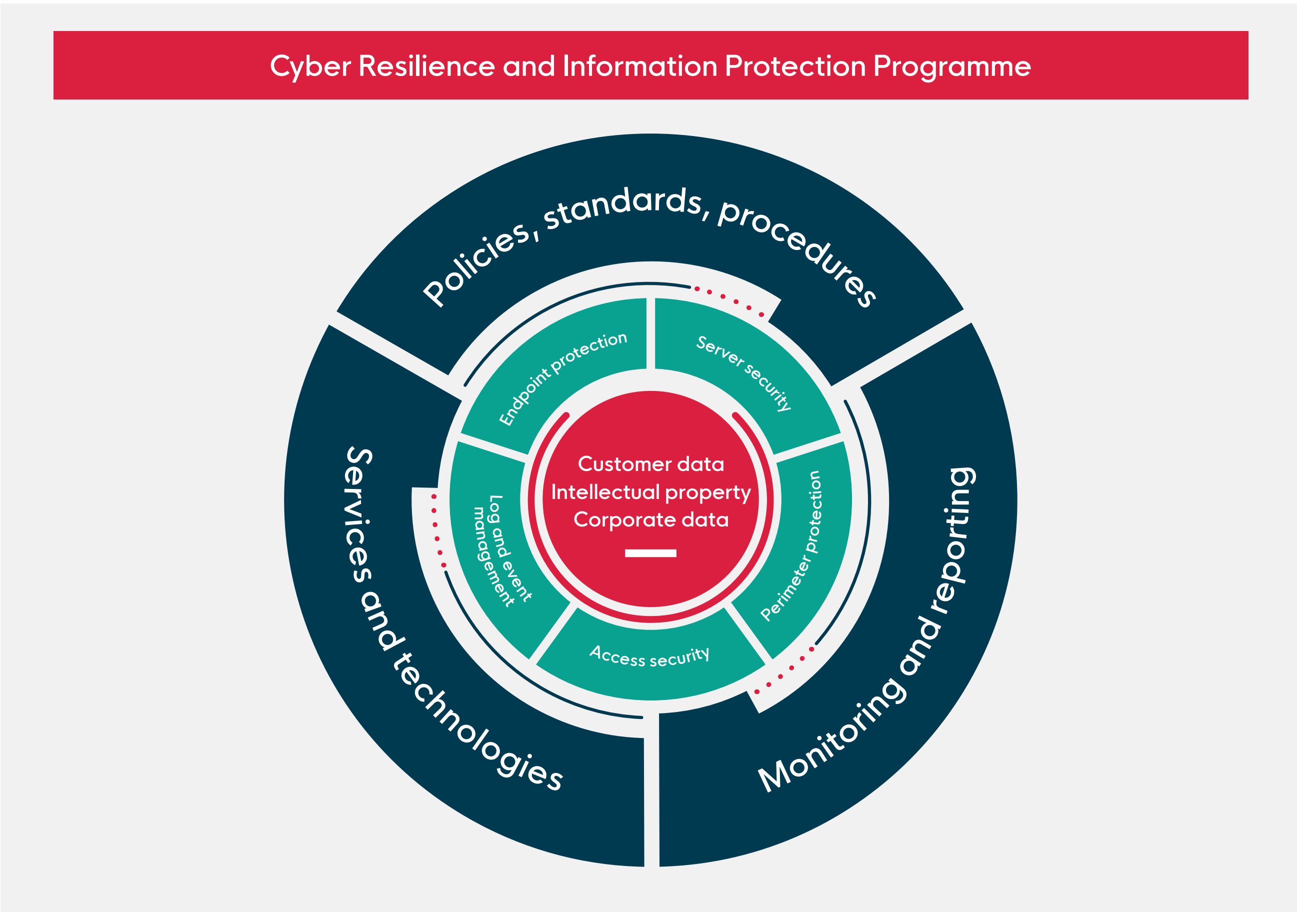
The COVID-19 pandemic has accelerated global digital adoption. This new way of working and transacting demands upgraded networks and technology solutions. Over the past two years, the throughput on Motus' network increased by 337%. Adoption of the latest network solutions enabled us to increase bandwidth to cater for this changed demand, while at the same time reducing our costs by 35%.

Cybersecurity remains a top priority. To protect Motus' digital assets, we follow the National Institute of Standards and Technology cybersecurity framework – an internationally recognised standard for protection against cybercrime.

Motus also invested significantly in new and improved applications. Over the year we adopted development and operations practices (DevOps) to plan work, collaborate on code development, and build and deploy applications resulting in improved software performance at lower investment costs. In addition, these practices aid continuous integration and delivery, eliminating many of the bottlenecks that often plague application deployments. These practices also support frequent releases of new features, fixes and updates. Importantly, our new practices streamline the development process and enhance communication and collaboration across the Group.

Two digitisation projects were undertaken in the last twelve months. Phase one deployments of both projects were undertaken by June 2022. Five significant enterprise resource planning (ERP) projects were also undertaken over the year. These upgrades have re-platformed Motus to the latest technology.

Motus also conducted experiments with two AI solutions over the year. These solutions have saved 1 000 person-hours a month in a single pilot site deployment.



Motus' Digital Journey: introducing Digital Dealer

In addition to a savvy digital customer, the South African regulatory framework has made the purchasing and finance application process for vehicles more complex than ever before, increasing the administrative burden (capturing, verifying and reporting customer data to financial authorities) and, in turn, introducing frustration for customers. Our research confirmed that customers want us to simplify the vehicle finance application process and automate mundane and repetitive paperwork.

Digital Journey – from marketing to delivery

Our research indicated that certain aspects of the vehicle purchasing process (such as the vehicle finance application process) had not been digitised and were frustrating certain customers. Motus Digital Dealer was developed to address changing customer behaviour and address this challenge.

Phase one of the project was launched on motus.cars and shortens the finance application process down to just two hours. Digital Dealer engages with all the major banks in South Africa, providing customers with the best possible chance of being approved for finance and getting the best deal.

Once finance has been approved, the customer can confidently shop for a vehicle.

Going forward

Embedding our culture of innovation and digitisation will remain a primary focus. We will continue to ensure that we can effectively measure participation levels, but also drive high levels of engagement.

We will establish an online learning portal with a focus on innovation and introduce new technology concepts and topics to our people. In addition, we will explore the viability of 'gamification' of participation.

Our IT strategy remains critical to the success of the Group, and we will continue to monitor the trends emerging in the technology landscape and the increasing use of cloud infrastructure for businesses. Assessing the impact of these trends on the future of work and our wider business environment will allow us to dynamically respond to opportunities as we seek to improve people's lives by envisioning, innovating and creating new avenues of access to leading edge mobility solutions.

We will continue to invest in technology and innovation across the automotive value chain to create solutions that meet the under-served mobility needs of our customers, as well as create transformative ideas to develop new growth opportunities in mobility.

Kerry Cassel
CEO – Mobility Solutions & Head: Innovation and Technology

26 September 2022

Chief Financial Officer's review

"The Group's agile response to changing market conditions over the past three years has allowed Motus to deepen competitiveness, maintain and grow market shares, and realise growth opportunities notwithstanding the complexities of an unpredictable environment."

Performance review

The Group has produced exceptional results for FY2022 despite a challenging environment with ongoing global supply chain constraints and growing geopolitical tensions. Our strategic agility and entrepreneurial leadership has supported our ability to generate cash to provide liquidity to fund working capital and vehicles for hire, and invest in attractive growth opportunities; a strong financial position underpinned by a focus on cost containment and financial discipline; and structured capital management to ensure strategic flexibility.

The value of a diverse portfolio, integrated across the automotive value chain, and an agile, experienced and dynamic management team is proving to be the foundation required to not only remain resilient, but to succeed in a dynamic operating environment.

Financial overview

The South African operations contributed 66% to revenue and 81% to operating profit for the year (2021: 64% and 80%, respectively), with the remainder being contributed by the UK, Australia and South East Asia.

Revenue increased by 5% compared to the prior year. Import and Distribution revenue increased by 21%, Aftermarket Parts increased by 12%, Retail and Rental increased by 5% and Mobility Solutions increased by 4%.

The revenue increase was as a result of increased contributions from new vehicle sales of 9%, parts sales of 8% and rendering of services of 10%. This was offset by a 4% decrease from pre-owned vehicle sales.

Operating profit increased by R1 191 million (31%) with all business segments improving operating profit contribution. Import and Distribution generated an increase of R586 million (64%), Retail and Rental generated an increase of R445 million (25%), Mobility Solutions generated an increase of R92 million (10%) and Aftermarket Parts generated an increase of R66 million (11%) for the year.

The increased operating profit is mainly as a result of the recovery of the automotive and car rental sectors which positively impacted gross income, coupled with increased margins achieved due to inventory shortages. The operations also benefitted from increased volumes supported by an improvement in after-sales, acquisitions in the Retail and Rental and Aftermarket Parts segments, and the return to profitability of Bank Joint Ventures (Bank JVs) in the Mobility Solutions segment.

Net finance costs decreased by 9% mainly due to lower average working capital for the year and improved profitability which resulted in lower debt requirements. The decrease was further supported by reduced IFRS 16 finance costs. The above reductions were partially offset by decreased fair value adjustment gains recognised as a result of the unwinding of the interest rate swap. Finance costs are expected to grow in the near-term due to the increase in global interest rates and as inventory supply normalises.

Net foreign currency exchange gain of R135 million (2021: losses of R383 million) comprise translation differences arising from foreign currency denominated balances such as trade receivables, trade payables, Customer Foreign Currency (CFC) accounts and interest-bearing debt, changes in the fair value of derivative instruments and ineffectiveness from hedging relationships.

Profit before tax increased by 56% to R4 473 million.

A full year dividend of 710 cents per share has been declared (2021: 415 cents per share).

Net working capital movement resulted in an outflow of R620 million in the statement of cash flows.

Operating profit	Net debt to EBITDA (debt covenant)	EBITDA to net interest (debt covenant)
R5 029 million	0,8 times	17,9 times
(2021: R3 838 million)	(2021: 0,8 times)	(2021: 10,9 times)
▲ 31%	Required: to be less than 3 times	Required: to be greater than 3 times

Revenue

R91 978 million

(2021: R87 205 million)

▲ 5%

Profit before tax

R4 473 million

(2021: R2 860 million)

▲ 56%

Free cash flow generated from operations

R4 835 million

(2021: R5 904 million)

Motus

The value of a diverse portfolio, integrated across the automotive value chain, and an agile, experienced and dynamic management team is proving to be the foundation required to not only remain resilient, but to succeed in a dynamic operating environment.

Ockert Janse van Rensburg
Chief Financial Officer

Chief Financial Officer's review (continued)

Debt and liquidity

Net debt to equity is 36% (2021: 28%). Core debt (excluding floorplan and IFRS 16 debt) increased by R1,6 billion from June 2021 primarily due to the higher working capital and vehicles for hire levels, dividend payments (final in September 2021 and interim in March 2022), share repurchases, business and associate acquisitions, capital expenditure and tax payments. This was offset by profits generated for the 12-month period.

Net debt to EBITDA is 0,8 times (2021: 0,8 times) and EBITDA to net interest is 17,9 times (2021: 10,9 times). Both ratios have been calculated by applying the funders covenant methodology and we remain well within the bank covenant levels as set by debt providers of below 3,0 times and above 3,0 times, respectively.

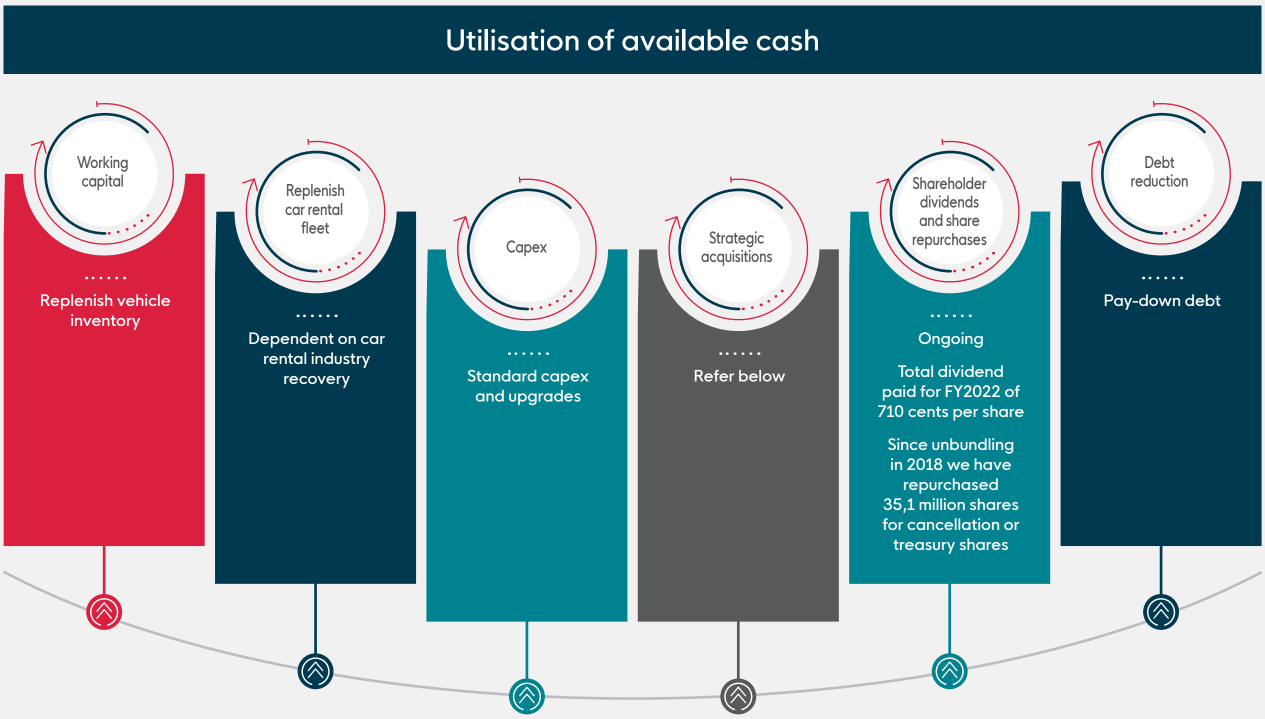
ROIC increased to 17,8% (2021: 14,8%) mainly due to improved profitability. WACC increased to 10,9% (2021: 9,5%) primarily due to increased average equity and the increase in cost of equity and debt.

Net asset value per share increased by 24% to 8 143 cents per share (2021: 6 586 cents per share).

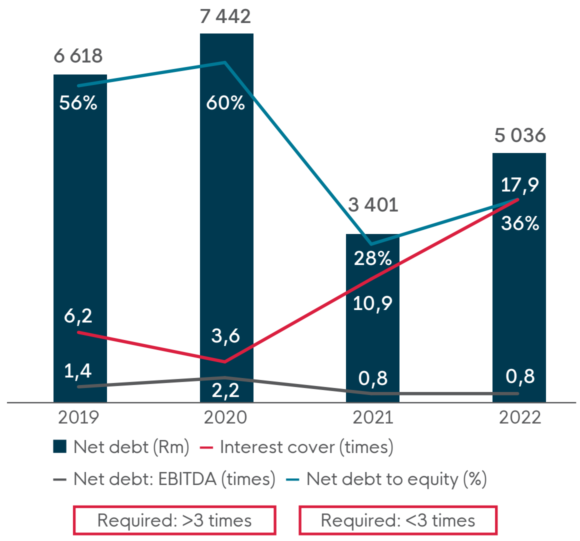
We have secured two sustainability-linked facilities – one a £120 million Pound-denominated facility that was raised in FY2020 and has been extended to FY2025, and the other a R6,8 billion Rand-denominated syndicated facility co-ordinated by Standard Bank. The facilities have been acquired based on years of measuring our environmental performance and our ability to meet targets.

We generated significant free cash flow of R4 835 million (2021: R5 904 million) from operating activities before capital expenditure for vehicles for hire. The free cash flow was primarily generated by strong operating profits, supported by decreased finance costs and increased income from profit sharing arrangements. This was offset by increased taxation paid as a result of increased profitability and increased investment in working capital.

The liquidity position is strong, and the Group has R11,7 billion in unutilised banking and floorplan facilities. A total of 64% of the Group funding is long-term in nature and 21% of the funding is at fixed interest rates. Excluding floorplan funding, 24% of the funding is at fixed interest rates.



Gearing, facilities and debt covenants



Strategic acquisitions

We concluded select acquisitions during the year to support the delivery of the Group's longer-term strategy, for a total net of cash purchase consideration of R758 million. These businesses will accelerate innovation and enhance operational synergies across the Group's businesses.

- Acquired a 100% shareholding of FAI, based in the United Kingdom.
- An additional 11% shareholding in Synapt Proprietary Limited, which owns 100% of getWorth Proprietary Limited, increasing effective ownership to 60%.
- An additional 10% shareholding in SWT Group Proprietary Limited (Australia).
- Four passenger dealerships in South Africa.
- Acquired 25% shareholding in a technology company.

Good governance

The Group maintains a strong internal control environment that supports its agility due to robust systems and visible policy compliance across the Group. The overall design and effectiveness of the Group's internal financial controls is regularly assessed to ensure that internal financial controls operate as intended and that the required and appropriate level of reliance can be placed on them in producing the Group's financial information and disclosures. The Group's combined assurance activities, incorporating both internal and external audit, continue to confirm that the Group's financial controls are operating effectively and in line with their intended purpose.

The Group listed on A2X, a licensed stock exchange authorised to provide a secondary listing venue for companies in South Africa, from 1 April 2022. By listing on A2X, the Group has created an innovative way to add value to shareholders by allowing them to benefit from the lower costs and additional liquidity created by using the latest exchange technology at A2X. Motus retains its primary listing on the JSE Limited and its issued share capital is unaffected by this secondary listing on A2X.

During the year, the Group initiated a process to rotate its incumbent external auditor, Deloitte & Touche, in compliance with IRBA's 2017 ruling on mandatory audit firm rotation. PwC has been appointed as the Group's external auditors, replacing Deloitte & Touche, whose mandate will end after the 2023 financial year. The appointment of PwC as the Group's external auditors is subject to shareholder approval at the Group's AGM.

Prospects

The Group remains focused on deepening competitiveness and relevance across the automotive value chain, driving organic growth through optimisation and innovation, and leveraging existing capabilities and networks. Further selective expansion will focus on enhancing existing brands and businesses through bolt-on and complementary acquisitions locally and internationally, while exploring strategic acquisitions that enhance the supply chain and the technology capabilities of the Group, and we are investing in innovative initiatives that are being implemented to ensure that engaging with Motus is more convenient and faster to do across various customer touchpoints. We are also continuing work on streamlining processes, reducing operational requirements and leveraging automation, data accuracy and customer self-serve capabilities.

The strength of the Group lies in our integrated business model, diversification and scale. This allows us to be resilient and agile to navigate cyclical challenges and to capitalise on opportunities as they arise. We have sufficient cash available and a strong financial position to support the investment in strategic growth initiatives and acquisitions, and to pay dividends to shareholders. We will consider share re-purchases as the opportunities arise. We expect to deliver positive earnings growth, a solid financial position and strong cash generation from operations for FY2023.

My thanks once again go to our people, customers, suppliers, funders and stakeholders for their continued support of the Group. And importantly, my appreciation for the dedicated people in the financial management teams across the Group for their unwavering efforts in delivering a high standard of financial planning, monitoring, reporting and disclosure.

Ockert Janse van Rensburg
Chief Financial Officer

26 September 2022

Motus

Operating context

Automotive industry

The automotive industry continues to be impacted by the longer-term effects of the COVID-19 pandemic, resulting in manufacturing, supply chain and operational disruptions causing vehicle shortages and substantial production, freight and logistics cost increases. The Russia-Ukraine conflict has heightened supply chain pressures and resulted in further disruption from some suppliers.

The Russia-Ukraine conflict has negatively impacted forecasts for global GDP growth, further prolonging economic recovery which is expected to slow down to 3,2%[1] in 2022. Globally, central banks are also facing challenges in curbing inflation as a result of the economic stimulus measures taken in response to the economic impacts of the COVID pandemic and increased commodity prices and broadening price pressures brought about by the conflict and related global sanctions introduced. In some countries, including South Africa, the UK and Australia, interest rates are already rising and are likely to continue increasing over the short to medium term to counter increasing inflation.

An endemic COVID-19 is now anticipated and is likely to be accompanied by economic and social costs. However, this shift and related decline in severity of the virus, has resulted in the lifting of travel bans and lockdowns, enabling local and international travel and aiding in the recovery of the tourism industry and therefore the car rental sector.

The damage the COVID pandemic inflicted on the global economy continues to affect emerging markets disproportionately, although faster recovery rates are being seen in developed markets. Albeit with greater impact on developing markets, challenging market conditions are likely to continue, characterised by rising interest rates and escalating costs of labour, energy, fuel and raw materials.

Outlook

Consumer and business sentiment will remain under pressure over the short to medium term. The ongoing Russia-Ukraine conflict, the global shortage of semi-conductors, supply chain constraints and inflation will impact the supply and costs of vehicles and parts in the short term.

We believe that vehicle volumes will grow as the global supply chain stabilises, with increased production satisfying pent-up demand and the normalisation of inventory levels.

Economic environment

South Africa

The South African automotive industry provides mobility, and facilitates local and export trade, creating sustainable jobs; moving people, goods and services; and serving the people of South Africa.

The automotive industry contributes around 4,3%[2] of South Africa's GDP (including 1,9%[2] from the retail segment) and the export of vehicles and automotive components account for more than 12,5%[2] of total export value, the automotive industry has an indispensable role in contributing to the country's longer-term economic sustainability.

During 2021, the South African economy grew by 4,9%[1], recovering from a 6,3%[1] decline in 2020. Real GDP growth of around 1,8%[3] is expected for 2022, indicating a protracted recovery. The local inflation outlook is deteriorating due to the slow recovery from the COVID pandemic, the depreciating Rand, and additional pressure on fuel and food supply chains resulting from the Russia-Ukraine conflict. Escalating costs for food, fuel and electricity are expected to continue to impact households over the course of 2022 and 2023, as are high unemployment levels, continued load shedding and social vulnerabilities. Overall, consumer confidence and discretionary spending remain depressed.

[1] *International Monetary Fund | World Economic Outlook, update July 2022.*
[2] *naamsa | The Automotive Business Council.*
[3] *Nedbank Group | Unaudited Interim Results 2022.*

South African vehicles sales have begun to recover and sales for FY2022 are better than predicted. Vehicle sales recovery is attributed to consumer resilience, favourable credit conditions and continued willingness of consumers and businesses to invest. Trends identified in FY2021 (including buying less expensive vehicle models and delaying purchases of new vehicles) are ongoing.

According to naamsa[2], the South African new vehicle market remains subdued although more stable as the market recovery continues to gain momentum, with new vehicles retailed up 10% for the 12 months to 30 June 2022, to 490 124 vehicles. Our market share of the retail vehicle sales for the 12 months increased to 22,4% from 20,2%.

The South African vehicle market

CY21	CY22	CY23	FY22
Actual 464 122 vehicles	Projection 500k – 520k vehicles	Projection 530k – 550k vehicles	Actual 490 124 vehicles

CY – Calendar year FY – Financial year

The car rental industry has been the most heavily impacted by the COVID crisis. Recovery has been slow to return to pre-COVID levels, but momentum is expected to improve in the near term. As vaccination rollouts accelerated globally and travel restrictions were lifted, activity in local and international leisure, corporate and government travel improved.

[2] *naamsa | The Automotive Business Council.*

Automotive industry (continued)

United Kingdom

The UK economic position has deteriorated since FY2021 as increasing energy costs, higher interest rates, higher personal taxes and accelerating inflation are constraining consumer spending. In 2021, GDP grew by 7,5%[4] and it is predicted to grow by 3,5%[5] in 2022, with inflation having reached 9,4%[6] in June 2022 but may ease over the remainder of 2022 and into 2023. The market is also experiencing wage inflation due to labour shortages; in the automotive industry, technician wage costs are under renewed pressure.

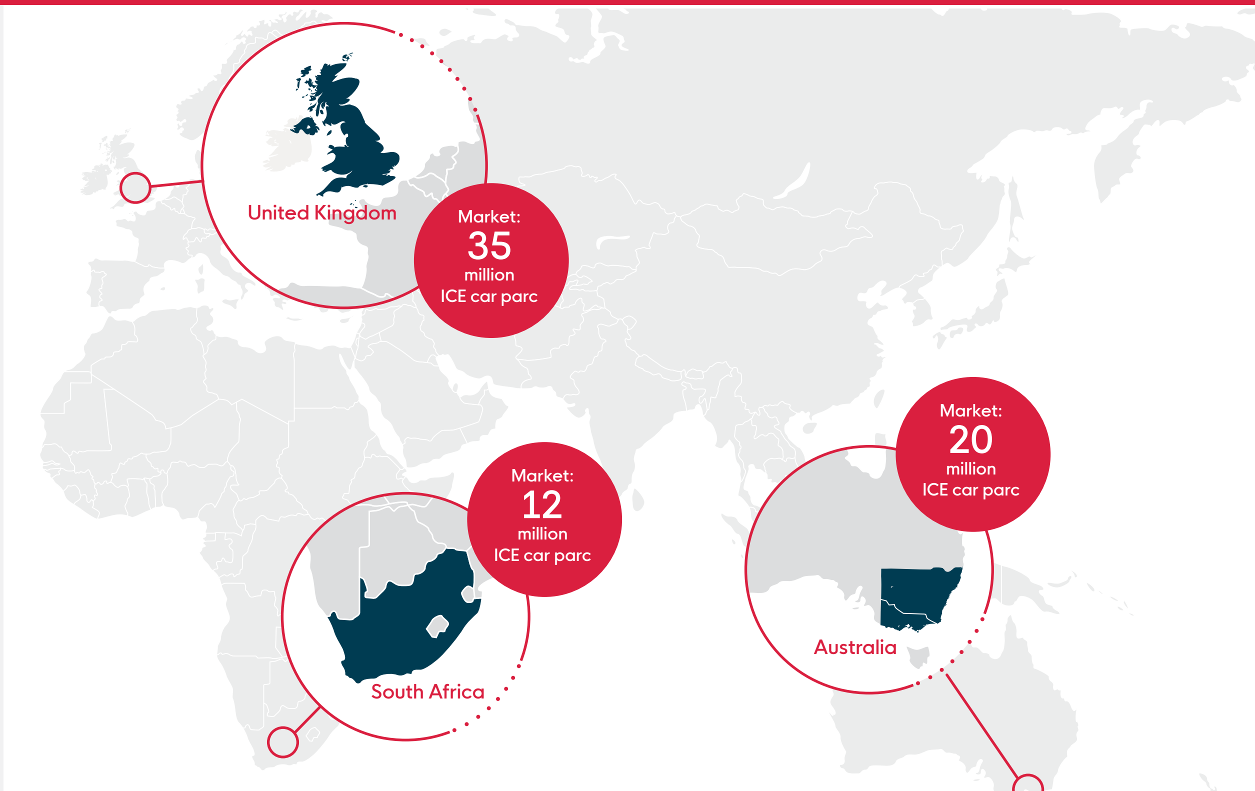
The UK new vehicle market has declined by 18,2% for the 12 months to 30 June 2022, with the passenger market declining by 18,4%[7], the LCVs market declining by 18,0%[7] and the heavy commercial vehicles market declining by 5,5%. Motus was well positioned and maintained its retail market share. Inventory supply constraints are expected to continue in the short term.

Australia

Global vehicle shortages, ongoing Russia-Ukraine conflict, recent floods, continuing lockdowns in China and strong domestic demand have combined to generate cost pressures resulting in significant price increases in fuel, food and other consumables. GDP growth is expected to be 4,25%[8] for 2022 and 2,75%[8] in 2023 as growth in consumer and government spending remains robust. Vaccination rate targets have been achieved across states and lockdowns are easing.

The Australian automotive industry remains a highly competitive environment. The market declined by 2,1%[9] for the 12 months to 30 June 2022, with Motus maintaining its retail market share. The market was also constrained due to erratic vehicle supplies experienced by OEMs. Annual new vehicle sales amounted to 1 020 221 vehicles[8] for the 12 months to 30 June 2022, compared to 1 041 931 vehicles[8] in the comparative period.

Car parcs across our markets



[4] The Office for Budget Responsibility | Economic and fiscal outlook – March 2022.
[5] Bank of England | Monetary Policy Report – August 2022.
[6] The Office of National Statistics | Consumer price inflation, UK: June 2022.
[7] The Society of Motor Manufacturers and Traders | Press release July 2022.
[8] Australian Reserve Bank | Statement on Monetary Policy, May 2022.
[9] Federal Chamber of Automotive Industries (fcai.com.au).

Global and local sector trends

The automotive industry remains highly competitive with technological advances and increasingly empowered consumers making it imperative that we adapt our operating models to remain relevant to the needs of the digitised consumer.

There are four megatrends likely to change how the global automotive industry will look over the next few years – sustainability, changing customer behaviour, technological advances and the workforce of the future.

Supporting sustainability

Investments must be prioritised across the ESG spectrum to create sustainability of products and the value chain.

- The global shortage of semi-conductors has highlighted the need to build resilient supply chains that are competitive, sustainable and inclusive.
- Increasing societal and customer concerns regarding energy security, climate change and oil demand is driving ESG investment across the value chain and the development of public private partnerships to shape policies, regulations and infrastructure.
- Although the COVID-19 pandemic has had an unprecedented impact on global economic and financial stability, climate change is an even bigger challenge. The Intergovernmental Panel on Climate Change's 2021 report[1] indicates that climate impacts are already more widespread and severe than expected and highlights the social challenges that heighten vulnerability to climate risks.
- The adoption of NEVs is expected to accelerate exponentially in developed markets, with the UK planning to ban ICE vehicle sales and the United States (US) targeting 50% NEV sales by 2030. South African vehicle manufacturers supplying global markets will need to adapt their strategies to meet the growing global demand for NEVs in the short to medium term. Given the unreliable power network and the high cost of NEVs, adoption of NEVs in South Africa is likely to lag behind developed markets, with hybrid vehicle models potentially being better positioned to bridge this gap.
- Monitoring legislative changes and their interpretation, together with understanding OEM responses, is vital to ensuring the Group has a deep understanding of changes required for compliance and its impact on the Group and the industry.

[1] *The Intergovernmental Panel on Climate Change Working Group's report 'Climate Change 2021: the Physical Science Basis' released in August 2021.*

Changing customer behaviour and technological advances

Investments are being made to provide customised mobility solutions and experiences, and new engagement models to build deeper connections with customers.

- The ongoing evolution of customer shopping preferences has resulted in the transformation of business to digital, omni-channel and omnipresent offerings that enhance the customer experience as prospective buyers continue to demonstrate a preference for using multiple digital channels to source information. This has required investment in a variety of digital offerings that allow customers to access information on a variety of vehicles, parts and accessories (including aftermarket parts for out-of-warranty vehicles) and mobility services and VAPS at their convenience, while maintaining a complementary physical footprint where aspects of the buying process remain difficult to digitise.
- In South Africa, demand for non-premium vehicles has continued to grow. It is likely that activity in the entry level vehicle market will continue to increase as customers' preferences trend towards more affordable vehicles. Deeper understanding will be required to understand shifts in individual mobility patterns, driving new engagement and business models. Creating connected mobility will increase as the availability of data from connected vehicles increases.
- As dependency on digital systems intensifies, cybersecurity threats are growing in sophistication and aggressiveness. Attacks on large and strategic systems will carry consequences for societies and impact public trust. Effective data management is also critical to delivering more personalised and customised mobility experiences, and technology governance and policies need to be implemented to create and maintain trust in technology and the opportunity that digital solutions present.

Automotive industry (continued)

The workforce of the future

Investments must be made in new ways to attract, retain and reskill the workforce across the value chain

- With the ongoing disruption in the automotive industry, the workforce of the future will need to be appropriately skilled and adapt to new ways of working to support the acceleration of innovation and competitiveness, and to optimise productivity. While operational roles such as vehicle technicians, store assistants and retail managers are still key, there is also a growing need for data and software scientists. In addition, employees want flexible and collaborative ways of working, which is also a deciding factor in "who to work for".

Management response

Motus is well-positioned for longer-term resilience and growth in the markets in which it operates.

Our immediate responses include:
- Adapting to the changing conditions by optimising our footprint.
- Selectively investing in key regions and entering into strategic partnerships.
- Scaling our business activities accordingly and responsibly, introducing multi-franchise dealership models where appropriate.
- Maintaining good relationships with OEMs, suppliers and customers.
- Controlling capital expenditure.
- Driving innovation and improving technological solutions by upgrading IT systems, improving system accessibility and deploying IT solutions to leverage big data.
- Maintaining open and transparent communication with funders and investors, board and employees.
- Adapting and transforming ways of work to be future fit, including enhancing employee wellness programmes.

Detailed information

Read more about the impact of global and local industry trends on our business in our ESG report online.

Engaging with stakeholders

The Group's stakeholders include a wide range of groups and individuals who may be affected by our activities, products and services, and whose actions can be reasonably expected to affect our ability to successfully implement our strategic objectives.

The board encourages proactive engagement with stakeholders, and management pursues appropriate engagements with key stakeholders to align their legitimate and reasonable needs, interests and expectations with those of the Group.

Our stakeholder groups have varying levels of involvement in the business and diverse, and sometimes conflicting, interests and concerns that need to be balanced over time.

1 Business relationships

- **Customers** – the needs of our customers drive the nature of the products and services we offer and how we deliver them. Intense competition and industry changes require that we strengthen our customer focus and unlock value for them.
- **OEMs** – many OEMs have specific requirements on how we retail their products. Our suppliers are critical to our customer relationships, given their role in delivering quality products and services, as well as their adherence to ethical standards and brand reputation.
- **Suppliers** – our suppliers, including small and medium enterprises (SMEs), and their adherence to our ethical standards and regulatory requirements, are critical to our customer relationships given their role in enabling us to deliver quality products and services.
- **Business partners** – strategic partners, including finance partners, B-BBEE partners and joint venture partners, enable a greater reach for our products and services.
- **Industry bodies** – the industry bodies we are members of help to shape our regulatory environment, promote the sector's interests and ensure a competitive yet collaborative industry.

How we engage

Our engagements include

- Regular executive engagements with OEMs and suppliers.
- Regular executive engagements with share-holders and investment analysts.
- Customer surveys.
- Operational meetings.
- Membership in business forums and industry associations, where Motus representatives hold a number of officer roles, including naamsa, SAVRALA, National Business Initiative, Nexar, BLSA and IRMSA, among others.
- SENS announcements.
- Media releases.
- Digital communication channels, including social media and online platforms.

Key issues

- Customer and employee safety in customer-facing environments, such as dealerships.
- Ensuring customer data is protected, secure and that access to this information is appropriately governed.
- Effective customer communication regarding vehicle availability, parts and vehicle delivery dates, and service completion times.
- Vehicle, parts and service offerings exceeding customer demands, particularly regarding affordability and value for money.
- Responding to customer demands for a mix of digital and in person solutions for purchasing new and pre-owned vehicles.
- Managing the ongoing business and health impacts of COVID-19 along with our post-crisis recovery.
- Meeting OEM quality and customer satisfaction targets.
- Supporting our partners and protecting key strategic relationships.
- The transition to NEVs and policies that encourage better quality fuel in South Africa.
- Industry-level renewable energy pooling.

Engaging with stakeholders (continued)

2 Human capital relationships

- **Employees** – every employee contributes to building, maintaining and deepening the relationships with our customers and other stakeholders on whom we depend. Providing a high-quality working environment with career development intervention and our ability to attract and retain are imperative to a high-performance culture.
- **Organised labour** – many of our employees choose union representation in exercising their rights. While we respect their choice to do so, it can never diminish our obligation to interact directly with them individually in a fair, open and respectful manner.

How we engage

Our engagements include

- Employee surveys.
- Regular employee interactions and communications.
- Employee evaluations, appraisals and processes for setting key performance criteria (KPC) and performance management.
- Whistle-blowing hotline.
- Training initiatives and programmes.
- Innovation platform and events.
- Digital communication channels, including social media and online platforms.

Key issues

- Safe working environment, particularly relating to COVID-19-related health concerns.
- Access to COVID-19 vaccinations.
- A diverse and inclusive work culture that supports transformation.
- How we address climate change and the impact it may have on our operations.
- Performance against employment equity targets.
- Access to training initiatives and programmes.

3 Financial capital relationships

- **Owners** – shareholders expect favourable long-term returns on their investments and have the inalienable right to exercise effective ownership over their investments.
- **Investment community** – research analysts facilitate an understanding of the Group that benefits our owners and prospective investors, who provide the capital we need to deliver on our strategy. Collectively, the investment community supports the effective functioning of equity markets, which is essential to attracting capital at a fair price.
- **Debt providers** – our financial position supports our strategic initiatives, and we work with debt providers to access debt funding at competitive rates in different jurisdictions.

How we engage

Our engagements include

- Transparent interim and year-end reporting.
- AGM.
- Regular investor communication and engagement (SENS announcements, interviews with stakeholders and conferences).
- Investor days.
- Regular meetings with funders.
- Involvement in industry specific panel discussions.
- Digital communication channels, including social media and online platforms.

Key issues

- Our response to a challenging domestic context.
- The impact of foreign currency volatility on margins, volumes and related product pricing.
- Financial health of our customers.
- Our response to climate risk, including sourcing and introducing low emissions vehicles and NEVs, and the timeframes for these plans.
- ESG governance, targets and strategies, including initiatives relating to water management, electricity and fuel consumption.
- How the Group manages the impact of legislative changes on its businesses.
- The allocation and use of available funds, including acquisitions.

4 Regulatory relationships

- **Government departments and regulators** – the Group is subject to a complex range of regulations across our markets.

How we engage

Our engagements include
- Membership in business forums and industry associations, as described on page 59.
- Ongoing interactions with regulators and governmental authorities.

Key issues

- The transition to NEVs and policies that encourage better quality fuel in South Africa, supporting modern fuel-efficient technology.
- Legal and regulatory compliance.
- Support for transforming the South African automotive industry to improve DEI.
- Response to cybersecurity, data privacy and IT security risks.
- High duties, ad valorem taxes and carbon tax.
- Quality of customer outcomes and oversight controls on regulated products and services.
- The impact of legislative changes, for example the Automotive Aftermarket Guidelines, on our businesses.

5 Societal relationships

- **Civil society and communities** – our social licence to operate depends on good corporate citizenship and maintaining constructive relationships with the communities in which we operate.
- **Media** – provides a channel of communication with our stakeholders and influences their opinions about the credibility of our investment proposition and reputation.

How we engage

Our engagements include
- Our road safety awareness programmes.
- Our long-standing relationships with CSI partners and programmes, our work with NGOs, and business associations providing monetary and vehicle donations and assistance.
- Participation in the South African YES programme.
- Media outreach and response, including CEO and CFO radio, print media and online interviews.
- Digital communication channels, including social media and online platforms.

Key issues

- How climate change risk is being addressed.
- Skills development, job creation and meaningful employment, and enterprise and community development.
- Procurement strategies supporting transformation and inclusion.
- Managing legislative and environmental concerns.

Detailed information

Read more about our response in our material priorities section on page 71.

Managing our risks and opportunities

Our risk management framework is embedded in the day-to-day operations of the Group. It promotes responsible risk-taking, aids better understanding of the potential impact of risks and opportunities on our strategic objectives and the likelihood of these risks materialising and identifies effective action plans to mitigate risks and realise opportunities.

Governance and structure

Risk management framework
Provides the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management.

The board and its sub-committees
Responsible for the governance of risk and ensuring that formal processes are implemented to effectively manage the risks facing the Group.

Executive Committee and the divisional finance and risk review committees (FRRCs)
Responsible for managing all risks and implementing relevant risk governance processes, standards, policies and frameworks

The board delegates the responsibility for the implementation and execution of risk management to the Executive Committee and FRRCs. The board and its committees oversee the effectiveness of risk management, receiving regular reports and periodic assurance.

Risk management processes

Risk culture
- Communication and consultation

Risk appetite and tolerance
- Risk assessment
- Risk response

Risk taxonomy
- Monitoring and review

The risk appetite sets out the amount and type of risk that the Group is prepared to pursue, retain or take in pursuit of its objectives and the creation of value. Our risk management policies, procedures and practices are systematically applied to the above activities.

Risk controls

Additional measures to enhance the effectiveness of risk management include internal controls, control self-assessments (CSAs), head office monitoring and oversight, and Group compliance and risk forums.

Our internal control hierarchy

Monitoring
Documented monitoring of processes, routines and controls.

Implementing policies and procedures
Management controlled activities, including development of strategies, action plans and budgets as well as principles, rules and procedures.

Ensuring sound governing principles
This includes our values, ethics guidelines, Code of Ethics, delegation of roles and responsibilities and oversight committees. Our leaders are expected to lead by example.

Three lines of defence

Our combined assurance framework provides a co-ordinated Group-wide approach to risk management to ensure its effectiveness. All three lines of defence report to the board; either directly or through the ARC and the SES Committees.

FIRST LINE OF DEFENCE – management
Responsible for the identification and management of risks in line with agreed risk policies, appetite and tolerance levels, and controls at an operational level.

SECOND LINE OF DEFENCE – risk management, compliance, legal, quality control functions
Responsible for overseeing and monitoring various risks and developing appropriate tools to effectively manage these risks.

THIRD LINE OF DEFENCE – internal audit, external audit, independent assurance providers
Assurance providers and auditors offer oversight and assurance to the board and management on the adequacy and effectiveness of the controls implemented. External auditors provide an opinion on the fair presentation of the consolidated and separate annual financial statements in accordance with IFRS and the Companies Act.

People, process, data, systems, infrastructure

Risk culture and values
Our values require that we are honest, transparent and communicate the level of exposure we take in the pursuit of value creation and preservation and the extent to which we guard against value erosion.

Our top risks

Our integrated risk management framework aims to ensure a consistent (value-based) and responsible (within tolerance levels) manner of responding to the uncertainty faced in our operating context, i.e. risks and opportunities associated with our strategy and present in our internal and external operating environment. Both existing and emerging risks are addressed.

Everything we do strives to achieve harmony and efficiency in aligning our people, processes, data, systems and infrastructure to meet our objectives by taking responsible risks within the operating context in which we choose to position the businesses.

Any risk taken is considered within board-approved risk appetite and tolerance levels which are reviewed and, where necessary, updated on a quarterly basis. Management monitors emerging risks on an ongoing basis until they are formally assessed and incorporated into our risk profile. Risks are classified as emerging when their extent, nature and timing are uncertain.

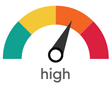
Top risks and opportunities

1 Currency volatility

Risk exposure movement:

Inherent risk:

Residual risk:



Currency risks: currency volatility has a direct impact on the costs of imported vehicles and parts. Unfavourable exchange rates against the Rand affect the competitiveness and profitability of the products, as well as service and maintenance plans.

The South African sovereign credit rating impacts the Rand exchange rate volatility. This also results in changes in the Group's equity, potentially resulting in a positive or negative hedging reserve position. Foreign currency translation differences will arise on the consolidation of foreign subsidiaries in the reported results.

What we can control

- Actively managing the effects of currency volatility through established hedging strategies, policies and governance structures.
- Review funding requirements, currency hedging, asset allocation, interest rates, funding of acquisitions and other cash management considerations at quarterly Asset and Liability Committee (ALCO) meetings.
- Run currency scenarios to assess the outcomes to adequately mitigate currency fluctuations within tolerance levels.
- Regular management committee meetings are held to understand foreign currency requirements related to committed and forecasted vehicle and parts orders, as well as the risks relating to operations outside of South Africa.

Opportunities

- Embed the benefits of the integrated business model to ensure that opportunities within the broader vehicle value chain and geographic portfolio are optimised.
- Provide service excellence and innovative customer offerings to support sustainable margins.

Managing our risks and opportunities (continued)

2 Supply chain management

Risk exposure movement:

Inherent risk:

Residual risk:

Inventory management risks: ongoing inventory management is needed to meet customer demand for new vehicles, pre-owned vehicles and parts. The planning and forecasting process allows the Group to minimise losses from supply chain disruptions and improve the management of ageing new and pre-owned vehicles and parts inventory levels.

Erratic supply and shortages of vehicles and parts due to supply chain disruptions could result in loss of sales and missed OEM targets, thereby placing additional pressure on margins and profitability.

Supplier dependency risks: we rely on our relationships with OEMs and franchised dealers, which are critical to our business model, and comply with the OEM agreements. Failure to meet OEM dealer standards will negatively affect variable margins earned from the OEMs and result in penalties being imposed.

The Group also relies on commercial relationships with key suppliers to deliver superior service to customers. The loss of any significant supplier could impact operations and financial performance.

What we can control

- Regularly engaging with OEMs and suppliers to optimise inventory levels and monitor the effectiveness of our supply chains.
- Continually assessing ways to improve efficiency of supply chain distribution channels.
- Proactively managing inventory levels – new and pre-owned vehicles and parts – to meet customer demand.
- Providing a wide range of brand and model derivatives for customers.
- Meeting OEM expectations:
  - Maintaining OEM standards and requirements on how we retail their products and high service levels.
  - Maintaining high levels of quality and safety.
  - Monitoring customer satisfaction and perception of OEM brands in each market of operation.

Opportunities

- Our ability to move vehicles and parts between locations to ensure continuous support for customers and operational demand.
- Access to global markets and relationships.
- Selling high-quality products and services and providing excellent customer service.

3 Economic and socio-political challenges

Risk exposure movement:

Inherent risk: high

Residual risk: high

Economic risks: the impact on the global economy given the muted recovery and increasing inflationary pressure post the COVID-19 pandemic is anticipated to continue over the short to medium term.

In South Africa, inconsistent service delivery and poor public infrastructure is coupled with ongoing power outages, high interest rates and high unemployment that could fuel social unrest.

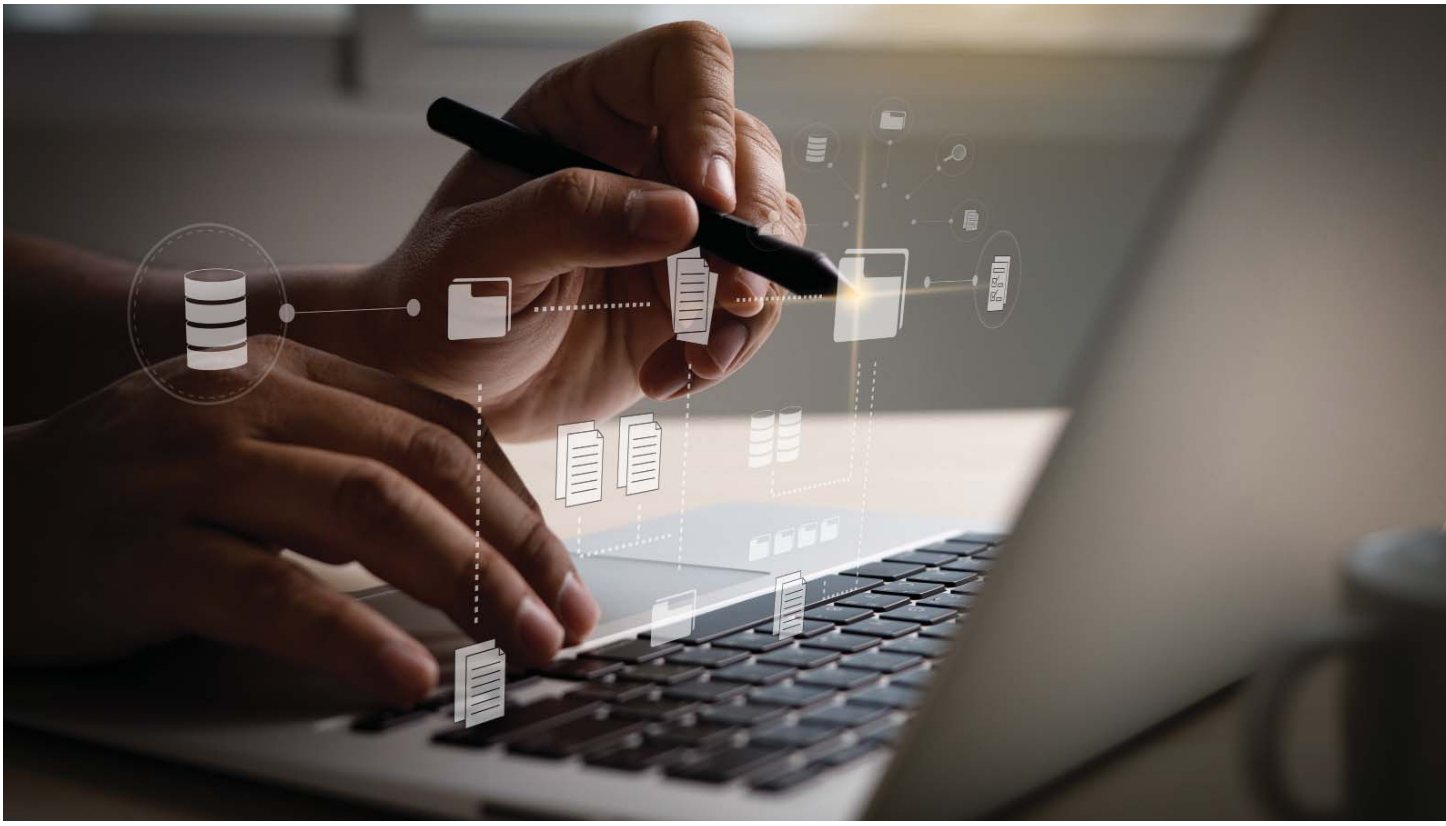
Globally, larger economies may face a debt crisis brought on by an inflationary environment.

What we can control

- Focusing on cost management and capital expenditure to extract financial and operational efficiencies.
- Reviewing product margins, unit growth and aggressive balance sheet management to manage working capital investment.
- Monitor the political environment to identify possible negative impacts and assess any risks and opportunities.
- Participating in industry bodies and engaging with the government on solutions to transform the automotive industry in South Africa.
- Installing alternative power supply sources (e.g. solar).

Opportunities

- Provide service excellence and innovative customer offerings to support sustainable margins throughout the customer's vehicle ownership journey.
- Grow digital sales channels offering an omni-channel customer experience, and diversify selectively across sectors and geographies.
- Support NGO societal partners to uplift and support communities in need.
- Employ young people to assist with their development and preparedness for the job market.
- Embed the benefits of the integrated business model to ensure that opportunities within the broader automotive value chain are optimised.



Managing our risks and opportunities (continued)

4 Information technology

Risk exposure movement:

Inherent risk:

high

Residual risk:

moderate

Technology risks: a legacy of decentralised IT systems and infrastructure makes it critical to reduce systems complexity through consolidation wherever feasible while enhancing the customer and user experience.

IT strategies are flexible and effective in meeting the requirements of the business and delivering solutions for competitive differentiation and operational effectiveness as the implementation of digital strategies accelerates.

Information security risks: the global increase of cybercrime has the potential to disrupt services, erode customer trust and cause financial loss.

Legislation relating to personal data requires that this information is afforded adequate levels of protection as instances of negligence carry large fines.

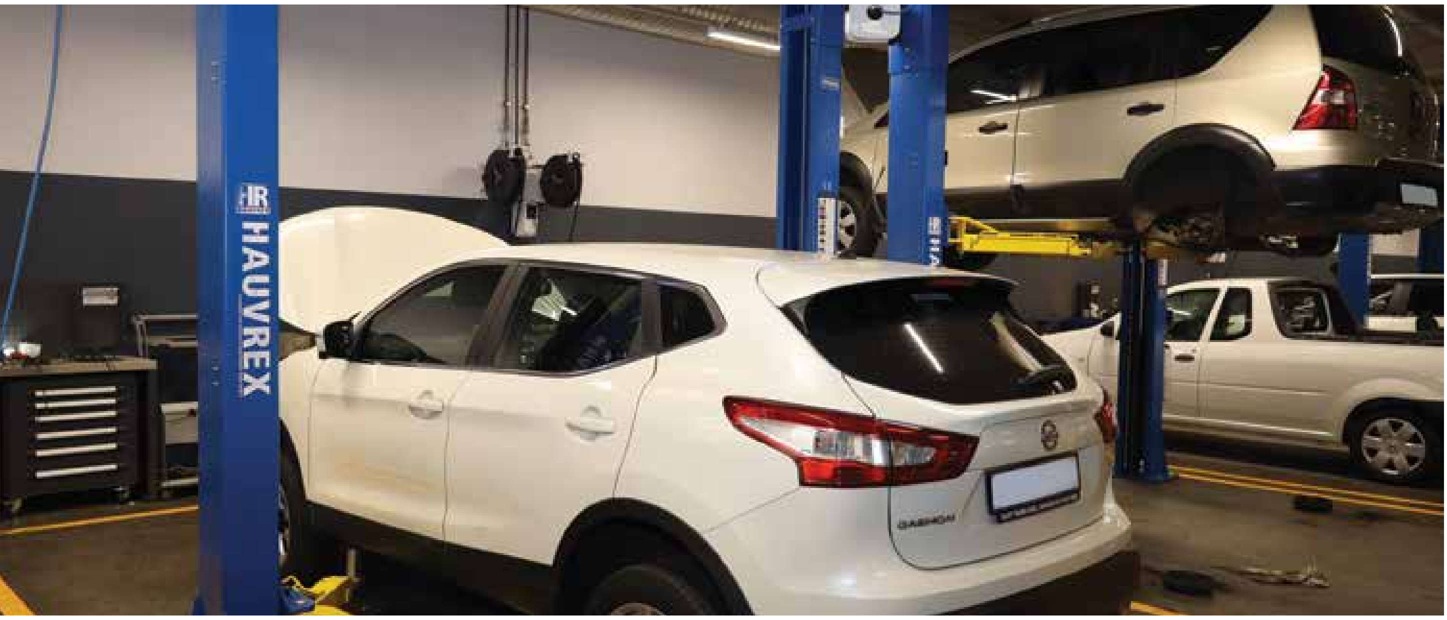
Our ability to protect and secure our IT systems and information is critical to managing the threat to operational resilience and reputation.

What we can control

- Maintaining oversight and monitoring of material IT risk profiles and projects.
- Enhancing the IT governance framework and the cyber strategy.
- Reviewing service level agreements with external vendors to ensure delivery and maintenance of critical hardware and application support. Ensure third-party oversight exceeds our standards.
- External review and audit of the general IT controls and incorporate findings in improvement practices.
- Protecting personal information, including engaging with our employees and partners on information protection and cyber resilience:
  - Perform ongoing cyber risk assessments to understand the emerging risk landscape.
  - Monitor adherence to minimum cybersecurity guidelines and ensure these are continually strengthened as vulnerabilities are identified.
  - Heighten cyber-awareness through ongoing campaigns and education initiatives.
  - Deepen incident response capability to deal with incidents and risks as they arise.

Opportunities

- Invest in leading technology as a key business differentiator, including ongoing digitisation of the customer experience to respond to constantly changing customer expectations and the need for omni-channel customer engagement.
- Ability to leverage our investment across the Group allows efficiencies in utilisation of IT resources and achieves economies of scale.



5 Regulatory compliance

Risk exposure movement:

Inherent risk:

high

Residual risk:

high

Regulatory and compliance risks: the Group is exposed to a wide range of legislation, which impacts all our operations and relationships with various stakeholders, including banks, OEMs, suppliers, regulators and the public. Non-compliance with environmental legislation, labour-related legislation (including skills development and employment equity legislation), health and safety, and product legislation could undermine the Group's reputation and result in penalties and fines. Material legislative changes may impact our business model and core market dynamics.

Read more in the governance report on page 136.

Read more about the impact of recent changes in legislation online in our ESG report.

What we can control

- Investing in initiatives to implement the actions needed to ensure compliance and understand the impact of new regulations:
  - Implement the appropriate controls, training and awareness to maintain a high level of ethical and compliant business conduct among our employees and partners.
  - Ongoing monitoring of legislative changes.
  - Conduct relevant compliance audits.
- Annual ethics self-declaration to confirm compliance with certain key Motus policies, including Anti-bribery and Corruption Policy, Code of Ethics Policy and Conflict of Interest Policy.
- Specialist functions, particularly in financial services related operations.
- Integration and close cooperation between legal and operational functions ensures wider commercial impact assessment of key legislative changes.
- Ongoing engagement with industry and business associations to advocate for more effective policies.

Opportunities

- Earning the trust of our stakeholders as a good corporate citizen to invest in, do business with and work for.
- Maintain our reputation as an organisation that effectively implements new controls quickly and ensures compliance in an increasingly complex regulatory environment. This can provide first-mover advantage.

Managing our risks and opportunities (continued)

6 Succession and talent management

Risk exposure movement:

Inherent risk:

high

Residual risk:

moderate

People risk: the scarcity of qualified and skilled managers, and specialised technical and customer-facing skills, as the business model becomes increasingly digital and the technological component of most jobs grows, challenges the availability of talent needed to remain competitive and successfully deliver on Motus' strategy.

What we can control

- Providing an attractive employee value proposition (EVP) that makes Motus attractive to the internal-external workforce motivates and engages employees.
- A talent management framework that:
  - Identifies current and future critical skills.
  - Fosters a diverse and 'future-fit' talent pool of leaders and specialists.
  - Ensures a healthy succession pipeline at all levels.
- Providing tailormade programmes to build and boost the digital dexterity of employees.
- Providing a healthy and safe working environment, and initiatives that support employee wellbeing.

Opportunities

- Be an employer of choice in the automotive industry.
- Develop a diverse talent pool to gain cognitive diversity which promotes collaboration and innovation.
- Participate in the South African YES programme to employ graduate learners, identify potential talent and assist with reducing unemployment.

7 B-BBEE status of South African-based operations

Risk exposure movement:

Inherent risk:

high

Residual risk:

moderate

Transformation risk: failure to achieve transformation targets and transform the workforce may impact our competitiveness and sustainability.

Read more in the people section of the social report on page 120.

What we can control

- Driving a co-ordinated transformation programme to meet our B-BBEE targets:
  - Developing, promoting and sourcing employees to achieve our employment equity targets.
  - Extending our network into informal communities, including non-OEM branded workshops, majority owned black dealerships, and making our parts and services accessible to informal traders and technicians.
  - Supporting education, healthcare, road safety and community upliftment as part of our commitment to broader South African growth objectives.
- Regularly review the supply chain to identify opportunities to increase participation of new entrants.

Opportunities

- Achieve a B-BBEE scorecard rating that gives us preferred supplier and employer status, enhancing our competitiveness and access to private sector and government business.
- Participate in the South African YES programme to provide opportunities for unemployed learners to get work experience and assist with reducing unemployment.

8 Acceleration of industry disruption

Risk exposure movement:

Inherent risk:

high

Residual risk:

moderate

Innovation risk: the acceleration of the pace of change will require competitive digital capabilities and innovation to sustain competitive advantage.

Customers are increasingly product savvy and accustomed to the convenience of the digital experience and omni-channel engagement.

Read more in the innovation and digitisation review on page 42.

What we can control

- Drive delivery of the innovation strategy:
  - Accelerating the implementation of new and improved ways of doing business to reduce costs and increase efficiency.
  - Ongoing monitoring of market trends and new innovations.
  - Creating a culture of innovation and collaboration through the m^x initiative.

Opportunities

- Provide service excellence and innovative customer offerings to support sustainable margins.
- Grow digital sales channels and diversify selectively across sectors and geographies.
- Invest in leading technology as a key business differentiator, including ongoing digitisation of the customer experience to respond to customer market expectations.
- Develop methods of transacting that enable customers to complete an end-to-end buying process across multiple interconnected channels.
- Invest in technology to improve efficiencies and reduce manual and repetitive work processes.
- Become a data-driven organisation finding new ways to meet the under-served mobility needs of our customers.

9 Reputation and brand position

Risk exposure movement:

Inherent risk:

high

Residual risk:

moderate

Reputation risk: failure to inculcate a culture that drives good corporate citizenship may undermine the Group's reputation.

In addition, how stakeholder groups experience interactions with the Group must be based on our espoused values and ethics to ensure our continued sustainability.

Failure to take action to curb greenhouse gas (GHG) emissions and minimise environmental impacts could tarnish our reputation, particularly as public perceptions and expectations change.

What we can control

- Monitoring customer satisfaction and perception of OEM brands in each market of operation.
- Transparent, timeous and honest engagement with key stakeholders, aligned to our values.
- Maintain levels of quality and safety requirements of products and services by investing in reputable brands.
- Continue to integrate our approach and response to ESG to ensure we create sustainable value.
- Increase support for education, healthcare and road safety initiatives.

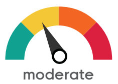
Opportunities

- Clearly position the Group as a market leader in South Africa, with high levels of professionalism and values.
- Increase investment in matching customer experience in both physical and digital channels.
- Build on relationships with our CSI partners: road safety awareness programmes, libraries and resource centres supporting literacy and reading skills and healthcare through the Unjani Clinics network.

10 Climate change

Risk exposure movement:

Inherent risk:



Residual risk:

Climate-related risk: extreme weather events can disrupt business operations, weaken economic growth and cause damage to vehicles, property and other assets. Higher temperatures and lower rainfall brought about by climate change will impact the length and severity of droughts and, in turn, our customers and communities. In addition, climate change will have a direct impact on energy availability, supply chains and the supply of food.

The transition to a low-carbon economy may also pose risks to the Group, for example, increasing emissions tax and introduction of NEVs.

Read more in the environmental report on page 112.

What we can control

- Operating in an environmentally conscious and responsible manner:
  - Setting robust targets for fuel, water and electricity consumption.
  - Investing in low carbon and water-saving solutions.
- Providing appropriate and transparent disclosure on our environmental impacts and mitigation actions:
  - Improving the measurement and reporting of our climate-related and environmental impact.
- Understanding and planning around the medium to long-term NEV availability from OEMs.

Opportunities

- Position Motus as an organisation that considers environmental aspects in its decision-making, and meets its environmental compliance obligations in all countries of operation.
- Work with OEMs to introduce NEVs in our range of products and services.
- Procure lower emissions vehicles for the car rental and own fleet.
- Provide battery charging infrastructure at dealerships as a new revenue stream.

Detailed information

Read more about our future focused response in our material priorities section on page 71.

Material priorities

Our material priorities are those factors most likely to influence the decisions of our stakeholders when assessing our ability to create sustainable value over time. They are those factors that we can control, within the context of the uncontrollable factors in our operating environment.

Determining our material priorities

We consider the materiality of a factor by assessing its potential to impact strategy (opportunity and risk), performance (financial and non-financial) and the prospects of the Group in the short, medium and longer term. This ultimately impacts our ability to create and sustain value, and guard against value erosion. In line with the King IV endorsed six capital model of value creation, the effectiveness with which we manage our material priorities is likely to influence the decisions of our stakeholders in relation to the capitals they provide, and the outcomes they expect in return.

The following inputs informed the determination of the material priorities:

- The annual strategy planning cycle and key issues managed by the board and leadership during the year.
- Discussions with leadership to elicit and distil their views and concerns.
- The material concerns of our key stakeholder groups.
- Top business risks.

Determining our material priorities

Our material priorities are grouped into three key themes representing the key drivers of value for the Group in view of current market conditions and our expectations for the short, medium and longer-term trends shaping our markets. These material priorities are discussed throughout this integrated report and the ESG report (available online).

Our key themes

Resilience

1. Sustain capital management discipline.
2. Leverage competitive advantages to diversify and grow earnings streams.
3. Accelerate the implementation of new ways of working and maintain ability to grow the business.

Relevance

1. Deliver exceptional value to customers as their needs change, while remaining the strategic partner of choice for OEMs and suppliers.
2. Be an employer of choice in the automotive industry.
3. Innovate practically and proactively.
4. Use technology to sustain and grow the business.

Responsibility

1. Proactively manage the ESG consequences of our activities.
2. Consistently deliver on stakeholder expectations and protect our reputation.
3. Demonstrate best-in-class governance.

Material priorities (continued)

Resilience

1 Sustain capital management discipline

Focus areas

- Align the cost base to the revenue base.
- Maintain margins and conserve liquidity to improve profitability.
- Manage working capital and contain costs.
- Monitor and manage currency risk.
- Deploy capital in line with acquisitive and organic growth initiatives, including digital projects that leverage our existing infrastructure and capabilities, and ultimately improve customer service.
- Assess potential business acquisitions and business partnerships to ensure that they complement our business and enhance shareholder value.

Our response

- Responsible cost management and cash utilisation.
- Effective financial controls and cost containment.
- Disciplined capital allocation.
- Achieve targeted revenue and income growth.
- Explore share repurchase opportunities when they present themselves.
- Investment in key regions, ensuring a strong presence in chosen markets.
- Continued investment in the multi-franchise dealership model and the Aftermarket Parts business.
- Enhanced digital and technology functionality across all our businesses.
- Effective inventory management.

2 Leverage competitive advantages to diversify and grow earnings streams

Focus areas

- Grow business segment profitability and competitive market share.
- Maximise the organic growth potential of each business segment.
- Grow pre-owned vehicle market share and extend our vehicle servicing footprint.
- Remain responsive to customer needs and market trends.
- Add value to customers, foster deeper customer loyalty and attract new customers by offering multiple ways to engage with the Group.
- Extend our digital and data capabilities to enable profitable growth.
- Diversify revenues to mitigate against economic downturns.
- Leverage the flexibility of our integrated business model to grow annuity income in indirect vehicle-related revenue streams.
- Pursue highly selective strategic growth opportunities in international markets in which we operate.
- Protect our market positions and grow to complement our existing dealership footprint.

Our response

- Leverage the Group's buying power.
- Scale and operational synergies across the integrated automotive value chain.
- Cost-effective and competitively priced vehicles, parts, financial services, products and product enhancements.
- Value-led pricing.
- Improved efficiencies and processes, enabling simpler, faster ways of working through digitisation.
- Expanded VAPS offerings, competitively priced booster products and entry level buyer offerings.
- VAPS developed based on insights from extensive customer and vehicle data.
- Digital platforms and specialised digital channels to improve customer engagement.
- Marketing excellence and well-developed distributions channels and retail footprint.
- Digital lead generation, inventory mix aligned to market demand and excellent customer service.
- Partnership opportunities, including those that improve customer experience and loyalty.
- Accelerating the planned expansion of Aftermarket Parts operations outside of South Africa.
- Acquisitions in selected international markets.
- Monetisation of data.

3 Accelerate the implementation of new ways of working and maintain ability to grow the business

Focus areas	Our response
• Drive resilience, agility and support timely execution of strategic objectives. • Further enable operational agility by automating and optimising structures, systems and processes. • Promote a safe and supportive work environment that safeguards employee and customer health, and enables productivity and engagement. • Drive innovation and digitisation while enhancing digital capacity and capabilities across the Group and protecting against evolving data security and cyber risks. • Ensure that IT systems and processes support efficiency, connectivity and networking across businesses. • Support a diverse and competitive workforce, united under a common purpose. • Develop and embed a change resilient and adaptive culture. • Maintain sound governance, risk management and approval structures.	• Entrepreneurial culture. • Flat and transparent leadership structure. • Data-driven decision-making. • Motus m^{x} innovation platform. • Streamlined IT architecture and investment in digital solutions, including for customer engagement. • New data-based revenue streams. • Enhanced business performance via advanced data analytical solutions. • Responsiveness in a context of rapid change and uncertainty. • A diverse and inclusive culture with effective, well-equipped leadership. • Communication and sharing across the Group to ensure pragmatic best practice. • Robust governance policies and practices. • Flexible and adaptive business continuity processes that are subject to regular evaluation and enhancement. • Ongoing improvement in operational risk management.

Material priorities (continued)

Relevance

1 Deliver exceptional value to customers as their needs change, while remaining the strategic partner of choice for OEMs and suppliers

Focus areas	Our response
• Source, develop and deliver exceptional and competitively priced products and services across the automotive value chain. • Provide customer service that is responsive to changes in customer needs and our operating environment. • Ensure high-quality workshop services and parts supplies. • Attract prospective customers by providing them with the right offerings. • Actively manage our brand portfolio. • Expand our distribution network. • Continue to build trust in the Motus brand.	• Exceptional customer service. • Maintain and enhance high quality and service level standards in all spheres of our business. • Well trained employees who understand our customers' needs. • Collaborative and supportive relationships with suppliers. • Stringently applied quality controls. • Innovative, strategically aligned financial service offerings. • Increased focus on popular brands. • Become the preferred, exclusive supplier of additional brands. • Expand our Aftermarket Parts offerings.

2 Be an employer of choice in the automotive industry

Focus areas	Our response
• Attract and retain high-calibre employees. • Ensure appropriate operational flexibility, enabling practical and cost-effective delivery of human capital management. • Align employee capabilities and expectations with business objectives and career opportunities. • Develop and empower employees and develop the skillset, flexibility, resilience and responsiveness that is required in times of change and uncertainty. • Embed an inclusive and collaborative Group culture, creating an environment in which DEI is prioritised and fully accepted, and in which everyone can perform to their full potential. • Drive DEI at management level. • Maintain a safe, sustainable and healthy operating environment that supports the wellbeing of our people. • Enhance our health and safety leadership and capabilities. • Continue to manage the current and long-term impacts of COVID-19 on our business and the employees.	• Employ best people practices across the Group. • Effective performance development, talent management and succession planning. • Investment in skills development and relevant training interventions. • Increased number of learnerships and training for our people. • DEI training. • Targeted interventions to source entry level talent, promote internal candidates from designated groups, and source external talent when needed. • Manage talent pipeline programmes. • Secure workplaces. • Employee wellbeing initiatives. • Best safety practices and a Group-wide safety mindset. • Group-wide employee assistance programmes.

3 Innovate practically and proactively

Focus areas	Our response
• Ensure the Group remains agile and able to adapt to market changes. • Secure higher market penetration through innovation. • Assess the impact of developments in different markets to assess their impact on the business models. • Ensure that executives understand new technological developments and related potential impacts and opportunities. • Drive innovation in line with globally recognised principles. • Closely monitor and increase market intelligence on automotive trends that could disrupt our business (e.g. NEVs). • Attract new and non-traditional customers by developing mobility service solutions.	• IT solutions and data-driven innovation. • Collaboration with key strategic partners to share intellectual property. • Motus m^x innovation platform. • Mobility Solutions offerings. • Brand-agnostic buying tools.

4 Use technology to sustain and grow the business

Focus areas	Our response
• Optimise and evolve current business models, processes and structures. • Design and implement new solutions and ways of working to enhance omni-channel access. • Differentiate by evolving and expanding our vehicle and asset finance (VAF), VAPS and mobility services offerings. • Identify opportunities to accelerate innovation and digitisation as consumer habits and buying behaviour shift in favour of digital platforms, by enhancing the ease of connection for customers between the availability of digital information and physical dealerships to conclude transactions. • Align continuously with digital, mobility and automation trends and changing customer needs. • Facilitate innovation within business segments. • Deliver the most relevant, personalised and competitive offerings that meet customer mobility needs. • Ensure convenient and compelling access to all of the Group's offerings. • Use data to refine and enhance customer relationship management. • Accelerate the use of technology, leveraging digitisation, big data and e-commerce platforms.	• Work with OEMs to deliver innovative solutions and business model changes. • Innovation centres and capabilities. • New product development. • Consolidated and improved online presence (including motus.cars and Motus Select). • Data analytics capabilities. • Develop a single view of the customer across all offerings. • Develop a fully integrated parts e-commerce platform.

Material priorities (continued)

Responsibility

1 Proactively manage the ESG consequences of our activities

Focus areas	Our response
• Our impact on, and perceptions of the Group within our communities of operation and the effects this has on our credibility and licence to operate. • Maintain our B-BBEE rating. • Support inclusive procurement, supplier and enterprise development and black-owned and managed businesses. • Where relevant, support socio-economic initiatives addressing the challenges facing the South African economy (e.g. youth unemployment). • Operate in an environmentally conscious and responsible manner, demonstrating this through improved sustainability and ESG reporting.	• Board oversight of environmental sustainability matters. • Relationships with communities. • Increase the number of black employees in management positions. • Develop black employees. • Controllable spend with B-BBEE compliant businesses. • Supplier and enterprise development initiatives. • CSI programmes supporting education, health and road safety. • Sustainability indices ratings. • Solar and battery power initiatives (including grid wheeling).

2 Consistently deliver on stakeholder expectations and protect our reputation

Focus areas	Our response
• Maintain high standards of accountability, transparency and integrity in running the business and reporting to shareholders and other stakeholders. • Remain responsive to the legitimate concerns of all stakeholders. • Retain current and attract new local and international investors. • Deliver on our vision, strategic objectives and our investment proposition. • Defend and grow market share in South Africa, continue to grow annuity income streams, and grow in selected international markets. • Position the Group as a proudly South African market leader. • Improve disclosure of our significant contribution to South Africa's socio-economic objectives, particularly in terms of fiscal contribution and people development, and contributing to community-based projects.	• Strengthen key stakeholder relationships. • Accurate and transparent disclosures. • Improved sustainability and ESG reporting. • A public relations strategy that reinforces Motus' agility, entrepreneurial innovation and relevance, developing our brand recognition and online presence.

3 Demonstrate best-in-class governance

Focus areas

- Establish and maintain a credible reputation for ethical, effective and independent leadership.
- Ensure sound leadership succession plans are developed, documented and implemented.
- Embed a strong culture of ethics and integrity.
- Maintain best governance practices and deepen the application of King IV principles.
- Comply with laws and regulations across multiple jurisdictions.
- Manage the complexity and cost implications of compliance.
- Where possible, understand how regulatory changes can be used to optimise and enhance customer experience.

Our response

- Demonstrably independent and effective board.
- Established ethical leadership and culture.
- Robust control and risk management systems.
- Effective reporting processes.
- Group-wide management tool for monitoring internal controls.
- Proactive engagement with regulators on emerging legislation.
- Monitor international regulatory trends.
- Code of Ethics.
- High governance standards.

Divisional performance

Niall Lynch

CEO – Hyundai Automotive South Africa

Gary Scott

CEO – Kia South Africa

Jaco Oosthuizen

CEO – Motus Vehicles Distributor (Outgoing)

Shumani Tshifularo

CEO – Motus Vehicles Distributor (Incoming)

Thato Magasa

CEO – Mitsubishi South Africa

Import and Distribution

The Import and Distribution business segment provides a differentiated value proposition to the dealership network, enhancing the revenue and profits of the entire automotive value.

We import, distribute and supply vehicles and parts to the Group and independent dealership networks, government and car rental companies. 60% of vehicle volume sales are generated through Motus-owned dealerships, with the remaining volumes sold by independently owned dealerships.

2022 priorities

Continue to grow by:

- Enhancing customer experience throughout the vehicle ownership cycle.
- Continuing to grow our market share of the five-door hatch and SUV segments through new vehicle launches.
- Marketing aftersales offerings to the established car parc.
- Managing costs and forward cover in line with the Group policy.
- Investing in technology to improve the customer digital experience.
- Implementing initiatives (solar and rain-water harvesting) to reduce our environmental impact, supporting socio-economic growth and deepening the maturity of our governance practices and processes.
- Investing in the safety and wellbeing of our people and enhancing employee engagement.

Geography

South Africa and neighbouring countries

Car parc

~750 000 vehicles with average annual sales of ~90 000 vehicles

Total passenger market share

~24,5% in South Africa

Duration of exclusive distribution relationship

Hyundai – 22 years
Kia – 24 years
Renault – 30 years
Mitsubishi – 15 years

Import and Distribution (continued)

Exclusive importer and distributor

We import, distribute and supply vehicles and parts to the Group and independent dealership networks, government, car rental companies and leasing companies.

VEHICLES

SERVICE PARTS

REPAIR PARTS

Hyundai

Kia

Renault

Mitsubishi

Passenger vehicle market share
24,5%
in South Africa

Vehicle volume sales

~ 60%
through Motus-owned dealerships

~ 40%
through independently owned dealerships

We distribute and supply to:

- Motus and independent dealer networks
- Government
- Motus rental brands (Europcar and Tempest)
- Other independent car rental companies
- Leasing companies

Mobility Solutions integration

Full value chain presents unique opportunities for financial services, products, innovation and differentiation

Exclusive distributor in other Southern African countries

Hyundai
in **four countries**

Botswana, Eswatini Lesotho and Namibia

Kia
in **four countries**

Eswatini, Lesotho, Namibia and Zimbabwe

Renault
in **four countries**

Botswana, Eswatini, Lesotho and Namibia

Mitsubishi
in **eight countries**

Botswana, Eswatini, Lesotho, Malawi, Mozambique, Namibia, Zambia and Zimbabwe

Nissan
in **four countries**

Kenya, Malawi, Tanzania and Zambia

2022 performance

We are a long-standing distributor for OEMs, providing them with market access through quality marketing, high levels of customer satisfaction and strategically located dealerships.

Market access, together with our proven ability to sustainably build brands through the achievement of targeted volumes and customer satisfaction scores that exceed OEM requirements, has continued to strengthen our relationships with them and allowed us to remain their distributor of choice in sub-Saharan Africa. This allows us to offer competitive prices, exceptional service and innovative products and services to our customers that exceeds their expectations.

In an operating environment characterised by the long-term operational, social and economic impacts of COVID-19, ongoing supply chain disruptions, low economic growth and a looming recession, we rely on our agility, entrepreneurial tenacity and trusted relationships to deliver our strategic priorities.

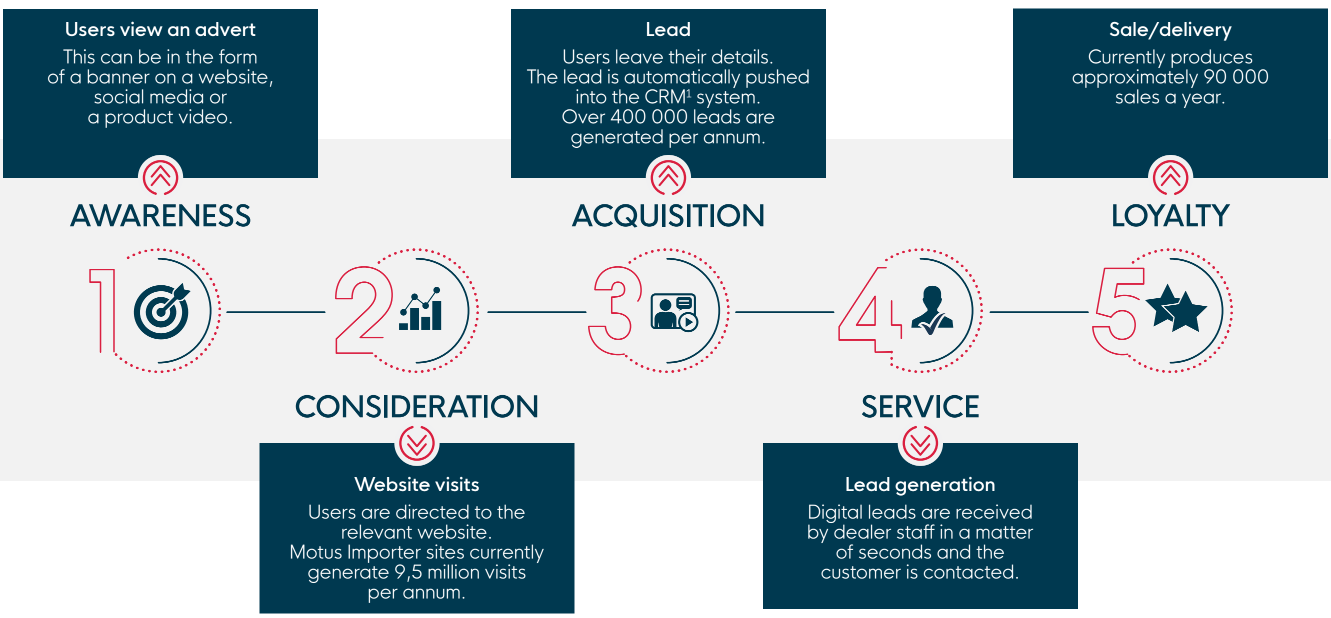
Our Importer brands have deepened their maturity in the South African market over the last few decades and are benefitting from the ongoing structural shift away from luxury brands in the South African vehicle market. Customers are increasingly considering our Importer brands as an attractive alternative that offers an increasingly strong value proposition as more premium vehicle models are introduced to the market. Our deep strategic relationships with our Importer OEMs allows us to introduce new vehicle models that appeal to the local consumer from a styling, versatility and affordability perspective.

We have continued to grow our share of the passenger market in South Africa. We actively manage vehicle availability with our OEMs and this, together with our broad product range of attractive and affordable models for customers, our omni-channel approach and professional and well-informed sales force, has allowed us to exceed our customers' expectations and attract new buyers.

Our vehicle market share (passenger only) in South Africa as at June 2022 for the 12-month period was 24,5% (2021: 22,0%). Hyundai achieved 9,4% market share (2021: 10,2%), Renault achieved 7,9% market share (2021: 6,1%), Kia achieved 6,3% market share (2021: 5,0%), and Mitsubishi achieved 0,9% market share (2021: 0,7%).

Hyundai, Kia and Renault have forward cover for the Euro and US Dollar to February 2023, at average rates of R17,60 to the Euro and R15,45 to the US Dollar, including forward cover costs. The current Group guideline is to cover seven to nine months of forecasted vehicle import orders.

Our ability to enhance the customer experience across the vehicle ownership cycle remains critical to maintaining and growing our market share as we continue to deliver high standards for service excellence. We aim to consistently exceed our customer expectations to deepen their loyalty. Our customer loyalty programmes support this journey to build strong customer relationships and deepen brand loyalty, focusing on customers with out-of-service plan or out-of-warranty vehicles. Current loyalty programmes include Kia Klub and Renault Drivers Club, with Hyundai and Mitsubishi due to launch their own loyalty programmes during the 2022 calendar year.



[1] *CRM: Customer relationship management.*

Import and Distribution (continued)

We will invest in technology and innovation initiatives that improve customer experience, affordability and our understanding of consumer trends, while conservatively managing costs and inventory levels.

We responsibly manage the ESG impacts that are within our control. We invest in systems that harness cleaner energy (solar photovoltaic (PV) systems) and water (rainwater harvesting systems). We have installed solar PV systems at our key sites and are reviewing the feasibility of solar PV installations at additional sites. In addition, we are assessing the viability of technology that enables energy to be sold into the power grid from our bond stores.

We are closely monitoring the developments in the NEV market and the legislative framework in South Africa, and are informed of the shifts that our OEM partners are making in their transition, so that when policy changes are implemented to make these vehicles more affordable, we will be well positioned to act quickly, leveraging the learnings from NEV adoption in the UK. This will position us well to capture the NEV market in South Africa when demand increases and favourable policies are implemented. Currently, Kia, Hyundai and Renault lead NEV sales in Europe; in the European Car of the Year 2022 Awards, the Kia EV6 won Car of the Year, the Renault Mégane E-TECH Electric placed second and third place went to the Hyundai IONIQ 5 (a NEV). The Mitsubishi Outlander PHEV also recently won the global iF DESIGN AWARD 2022.

Read more about the Group's environmental and social priorities on pages 112 and 118 respectively.

Integration and optimisation

Innovation and unlocking customer potential in existing and new customer channels represent an opportunity for the business to grow. Our ability to leverage technology, particularly in the ways that matter most to our customers, driving communication throughout the ownership cycle and rewarding customer loyalty remains an area of focus as we improve our customer relationship management tools.

We continually assess our dealership footprint in response to developments in the operating environment and we will continue to refine the franchise model in dealership locations where it is appropriate.

We will invest in technology and innovation initiatives that improve customer experience, affordability and our understanding of consumer trends, while conservatively managing costs and inventory levels.

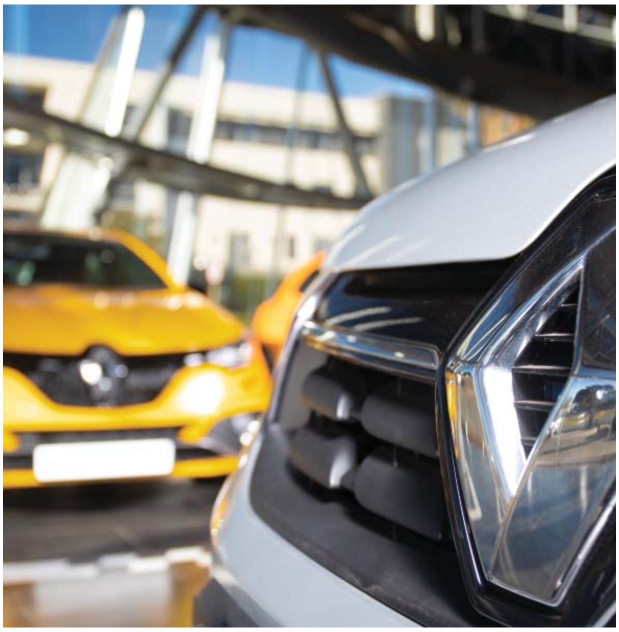
Read more about the Group's approach to innovation and digitisation on page 42.

Our people

We continue to entrench our culture of high performance, entrepreneurial spirit and innovation through ongoing improvements in our training and job support capabilities, and our ability to support career development opportunities.

We regularly identify and develop initiatives to enhance employee engagement as our people are critical to our success. Their safety and wellbeing remains a top priority and we strive to ensure that we have a safe workplace for our people.

Read more about the Group's people strategy on page 120.



2022 financial performance

Revenue	Operating profit	Operating margin
R23 883 million	R1 508 million	6,3%

	HY1 2022 unaudited^	% change on HY1 2021 unaudited^	HY2 2022 pro forma*	% change on HY2 2021 pro forma*	2022 audited	2021 audited	% change on 2021 audited
Revenue (Rm)	**11 368**	17	**12 515**	25	**23 883**	19 683	21
Operating profit (Rm)#	**614**	44	**894**	80	**1 508**	922	64
Operating margin (%)#	**5,4**		**7,1**		**6,3**	4,7	

^ *HY1 numbers are unaudited and were released in the interim published results for the six months ended 31 December 2021.*
* *HY2 numbers are unaudited and derived from deducting the HY1 results from the annual published results for the year ended 30 June 2022.*
# *2021 has been adjusted for the re-presentation to include share of results in associates and joint ventures.*

Import and Distribution revenue is up 21% mainly due to increased sales to dealers, outright sales to car rental companies without buy-back arrangements and increased selling prices. Increased sales were supported by new model releases.

Operating profit increased by 64% for the year mainly due to higher volumes of vehicles sold, assisted by increased margins as a result of increased selling prices, favourable importer foreign exchange rates, improved sales via the dealer channel and increased margins achieved due to inventory shortages.

Corné Venter

CEO – Retail South Africa

Rob Truscott

CEO – Retail UK

John Johnson

CEO – Retail Australia (Outgoing)

Jaco Oosthuizen

CEO – Retail Australia (Incoming)

Rainer Gottschick

CEO – Car Rental

Retail and Rental

The Retail and Rental business segment operates an unrivalled scale and footprint of strategically located dealerships in South Africa, which underpins our leading market share of 22,4%, with a select presence in the UK and Australia.

The South African dealerships (105 pre-owned, 204 passenger vehicle and 36 commercial vehicle dealerships) are strategically located in growing urban areas, while our 114 UK dealerships are mainly located in provincial areas. In Australia, our 36 passenger vehicle dealerships are in New South Wales and Victoria.

We operate a centralised financial products and services business across the dealer network by jurisdiction, which provides economies of scale.

We provide rental vehicles through the Europcar and Tempest brands, each with targeted offerings to customers. We operate 98 car rental outlets in South Africa and 15 outlets in neighbouring countries.

2022 priorities

Continue to grow by:

- Investing in technology to drive digitisation and support customer service and experience.
- Optimising the dealership footprint, aligned to OEM strategies, and refine the multi-franchise dealership model.
- Growing our pre-owned vehicle market share.
- Improving brand representation with selective bolt-on acquisitions.
- Be the leading car rental service provider in the Southern African market by providing outstanding customer service, value for money and an innovative product offering.
- Ensuring market leadership, focusing on revenue recovery, new products and technology-driven innovation and improvements.
- Investing in initiatives (waste and water recycling) to reduce our carbon footprint, continuing commitment socio-economic development and deepening the maturity of our governance processes across our footprint.
- Ongoing investment in the development of our people.

Geography

Primarily South Africa, with a selected presence in the UK and Australia

Vehicles sold annually

~89 000 new vehicles
~89 000 pre-owned vehicles

Leading retail market share

~22,4% in South Africa

Rental market share

~29% in South Africa

Representing leading brands

23 OEMs in South Africa
19 OEMs in UK
20 OEMs in Australia

Retail and Rental (continued)

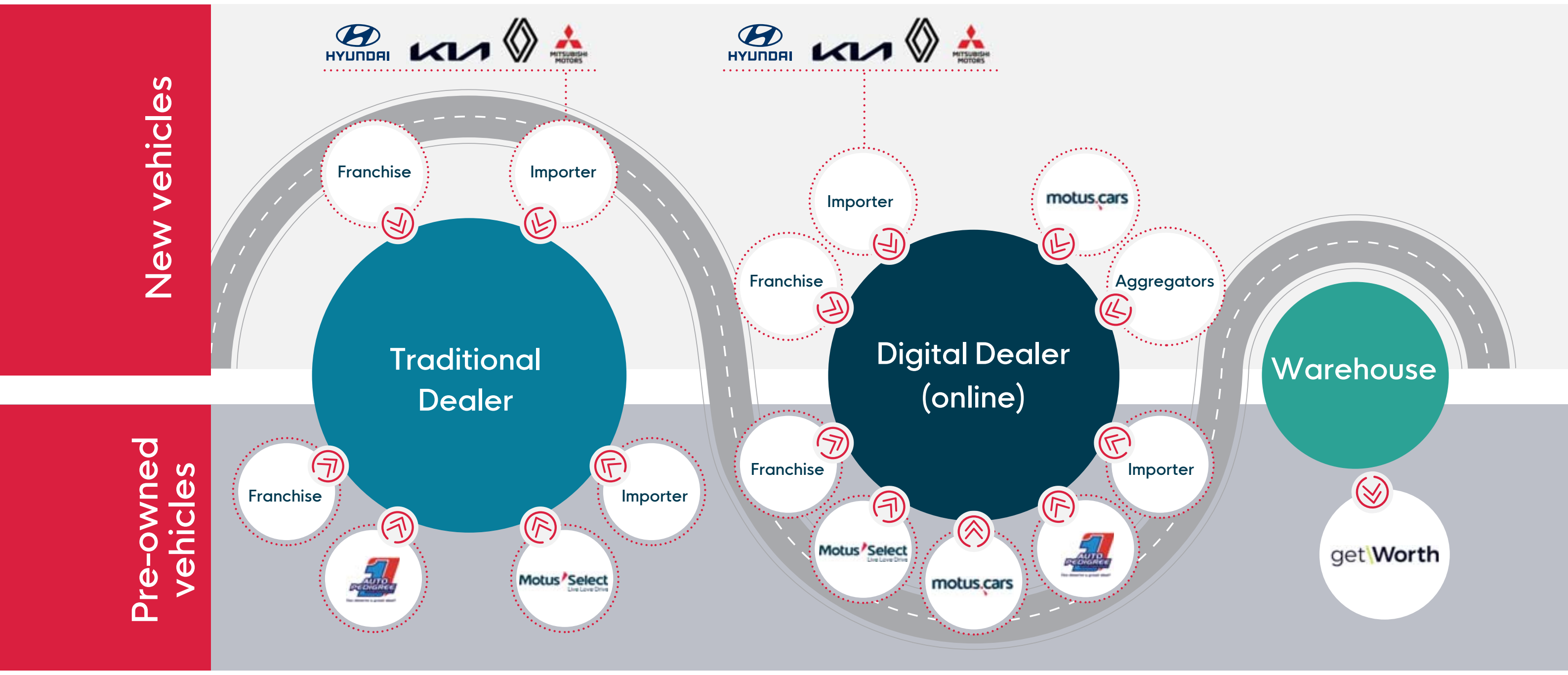
South Africa

United Kingdom

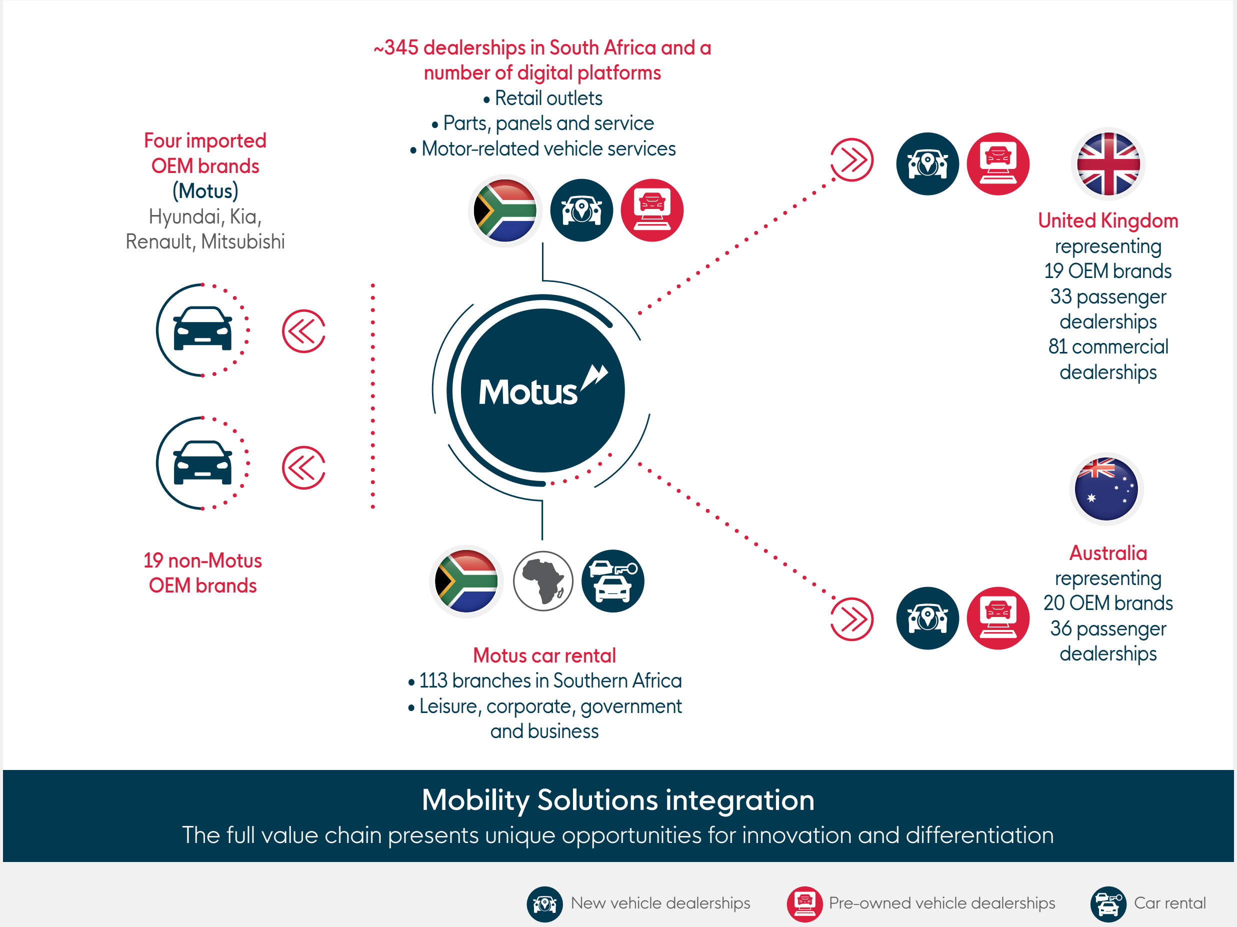
Australia

Our channels to market

We are well-positioned to engage with our customers across the physical and digital sales channels of their preference and continue to aspire to position ourselves at the forefront of each accordingly.



Our vehicle value chain



Retail and Rental (continued)

2022 performance

We have made good progress in responding to the disruption of the traditional dealership model, with ongoing investment in innovation and technology to improve our digital capabilities and grow market share.

Global supply chain disruptions and the Russia-Ukraine conflict has contributed to constrained vehicle availability. In South Africa, increased power outages, civil unrest and rising fuel prices and interest rates will hamper economic growth over the short term.

The pace of digital adoption and innovation continues to accelerate across the automotive industry, with the vehicle purchasing process evolving into a multi-entry format in which customers' unique engagement demands must be met. This omni-channel approach has shifted demand for some services to digital channels, reshaping how vehicles are marketed, distributed and sold. Our investment in improving digital channels will enable us to meet customers wherever they are on the purchasing journey, in the way they choose to engage.

The de-fleeting of rental vehicles to the Auto Pedigree network of 67 dealerships ensures that we have a reliable source of pre-owned vehicles, in the right condition and at the right price. The slow recovery of the car rental industry, whose de-fleets provide significant volumes of pre-owned vehicles to dealerships, and ongoing supply chain challenges have resulted in a general shortage of vehicles, including pre-owned, which we are sourcing from a variety of suppliers, where these vehicles meet our standards.

We have expanded the Auto Pedigree Service Centres from five pilot service centres to a network of 10 and intend to grow our footprint by another third during 2023. We aim to offer all vehicle owners access to affordable, high-quality vehicle service and maintenance. We will focus on optimising processes and systems in the short term and further expansion for the medium term.

The car rental industry has been the most heavily impacted by the COVID crisis. Recovery has been slow to return to pre-COVID levels, but momentum is expected to improve in the near term. As vaccination rollouts have accelerated globally and travel restrictions have been lifted, both leisure and business international travel has increased. We have embarked on a number of initiatives to ensure that renting a vehicle with Motus is more convenient and faster to do in each of our customer touchpoints. We are streamlining processes, reducing operational requirements and leveraging automation, data accuracy and customer self-serve capabilities. This will allow us to offer a differentiated service in a highly competitive market.

The geographical spread and good service offering of our UK operations, together with improvements in customer experience has supported good margin growth, despite the availability of new vehicles being impacted by global supply chain disruptions. Our UK Commercial business is the largest DAF vehicle distributor and a key OEM partner in the UK, which has allowed us to leverage our fleet offering, and grow and maintain customer loyalty.

In Australia, we represent 20 of the 59 OEMs, where these OEMs represent 63% of total new vehicle sales in the market. This, together with our existing dealership footprint and the strategies implemented at the start of the COVID-19 crisis, will support our growth with regional expansion and bolt-on acquisitions that strengthen our market position and representation of brands that are operating in Australia.

We invest in reducing our negative impact on the environment where possible and have installed solar PV systems and waste and water recycling systems at key dealerships and car rental branches. Our new multi-franchise dealership in Menlyn uses liquid energy display (LED) technology, with the payback period estimated between three and three and a half years. Light sensors in the showrooms dim the lighting depending on the amount of daylight available, avoiding unnecessary electricity usage. Occupancy sensors shut down air-conditioning units in empty showrooms and other facilities. The grid-tied solar PV system is approximately 150 kilovolt-amperes, which can be extended in the future. The PV system is also tied into the generator, saving fuel when the generator is in use. Energy efficient water heat pumps and air-conditioning systems have also been installed.

We will continue to monitor global NEV trends and OEM developments so that when policy changes are implemented in the countries where we operate, we will have the infrastructure for NEVs in our dealerships. In the UK, where NEV adoption is already supported, we have installed charging points at a number of our sites and NEVs comprise around 9% of our vehicle sales. Our retail brand representation in the UK enables us to learn from the NEV developments in this market, placing Motus at an advantage to capture the NEV market in South Africa and Australia when demand increases.

Read more about the Group's environmental and social priorities on pages 112 and 118 respectively.

Integration and optimisation

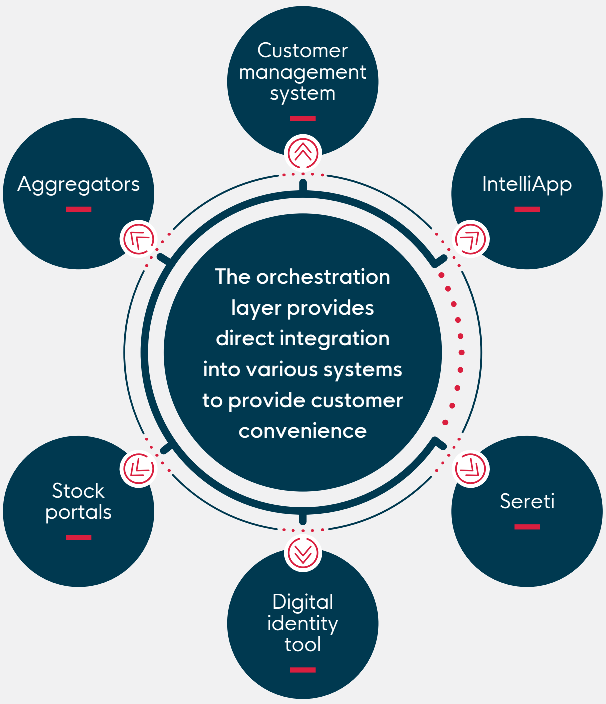
We assess our dealership footprint regularly to respond to developments in our operating environment and to reduce operating costs. The multi-franchise dealership model has been successfully implemented, with 45 multi-franchised operations in South Africa, including our flagship multi-franchise dealership in Menlyn, Pretoria. We are continuing to refine the model and implement standardised processes where appropriate.

We will continue to expand our dealership footprint in the UK and Australia through carefully selected bolt-on acquisitions that introduce additional brands in areas close to existing dealerships.

The key objectives of our digitisation strategy are categorised into three priorities:

- **Enhance customer experience:** our ability to offer an omni-channel engagement method to customers.
- **Create uniformity and efficiency:** consolidate functionality and capability to enhance customer experience.
- **Reduce third-party dependency:** improve time to market for enhancements while reducing costs.

We have developed an orchestration layer that provides the foundation for integration into a range of systems. This allows us to align across systems and processes, while ensuring connectivity that enhances customer experience and convenience.



We are creating a purpose-driven workplace that fosters a culture of continual improvement and innovation that embraces change, and provides a fair, rewarding and safe work environment.

In 2020, we launched motus.cars to streamline the pre-owned vehicle purchasing process for customers. It is currently a significant lead generator for the Group as it offers flexibility by the digital journey running parallel to the existing, traditional sales journey. Over time, we will evolve the capability by including the ability to conclude full transactions online as more customers adopt digital engagement channels. We own all vehicles on the site, allowing us to leverage valuable insights into inventory pricing, and to improve the accuracy and speed of pricing trade-in vehicles.

Our investment in getWorth supports our positioning in the online vehicle buying and warehouse retailing space. Leveraging the data technology and machine learning capabilities of getWorth, we can extract insights from large data sets about customer behaviour and vehicle data to develop innovative value-added products. A specific focus has been on improving our ability to value pre-owned vehicles, and we will continue to work with advanced computer algorithms in the automotive industry to develop new ways to interact with customers and create products that solve their real-world problems. Our ability to blend technology, data and product thinking will allow us to build on the capabilities we have to create a truly seamless online and offline customer experience.

Read more about the Group's approach to innovation and digitisation on page 42.

Our people

We are creating a purpose-driven workplace that fosters a culture of continual improvement and innovation that embraces change, and provides a fair, rewarding and safe work environment. Our people processes are designed to attract, develop and retain talented, diverse and committed employees.

Read more about the Group's people strategy on page 120.

Retail and Rental (continued)

2022 financial performance

Revenue

R74 209 million

Operating profit

R2 206 million

Operating margin

3,0%

	HY1 2022 unaudited^	% change on HY1 2021 unaudited^	HY2 2022 pro forma*	% change on HY2 2021 pro forma*	2022 audited	2021 audited	% change on 2021 audited
Revenue (Rm)	36 269	1	37 940	8	74 209	70 962	5
Operating profit (Rm)#	892	20	1 314	29	2 206	1 761	25
Operating margin (%)#	2,5		3,5		3,0	2,5	

^ *HY1 numbers are unaudited and were released in the interim published results for the six months ended 31 December 2021.*
* *HY2 numbers are unaudited and derived from deducting the HY1 results from the annual published results for the year ended 30 June 2022.*
# *2021 has been adjusted for the re-presentation to include share of results in associates and joint ventures.*

Revenue is up 5% with increased revenue contributions from Retail South Africa, Import dealers and the Car Rental business, offset by reduced revenue contributions from pre-owned vehicle sales and the international operations.

The Retail and Rental segment sold 88 929 new units (2021: 82 919 new units) and 88 942 pre-owned units (2021: 104 459 pre-owned units) during the year. In South Africa, the segment sold 58 003 new units and 67 884 pre-owned units (2021: 49 290 new units and 77 659 pre-owned units), this was 18% up on the prior year for new vehicles when the market was up by 10%. Internationally, we sold 30 926 new units and 21 058 pre-owned units (2021: 33 629 new units and 26 800 pre-owned units), down 8% on the prior year for new vehicles.

Operating profit increased by 25% with increased operating profit contribution from all businesses.

South Africa

The South African Retail revenue and operating profit increased by 9% and 3%, respectively, from the prior year. This was mainly due to an improvement in vehicle margins on new and pre-owned vehicles, and increased new vehicle volumes supported by new model releases. This increase was offset by a reduced contribution from pre-owned vehicle sales as a result of low inventory volumes following the aggressive de-fleeting strategy from Car Rental in prior periods and a shortage of pre-owned vehicles in the market.

Car Rental exceeded expectations with revenue increasing by 67% and operating profit increasing in excess of 100%. As vaccination rollouts accelerated globally and travel restrictions were lifted, we experienced improved activity in local and international leisure, corporate and government travel. Vehicle utilisation levels increased to 73%.

United Kingdom

UK revenue decreased by 5% and operating profit increased by 19%. The reduction in revenue was due to reduced volumes as a result of inventory shortages experienced by the OEMs, with improved margins achieved on new and pre-owned vehicle sales. The UK passenger vehicle operations experienced good registration months in both September 2021 and March 2022 and sold 21 405 new units (2021: 24 212 new units) and 16 400 pre-owned units (2021: 21 518 pre-owned units) for the 12-month period.

Australia

Australia revenue decreased by 1% and operating profit remained in line with the prior year. The inventory shortages experienced by the OEMs resulted in improved margins achieved on new and pre-owned the vehicle sales, and the new contactless delivery of vehicles assisted the business during the various lockdowns across provinces. The Australian operation sold 9 521 new units (2021: 9 417 new units) and 4 658 pre-owned units (2021: 5 282 pre-owned units) for the 12-month period.

Kerry Cassel

CEO: Mobility Solutions & Head: Innovation and Information Technology

Mobility Solutions

The Mobility Solutions business segment develops and distributes innovative vehicle-related financial products and services through importers, dealers, finance houses, insurers, call centres and digital channels. The segment is also a provider of fleet management services to corporate customers, including fleet maintenance, fines management, licencing and registration services. Mobility Solutions also leads the Group's innovation centre.

Previously known as Financial Services, the business segment has adopted a new name to broaden its purpose as well as its products and services offering. This will allow the business segment to evolve beyond traditional financial services, achieve growth and address the mobility needs of under-served motorists in South Africa and beyond. This lends further impetus to the Group's vision, future direction and broader purpose of 'Mobility for Good'.

2022 priorities

Continue to source new growth opportunities and:

- Continuously invest in innovation, digitisation and changing customer needs.
- Grow existing and new strategic partnerships within the broader insurance sector, finance houses and non-Motus OEMs.
- Identify acquisition opportunities that will complement and grow our existing business.
- Investing in reducing our carbon footprint, improving socio-economic conditions and ensuring regulatory compliance.
- Continuing to embed our value proposition to employees.

Geography

South Africa

Innovation

Drive the Group innovation strategy and encourage employee collaboration through the Motus m^x community

Vehicles including third-party products under administration

>740 000

Mobility Solutions (continued)

Overview of products and services

We have evolved our offering over many years to enhance the vehicle ownership experience of our customers, identifying and addressing the under-served needs of motorists. This enables Motus to develop meaningful relationships with our customers as our integrated business model provides us with multiple touchpoints. The resilience of our customer base has been evident throughout the pandemic and, as vehicle owners return to normal driving patterns, this results in higher vehicle use, which drives higher utilisation of service and maintenance plans, generating income for the workshops across the Group as well as for Mobility Solutions.

Data forms the foundation of customer insights, which drive the development of continuously evolving products and services presented to customers at the appropriate time in their vehicle ownership journey. Compelling value propositions ensure that customers return to Motus for all their motoring needs and driving value for the Motus value chain.

Ultimately, we strive to deliver a stress-free motoring experience to our customers, while ensuring that every vehicle sold by Motus generates annuity revenue streams for the Group over its useful life.

Motus MOBILITY SOLUTIONS

VAPS	Value Asset Finance	Fleet Management	Consumer Mobility Solutions
LIQUID CAPITAL; m·sure	LIQUID VEHICLE FINANCE; KIA Finance; HYUNDAI FINANCE	58Fleet	MotorHappy
• Service and maintenance plans • Extended warranties • Scratch and dent • AdCover • Credit life • Tyre and rim • Roadside assistance	• Instalment sales • Lease/rental solutions	• Procurement and financing of vehicles • Fleet maintenance solutions • Fleet management	• Digital VAPS and comprehensive insurance • Digital leads rewards programmes

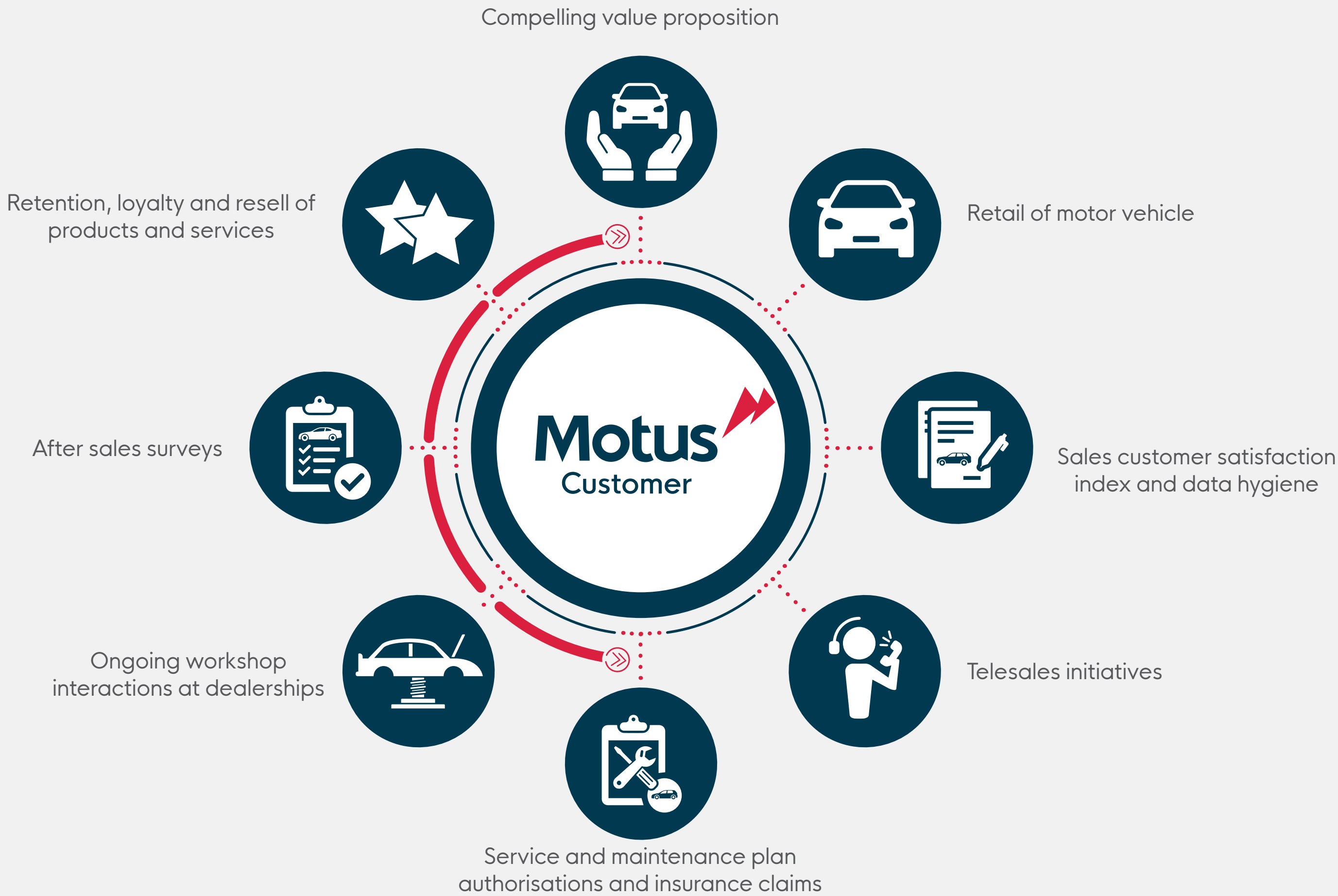
The following strategic initiatives are driven primarily through Mobility Solution's new business development capability:

		FY2022 performance	Forward-looking
VAPS	LIQUID CAPITAL	• Introduced new plan offerings and amended existing offerings.	• Identify new partnership opportunities within the industry and related industries. • Expand our suite of products and extend offerings to additional geographies. • Continue to invest and improve digital marketing capabilities.
VAPS	m-sure	• Introduced new plan offerings and amended existing offerings.	• Expand product offerings to additional market segments. • Identify new partnership opportunities within the industry and related industries. • Expand our suite of products and extend offerings to additional geographies.
Value Asset Finance	LIQUID VEHICLE FINANCE KIA Finance HYUNDAI FINANCE	• Growth in VAF driven by growth in vehicle sales volumes.	• Explore alternative finance and vehicle ownership models.
Fleet Management	58Fleet	• Launched private leasing offering.	• Build partnerships to develop private leasing capability. • Build relationships with banks. • Engage in targeted opportunities to create incremental growth. • Enhance business profitability.
Consumer Mobility Solutions	MotorHappy	• Implemented milestone rewards to reward long-term customers. • Introduced a digital engagement rewards programme. • Enhanced website user experience.	• Enhance product offering.

Mobility Solutions (continued)

Mobility Solutions value chain

This segment complements and leverages the integrated automotive value chain, providing annuity earnings and strong cash flows. Our ability to analyse proprietary data enables the accurate pricing of our offerings, vehicle profiling for the fleet business and management of claims. Through our leading service, maintenance and warranty plans, we add value to the customer while also unlocking revenue for the other business segments by retaining the customer within the Group throughout their vehicle ownership cycle.



- Access to bank credit to enable vehicle sales.
- Access to the dealership network provides significant point of sale opportunities.
- Access to market intelligence through the Group's vehicle businesses and its data.
- Ability to feed market intelligence back into the vehicle businesses, enabling the business to reach clients with the right product at the right time.
- Cash-generative revenue lines create strong annuity income streams that act as a significant hedge to the industry's cyclical nature.
- Proven track record of innovative product and channel development and deployment.

2022 performance

Over the course of this year, our core strategy has continued to demonstrate its value. Our annuity income streams once more proved an effective hedge against the cyclical nature of vehicle sales, and the impact of supply chain disruption due to microchip shortages. These income streams, however, remain subject to continuous change brought about by factors not fully within our control, for example, regulatory change, macroeconomic instability, and innovation and disruption in the automotive industry.

While our business has grown into a leading provider of VAPS, our traditional financial services business is under pressure, making innovation and carefully considered growth strategies central to our continued development. We also face significant changes in the financial services legislative and compliance landscape. We fully support these changes in the regulatory environment and believe that they will improve transparency and trust with our customers, while working to ensure that we implement the necessary process and document changes to comply with the regulations as they come into effect.

Key regulations impacting Mobility Solutions over the short to medium term

Conduct of Financial Institutions (COFI) Bill

The COFI Bill is part of the Twin Peaks model of regulation and aims to strengthen the regulation of the financial sector in relation to customer treatment and general market conduct.

IFRS 17

New accounting standard for insurance contracts that replaced IFRS 4 for reporting periods commencing 1 January 2023.

Cell captive regulations

The final draft Cell Captive Conduct Standard regulates the structure of cell arrangements to house insurance offerings.

Automotive Aftermarket Guidelines

We are constantly monitoring changes in the industry to assess the impact of the guidelines on our business, which is currently not material.

The Administrative Adjudication of Road Traffic Offences (AARTO) Act, anticipated for 1 July 2022, was ruled to be unconstitutional by the Pretoria High Court on 13 January 2022.

Read more about the regulatory environment in the governance report on page 142.

Our vision is to be a leading provider of mobility solutions in the industry. We will continue to focus on addressing mobility needs of under-served motorists in South Africa and beyond through ongoing product and market innovation, increasing penetration in existing markets and diversifying into new markets to achieve growth.

We will grow our omni-channel offerings through joint ventures with strategic partners, and develop tailored financial services and products for varied customer bases, leveraging our specialised expertise, data and product design ability. We introduced new plan offerings and will continue to grow our VAPS market share in the dealer network. During the year, we also introduced reward plans to incentivise digital engagement and expanded our service offerings across multiple business units and will continue to do this over the short to medium term.

We will continue to leverage our substantial data management warehouses to unlock opportunities to monetise data, using predictive technology to allow us to identify when customers are potentially ready to purchase a new vehicle or VAPS.

Mobility Solutions (continued)

We continue to focus on operating in an environmentally conscious and responsible manner and on our efforts to reduce our carbon footprint. We installed a small-scale solar PV system at our campus in Johannesburg and we are exploring the options available to upgrade the PV system to reduce the impact of prolonged power outages. We will continue to raise employee awareness around water, fuel and electricity conservation.

Read more about the Group's environmental and social priorities on pages 112 and 118 respectively.

Integration and optimisation

Innovation and unlocking customer potential in existing and new customer channels represent an opportunity for the business to grow, as do strategic partnerships within the automotive financial services sector. Our focus on digital VAPS and investment in technology to leverage consumer data and develop personalised services will enhance customer experience and improve retention. We are introducing new innovative technology to our partners and customers that creates efficiencies in the claims experience.

Our scale and integrated value chain enables us to provide cost-effective and competitive financial products and services to customers in an increasingly challenging economic environment. We will continue to implement innovative digitisation initiatives to enhance the customer experience, improve efficiencies and save costs. Enhanced data capabilities across the Group will supplement business process automation to streamline processes and ongoing software system upgrades.

The desirability of our brands, the delivery of innovative VAPS and mobility services, and our ability to consistently exceed customer expectations are key factors in protecting market share, deepening customer loyalty and growing our sales and customer base. With our increased focus on building strategic partnerships and developing new channels to market, we will continue to leverage opportunities to grow annuity revenue streams outside of our traditional channels.

Read more about the Group's approach to innovation and digitisation on page 42.

Our people

Our people deliver Motus' commitment to be a forward thinking, proactive and customer focused organisation. Our EVP is underpinned by purpose and driven by values, fostering a culture of innovation and improvement. It encourages our people to provide excellent customer service and achieve ongoing efficiencies. We ensure that we have a safe working environment for our people, as their safety and wellbeing continues to be our top priority.

Read more about the Group's people strategy from page 120.

2022 financial performance

Revenue

R2 107 million

Operating profit

R1 004 million

	HY1 2022 unaudited^	% change on HY1 2021 unaudited^	HY2 2022 pro forma*	% change on HY2 2021 pro forma*	2022 audited	2021 audited	% change on 2021 audited
Revenue (Rm)	**1 028**	(2)	**1 079**	12	**2 107**	2 019	4
Operating profit (Rm)#~	**502**	5	**502**	15	**1 004**	912	10

^ *HY1 numbers are unaudited and were released in the interim published results for the six months ended 31 December 2021.*
* *HY2 numbers are unaudited and derived from deducting the HY1 results from the annual published results for the year ended 30 June 2022.*
# *2021 has been adjusted for the re-presentation to include share of results in associates and joint ventures.*
~ *Operating profit includes profit streams without associated revenue.*

Revenue increased by 4% and operating profit increased by 10% with all aspects of the business performing well. The increase was mainly due to higher network sales volumes, the increase in fleet vehicles to car rental companies, the recognition of income from Bank JVs and higher interest income due to increased cash balances.

The Group's increased market share in South Africa has also benefitted Mobility Solutions with an increase in new business written. This has increased the embedded value of the statement of financial position, which will translate into annuity income streams in future.

Malcolm Perrie

CEO – Aftermarket Parts

Aftermarket Parts

The Aftermarket Parts business segment is a distributor, wholesaler and retailer of accessories and parts for mainly out-of-warranty vehicles through its owned and franchised retail stores, and specialised franchise workshops supported by distribution centres in South Africa, Taiwan and China. The UK business (known as FAI) is a wholesaler selling parts to the UK and European markets.

The business's large national and growing footprint in Southern Africa and the UK enables us to leverage our buying power to distribute and sell competitively priced products to a continually growing and ageing car parc of out-of-warranty vehicles.

The international distribution centres in Taiwan and China allow for procurement at competitive prices for distribution to Southern Africa, the UK, Europe and other international territories.

2022 priorities

Continue to source new growth opportunities by:

- Supporting the recovery of the South African customer base and growing the South African business.
- Implementing strategic acquisitions to expand our geographical and retail footprints and increase profitability.
- Exploring opportunities to expand through wholesale operations in Africa.
- Strengthening the core business through supply chain optimisation, improved efficiency, volume buying and expanding the product range and brands.
- Investing in IT to drive digitisation and e-commerce expansion.
- Ongoing optimisation of our distribution footprint.
- Optimising inventories to increase parts availability.
- Developing international distribution capabilities.
- Investing in 'clean green' workshops to manage our environmental impact, supporting socio-economic improvement and deepening governance maturity.
- Ongoing investment in the training, job support and career development of our people.

Geography

Southern Africa, UK, Europe and limited presence in South East Asia. Distribution centres located in South Africa, Taiwan, China and the UK.

Stores and distribution points

518 franchised outlets (62 Motus owned), are supported by 43 wholesale distribution centres (40 Motus owned). In addition, we have five wholly-owned canopy fitment centres.

Aftermarket Parts (continued)

Franchises and agencies

Owned retail

Regional distribution

International distribution

Canopy manufacturing

Accessories and parts value chain

Component manufacturers → Agents → Manufacturer distributors → Wholesaler → Reseller → Fitment → Consumers

- South Africa has a car parc of over 12 million vehicles with ICE engines and an average passenger car parc of 10 years or older, the UK has a car parc of 35 million ICE vehicles and Australia has a car parc of 20 million vehicles with ICE engines.
- Mainly supply vehicle parts outside OEM warranty terms.
- Focus on supplying wear parts with a product offering of over 135 000 individual stocking units to the reseller and fitter market.
- Market demand driven by mobility of the car parc.
- Replacement cycles are either time dependent (such as oils and rubber components) or mechanical failure (usage dependent).

Aftermarket channels to market

Stream one

Aggregate product

Functions

1. Source components from multiple sources to:
   - Make up a range of specific product lines (e.g. pistons)
   - Complete a kit (e.g. timing kits)
2. Create
   - 'Own brand'
   - Package for other private label brands
3. Manage and control suppliers and quality

Stream two

Wholesale distribution

Functions

1. Source product to store and distribute to resellers
   - Franchisees
   - Independents
   - Owned retail
2. Brand strategy
   - Supplier brand
     – Global brands – OES[1] equivalent
     – Second tier global brands
   - Private label – own label
   - Entry specification – own label
3. Manage and control channel to market

Stream three

Retail

Functions

1. Source products from 'own' wholesale and selected drop shipment suppliers
2. Sell to end consumer
   - Workshops
     – Formal
     – Informal
   - DIY[2] and 'walk-in' customers
3. Manage and control the last mile

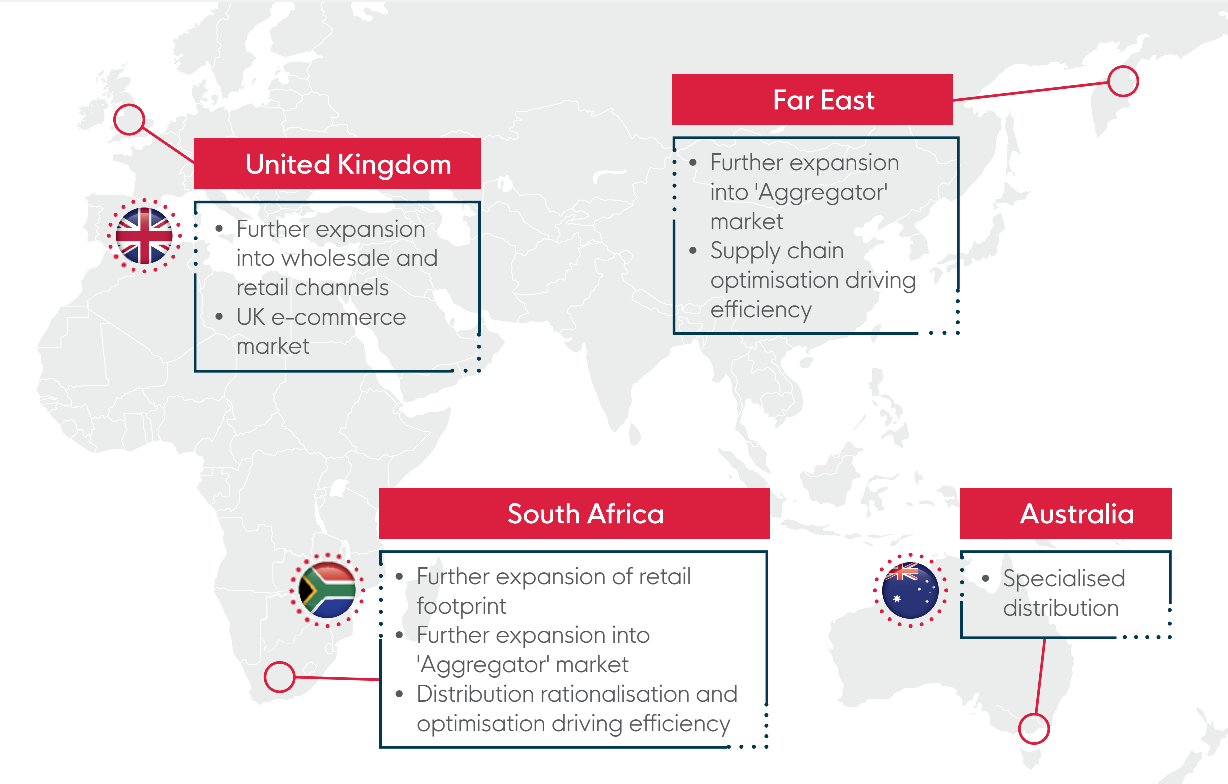
[1] *OES: Aftermarket parts distributed by the OEM.*
[2] *DIY: Do it yourself.*

Aftermarket Parts (continued)

Growth opportunities

Expanding our procurement and wholesale capabilities in South East Asia, the UK, Eastern Europe and other markets provides a significant opportunity for the business to increase utilisation and improve profitability of the distribution centres. Increased participation in this segment will also include backward integration to reduce reliance on intermediaries in the wholesale supply chain. Our controlling interest in Arco in Taiwan and the distribution centre in China support this strategy and enables us to leverage our buying power to procure parts at competitive prices.

The acquisition of FAI, one of the UK's leading distributors of premium aftermarket automotive components, positions us as a supplier to the wholesale distributor market, enables access to export markets in Eastern Europe, and complements our strategy to integrate the distribution footprint that we have built in Asia, with a retail footprint in countries where we are currently operating in.



We continue to explore opportunities to grow our market leading footprint in South Africa, expanding our wholesale and retail distribution channels in the UK, and expansion into the aggregator market while growing our e-commerce capabilities. We will continue to optimise our supply chain and distribution capabilities and explore expansion into other international markets.

2022 performance

We continued to strengthen our core business by streamlining our distribution capability, shortening our routes to market and leveraging our ability to procure large volumes at lower prices to cater for broader market penetration.

Inflation, high unemployment and rising fuel and electricity costs have seen consumer disposable income levels continue to decrease, driving a corresponding rise in demand for more affordable products and increased supplier and competitor activities. Social unrest, the flooding in KwaZulu-Natal, global supply chain difficulties and inventory shortages together with reduced demand from affected customers, negatively impacted the South African business. This was offset by increased sales and improved efficiencies.

Increased foreign activity and a new logistics supplier saw the Asian business performing well over FY2022, and FAI (included as of 1 October 2021) has shown promising performance over the past nine months.

We remain focused on developing a consolidated end-to-end supply chain with a broad product offering that is supported by our access to the right suppliers, products at the right prices and ability to leverage our group buying power. Our franchisee model provides an extensive footprint, supporting our channels to market and enabling us to offer our products to a range of customers around South Africa, and beyond. We partner with selected global parts distributors to facilitate competitive purchasing and continue to increase our buying power through the backward and forward integration of the parts supply chain.

Our membership of Nexus, the largest automotive global parts buying group, continues to benefit us as Arco and MTS are listed as approved Nexus suppliers. The Nexus buying office in Shanghai continues to ensure consistency of quality from a variety of component suppliers via regular safety audits.

We are a member of the Nexus strategy and ESG committees. The committee is tasked with benchmarking the collective's ESG activities to worldwide standards, and transforming the industry starting with 'clean, green' workshops. Moving to greener workshops will be a much slower process in South Africa, particularly in the informal workshop market. Nevertheless, Aftermarket Parts is focusing its efforts on waste management and creating environmental awareness. The business segment is also starting to consider remanufactured products – returning a used product to at least its original performance with a warranty – as a mechanism to reduce industry waste.

We remain focused on developing a consolidated end-to-end supply chain with a broad product offering that is supported by our access to the right suppliers, products at the right prices and ability to leverage our group buying power.

Although NEVs have fewer mechanical parts to replace and service, this will be offset by accelerated wear and tear given the increased weight of the vehicles. Due to the distances travelled in South Africa, the future of electrification is likely to be hybrid vehicles, which require additional parts for both ICE and NEV components. NEVs therefore create an opportunity to expand our product range to include NEV suspension, steering and other vehicle components as well as higher value replacement parts in terms of sensors, vehicle management and batteries over time. As the business provides parts for mostly out-of-warranty vehicles, sourcing the necessary products to expand our product range will have sufficient lead time following the adoption of NEVs in South Africa.

Read more about the Group's environmental and social priorities on pages 112 and 118 respectively.

Aftermarket Parts (continued)

Integration and optimisation

Expanding into other markets provides an opportunity for us and we will continue to deliver our forward integration strategies, simplifying our distribution centres to reduce complexity and grow our distribution channels in retail and wholesale markets, including e-commerce capabilities, in new and existing markets. In addition, backward integration to eliminate intermediaries in the wholesale supply chain will allow us to optimise our supply chain through selected acquisitions, specifically to grow our distribution capabilities in China, and leverage the purchasing power of the Group.

Our product offering is regularly reviewed for relevance. We continue to expand our spectrum of private label products and will focus on effectively managing our brand portfolio to ensure our customer base has access to an alternative supply of a range of appropriately priced, quality products that meet their affordability requirements. In addition, our low-cost product distribution channel, Riteway Distribution, now services the entry level parts markets and we will focus on simplifying the distribution through this channel and further reduce the cost to serve in this market to grow market share.

We are exploring the viability of 3D printing in certain areas of our business especially with parts where demand is low and erratic. Benefits of 3D printing will be holding lower inventory of slow-moving parts that can be manufactured on demand, although there are limitations on metal parts and quality. In addition, the use of robotics to assist in picking and binning parts in our distribution centres is also being explored to improve productivity and reduce the movement of personnel

Our digitisation journey will be enabled by a single integrated ERP as a trading platform to improve lead times and create greater visibility of product availability. We have made significant progress in improving our ERP system to streamline business processes, which now includes financials, sales, operations and supply chain functionality, provides real-time data, and reduces complexity. In addition, this will result in a less paper intensive environment. We will continue to make enhancements that improve visibility over the full supply chain and improve the overall customer experience.

Read more about the Group's approach to innovation and digitisation on page 42.

Our people

The safety and wellbeing of our people remains our top priority, particularly in areas still impacted by COVID-19 lockdowns, and we continue to ensure that we have a safe workplace for our people. The Group's culture of high performance and innovation, supported by our investment in providing relevant and effective training, job support and career development, continues to deepen accountability. As our international footprint grows, we will explore the viability of building global Centres of Excellence for technological development and product selection to support our continued growth as we build an agile and responsive multi-national business.

Read more about the Group's people strategy on page 120.

2022 financial performance

Revenue

R8 163 million

Operating profit

R644 million

Operating margin

7,9%

	HY1 2022 unaudited^	% change on HY1 2021 unaudited^	HY2 2022 pro forma*	% change on HY2 2021 pro forma*	2022 audited	2021 audited	% change on 2021 audited
Revenue (Rm)	**3 970**	5	**4 193**	19	**8 163**	7 295	12
Operating profit (Rm)#	**301**	9	**343**	14	**644**	578	11
Operating margin (%)#	**7,6**		**8,2**		**7,9**	7,9	

^ HY1 numbers are unaudited and were released in the interim published results for the six months ended 31 December 2021.
** HY2 numbers are unaudited and derived from deducting the HY1 results from the annual published results for the year ended 30 June 2022.*
 # 2021 has been adjusted for the re-presentation to include share of results in associates and joint ventures.

Revenue increased by 12% and operating profit increased by 11%, with the recently acquired FAI in the UK included for nine months from 1 October 2021.

South Africa

South African revenue increased despite down-buying by customers and above inflationary increases in freight and logistics costs, which negatively impacted margins.

Asia

The Asian business performed well as a result of increased foreign activity and improved efficiencies.

United Kingdom

The UK business exceeded expectations from a revenue and operating profit perspective. The strong trading performance was supported by supply chain optimisation, improved efficiency and volume buying.

Responsible performance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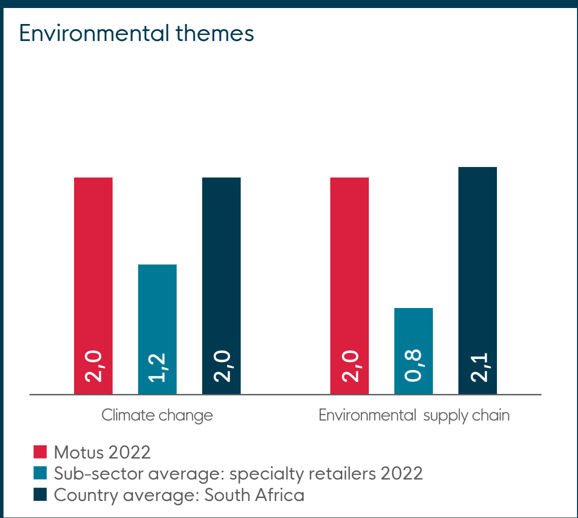
DAF

Berenice Francis

Corporate Affairs,
Risk and Sustainability

FTSE4Good Index Series



ENVIRONMENT

Environmental report

Motus aims to ensure that our strategy is achieved in an environmentally conscious and responsible manner, by managing activities that impact the environment and actively striving to uphold our commitments to all stakeholders.

The Motus values require us to be conscious of our environmental impacts when making business decisions and investments. Care for the environment is also included as part of our strategic pillar – to invest in human capital and ESG initiatives. We responsibly manage the environmental impacts within our control, contributing towards the urgent action needed to address the potential damages caused by climate change.

Key commitments

- Deliver on our environmental strategy: renewable (solar) energy and rainwater harvesting.
- Meet our environmental targets for water, fuel and electricity.
- Set a group-wide baseline for waste management and recycling to improve our waste management approach.
- Drive key projects to reduce our environmental footprint and improve our measurement and reporting of environmental performance.

Motus is not a carbon or water-intense business. Our strategies for water and energy consumption are specific, measurable, achievable, relevant and time bound (SMART). Over the past year we started working on expanding our environmental strategy to include a more consistent and managed approach to recycling and waste, particularly as stakeholder expectation grows that companies participate in the circular economy.

We have also for the first time reported against the TCFD requirements. An externally facilitated assessment was conducted in 2022 on our ESG maturity, particularly focusing on our environmental reporting, to identify gaps with stakeholder expectations and the disclosure requirements of our selected as well as emerging reporting frameworks and standards. Closing these gaps will be a key objective for the Group in 2023.

Detailed information

Read more about our approach to managing climate-related risks in our governance report on page 146.

Environmental report (continued)

Environmental targets

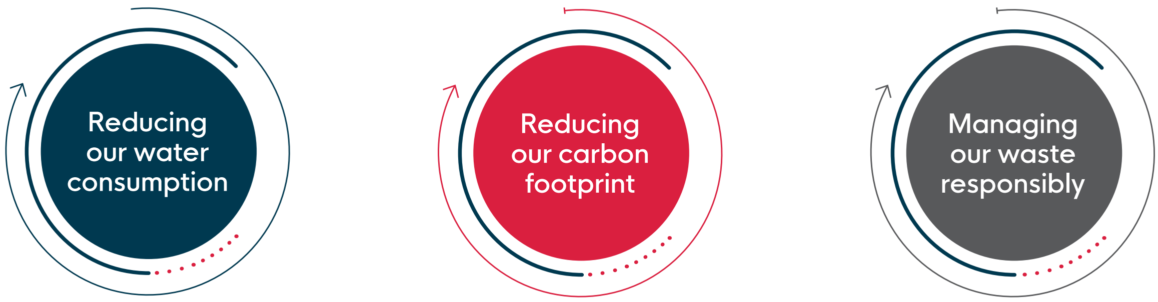
During 2022, we set new three-year environmental targets to 2024 for water, electricity and fuel. Our targets are based on normalised trading activity prior to the COVID crisis. To ensure that our targets are fair and realistic, they will be adjusted annually for footprint changes (acquisitions, disposals and movement between business segments) and site-specific activity.

	2022 Stretch target	2023 Stretch target	2024 Stretch target
Water (kilolitres)	554 999	538 349	522 199
Electricity (megawatt hours)	69 712	67 621	65 593
Vehicle fuel (litres)	18 531 442	18 336 683	17 786 582

To simplify our measurement and reporting, we realigned the targets of our first sustainability-linked loan and linked our new Rand-denominated facility to our new three-year Group targets. Our loan-linked targets were then extended to include a gender diversity target.

	Baseline	2023	2024
Group			
Water (kilolitres)	611 223 (2019)	Stretch: **12%** – 538 349 Threshold: **5%** – 581 417	Stretch: **15%** – 522 199 Threshold: **10%** – 548 309
Electricity (megawatt hours)	80 146 (2019)	Stretch: **16%** – 67 621 Threshold: **11%** – 71 003	Stretch: **18%** – 65 593 Threshold: **16%** – 67 233
Vehicle fuel (litres)	22 250 296 (2019)	Stretch: **18%** – 18 336 683 Threshold: **13%** – 19 253 517	Stretch: **20%** – 17 786 582 Threshold: **18%** – 18 231 248
South Africa			
Female representation (top, senior, middle and junior management)	26% (2021)	Stretch: **8%** – 34% Threshold: **6%** – 32%	Still to be determined

Our environmental strategic imperatives



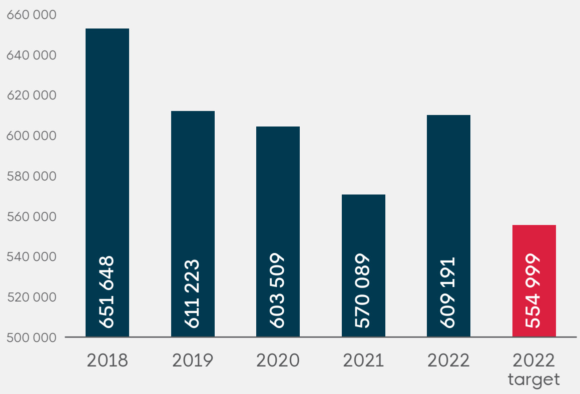
Reducing our water consumption

Finding ways to use water efficiently and lower our reliance on municipal water sources, reduces our operational costs and ensures business continuity even when water restrictions are in place or our operations face drought conditions.

In South Africa, independent smart water meters are installed in some dealerships, particularly those sites where rainwater harvesting systems have been installed. Water harvesting and wastewater recycling systems are implemented in the wash bays of some dealerships in South Africa and Australia, and Car Rental branches in South Africa. Boreholes also serve as alternative sources of water at certain dealerships.

Water consumption (kilolitres)

Purchased from municipalities



Water consumed from alternative sources

24 297[1]

kilolitres of water consumed in South Africa

(2021: 1 701)

[1] *Reported for the first time.*

- We missed our year one (2022) water consumption target by 9,8%. Across the Group, water consumption increased 6,9% compared to 2021 with South Africa increasing 7,6%. These increases are mostly due to a return to normal trading activity, changes in uses of certain facilities and increased vehicle fleets following lower levels of activity during the first two years of the COVID-19 pandemic.
- Our new multi-franchise dealership in Pretoria is fitted with seven 10 000 litre EcoWash tanks (three used in the wash bay and the remaining four used to harvest rainwater). The multi-franchise's wash bay retains 80% of the water used in a wash cycle.

Looking forward

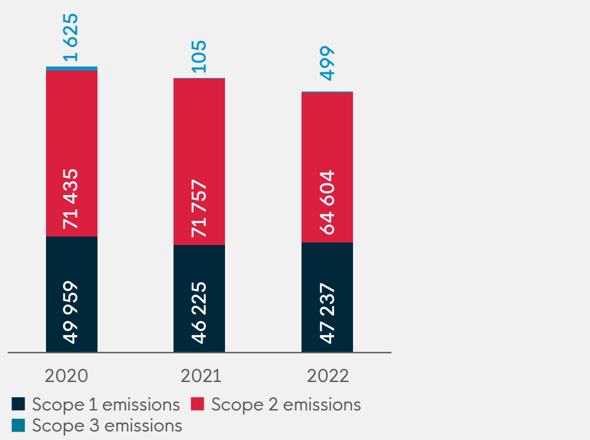
- We have set a new internal stretch target per site to reduce water consumption by 9% over three years to 2024.
- In South Africa, we are working to improve our reporting of water consumed from alternative sources and recycled water.

Reducing our carbon footprint

An energy-efficient building is generally a better environment in which to work and is significantly less expensive to run. We are analysing where solar PV installations are feasible within our site network so that we can reduce costs, contribute towards taking electricity demand off the national grid and assist South Africa to meet its international obligations to combat climate change.

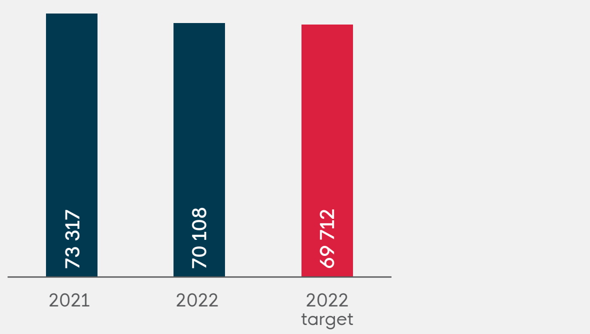
Over the past couple of years, we have been installing energy-efficient technologies across our footprint. In South Africa, around 80% of our sites have implemented energy saving lightbulb replacement programmes. In certain operations, we are implementing natural light harvesting projects where sensors adjust the brightness of lights based on the amount of sunlight entering an area. Electricity meters are also used at many sites to monitor consumption, identify spikes and energy-saving opportunities.

Group carbon footprint (tCO_2e)

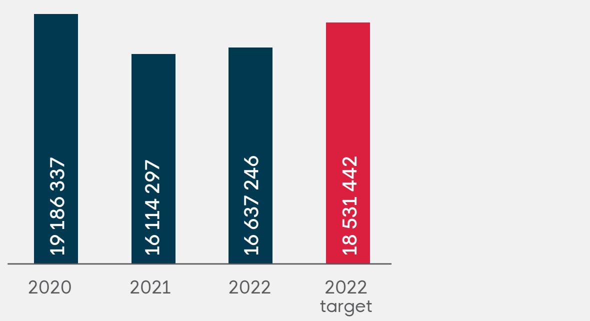


Note: 2020 and 2021 restated due to a change in carbon emission factors applied to better reflect the South African environment.

Electricity consumption (megawatt hours)



Group fuel consumption (litres)



- The 4,9% reduction in carbon emission is pleasing against year-on-year revenue increase of 5,5%. The marginal increase in Scope 1 emissions was due to increased road fuel usage and the increase in Scope 3 emissions due to increased business travel as activities resumed following the lifting of COVID-19 restrictions.
- Electricity consumption was 0,6% above target. At Group level usage decreased 4,4% at Group level compared to 2021 with South Africa consuming 5,9% less electricity. Despite an increasing footprint in 2022, the solar PV projects implemented over the past two years have resulted in a continued decrease in our purchased electricity consumption.
- Road fuel consumption was 10,2% below target, and 3,2% higher across the Group compared to 2021. Road fuel consumption in South Africa increased 6,9% compared to last year. These increases are mostly due to increased trading activity following the impact of COVID-19 and employees with company vehicles returning to the office environment.

Looking forward

- As we mature our energy efficiency and renewable energy projects, we will start to ready the Group for a net zero carbon emissions plan and develop carbon emissions targets for the South African operation. In our regional operations we will align to national targets and OEM product guidelines.
- We have taken the first step to reporting carbon emissions intensity indicators for the Group.
- To reduce our carbon footprint, we set a new internal stretch target to decrease electricity consumption by 11% and limit our use of vehicle fuel to a 6% increase over three years to 2024.
- We have identified some good opportunities to potentially roll out solar PV solutions at some of our larger dealership sites in the UK.
- A solar solution is being implemented at our multi-franchise dealership in Traralgon, Australia.

Managing our waste responsibly

We manage hazardous and non-hazardous waste responsibly, complying with applicable waste management laws in all jurisdictions of operation and ensuring that relevant disposal certificates are received.

To reduce paper consumption and correctly sort waste at source to reduce waste going to landfill requires behaviour change. Traditionally the vehicle selling process was a paper-intensive exercise. However, as advances in technology make it possible for us to automate more of our business processes, we eliminate duplication of processes and reduce the amount of paperwork, while still ensuring that regulatory requirements and customer needs are met.

Key projects like Motus Digital Dealer and our digital identity tool digitise the customer's interaction with Motus, enhancing customer experience and enabling customers to digitally provide us with their information. Given that a full vehicle purchasing transaction with policies averages between 150 and 200 pages of paperwork, Motus Digital Dealer and our digital identity tool are expected to result in significant paper savings within the dealership network.

Waste recycled – South Africa

232 629 kilograms (kg) of batteries
(either returned to suppliers or recycled),

2,4 million litres of oil,

1 037 421 kgs of paper and

63 016 tonnes of tyres

Waste recycled – UK

97% of special waste
(workshop waste, oil, antifreeze, brake fluid, mixed fuels etc.)

- In South Africa, we increased our focus on waste management at dealership level, launching a recycling initiative to reduce the amount of waste sent to landfill.
- In the UK, we narrowly missed our 2022 target of 98% (2021: 97%). This is still a pleasing performance given that our consumption increased year-on-year due to the return to normal business activity following COVID-19 lockdowns.

Looking forward

- We are working to achieve consistent and accurate measuring and reporting for paper, plastic, tyres, batteries and oil, following which we will set waste targets.
- In South Africa, we are developing an eWaste recycling programme.

Read our full environmental report online.

We acknowledge that we operate in an industry that must adapt to become a sustainable contributor. OEMs are introducing NEV models in their product ranges, particularly full and plug-in hybrid electric vehicles. As an importer and dealer representative of automotive manufacturer products, we have limited influence on NEV production. However, we keep abreast of the shifts that our OEM partners are making in their transition to plug-in battery-powered electric vehicles, so that when policy changes are implemented in our regions of operation, we are able to quickly add these types of vehicles to our portfolio.

Aggressive NEV adoption targets will require a change in our portfolio of products, with the timing being dependent on OEM roll out and each country's regulations. We monitor the availability and pricing of NEV models and competitor activity which may indicate a shift in market readiness. We also contribute to national policy development and have provided feedback through naamsa to the Department of Trade, Industry and Competition (dtic) on its draft New Energy Vehicle Green Paper.

Read more about our approach to NEVs in the environment chapter of the ESG report online.

OEM transition shifts

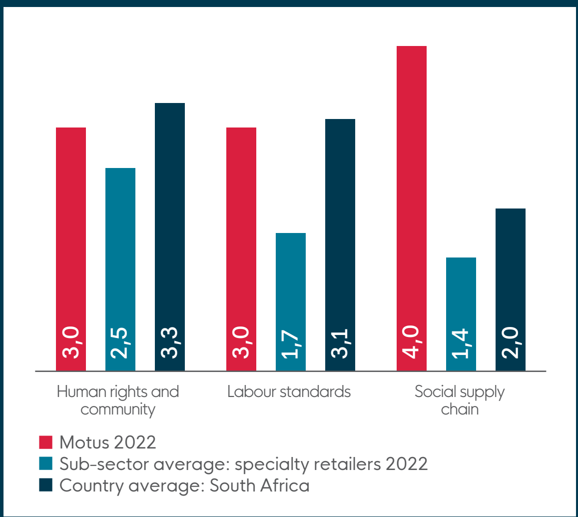
Berenice Francis

Corporate Affairs,
Risk and Sustainability

Michele Seroke

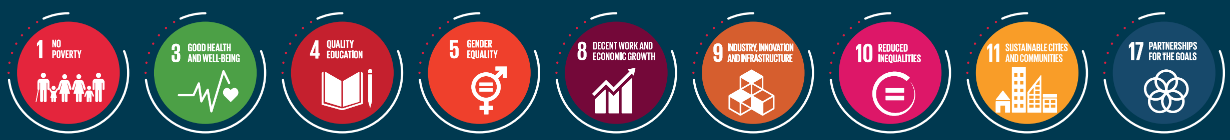
Chief People Officer

FTSE4Good Index Series



SOCIAL

Social report



Motus remains committed to its people, socio-economic growth, employment creation, the upliftment of our communities and our commitments to stakeholders.

Key commitments

- Develop and deploy people practices and frameworks that accelerate innovation and organisational growth.
- Deliver on our B-BBEE strategy, particularly meeting our employment equity and procurement targets.
- Maintain our Level 4 B-BBEE scorecard rating supported by a detailed B-BBEE plan.
- Implement procedures and processes to ensure transparency, and ethical and fair treatment within the supply chain.
- Support CSI initiatives that make a long-lasting positive difference in our chosen pillars of education and skills development, road safety and primary healthcare.
- Continue to invest in the safety, good health and wellbeing of our employees and ensure a healthy and safe operating environment for our customers, people and stakeholders.

Detailed information

Read more detail in our social section of the ESG report online.

Social report (continued)

People

People are at the core of our success. A diverse complement of highly competent, experienced, and engaged leaders and teams enable us to perform in an efficient and cost-effective way that builds, maintains and deepens our stakeholder relationships. In turn, we provide our employees with career growth opportunities and a fair, rewarding and safe work environment.

In South Africa, our commitment to transformation has given us a foundation from which to drive a more inclusive and diverse workplace across all our operations, supported by robust communication with our employees on broad issues, including their wellbeing and accessing their innovative ideas.

The skills, perspective and energy of our agile and entrepreneurial leadership teams have played a key role in ensuring Motus remained nimble, resilient and sustainable throughout the COVID-19 pandemic. In this past financial year, the Group has adjusted to market changes, delivered an exceptional financial performance and captured opportunities despite an unpredictable economic environment, a disrupted working environment and an erratic supply of inventory.

Our investments in human capital focus on training, developing and empowering our people, and improving our recruitment and training processes, succession planning and the way we measure employee performance.

Our human capital management imperatives

- Create a change resilient and adaptive culture that leverages our collective intelligence to better drive business results
- Upskill and reskill to build the organisation's portfolio of future-ready skills
- Identify and develop key talented individuals and drive organisational value
- Develop a compelling EVP to retain and attract exceptional people

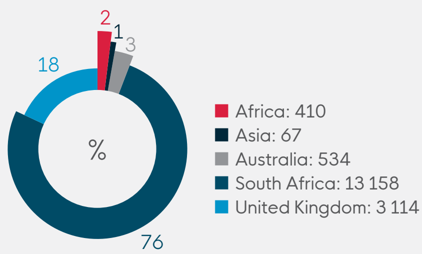
HR systems and people practices and frameworks

Number of employees

17 283

people employed

(2021: 16 708)



Leveraging a diverse and change resilient culture

We want to create a change resilient and adaptive culture that leverages our collective and diverse intelligence to drive deeper engagement, promote innovation, support business growth and improve productivity while ensuring the wellbeing of our employees.

To be truly inclusive, we must empower our people to make meaningful contributions, and treat all our employees fairly with equal access to opportunities, information and resources. We are working to embed DEI into the bedrock of our culture, business processes and talent management.

All interactions, including disciplinary actions and negotiations on terms of employment, are managed with utmost responsibility and in a fair, open and respectful manner. Various mechanisms are used to engage with employees, including employee engagement surveys and engagement initiatives within the individual businesses. For example, Mercedes Benz in the UK provides all employees with an application (app) on their phone so that they can share information about their activities. In South Africa, a toolkit helps our human resources personnel and business leaders to provide emotional support, communicate effectively, and embed our values and desired culture. In the UK, informal groups help address issues raised in employee engagement surveys.

Diversity, equity and inclusion

Our people policies convey the behaviours we expect of our managers and employees to provide a working environment where everyone can perform to their full potential. We ensure that our employment policies and practices do not unintentionally create potential for discrimination or unconscious bias behaviour. Policies are in place to accommodate the needs of people living with disabilities and to guard against harassment in the workplace.

In South Africa, our Employment Equity Plan supports social justice norms and labour legislation that drive the advancement of designated groups (Africans, Coloured, Indians, women and people living with disabilities). Since the Motus listing, the representation of South African black employees in management levels has grown considerably.

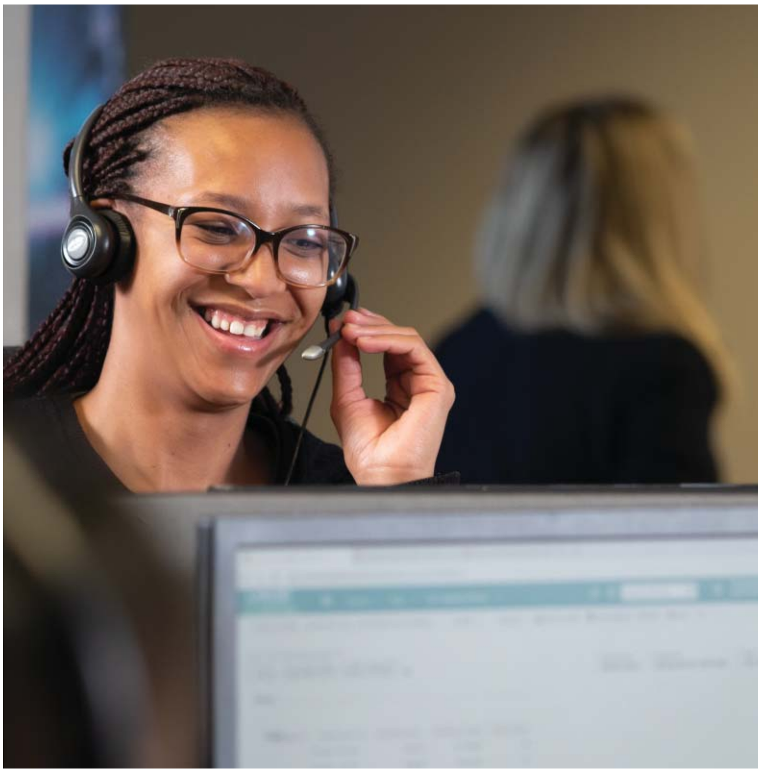
Black representation – South Africa

	2018 %	2022 %
Top management	25	**50**
Senior management	33	**53**
Middle management	39	**50**
Junior management	59	**71**

Our diversity training programmes in South Africa and the UK raise awareness on the value of diversity, empower managers to lead diverse teams and educate employees on how to work in diverse teams.

In South Africa, we have development programmes and learnerships that target women and people living with disabilities, and in the UK, our apprenticeships target women and people of colour. The Women in Leadership Programme (a partnership with the Gordon Institute of Business Science in South Africa) is a seven-month programme which develops women to effectively lead in a male-dominated environment. Participants gain insight from female industry and Motus leaders who share their career experiences and are assigned a coach to help them work on their personal development areas which are identified using 360-degree surveys.

Motus has a Diversity, Equity and Inclusion Roadmap in place. We held an externally facilitated workshop for the executives in South Africa to reimagine a purposeful DEI vision that engenders a better sense of belonging for employees. The workshop interrogated the collective understanding of DEI and the benefits of pursuing this culture. Similar sessions were held with the management teams of our business segments as well as with other key personnel. We were pleased that the results showed a common understanding of the value that DEI creates and that the feedback highlighted opportunities within each business segment. It has since been agreed that the DEI framework and tone will be set at a Group level, with the implementation thereof to be managed at business segment level.



2022 performance and key objectives

Employee engagement

- In all operations good relationships and open communication exist between management and employees. Given the nature of our business, we feel that we gain better insight on employee concerns through individual business segment and regional employee engagement surveys rather than a Group-wide survey.
- 78% of Kia's employees completed its culture and engagement survey, indicating a highly engaged workforce.
- Retail and Rental is implementing interventions to address the issues raised by employees in last year's engagement survey, with particular attention paid to gender-related issues.
- Mobility Solutions' employee engagement survey was answered by 424 (65%) out of 650 participants. Pleasingly, the survey shows that our employees understand Mobility Solutions' purpose and strategic objectives.

Diversity, equity and inclusion

- Overall female representation grew by 7%, with the largest percentage increase being in Australia.
- Women in top management positions led gender equity programmes launched in South Africa and the UK.
- We are integrating gender perspectives to promote equity and guard against discrimination into the preparation, design, implementation and monitoring of policies and spending programmes in South Africa and the UK.

Gender diversity

32%
of the workforce are women
(2021: 31%)

33%
of the Executive Committee are women
(2021: 27%)

28%
of our leaders (top, senior and middle management) are women
(2021: 28%)

- Included the increase of women representation at executive and management level in South Africa as targets in our new sustainability-linked facility.
- Updated our anti-harassment policy to align to South Africa's new Code of Good Practice on the Prevention and Elimination of Harassment in the Workplace, which came into effect in March 2022. Our policy provides guidance on how to eliminate and prevent harassment and includes employee training and awareness on what constitutes harassment.
- Launched the EmpowerHer Affinity Group to encourage women's networking beyond the Women in Leadership Programme and assist their journeys to success and empowerment.
- A gender comparison study in May 2022 showed that 58% of our male employees and 55% of our female employees in South Africa have received training from Motus.

People living with disabilities (South Africa)

202
people, of whom 62% are black and 54% are women
(2021: 198)

Motus Xponential

Innovation and collaboration

Innovation is highly valued by our people. The m^x platform – a digital innovation management platform – is central to our innovation strategy. It serves to deepen our innovative culture, enable cross-functional collaboration on innovative ideas and share innovation knowledge (keynote and thought leadership events, articles, practical innovation workshops, training and showcasing of innovative solutions). Business challenges are published on the platform, giving our employees the opportunity to share their ideas or generate solutions to the challenges. The m^x community then votes and the popular ideas go into design. Viable concepts that pass adjudication by Motus executives receive sponsorship to mature into implementable projects. We also partner with institutes like the Henley Business School South Africa to grow our internal innovation capability.

m^x platform

3 876
community members[1]
(2021: over 3 900)

47
ideas shortlisted
(2021: 15)

5
challenges held, generating 263 ideas, and garnering 103 votes and 61 comments from platform members
(2021: 7 challenges and 57 ideas)

23
concepts are at different phases of development (discovery, validation and scale)
(2021: 12)

[1] *Membership is impacted by the natural attrition of employees.*

Motus Xponential Blitz

Building on World Creativity and Innovation Week, an important week for Motus given our focus on innovation, together with Think Wrong and Standard Bank, we hosted the Motus Xponential Blitz. The event brought together our employees, clients, partners and stakeholders to workshop sustainability-related ideas. The workshop was attended by 65 participants from Motus, Standard Bank, the education and technology sector, finance, innovation and telecoms and various NGOs, leveraging a diverse range of expertise.

Blitz participants collaborated on formulating solutions for real world South African challenges, that in turn, address some of the UN's 17 SDGs – specifically education and road safety. Blitz participants also explored new concepts, ideas, partnerships and products to drive impact.

Doing things differently

In 2022, we launched the CEO Challenge to drive engagement on the m^x platform. Open to all employees in the Group, including our employees in the UK, the challenge aims to discover and recognise employees who are doing things in a different way. The challenges focus on efficiency, best practices and business improvement. Success stories are shortlisted and tested to determine whether they can be scaled across the relevant business segment to create value.

Social report (continued)

Building our portfolio of future-ready skills

A top priority for the Group is to develop and train our 17 283 employees so that they are knowledgeable and empowered to deliver our growth ambitions. Learning and development is also vital to their growth and development, and positively contributes to a more efficient, competitive and engaged workforce.

Digitisation is impacting skills and job roles. The future workforce will need to be change resilient. Employees will need digital and commercial astuteness, an increasing set of new skills and the ability to collaborate more to navigate increasingly integrated organisations. They will have to understand the digitally savvy customer and be able to educate the traditional customer. Our learning and development approach must therefore also become more agile to ensure organisational success.

For Motus this means we must understand our reskilling needs and ensure that our workforce has the capability and digital IQ to support a future-fit organisation across multiple platforms (digital dexterity). Big data and analytics, coding, design thinking, creative thinking, problem-solving and social platform sales and services skills are increasingly needed in the experiential workplace. Key is the digital capability of our sales teams; however, as dealerships evolve digitally, human interaction will still be critical at certain points to foster trust, knowledge transfer and other value-added services as well as deliver an enhanced customer experience.

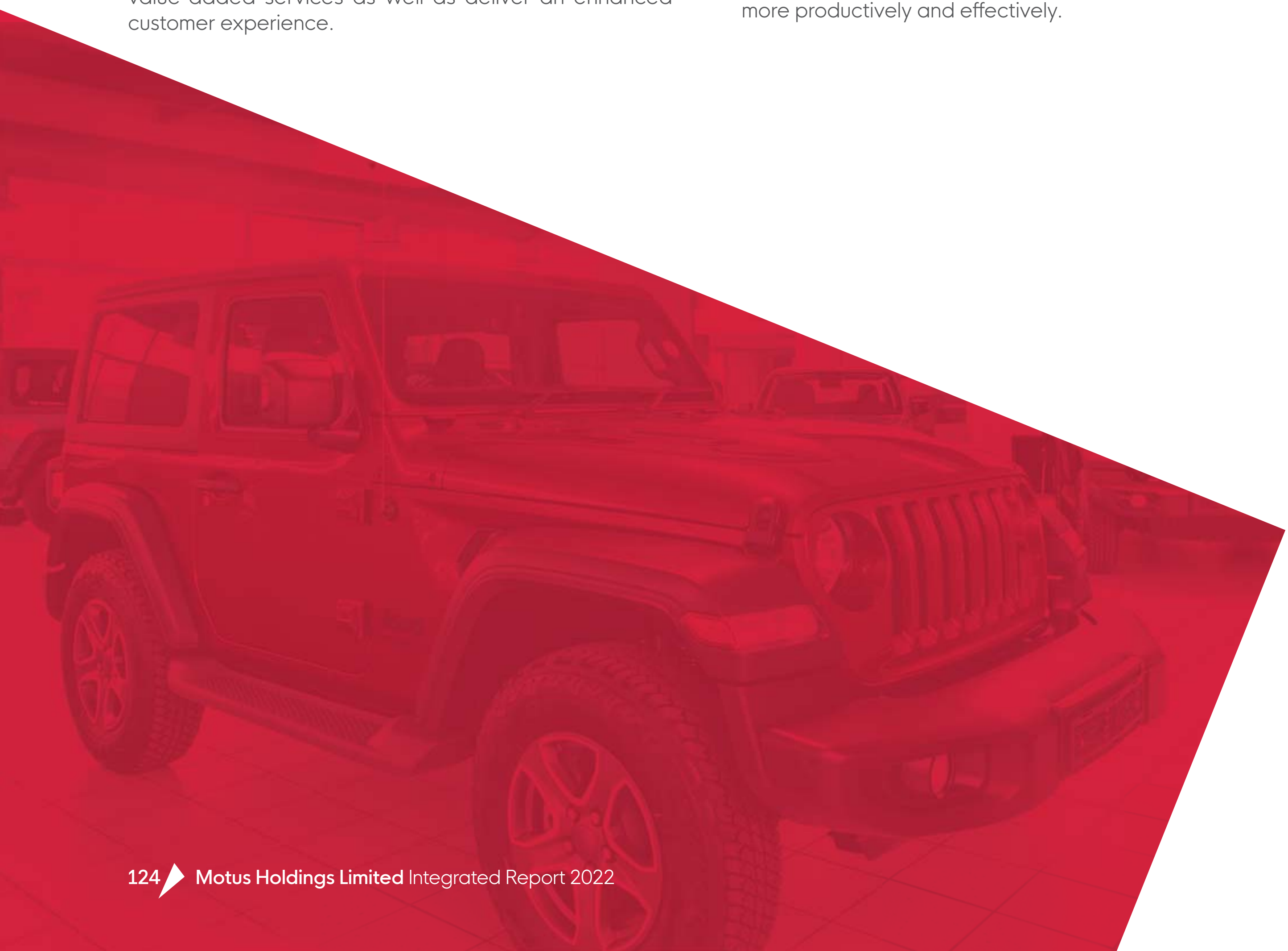
Training and development opportunities

Tailored training and development opportunities are delivered at all employee levels. In addition to achieving our strategic objectives, our programmes support the achievement of our DEI targets and ensure a pipeline of skilled people for appointment to critical positions when they become available. In South Africa, each business segment manages its own technical and product-specific training, and the Group delivers non-technical training programmes.

Our Group-led programmes range from generic programmes that help employees deal with increasing uncertainty and complexity, to leadership and management programmes that focus on driving our desired leadership behaviours.

Digital astuteness

As the business model becomes increasingly digital and the technological component of most jobs grows, it is incumbent on the Group to build the digital dexterity of our employees. Programmes are needed to upskill lower skilled employees to ensure they can adapt to new ways of working, supporting their continued employment and enhancing their prospects of securing quality jobs. Our Digital Enablement Programme in South Africa teaches employees how to confidently navigate digitisation and use it to work more productively and effectively.



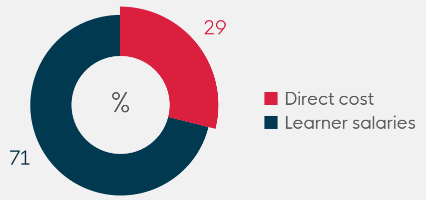
2022 performance

South Africa

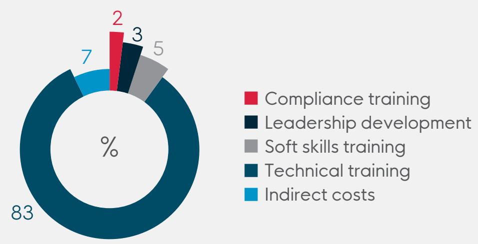
- Training spend of R166,3 million equated to 3,4% of payroll – exceeding the Skills Development Act's requirement that training spend equal 1% of payroll (2021: R144 million; 3,2%).
- Developed the Digitally Speaking Programme to create a shared understanding of the business and social needs for digital dexterity. The programme also develops digital competencies and will contribute towards creating an effective digital and innovative culture.

Training spend

Training spend by type (%)



Training spend by category (%)



Number of employees trained

7 490

employees trained, 57% of the workforce

(2021: 6 415)

Hours of training

108 hours

of training per employee

(2021: 99)

Regions

- Total training spend in the UK amounted to R122,3 million (2021: R123 million) and in Australia to R1,4 million (2021: R4 million). The combined training spend equates to 3,2% of the total payroll costs for the two operations (2021: 5,5%). Training in Australia was severely hampered by COVID-19 lockdown restrictions.
- 196 apprentices are enrolled on the UK's apprenticeship programme with 83 recruited during the year (2021: 201; 59 enrolments)
- In the UK, we launched the two-year Service and Maintenance Technician Programme to attract new talent into our workshops. Participants receive on-the-job training and a Level 1 Commercial Vehicle Technician status upon successful completion as well as the opportunity to study further. Motus Commercials also launched 70 apprenticeship vacancies, targeting young people (particularly school leavers) and women with positions in administration, sales, technical and customer services.

Social report (continued)

Our talent management framework

A healthy talent pipeline supports proper succession planning and future-proofs our leadership. It also facilitates the internal career growth of talented individuals who can contribute towards our strategic objectives. Talent management is about balancing new entrants and skill into the workforce while retaining experience and institutional knowledge.

Our succession plan is dynamic, and reviewed regularly at Group, business segment and regional level. Detailed succession plans are in place for top, senior and middle management roles.

Our talent mapping approach is designed to drive incremental business growth and support a more flexible approach to skills and workforce planning as new ways of working increase, while highlighting and fostering the development of key talent. Potential successors for critical roles are identified in our performance management process. This process also helps us ensure that our development programmes are fit-for-purpose and provides employees with the opportunity to voice and advance their career growth aspirations.

Leadership development

Our leaders play a critical role in effectively empowering employees and motivating high-performance teams. Our wide range of training, mentoring and networking opportunities provide a constant supply of increasingly experienced and capable leaders at all levels stemming from within the Group. Our programmes are designed to equip our leaders and potential leaders to exhibit the key behavioural and critical success factors needed to navigate successive levels of leadership right up to the Group CEO position. Our investment in our leaders is an investment in Motus' future and creates a ripple effect that positively impacts the Group's culture.

Our leadership development framework provides the basis for a structured approach to learning and development. It targets all levels in the organisation, from semi-skilled employees (leading self) to junior and middle management (leading others and leading functions), to senior and top management (leading the organisation and strategic partners). All programmes are underpinned by development assessments and 360-degree insights.

In addition, external development pipelines include technician programmes and apprenticeships, and learnerships including the YES4Youth Programme.

In the UK, our well-established Management Development Programme targets future leaders in middle and senior management identified as having high potential in the succession planning process. The five-module course focuses on self-awareness, people management, finance skills and customer handling.

2022 performance

Group

- Conducted an in-depth analysis of succession coverage at senior and middle management levels. Good progress was made in updating the Group executive succession plan and plans are in place to address identified risks in employment bands beneath executive level.
- Cross-functional and business segment talent exchanges were facilitated to support successor visibility and mobility. Financial directors are regularly moved between business segments and franchises to gain depth of experience and exposure to the broader value chain.

South Africa

- Finalised the talent management playbook to guide businesses on how to effectively apply the Talent for Growth approach. The playbook covers talent attraction and retention, talent spotting for critical roles, talent development and succession.
- Our recognised three-year Bachelor of Business Administration (BBA) degree in partnership with the Southern Business School was enhanced to digitally serve remote delegates. The BBA Programme was transitioned to a virtual learning model, ensuring that employees across South Africa have equal opportunity to enrol regardless of location.

Regions

- In the UK, 19 delegates are participating in the Management Development Programme (2021: 15).

Leadership development

343
employees enrolled in managerial programmes
(2021: 274)

71%
delegates are black
(2021: 65%)

42%
delegates are women
(2021: 38%)

Developing a compelling employee value proposition

Key for Motus is to provide a compelling EVP to retain and attract exceptional people and position the Group as an employer of choice within the automotive industry. This area of our people strategy is work in progress, and work is underway to define the Motus EVP.

Performance management

Our performance development approach drives better engagement between employees and their line managers, aligning employee standards of performance and expectations with strategic business objectives, and ensuring that employees are assessed fairly, developed appropriately and rewarded and recognised for exceptional performance. It also identifies corrective development or supportive actions to manage poor performance. Employees are assessed on their performance and values-based behaviour.

Fair remuneration

When necessary, we adjust roles and remuneration according to level of complexity, decision-making and skills required. This process enables us to empirically demonstrate the value of roles and jobs in relation to one another, regardless of the incumbent, and to defend our pay philosophy.

As part of the annual employment equity reporting cycle in South Africa, we assess the remuneration gap between the highest paid and lowest paid employees and at the same time identify if there are inequalities in remuneration in relation to race and gender in the various occupational levels. In the UK, we issued a report on the gender pay gap in 2022 and are taking steps to address gender pay equity.

Health, safety and wellbeing

We believe that investing in the safety, good health and wellbeing of our people maintains their morale and builds and improves our competitive advantage through their willingness and motivation to meet our strategic objectives and customer expectations.

Our occupational health and safety (OHS) procedures are closely monitored to ensure we remain vigilant and aware of where risks exist or may occur, as well as to ensure that they meet business requirements and comply with legislative requirements and guidelines.

In the UK, we have adopted the principles of ISO45001 (the revised OHS standard which includes environmental aspects) as our minimum standard.

We adopt a zero-tolerance approach to non-compliant OHS behaviour. Our employees are responsible for their own safety as well as the safety of others and are required to raise OHS concerns and non-compliance with their line managers and OHS representatives timeously. This includes what they feel may be potential hazards.

We recognise the importance of employees who are adequately trained, informed and supervised to fulfil their activities in a safe manner. OHS training and awareness is customised to the workplace environment of each business and region. Training ensures that employees clearly understand their OHS responsibilities, how to operate equipment safely and manage hazards responsibly, as well as adhere to legislative requirements.

In the UK and Australia, training is supplemented with method statements, toolbox talks and morning briefings. In the UK, we have three categories of OHS training: induction training for new employees, job- or task-specific training and refresher training. In Australia, all new employees complete online training on safe working procedures prior to starting work.

COVID-19 management

2022 was a year of navigating intense and differing responses to COVID-19 across our various operating jurisdictions. We were able to adjust our OHS practices accordingly to meet health authorities' COVID-19 guidelines and government regulations. COVID-19 measures are now included as part of our standard OHS practices.

COVID-19 vaccination is encouraged but not mandatory. We support vaccination given its proven ability to help reduce the chance of severe illness or death and the spread of the virus. As such, our employees are allowed time off work to vaccinate.

Supporting the wellbeing of our people

The physical and mental wellbeing of our employees directly impacts their performance and productivity. We provide preventive care and health education and awareness covering COVID-19 and the importance of mental health.

In South Africa, our Employee Assistance Programme is managed by external service providers. The confidential short-term counselling services help employees who are facing personal challenges, including financial and legal advice, and work-related problems that are affecting their work performance, and health, mental and emotional wellbeing. Beyond this programme, our people have access to a wide range of professional communication and self-leadership events.

In the UK, an independent occupational health provider oversees health surveillance interventions, including legislated medical examinations. The provider also assists employees who need counselling, help with stress and health issues, and rehabilitation from workplace accidents. The UK Employee Assistance Programme provides employees and their immediate family members with 24/7 access to a doctor, confidential counselling services, mental health support and professional financial advice. Advantageous savings and credit interest rates are available to those earning lower incomes.

Our Employee Assistance Programme in Australia comprises four counselling services and access to government bodies, which assist with relationship issues, depression, suicide and self-harm tendencies and domestic violence.

The commercial vehicles division in the UK has a network of 50 trained mental health first aiders, who have either attended a mental health awareness programme, a 12-week counselling course or a cognitive behavioural therapy course. Their role is to destigmatise mental health problems, encourage our employees to speak up and serve as contact points for employees struggling with their mental health. Where required, the first aiders direct employees for professional support.

Mental health first aiders in the UK

2022 performance

Group

- Road incidents (damage to property but no injuries or fatalities) increased by 42% to 616. Accidents per million kilometres decreased from 0,263 in 2021 to 0,236. Of the 41 road accidents, 28 occurred in South Africa and 13 in the UK.
- The increase in business activity and travel has unfortunately resulted in road fatalities increasing to seven (2021: five) (two employees and five third parties). The fatalities resulted from six separate road accidents in South Africa. Of the five third-party fatalities, four were pedestrians. In addition, one of our vehicles was involved in a multi-vehicle accident in which four adults died.
- 290 onsite incidents were reported (damage to property but no injuries or fatalities) up 49% from 2021, as business returns to more normal trading levels. The UK recorded 242 (2021: 161) incidents with 41% (2021: 31%) being third-party error.
- Onsite accidents increased 38% from 199 in 2021 to 274 (the breakdown shown in the graph below). 7% of onsite accidents were third-party error (2021: 5%). The majority of injuries reported in the UK are slips, trips and falls at 18% and operator error at 17%.
- There were no material incidents of non-compliance with OHS regulations.

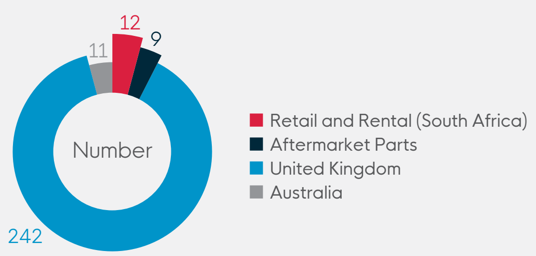
OHS audits

547
sites
(2021: 526)

92%
audit coverage
(2021: 97%)

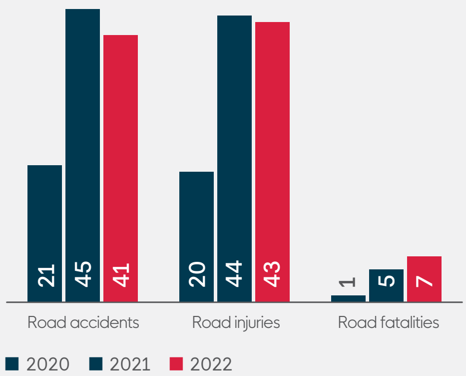
93%
average score
(2021: 92%)

Onsite accidents (number)

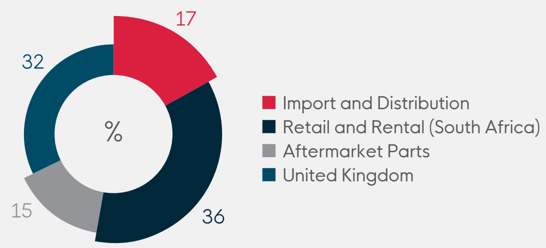


Road accidents

Road accidents by category (number)



Road accidents by region



Vaccination

Over 75%
average vaccination rate across all business segments in South Africa

In the UK we are restricted from asking about vaccination status and estimate that around 85% of our employees are fully vaccinated in line with the national average.

98,5%
of our employees are fully vaccinated in Australia

Transformation

The automotive industry adds real value every day – providing mobility, facilitating trade, creating sustainable jobs, moving people, goods and services, serving communities and creating prosperity for South Africa's people. Motus' socio-economic objectives, particularly in terms of fiscal contribution, people development and community-based projects are designed to support the transformation of South Africa's automotive industry.

Effective economic inclusion and transformation can only be achieved with collaboration between the South African Government and the private sector. We support the Automotive Aftermarket Guidelines, which aim to expand the inclusion of SMEs owned by black individuals in the automotive aftermarket value chain as well as increase local production volumes and create jobs. As small businesses play a critical role in creating desperately needed jobs, it is government's intention to grow local production and manufacturing, and open big business supply chains to SMEs.

South Africa's automotive industry bodies promote the sector's interests and ensure a competitive yet collaborative industry. Our industry body memberships enable us to share our expertise and experience to support broader national strategies and progress the transformation of our industry and enrich its leadership. They also provide us with insight to the perspectives of other industry leaders and allow us to identify opportunities to drive our own transformation initiatives and contribution to society at large, over and above our community initiatives.

Our transformation strategy

Our Level 4 B-BBEE rating supports our commercial competitiveness and secures our relevance in South Africa's society as a business that positively contributes to the economy and communities.

Ownership is an important factor for organisations making purchasing decisions in South Africa, as buying from a company that is at least 30% black women-owned or 51% black-owned improves the customer's preferential procurement score. Having the best possible B-BBEE rating and ownership level therefore enhances our relevance and ability to compete.

Given the high level of our procurement spend linked to franchise agreements or OEMs, OEM scorecards have a knock-on effect on our points for procurement. South African OEMs have committed to the Equity Equivalency Programme that aims to improve their contributor status to a minimum Level 4 B-BBEE rating. This should positively impact our B-BBEE scorecard and rating.

Transforming our workforce

Our long-term objective is to have a local workforce that is reflective of South Africa's economically active population by 2028. Our key focus is to increase the number of black people and black women in management positions and continue to develop the skills of our black employees.

See the progress the Group has made in transformation since listing on page 121.

Our Employment Equity Plan sets out co-ordinated and targeted interventions to recruit, develop and promote candidates to achieve our race, gender and disability targets. We ensure an appointment, promotion and training ratio of over 50% in favour of employees from designated groups.

Supporting black-owned and managed businesses

We are developing sustainable working models for black-owned and managed businesses, including non-OEM branded workshops and majority black-owned dealerships, in historically under-served areas near and around informal communities. We are also making our parts and services more accessible to informal traders and technicians. Not only do these initiatives aim to support communities, but they also provide us with access to new markets.

Our enterprise and supplier development strategy is to find opportunities within our controllable procurement spend categories (that is outside of our franchise and OEM procurement) to provide training, mentoring and financial assistance to SMEs, particularly black-owned enterprises, to help them build sustainable businesses.

2022 performance

B-BBEE rating

Level 4 B-BBEE rating
at corporate level valid to 28 September 2022
Target: we expect to maintain our Level 4 rating for the 2022 B-BBEE scorecard

Included in the Satrix Inclusion and Diversity Exchange Traded Fund

Composition of the overall workforce

75%
of the workforce is black
(2021: 73%)

24%
of the workforce are black women
(2021: 23%)

Skills development

R128 million,
77% of training spend in South Africa was used to develop black people
(2021: 72%)

Preferential procurement

R71,5 billion
total procurement spend,
of which 29% was categorised as controllable
(2021: R56,7 billion; 35%)

65%
of our controllable procurement spend was with preferential suppliers
(2021: 63%)

R2,9 billion
spent with >51% black-owned businesses against an internal target of R2,5 billion
(2021: R2,3 billion)

Enterprise and supplier development

R121 million
invested in enterprise and supplier development,
a 59% increase compared to prior year
(2021: R76 million)

Social report (continued)

Community upliftment

We firmly believe that we can use mobility for good to drive positive socio-economic impact, strengthen our relationships with our stakeholders, create employment, grow the automotive industry, and make a difference in the lives of our people and communities.

Our CSI supports initiatives that will make a long-lasting positive difference to the economies and communities in which we operate. Our chosen pillars are education and skills development, road safety and primary healthcare – areas we believe will assist to alleviate the needs of these communities. Each year, we aim to allocate 70% of our CSI spend to Group projects in these pillars to ensure we achieve a meaningful impact. Individual businesses within the Group support additional projects that meet the specific needs of their local communities.

2022 performance

Group

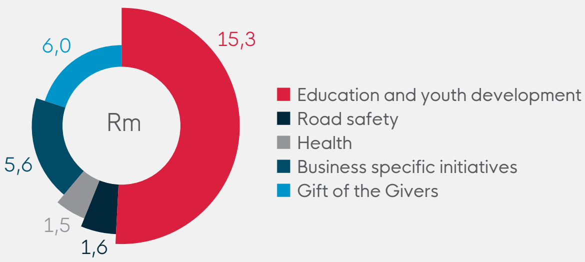
CSI spend

R30,0 million

invested in CSI

(2021: R18,6 million)

CSI spend by category



Included in CSI spend

R6 million

donated through Gift of the Givers to communities in KwaZulu-Natal who were either impacted by the July 2021 unrest (R3 million) or by the floods that ravaged the province in April 2022 (R3 million[1])

[1] *With Hyundai Automotive South Africa and Hyundai Motor Company of South Korea.*

Socio-economic development spend (B-BBEE)

91% (R28 million)

of our CSI spend is estimated to qualify for the 2022 B-BBEE scorecard's socio-economic development pillar, equating to 1,1% of NPAT, meeting the dtic Codes' target of 1% of NPAT

(2021: R17,5 million; 1% of NPAT)

[1] *NPAT: Net profit after tax.*

Scored 5

out of 5 points for the socio-economic development pillar of the 2021 B-BBEE scorecard

Driving road safety education and awareness

Our Road Safety – powered by Motus initiative drives road safety education and awareness among school children, parents and holidaymakers in South Africa. We partner with leading road safety advocates and the government to change the behaviours of road users towards more responsible road usage. This is delivered through three key programmes:

The Safe Scholars Programme[1]

This delivers memorable life-saving road safety messages in a fun and interactive way for primary school children and their teachers. Around 18 schools were visited each month. In response to COVID-19, this initiative was expanded to include health and hygiene messaging.

[1] *Supported by the Department of Basic Education and the Department of Transport.*

Impact since 2011

Over 1,96 million

learners reached in over 2 300 schools

(2021: over 1,75 million learners reached in over 2 080 schools)

We estimate that we will achieve the milestone of two million learners reached towards the end of the 2022 calendar year.

The Highway Patrol Programme

We provide the Bakwena Platinum Corridor Concessionaire with patrol vehicles to assist the concessionaire with 24-hour visible policing and faster response times to incidents (crashes and breakdowns), along the N1/N4 toll routes – the busiest toll routes in South Africa during the Easter and December holiday seasons.

Wheel Well

Renault is Wheel Well's drop-off point of choice for parents wanting to donate used baby car seats. Wheel Well then refurbishes the seats and donates them to people who cannot afford new car seats.

Social report (continued)

Community health and wellbeing

We invest in the Unjani Clinics network, which empowers black women professional nurses to operate and ultimately own primary healthcare container clinics in their communities. The clinics provide affordable, quality primary healthcare and medicines to those who are uninsured and under-served but employed and able to pay a small fee towards their healthcare needs.

26 clinics
added to the Unjani Clinics network, as well as four mobile units and health pods, in 2022

124
healthcare facilities located across South Africa
(2021: 98)

864 122
patients served in South Africa during the year
(2021: 677 161)

Over 2,9 million
consultations since 2010, with an average of 74 080 patients provided with primary healthcare a month
(2021: over 60 700 patients a month)

Education and technical skills development

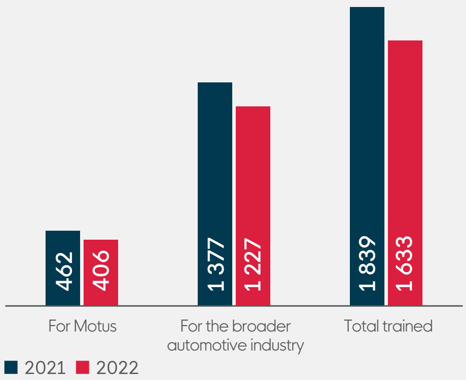
Our investments in high-quality education and skills development do not only address this societal imperative and provide young people with entrepreneurial and commercially viable skills, but they also help build self-confidence and self-esteem and a stronger pool of talent from which Motus and the automotive industry are able to source tomorrow's leaders. We achieve this through three main initiatives:

The Motus Technical Academy

Apprenticeships

As the largest training academy for motor artisans in South Africa, it offers full apprenticeships and learnerships for motor, diesel and motorcycle mechanics, auto-electricians, and spray-painters, as well as skills programmes and short courses. Our accredited artisan training institutions in Gauteng, Western Cape, and Bloemfontein (four institutions in total) train around 1 600 apprentices and technical workers annually for both Motus and the broader automotive industry.

Number of artisans trained



The Motus Family Bursary Fund

This assists qualifying employees in South Africa with the costs to send their children to selected South African tertiary institutions from the second year of study onwards.

R9 million
disbursed through the fund over three years
(2020 to 2022)

27
beneficiaries supported in the 2022 calendar year. Students receive a maximum amount of R45 000
(2021: 6)

The Imperial and Motus Community Trust

The Trust builds and maintains school libraries and resource centres to encourage reading and promote higher literacy levels at under-resourced public schools in Gauteng, South Africa. We have committed to investing a minimum of R5,5 million in the Trust each year to 2025. Motus brands provide funding over and above this amount.

63
school libraries and resource centres
(2021: 52)

>72 000
learners reached
(2021: over 61 300)

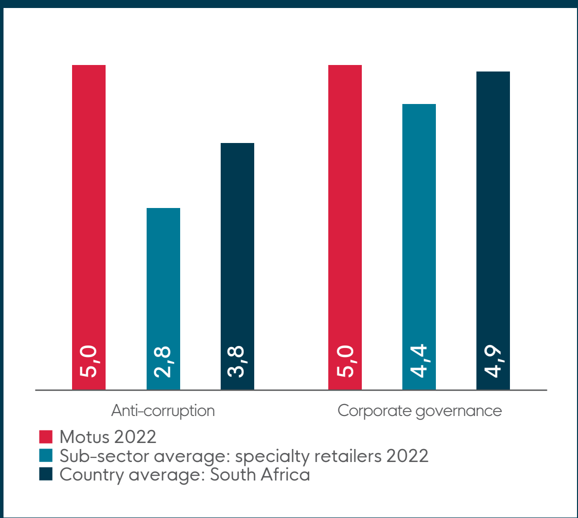
Detailed information

Read our full environmental, social and governance report online.

Ntando Simelane

Company Secretary
and Head of Legal Counsel

FTSE4Good Index Series



Governance

Governance report

Motus is led by a diverse board of directors, the majority of whom are independent, with extensive industry knowledge and expertise, subscribing to ethical leadership, sustainability, stakeholder inclusivity, and high standards of corporate governance.

The board is supported by a highly experienced professional management team with knowledge of regional and global markets, and a proven track record.

The board is committed to good corporate governance and as the custodian thereof, it ensures that Motus adheres to the highest standard of accountability, fairness and ethics, which are essential in building and maintaining trust, and delivering value creation. The board is equally aware of the importance of setting the tone at the top. It is against this background that the Companies Act, MOI, the JSE Listings Requirements, and the principles and practices of King IV and internal policies form the foundation upon which Motus' governance practices are founded.

The board is satisfied with the Group's application of the principles of King IV. Each board sub-committee has terms of reference, based on King IV, from which the committee's annual plan is drawn. These are a standing item on the committee's agenda to ensure confirmation that the committee has adhered to its terms of reference. The board is guided by its Charter, which is based on King IV.

Governance highlights

- Streamlined the SES Committee agenda to ensure appropriate focus on ESG issues.
- Appointment of an independent director to chair RemCo, in line with King IV recommendations.
- Amended the Group MOI to ensure that executive directors are not subject to retirement by rotation.
- Streamlined governance frameworks for significant Group subsidiaries, including the amendment of certain subsidiary MOIs.
- Reviewed the Group's limits of authority framework to streamline decision-making and ensure that authority is appropriately delegated.
- Ensured that the designate auditor was rotated in accordance with the regulatory requirements.
- Offered governance training to directors of certain subsidiaries.
- Approved the Group's harassment policy, ensuring compliance with the recently introduced Code of Good Practice on the Prevention and Elimination of Harassment in the Workplace 2022.

Read our King IV application register online.

Our governance framework

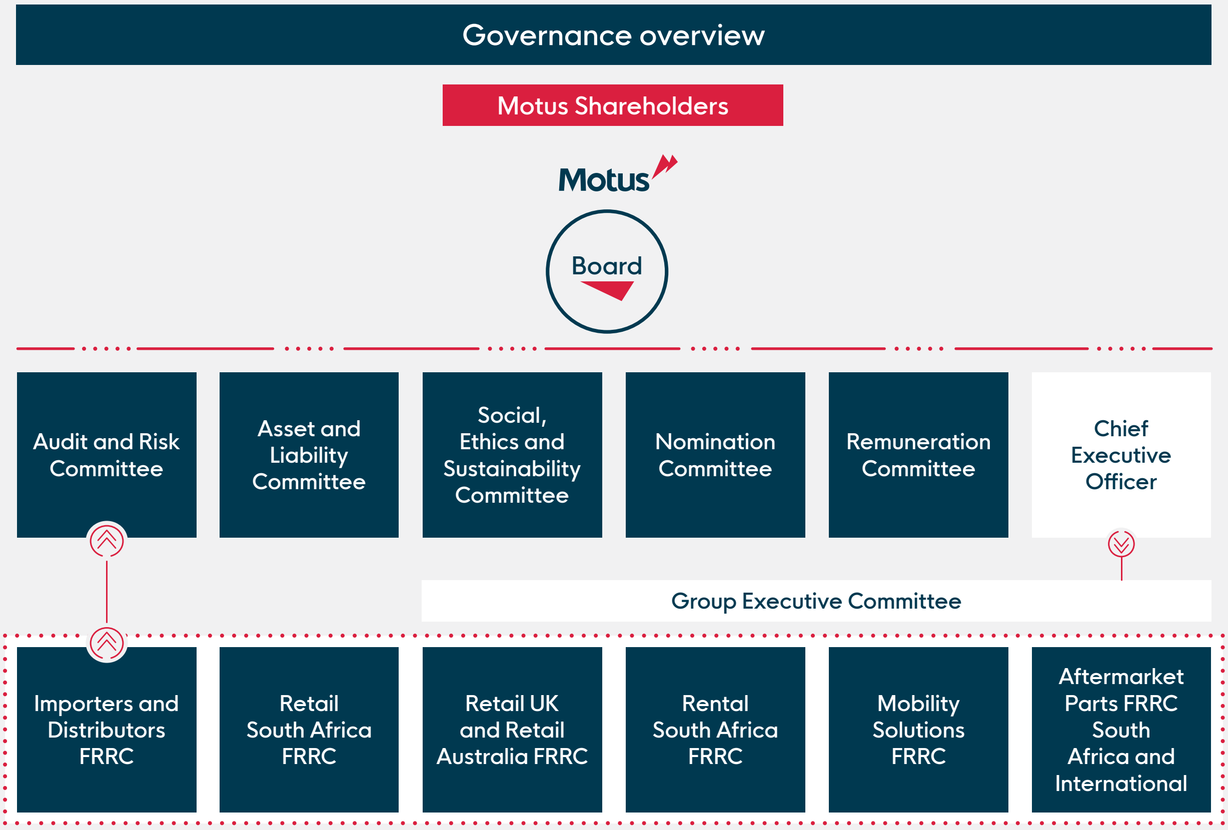
Corporate governance is defined by the structures, processes and practices that the board employs to direct and manage the operations of Motus and its subsidiaries. These ensure that authority is exercised and decisions are taken within an ethical and predictable framework that promotes accountable decision-making. By setting the tone at the top and leading ethically and with integrity, the board, assisted by its various sub-committees, ensures that a culture of good corporate governance cascades down throughout the organisation.

A high level of accountability, fairness and integrity are applied in the running of the business, supported by transparent reporting to shareholders and stakeholders.

Motus' overarching approach to corporate governance is guided by the principles of fairness, accountability, responsibility, and transparency, with particular attention being given to the following:

- The provision of clear, concise, accurate and timely information about the Group's operations and results.
- Ensuring transparent reporting to shareholders on a financially integrated basis.
- Ensuring robust business and financial risk management is embedded across the Group.
- Ensuring that no director or executive management team member may deal directly or indirectly in Motus' shares in contravention of the JSE Listings Requirements and/or the law.
- Recognising Motus' social responsibility at large and being responsive to the ever-changing regulatory environment.

Governance report (continued)



The Group has a formally constituted board, who are accountable to the company's shareholders. Board sub-committees and the CEO are accountable to the board. The Group's business is structured into business segments, either as subsidiaries or divisions of Motus Holdings Limited or its direct subsidiaries. The business segments have their own management structures in place, including divisional boards and FRRCs, and their CEOs are members of the Group Executive Committee. The Group CEO and CFO attend divisional board meetings and the CFO attends FRRC meetings, in order to ensure that strategic priorities are appropriately prioritised and monitored, and financial performance is reviewed and monitored quarterly. Minutes of the FRRC's are formally presented to the ARC to provide an opportunity to assess the performance and priorities of the business and report on this to the board. The Group Executive Committee, which meets at least seven times a year, is responsible for considering and approving operational policies and reviewing business performance.

The key subsidiaries and related parties of the Group can be found online in the annual financial statements.

The Group operates in accordance with the board-approved Code of Ethics, which sets out the standard of ethical conduct that is expected from employees and directors alike. This includes adherence to honesty, accountability, transparency, fairness and sustainability practices.

The Group Code of Ethics is available online at:
https://www.motus.co.za/wp-content/uploads/2021/11/Motus_Code-of-ethics_2021.pdf.

The leaders of Motus are mindful that entrepreneurial creativity, agility and responsiveness are a strong competitive advantage, and every effort is made to ensure that governance processes enable the business to deliver value to its stakeholders, with the ultimate responsibility for governance resting with the Motus board and its sub-committees.

Board meetings and ensuring effectiveness

The meetings of the board and its sub-committees are scheduled annually in advance. Board papers are provided to directors in a timely manner, in advance of meetings, and directors are afforded ample opportunity to study the material presented and to request additional information from management where necessary. All directors are afforded the opportunity to propose further matters for inclusion on the agenda of board meetings. Declaration of interests and confirmation of the agenda are standing items on the board meeting agenda.

The board has unrestricted access to all Group information, records, documents and facilities. The Company Secretary is the secretary to all committees of the board and ensures that they operate within the limits of their respective mandates and in accordance with their terms of reference. Chairmen of the respective board sub-committees present their reports at the board meeting immediately following each meeting of the committee, on all the key issues discussed and the recommendations of the committee in respect of matters to be referred to the board for decision. Directors are kept appropriately informed of key developments affecting the Group between board meetings.

The board

Motus is led by a diverse board of directors, with knowledge, expertise, and experience relevant to the strategy and operating context within which the Group operates. The board is comprised of seven non-executive directors, the majority of which are independent, and three executive directors.

Details of board members, including a brief CV, can be found in the leadership section from page 24. Changes to the board can be found on page 140.

The board is governed in accordance with the MOI and board charter, which outline the duties and responsibilities of the board and set out a clear balance of power and authority within the board to ensure that no single director has unfettered powers of decision-making. The board is acutely aware of its role and responsibilities, which include steering the company and setting its strategic direction while management develops the strategy for board approval. The annual board strategy session was held in June 2022, where management presented the strategy to the board for consideration and approval.

Motus recognises its obligations in society and embraces the need and benefits of having a diverse board membership with differences in backgrounds, skills and experience. To give effect to this obligation, the board has adopted a broad diversity policy, through which diversity, i.e. gender, race, culture, age, field of knowledge and experience, is promoted and measured.

Board appointment and nomination

The nomination and appointment of directors is regulated in terms of the MOI, the Nomination Committee's (NomCo) terms of reference and board charter. The MOI determines the minimum and maximum number of directors that can be appointed to the board and the process thereof. Board appointments are confirmed following the interviews of the candidates and recommendations from the NomCo, regard is given to having skill, experience, expected level of contribution to, and impact on, the activities of Motus. New directors are formally inducted to facilitate their understanding of the Group. The board utilises various sources to recruit the required skills on the board, these include but are not limited to the use of independent recruitment agencies and directors' networks.

The board, through the NomCo, determines the number of outside professional commitments for directors, based on directors' role, ability to attend meetings and contribution on the board. The board, through the NomCo, has considered the composition of the board, its sub-committees and succession, and is satisfied with the arrangements currently in place regarding the board succession planning.

In terms of the MOI, at each AGM, one-third of the non-executive directors are required to retire from office and, being eligible, can make themselves available for re-election. Directors who were appointed before the AGM are to make themselves available at the next AGM for election by shareholders. Thus, each non-executive director is rotated at least once every three years. The following directors will retire from office and, being eligible, will offer themselves for re-election following the recommendation of the NomCo: Messrs. S Mayet and MJN Njeke.

Board evaluation

The evaluation of the board's performance and that of its sub-committees, its chairman and its individual members is conducted every two years to support continued improvement in its performance and effectiveness. An evaluation was last conducted in 2021 and its outcome was reported in the 2021 integrated report. The next board evaluation will be conducted in 2023.

Governance report (continued)

Board and committee changes

The following changes to the board and committees were effected during the year under review:

Effective date	Nature of the change
1 August 2021	• Mr. MJN Njeke resigned as a member of the ALCO.
1 September 2021	• Ms. F Roji was appointed as an independent non-executive director and as a member of the ARC and SES Committees. • Mr. OJ Janse van Rensburg and Ms. KA Cassel resigned as members of the SES Committee following the reconstitution of the SES Committee and will attend as invitees. • Mr. MJN Njeke resigned as a member of the ARC.
3 November 2021	• Mr. A Tugendhaft resigned as Chairman of RemCo and remains a member thereof. • Mr. MJN Njeke was appointed as Chairman of RemCo.

Board attendance to 30 June 2022

	Board meetings	Annual board strategy and budget meeting	Independent	Appointment to the board
Total meetings	4	1		
Non-executive directors				
GW Dempster (Chairman)	4/4	1/1	Y	1 August 2018
A Tugendhaft (Deputy Chairman)	4/4	1/1	N	1 August 2018
PJS Crouse	4/4	1/1	Y	10 November 2020
NB Duker	4/4	1/1	Y	10 November 2020
S Mayet	4/4	1/1	Y	22 November 2018
MJN Njeke	4/4	1/1	Y	22 November 2018
F Roji	3/3	1/1	Y	1 September 2021
Executive directors				
OS Arbee	4/4	1/1	N	12 October 2017
OJ Janse van Rensburg	4/4	1/1	N	12 October 2017
KA Cassel	4/4	1/1	N	1 July 2019

Board and committees' meetings, as well as the board strategy and budget meeting, are scheduled annually and in advance.

Separation of roles and responsibilities

The business and affairs of the Group are managed under the direction of the board, which derives its authority from the Companies Act, MOI and board charter. The board is chaired by an independent non-executive director whose role is clearly defined in the board charter and MOI, and is separate from that of the CEO. The Chairman presides over meetings of the board and the NomCo, and is responsible for ensuring the integrity and effectiveness of the board governance processes. The Chairman provides overall leadership to the board without limiting the principle of collective responsibility for board decisions.

The responsibility for the day-to-day executive management of Motus is the responsibility of the CEO, who reports and is accountable to the board on the Group's objectives and strategy. Board sub-committees are generally constituted with powers of recommendation unless specified in a board resolution, board charter, or legislation.

Delegation of authority

The board has adopted and regularly reviews, a written policy that governs delegation of authority to management and matters reserved for decision by the board as well as those reserved for shareholders' authority. During the year, the delegation of authority framework was reviewed to streamline decision-making and ensure that authority is appropriately delegated.

The responsibilities of the board include approval of strategic direction, business plans and annual budgets, major acquisitions and disposals, changes to the board, and other matters that have a material effect on the Group or are required by legislation.

The board has delegated the day-to-day management of the Group to the CEO. The board still ensures that key functions are managed by competent and appropriately qualified individuals who are adequately resourced.

The board is satisfied that the delegation of authority and governance instruments of the company contribute to role clarity and effective exercise of authority and responsibilities.

Company Secretary

Mr. NE Simelane is the Company Secretary and Head of Legal Counsel.

The board considered the competence, qualifications, and experience of the Company Secretary and confirmed that he is adequately qualified and experienced to discharge his responsibilities. The board also concluded that there were no direct or indirect relationships between the Company Secretary and any of the board members which could compromise their independence.

Directors have unlimited access to the services of the Company Secretary, who is responsible to the board for ensuring that proper corporate governance principles are in place and adhered to.

Ethical conduct

The Group operates in terms of a board-approved Code of Ethics, which sets out the standard of ethical conduct that is expected from employees and directors alike. The board is committed to adhering to ethical conduct and good corporate governance in discharging its duties and responsibilities. The Code of Ethics also guides the interaction between employees, customers, stakeholders, suppliers, and the communities within which Motus operates.

Employees and stakeholders are encouraged to report any suspected contravention of the policies and/or law through an independently operated anonymous tip-off line. The line is available 24 hours per day, 365 days per year and all complaints lodged through this service are investigated and, where appropriate, disciplinary action is instituted and reported to the board through the SES Committee and ARC. In instances where weak controls are identified, appropriate improvements are introduced to remedy the identified weaknesses. The responsibility for the implementation of the Code of Ethics and for reporting any material breaches to the SES Committee and ARC lies with management. The content and principles embodied in the Code of Ethics are also integrated into employee training.

All senior management and operational directors are required to formally confirm compliance with the Code of Ethics and conflict of interest policy and practice.

For more detailed information, refer to our ESG report online.

Compliance

The Group is committed to compliance with all the applicable laws and regulations in the geographies in which we operate, as well as the adopted non-binding codes and standards. Accordingly, the regulatory universe impacting the Group has been defined, to enable the board, with the assistance of management and the ARC as well as other committees where relevant, to focus on laws and regulations that are relevant to Motus. The day-to-day responsibility for compliance is delegated by the board to management. Motus is committed to complying with the relevant laws where it operates, its MOI, and its policies.

Governance report (continued)

Keeping abreast of regulatory changes

The Group operates in a highly regulated and complex environment. Despite a number of key pieces of legislation coming into effect in 2021 that directly impacted the automotive industry, the Group has been able to quickly identify where operations are impacted and timeously implement the required controls. Membership in industry bodies are also a critical aspect in understanding the changes necessary to comply with automotive regulations and their likely impacts on the Group and the industry. This allows the Group to actively participate in regulatory consultation processes and industry forums to proactively contribute to the shaping of upcoming automotive policy.

Recent regulatory changes include:

- **Protection of Personal Information Act (POPIA):** POPIA is designed to promote the protection of personal information and to bring South Africa's privacy laws in line with international standards.
- **Automotive Aftermarket Guidelines:** The Automotive Aftermarket Guidelines aim to increase the inclusivity of previously disadvantaged individuals and SMEs in the automotive value chain.
- **Administrative Adjudication of Road Traffic Offences Act:** The AARTO Act is aimed at improving driver behaviour, encouraging motorists to be law-abiding and reducing road accidents. AARTO will be rolled out in phases, with the first phase starting in July 2021. In January 2022, the High Court in Pretoria ruled in favour of Organisation Undoing Tax Abuse in declaring the AARTO Act and its amendments unconstitutional and invalid.
- **Cybercrime Act:** On 1 December 2021, several elements of the Cybercrimes Act came into effect. The law has codified cybercrimes in South Africa and provides the South African Police Service with extensive powers of search, seizure and arrest. The National Prosecuting Authority has the power to prosecute offences.
- **National Environmental Management:** Waste Act, 2008: The Department of Environmental Affairs has published several regulations around waste management.

Upcoming regulatory changes include

- **Conduct of Financial Institutions Bill:** The COFI Bill is part of the Twin Peaks model of regulation and aims to strengthen the regulation of the financial sector in relation to customer treatment and general market conduct.
- **Cell Captive Conduct Standard:** The final draft Cell Captive Conduct Standard regulates the structure of cell arrangements.

For more detailed information, refer to our ESG report online.

Responsible corporate citizenship

The board oversees the governance and activities of the Group to ensure that Motus continues to be a responsible corporate citizen as outlined in the Companies Act and SES Committee's terms of reference.

The SES Committee oversees the strategy and monitors the implementation of the Group's impact on the environment, its ongoing corporate social investment, and overall good corporate citizenship. In addition, the SES Committee will also focus its attention on the implementation of ESG considerations.

For more detailed information, refer to our ESG report online.

Stakeholder engagement

Motus has developed strong relationships with its shareholders and key stakeholders, such as debt providers, industry bodies, government, trade unions, and social partners. When engaging with stakeholders and communities, Motus is aware of its responsibility as a responsible corporate citizen. It is against this background that management carefully considers the utilisation of energy, water, and other environmental resources to ensure an effective contribution is made to sustain the environment for the future.

The Group's philosophy is to build and deepen long-term relationships with partners and programmes that align to the three pillars the Group has identified for social upliftment and empowerment within under-served communities in South Africa; being: education, road safety and primary healthcare. The Group therefore has the following key partners and programmes that they support:

- Imperial and Motus Community Trust – established in 2003 to assist communities, the Imperial and Motus Community Trust supports a partner school network to improve literacy and reading skills. To date, 63 resource centres and libraries provide access to over 72 000 learners on a daily basis and create 65 full time jobs.
- Motus Safe Scholars programme – a national campaign supported by the South African Department of Transport and Department of Basic Education, the Safe Scholar programme teaches road safety at schools, visiting over 2 300 schools and reaching over 1,96 million learners.

- Unjani Clinic Network – consisting of 124 healthcare facilities, the Unjani Clinic concept supports a sustainable model for primary healthcare in disadvantaged communities, empowering black women professional nurses and employing 475 people.
- Creating employment – supporting the YES4Youth initiative, giving 400 young people relevant work experience and preparing them for future employment as well as providing apprentice training to around 1 600 apprentices.
- Donated R6 million to NGOs to support communities in KwaZulu-Natal who were either impacted by the July 2021 unrest or by the floods that devastated the province in April 2022.

Key stakeholders are identified by management and the board. Management pursues appropriate engagements with material stakeholders to align their legitimate and reasonable needs, interests, and expectations with those of the Group. The board encourages proactive engagement with stakeholders.

Motus representatives hold formal positions on various industry bodies to ensure active participation on matters of national interest and, where applicable, in legislative changes. Motus also participates in multiple discussions and certain forums to ensure that its views are considered and forms part of any industry feedback/position.

The AGM provides an opportunity for the board to interact with shareholders of the company and for shareholders to ask questions and vote on resolutions. Minutes of the AGM are available for inspection through the Company Secretary's office, subject to compliance with the relevant provisions of the Companies Act.

Read more in our stakeholder engagement section from page 59.

Combined assurance

In our commitment to implementing risk management, Motus recognises the relationship as set out in the risk management and the combined assurance frameworks. The combined assurance framework is intended to ensure that Motus employs a co-ordinated effort in the governance and management of risks throughout the organisation and provides comfort on the management of the key significant risks to the relevant stakeholders.

The board, with the assistance of management and the ARC, recognises the key role of integrated risk management in the strategy, performance and sustainability of the Group.

The process of overseeing risk and ensuring that it is within acceptable parameters is delegated to management, who continuously identify, assess, mitigate and manage risks within the existing or future operating environment and ensure that the appropriate controls are in place to mitigate these risks.

Read more in the managing our risks and opportunities section from page 62.

Technology, information and innovation

The board, through the ARC, oversees the governance of IT. Technology and information, as well as ongoing investment in the Group's innovation strategy, are of key importance to the achievement of the Group's strategy and support longer-term value creation.

The Group has board-approved IT governance and information management policies, standards and procedures in place and a consolidated Group IT report, which includes governance, cyber risks and incidents, as well as IT audit issues, is distributed quarterly to the ARC. The Motus IT strategy and governance are formulated by Group IT and executed by individual business segments. Group IT oversees the adherence of business segments to Group policies and standards.

The Motus IT strategy is guided by strategic principles that allow our employees to act quickly by empowering them to make strategically consistent choices.

Read more about our innovation strategy and focus areas in our innovation and digitisation review from page 42.

Read more about how we govern data in our ESG report online.

Conflict of interest

Conflict of interest is regulated in accordance with the provisions of the Companies Act and other internal governance frameworks. The directors' register of interests is shared with directors on a quarterly basis before every board meeting to allow directors sufficient time to consider it and confirm its accuracy and/or to amend where necessary. Declaration of interest is a standing item on the board and committees' agenda to ensure that declarations relating to the business of the meeting or lack thereof are recorded.

Share trading and dealing in securities

No director or employee with inside information about the Group may deal, directly or indirectly, in Motus' securities, which include dealings in the Group's share incentive schemes. Motus' standard closed periods are from 1 January to the date of the announcement of interim results and 1 July to the date of the announcement of full-year results. In addition, the Group has adopted a policy that requires directors, executives, the Company Secretary, and directors of major subsidiaries to obtain permission from designated individuals before trading in the Group's securities. No infringements were reported during the year.

Governance report (continued)

Board sub-committees

The board has constituted a number of sub-committees, including statutory committees, which operate within formally adopted terms of reference. Each committee has a formal term of reference, approved by the board, detailing its duties and responsibilities and has a minimum of three members to ensure sufficient capability and capacity to function effectively.

Sub-committees of the board are constituted with formal terms of reference which determine, inter alia, the constitution, purpose, powers and authority of the committee, its governance, the scope of its mandate and its relationship to the board in accordance with King IV, Companies Act and JSE Listings Requirements, where applicable. Board sub-committees are generally constituted with powers of recommendation unless specified in a board resolution, board charter, or legislation.

Any member of the board is entitled to attend any committee meeting as an observer and management may attend but are not allowed to vote on any matter considered by the committee to which they are invited.

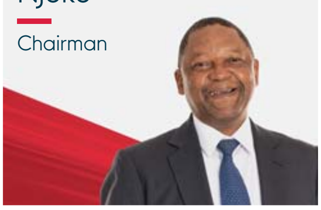
The performance of each committee is regularly assessed in accordance with their terms of reference. No instances of non-compliance were noted.

The following section outlines the board sub-committees, their responsibilities, and memberships in the period under review.

Social, Ethics and Sustainability (SES) Committee

Johnson (JJ) Njeke

Chairman



Responsibility

The role of the SES Committee is set out in the Companies Act and its terms of reference. In addition, this committee will play a more significant role in shaping the Group's approach to ESG matters. The committee's mandate includes monitoring:

- Socio-economic activity, including the Group's standing in terms of the goals and purposes of the 10 UN Global Compact principles, the Organisation for Economic Cooperation and Development recommendations regarding corruption, the Employment Equity Act, and the B-BBEE Act.
- Good corporate citizenship, including the Group's promotion of equality, prevention of unfair discrimination and corruption, and contribution to the development of the communities in which it operates or within which its products or services are marketed and where it undertakes sponsorship, donations and charitable giving.
- The environment, health and public safety, including the impact of the Group's activities, products and services.
- Consumer relationships, including the Group's advertising, public relations and compliance with consumer protection laws.
- Labour and employment, including the Group's standing in terms of the International Labour Organization Protocol on decent work and working conditions, as well as its employment relationships and contribution towards the training and development of its employees.
- Broader commercial and economic dynamics that may impact the sustainability of Motus' businesses, including innovation and disruption and our strategy, the Motus brand and risk management thereof, as well as the appropriateness of investment in technology.

Transformation and ESG matters remain key focus areas and the committee will continue to guide the Group to achieve its goal of increasingly reflecting the diversity of South Africa and meeting its ESG objectives.

Membership

The committee comprised three non-executive directors, and one executive director, with permanent invitees being members of management. It is chaired by an independent non-executive director.

Members	Attendance	Standing invitees
Chairman: MJN Njeke	4/4	KA Cassel
Members:		B Cohen
OS Arbee	4/4	B Francis
F Roji	3/3*	OJ Janse van Rensburg
A Tugendhaft	4/4	B Makhubedu
OJ Janse van Rensburg	1/1*	M Seroke
KA Cassel	1/1*	

* *For detail of changes to committee membership, refer to board changes on page 140.*

Performance

During the year, the committee discharged its regular statutory duties through the monitoring of activities relating to the following:

- Compliance with Companies Act and its regulations.
- Compliance with the principles of King IV.
- Feedback from independent service providers managing our whistle-blowing hotline.
- Motus' sustainability commitments.
- B-BBEE requirements as described in the dtic combined generic scorecard (excluding ownership targets) and associated codes of good practice.
- Transformation commitments, as described in the Group's transformation strategy and business segment specific B-BBEE plans.
- Environmental commitments, as described by the Group's environmental policy framework.
- Occupational health and safety.
- Socio-economic development commitments.
- Review of its terms of reference.
- Various business divisions presented to the SES Committee on their innovation, brand positioning and reputation as well as key green investment initiatives. This is management's way of demonstrating the sustainability of these divisions to the board. The following divisions made presentations to the committee: Retail and Rental; IT and Innovation; Hyundai and Aftermarket Parts.
- Motus' Code of Ethics and corporate values.

For more detailed information, refer to our ESG report online.

Our approach to managing climate-related risks

The Group considers its climate-related risks in alignment with the recommendations formulated by the TCFD.

The board is ultimately responsible for climate-related issues and the SES Committee assesses the identified climate-related risks and opportunities and the effectiveness of the management thereof. Aligned to the TCFD recommendations, the SES Committee receives a quarterly risk assessment on our climate-related risks, which includes risk impacts, our responses and relevant key performance indicators. The Group's risk assessment process considers strategic, business and operational risks. Group-level risks are reported to ARC. The board delegates the responsibility for managing ESG issues to executive management who are tasked with monitoring the integration of ESG into daily business practices.

We have increased our investment in green installations, incorporated carbon taxes into our tax compliance function, updated our risk management framework to include transition and reputation risks related to climate change, and reported against the TCFD for the first time in our ESG report (available online).

Governing environmental impacts

Audit and Risk Committee (ARC)

Saleh Mayet

Chairman

Responsibility

The board has combined the functions of audit and risk into a single committee to ensure that there is co-ordination in respect of the evaluation and reporting of risks, and the internal and external audit processes for the Group, considering the significant risks, the adequacy and functioning of the Group's internal controls and the integrity of its financial reporting.

The committee's mandate can be summarised as follows:

In its role as the Audit Committee

- Recommends to the board the appointment of the external auditors.
- Responsible for recommending the appointment of the external auditor and to oversee the external audit process.
- Oversees Internal Audit and approving internal and external audit plans and reviews quarterly internal control and risk reports.
- Considers liquidity and solvency of the Group and recommends dividend pay-outs from time to time.
- Reviews levels of authority for the Group and ensures that adequate insurance is in place.
- Establishes an annual work plan to ensure that all relevant matters are covered in the agenda and aligned to its terms of reference.
- Reviews the expertise, resources and experience of the company's finance function annually, and disclose the results in the integrated report.
- Defines and approves the policy for non-audit services provided by the external auditor.
- Pre-approves contracts for non-audit services to be rendered by the external auditor.
- Prepares a report for inclusion in the audited consolidated and separate annual financial statements describing the activities of the ARC, whether the committee is satisfied that the auditor was independent, and commenting on the financial statements, the accounting practices and the internal financial controls of the company.
- Oversees integrated reporting and recommending the integrated report to the board for approval.
- Making submissions to the board on any matter concerning the company's accounting policies, financial controls, records and reporting.
- Reviews significant cases of employee conflicts of interest, misconduct or fraud.
- Annually considers the suitability of the Group CFO or equivalent appointee as well as the overall finance team's competence and performance.
- Reviews significant transactions not directly related to the company's normal business and ensures that a combined assurance model is applied.
- Monitors the performance and functioning of divisional finance and risk review committees and monitoring compliance with relevant laws and regulations and obtains regular updates from management and the company's legal counsel.
- Prepares a statement complying with regulatory requirements and King IV, for inclusion in the consolidated and separate annual financial statements.
- Performs such other oversight functions as may be determined by the board from time to time.

In its role as the Risk Committee

- Ensuring that the company has implemented an effective policy and plan for risk management that will enhance the company's ability to achieve its strategic objectives.
- Overseeing the development and annual review of a policy and plan for risk management to recommend for approval to the board.
- Monitoring implementation of the policy and plan for risk management by means of risk management systems and processes.
- Overseeing that the risk management plan is widely disseminated throughout the company and integrated into the day-to-day activities of the company.
- Ensuring that frameworks and methodologies are implemented to increase the possibility of anticipating unpredictable risks.
- Making recommendations to the board concerning the levels of risk tolerance and appetite and monitoring those risks to ensure that they are managed within the levels of tolerance and appetite as approved by the board.
- Expressing the committee's formal opinion to the board on the effectiveness of the system and process of risk management.

Membership

The committee comprised three non-executive directors, with permanent invitees being members of management and representatives from the external auditors. It is chaired by an independent non-executive director.

Members	Attendance	Standing invitees	
Chairman: S Mayet	5/5	OS Arbee	R Louw
Members:		N Bell	B Makhubedu
NB Duker	4/5	KA Cassel	U Singh
MJN Njeke	1/1*	B Francis	K Volschenk
F Roji	4/4*	OJ Janse van Rensburg	External audit representatives

* *For detail of changes to committee membership, refer to board changes on page 140.*

Performance

During the year, the committee discharged its duties to monitor activities relating to the following:
- Safeguarding of assets and investments.
- Ensuring the operationalisation of adequate systems and controls.
- Reviewing of financial information and preparation of audited consolidated and separate annual financial statements.
- Considered the Group's solvency, liquidity and working capital before recommending to the board for approval.
- Communicating and overseeing the processes, models and frameworks for managing risk across the Group.
- Monitored its performance against the terms of reference to ensure compliance thereof.
- Managed the process to change the external audit firm to comply with IRBA's 2017 ruling on mandatory audit firm rotation and made recommendations to the board for approval. The change in the audit firm was also confirmed with the JSE in accordance with its requirements.
- Managing the Group's combined assurance approach.
- Oversight of IT governance and strategy.
- The board has satisfied itself that the CFO, Mr. OJ Janse van Rensburg, has the appropriate qualifications, expertise and experience to fulfil his duties. In addition, the board has satisfied itself that the composition, expertise and skill set of the finance function are appropriate.
- The ARC has satisfied itself in terms of paragraph 3.84(g) of the JSE Listings Requirements, that the Group has the appropriate financial reporting procedures.

For more detailed information, refer to the audit and risk report in the audited consolidated and separate annual financial statements, available online, and our ESG report online.

Asset and Liability Committee (ALCO)

Graham Dempster

Chairman

Responsibility

ALCO is responsible for implementing best practice asset and liability risk management policies. Its primary objective is to manage the liquidity, debt levels, interest rate and foreign exchange rate risk of the Group within an acceptable risk profile. Its mandate can be summarised as follows, to:

- Review its terms of reference annually.
- Consider topics as defined by the board from time to time and investigate any activity, which the committee, in its sole discretion, considers falling within its scope.
- Review compliance with legal, statutory and regulatory matters relevant to its duties.
- Oversee the implementation of an effective process for managing the Group's interest rate, liquidity, currency and similar market risks relating to the Group's balance sheet and associate activities, including the adoption from time to time of policies, risk limits and capital levels.
- Ensure the development, implementation and regular review of an appropriate Financial Risk Policy for the Group.
- Provide guidance and recommendations in terms of level of authority for potential investments and acquisitions.

Membership

The committee comprised three non-executive directors, with permanent invitees being members of management. It is chaired by the Chairman of the board.

Members	Attendance	Standing invitees
Chairman: GW Dempster	4/4	OS Arbee
Members:		OJ Janse van Rensburg
PJS Crouse	3/4	B Makhubedu
S Mayet	4/4	S Pillay
		K Volschenk

For detail of changes to committee membership, refer to board changes on page 140.

Performance

During the year, the committee discharged its statutory duties to monitor activities relating to the following:

- Ensure effective management of liquidity risk through appropriate access to sources of funding on a timeous and cost-effective basis.
- Assess the debt profile of the Group and deploy appropriate strategies including interest rate derivatives, to manage interest rate risk.
- Monitor the impact of the risk of a credit rating downgrade of the sovereign rating by rating agencies and mitigate this to the extent possible.
- Ensure the appropriate allocation of capital across the Group and measure returns using WACC and ROIC to adequately fund business activity.
- Considered and recommended certain significant and strategic acquisitions to the board for approval and also reviews the Group's liquidity and solvency.
- Foreign exchange management through appropriate forward cover and hedging mechanisms is in place.

Nomination Committee (NomCo)

Graham Dempster

Chairman

Responsibility

NomCo assists the board with the nomination, election and appointment of directors in accordance with board policies and the succession strategy. The committee is also responsible for executive succession. The mandate of the committee can be summarised as follows:

- Follow a formal process for the appointment and re-election of directors, including identification of suitable individuals to serve on the board and assessment of the collective knowledge, skills, experience and diversity required by the board and whether the candidate meets the criteria.
- Oversee the development of a formal induction programme for new directors and the succession of senior executives.
- Oversee the development and implementation of continuing professional development programmes for directors.
- Ensure that directors receive regular briefings on changes in risks, laws and the environment in which the company operates.
- Consider the performance of directors and take appropriate remedial steps where directors are not fulfilling their responsibilities.

Membership

The committee comprised three non-executive directors, with permanent invitees being members of management. It is chaired by the Chairman of the board.

Members	Attendance	Standing invitees
Chairman: GW Dempster	4/4	OS Arbee
Members:		OJ Janse van Rensburg
MJN Njeke	4/4	
A Tugendhaft	4/4	

For detail of changes to committee membership, refer to board changes on page 140.

Performance

During the year, the committee discharged its statutory duties to monitor activities relating to the following:

- Identified candidates to fill vacancies on the board, interviewing and recommending appropriately skilled individuals for appointment by the board and shareholders.
- Reviewed formal succession plans for the board, CEO and senior management appointments.
- Newly appointed director was formally inducted to ensure that she understands the operations of the company and its management.
- Directors, through the ARC and SES Committees and during the reports of various committees as well as the strategy session, received regular briefings on changes in risks, laws and the environment in which the company operates.
- Has considered the performance of directors and so far, a need to take appropriate remedial steps where directors are not fulfilling their responsibilities has not arisen yet.

Remuneration Committee (RemCo)

Responsibility

RemCo advises and guides the board on director remuneration, setting and implementing the remuneration policy, approval of the general composition of remuneration packages, and criteria for executive bonus and incentive rewards and administration of share-based incentive schemes.

Johnson (JJ) Njeke

Chairman

Membership

The committee comprised three non-executive directors, with standing invitees being members of management. It is chaired by an independent non-executive director.

Members	Attendance	Standing invitees
Chairman: MJN Njeke	4/4*	OS Arbee
Members:		OJ Janse van Rensburg
GW Dempster	4/4	
A Tugendhaft	4/4*	

* *For detail of changes to committee membership, refer to board changes on page 140.*

Performance

During the year, the committee undertook various activities in accordance with its terms of reference and its performance can be summarised as follows:

- RemCo regularly benchmarks the remuneration packages of the non-executive directors, executive directors and senior management.
- RemCo also considered and approved:
  - The general composition of executive remuneration packages.
  - The key performance criteria for short-term incentive (STI) and long-term incentive (LTI) awards, including the composition of the peer group.
  - Salary increases, STI and LTI awards made to executive management in accordance with set performance criteria.
  - Minimum shares to be held by executive directors and prescribed officers.
  - The remuneration of non-executive and executive directors, prescribed officers and business unit leaders.

Full details of RemCo's performance are set out in the remuneration report from page 152.

JJ Njeke

Remuneration Committee Chairman

Reward philosophy:

The Motus remuneration policy is formulated to attract and retain high-calibre executives and motivate them to develop and implement the Group's strategy to optimise long-term shareholder value.

Remuneration report

This report comprises four sections

Section 1 – Statement from the Remuneration Committee Chairman

page 153.

Section 2 – Remuneration governance

page 154.

Section 3 – Remuneration policy

page 155.

Section 4 – Implementation of remuneration policy

page 164.

Section 1 Statement from the Remuneration Committee Chairman

On behalf of the Remuneration Committee (RemCo), I am pleased to present my first remuneration report, which sets out the remuneration governance, setting of policies, determining remuneration and its implementation for the financial year.

I would like to thank Mr. GW Dempster and Mr. A Tugendhaft, for their insightful contribution that allows RemCo to perform its duties effectively and efficiently.

Background statement

RemCo welcome and consider the views of shareholders in our deliberations, which begins with ensuring that our disclosures relating to executive remuneration is transparent. We are careful not to depart from the expectations set by the performance criteria, even when factors outside our control stifle or enhance performance. We believe the remuneration policies in place appropriately incentivise long-term strategic decision-making that serves sustainable value creation. Throughout the Group, we attempt to compensate individuals fairly for a specific role, with due regard to their skills, areas in which they operate and their specific performance.

At the 2021 AGM, 98% of shareholders voted in favour of both the Group's remuneration policy and of its implementation. As a result of our ongoing interactions with shareholders, we continuously implement changes, which relate to the remuneration policy and enhance the disclosures in the implementation report.

Key focus areas

The Group regularly benchmarks the remuneration packages of the non-executive directors, executive directors, and senior staff members with the assistance of independent remuneration specialists. A detailed benchmarking exercise was performed in the prior year. The review included: total guaranteed pay (TGP), short-term incentives (STIs), long-term incentives (LTIs), key performance criteria and the constituents of the peer group. Findings confirmed that the respective remuneration packages are aligned to the market and the remuneration mix has a higher proportion of variable pay, which supports the Group's pay-for-performance reward philosophy.

RemCo have approved the following, which is consistent with prior years:
- The general composition of executive remuneration packages.
- The key performance criteria for STI and LTI awards, including the composition of the peer group.
- Salary increases, STI, and LTI awards made to executive management in accordance with set performance criteria.
- Minimum shares to be held by executive directors and prescribed officers.
- The remuneration of non-executive and executive directors, prescribed officers and business unit leaders.

Shareholder engagement and changes to remuneration policy and disclosure

In keeping with the recommended practices of King IV, both the remuneration policy and its implementation will be tabled for shareholder approval by separate non-binding advisory votes at the AGM on 2 November 2022. RemCo and the board will continue to consider the views expressed by shareholders and we remain deeply committed to sound governance, responsible decision-making and transparency on executive compensation.

Should 25% or more of the voting rights exercised at the 2022 AGM be voted against the remuneration policy and/or its implementation, the board will in good faith commence engaging with shareholders to ascertain the reasons and take steps to address their valid objections and concerns raised, which may include amending the remuneration policy or clarifying or adjusting remuneration governance and/or processes.

The board will also disclose the steps taken to address any concerns that may be raised.

The committee will continue to provide guidance to the board on director and prescribed officer remuneration, and ensure that the remuneration policy and its implementation are in line with the Group's remuneration philosophy.

JJ Njeke
RemCo Chairman

26 September 2022

Section 2 Remuneration governance

Remuneration Committee

Committee Chairman

The committee is chaired by Mr. MJN Njeke, an independent non-executive director. Mr. MJN Njeke, was appointed as Chairman of RemCo from 3 November 2021, when Mr. A Tugendhaft stepped down as Chairman while remaining a member of RemCo.

Role of the committee

RemCo advises and guides the board on the following:

- Accurate and transparent disclosure of directors' remuneration.
- The establishment and implementation of remuneration policies for non-executive directors, executive directors, and other executives, to ensure fair and responsible remuneration.
- Approval of the general composition of remuneration packages for executive directors and prescribed officers, including increases, criteria for STI and LTI incentives, benchmarked against the appropriate peer group.
- Remuneration increases to non-executive directors' fees to be proposed for shareholder approval.
- Material changes to the Group pension and provident funds, and medical aid schemes where appropriate.
- The administration of share-based incentive schemes.
- Ad hoc advice on remuneration and related issues impacting the Group's executives.

The NomCo and RemCo consider succession plans regularly for executives and non-executive directors and senior management. This process includes:

- The identification of current incumbents in key positions.
- An assessment of how long the current incumbent is expected to remain in the position.
- Identification of candidates that are vulnerable due to age, health, or attractiveness to competitors.
- Identification of potential short-term and long-term successors, both internally and externally.
- Positioning and development of potential successors.

Committee membership

All members are non-executive directors, and the majority are independent. Mr. A Tugendhaft, who is a non-executive director, is not classified as independent in terms of King IV, as his firm, TWB, provides legal services to the Group. Mr. A Tugendhaft, however, provides continuity and guidance on account of his seniority and longstanding RemCo membership.

The Group CEO and CFO attend RemCo meetings by invitation and assist the committee in its deliberations, except when their own remuneration and performance are discussed. No director can decide his or her own remuneration.

Members	Attendance
Chairman: MJN Njeke[1]	**4/4**
Members:	
GW Dempster	**4/4**
A Tugendhaft[2]	**4/4**

[1] *Appointed as Chairman on 3 November 2021.*
[2] *Resigned as Chairman on 3 November 2021 and remains a member.*

Section 3 Remuneration policy

Reward philosophy

The remuneration policy is formulated to attract and retain high-calibre executives and motivate them to develop and implement the Group's strategy to optimise long-term shareholder value. It also aims to align the entrepreneurial ethos and long-term interests of senior managers and executives with those of shareholders. The company's pay mix has a higher proportion of variable pay, appropriate for the retail nature of the business and in line with the pay-for-performance reward philosophy.

Fair and responsible remuneration

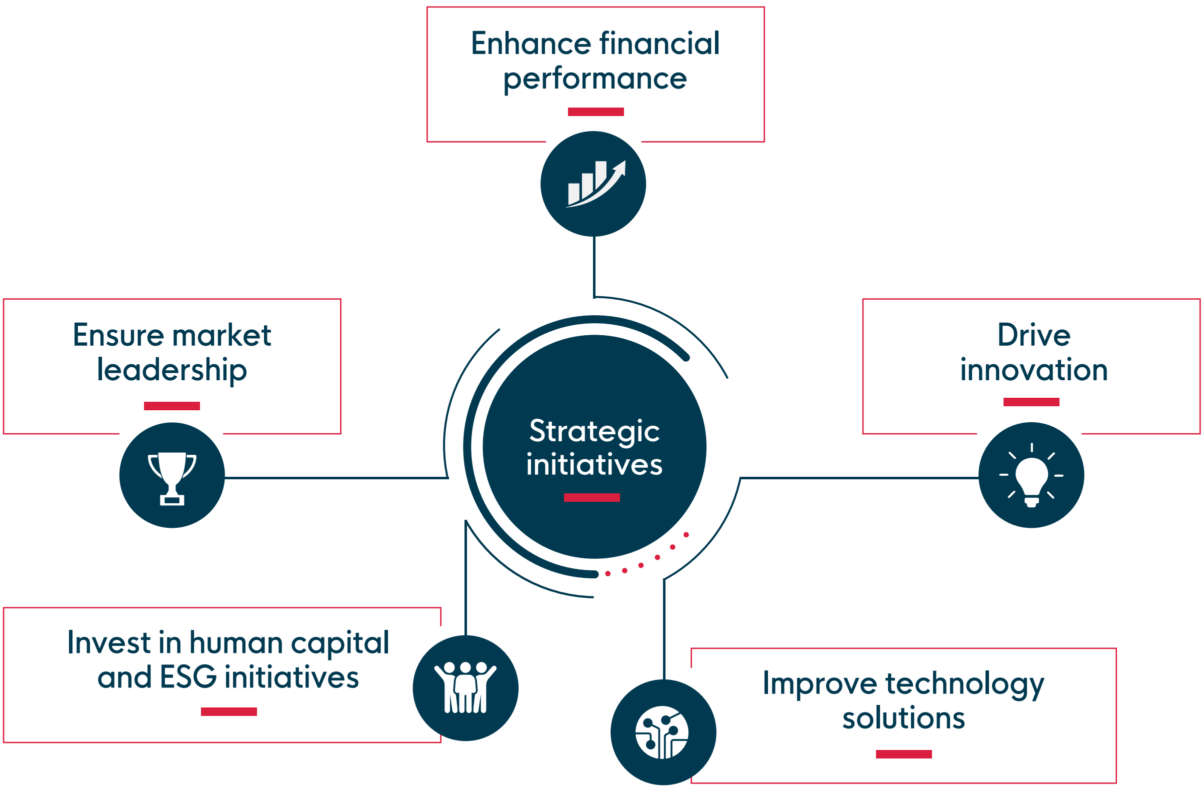
The remuneration policy is intended to conform to best practice. It is structured around the following key principles:

- Total rewards are set at levels that are responsible and competitive within the relevant market.
- Incentive-based rewards (STIs and LTIs) are capped and earned through the achievement of sustainability, growth and return targets that are consistent with shareholder interests over the short, medium and long term.
- Incentive plans, performance measures and targets are structured to remain sound throughout the business cycle.
- The design and implementation of STI and LTI schemes are prudent and do not expose shareholders to unreasonable financial risk.

Alignment to strategy

Our strategic focus is centred on deepening our competitiveness and relevance across the automotive value chain, by driving organic growth through optimisation and innovation, and leveraging existing capabilities and networks. Further selective expansion involves the introduction of additional brands and businesses in areas close to existing dealerships via bolt-on acquisitions locally and internationally, strategic acquisitions in the Aftermarket Parts business to enhance the supply chain, and bolt-on acquisitions of technology companies to enhance the Mobility Solutions business.

Our five strategic pillars include:



The individual's performance measurement criteria are aligned to the achievement of the Group's strategies.

Determination of performance incentives

Motus has various formal and informal frameworks for performance management that are directly linked either to increases in TGP and/or annual STIs. Performance management and assessment take place regularly throughout the Group, where company performance, personal achievement of key performance criteria, and delivery on key strategic imperatives are discussed.

	2022	2021
Total number of employees	17 283	16 708
Total compensation paid to employees (Rm)	7 307	6 606

Remuneration breakdown

The Group's employees are crucial to our success. Employee remuneration, particularly TGP, is a significant component of the Group's total operating costs. The remuneration policy seeks to attract and retain quality employees at all levels. Remuneration is structured to be competitive and relevant in the sectors in which the Group operates.

Salaried employees

Total guaranteed pay (TGP)	• TGP is monitored and benchmarked on an ongoing basis. • Remuneration levels consider industries, sectors and geographies from which skills are acquired or to which skills are likely to be lost, the general market and the market in which each business operates. • TGP and the mix of fixed and variable pay are designed to meet the industry standards, operational needs and strategic objectives of each business, based on stretch targets that are verifiable and relevant. • The structure of remuneration for unionised employees is driven by collective bargaining and sectoral determinations. • Adjustments to TGP levels are normally effective from 1 July each year. In unionised environments, collective bargaining arrangements may be implemented at other agreed times. • Annual increase parameters are set using guidance from Group budgeting processes, market movements, individual performance, the performance of the division and/or company and other relevant factors. • Increases above inflation depend on divisional or departmental and individual performance.
Short-term incentive (STI)	Divisions pay STIs aligned to industry best practice. In all cases, incentives depend on the performance of the individual and business in which they are employed. Performance criteria are set for each individual, depending on the requirements of the job.
Long-term incentive (LTI)	Senior management qualify for LTIs.
Other benefits	Company car, travel allowances, pension and provident fund, and medical aid.

Reduction or forfeiture of share scheme awards (malus and clawback)

Share scheme awards are subject to reduction or forfeiture (in whole or in part) if:
- There is reasonable evidence of fraud or material error by a participant; or
- The financial performance of the Group or the relevant business unit for any financial year in respect of which an award is based have subsequently appeared to be materially inaccurate; or
- The Group or the relevant business unit suffers a material downturn in its financial performance, for which the participant can be held responsible; or
- Resignation or dismissal on grounds of misconduct, poor performance or proven dishonest or fraudulent conduct (whether such cessation occurs as a result of notice given by the employee or otherwise or if he/she resigns to avoid dismissal on grounds of misconduct, poor performance or proven dishonest or fraudulent conduct) before the vesting date, all share appreciation rights, conditional awards and all matching awards will lapse, unless RemCo determines otherwise.

Vesting of any awards may be postponed while there is an ongoing investigation or other procedure underway, to determine whether the forfeiture provisions apply in respect of a participant, or if further investigation is warranted.

Retirement, retrenchment, death, ill health, disability or other reasons for cessation of employment

If a participant ceases to be an employee due to retirement at normal retirement age, the unvested Share Appreciation Rights (SARs) and Conditional Share Plans (CSPs) will remain subject to the performance criteria and will vest on the normal vesting date.

If a participant ceases to be an employee due to retrenchment, death, ill health, disability, or reasons other than resignation or dismissal, the board will by written notice to the participant or the executor of the deceased estate permit a pro rata portion of the unvested SARs and CSPs to vest on the date of cessation of employment.

The pro rata portion of the SARs and CSPs that vest will, unless the board determines otherwise, reflect the number of months served since the date of grant and the extent to which the performance conditions have been satisfied. The balance of the unvested shares not permitted to be exercised or matched will lapse.

Treasury shares to hedge against share scheme obligations

The Group buys back shares to limit its exposure to deliver shares in terms of share-based LTI schemes. These shares are held in treasury for that purpose.

Retirement schemes

Executives participate in contributory retirement schemes, which include pension and provident funds. Executive retirement is governed by their retirement scheme rules, subject to the Group's need to enter into fixed-term contracts to extend the services of any executive within certain prescribed limits.

NomCo governs the succession policy and plans, external appointments and directors' service contracts covered below. These items are included in the report as both the NomCo and RemCo are relevant decision-makers on these matters.

External appointments

Executives are not permitted to hold external directorships or offices without the approval of the board.

Directors' service contracts

Directors' contracts can be terminated by providing between three- and six-months' notice.

Directors' appointments are made in terms of the company's MOI and are initially confirmed at the first AGM of shareholders following their appointment, and thereafter by rotation.

Remuneration report (continued)

Minimum shareholding requirements (MSR)

To ensure alignment between executives and shareholders, and on the recommendation of management, the Group adopted an MSR for executive directors and prescribed officers.

Each executive's MSR target is determined using the executive's TGP after tax. The target must be achieved within five years from 1 July 2019 (or from the joining date for new appointees), unless otherwise determined by RemCo considering market conditions and related factors. It is not the intention of the scheme to compel executives to incur debt to acquire Motus shares but rather that executives should retain shares acquired through the operation of share incentive schemes up to the MSR target.

Compliance with the MSR will be measured annually and executives subject to MSR will have to declare the extent of their personal shareholdings in the company at each year-end or as and when directed by the company. RemCo will assess compliance with the MSR before making future discretionary LTI awards.

MSR targets are set as follows:

	MSR target	Required achievement date	MSR achievement
CEO	1,5 times post-tax annual fixed remuneration	30 June 2024	Achieved in 2019
CFO	1,25 times post-tax annual fixed remuneration	30 June 2024	Achieved in 2019
Executive directors and prescribed officers	1 times post-tax annual fixed remuneration		
Kerry Cassel		30 June 2024	On track to achieve target by 30 June 2023
Niall Lynch		30 June 2024	Achieved in 2019
Corné Venter		30 June 2024	On track to achieve target by 30 June 2023
Ntando Simelane		30 June 2026	On track to achieve target by 30 June 2026

Non-executive directors' fees

RemCo reviews and recommends to the board the fees payable to non-executive directors. The board in turn makes recommendations to shareholders after considering the fees paid by comparable companies, responsibilities of the non-executive directors and considerations relating to the retention and attraction of high-calibre individuals. RemCo has decided to maintain a structure where directors' fees are not split between membership and attendance fees. We believe that the efforts and contribution of non-executive directors go well beyond their attendance at formal board or sub-committee meetings, and the Group has not had significant instances of non-attendance of meetings.

Executive directors, prescribed officers and senior business executives (executives)

Executives are responsible for leading others and making significant decisions about the short- and long-term operation of the business, its assets, funders and employees. They require specific skills and experience and are held to a higher level of accountability.

Elements of executive remuneration

Executive remuneration comprises the following:

1. Total guaranteed pay
2. Short-term incentive (STI) (annual)
3. Long-term incentive (LTI) through the share scheme.

RemCo seeks to ensure an appropriate balance between the fixed and performance-related elements of executive remuneration, and between those aspects of the package linked to short-term performance and those linked to longer-term shareholder value creation.

The Group's general philosophy for executive remuneration is that the performance-based pay of executives and senior managers should form a significant portion of their expected total compensation. There should also be an appropriate balance between rewarding operational performance (through annual incentives) and rewarding long-term sustainable performance (through long-term share-based incentives). Since Motus operates in the Retail sector, STIs are critical to incentivise divisional CEOs and senior team members to achieve annual targets.

Total guaranteed pay (TGP)

TGP is fixed remuneration including benefits but excluding STIs. The TGP of each executive is based on roles in similar companies, which are comparable in terms of size, market sector, business complexity and international scope. When determining fixed remuneration, the factors relating to divisional performance, individual performance and changes in responsibilities are considered.

Executives are entitled to vehicle benefits, pension and/or provident fund contributions, medical insurance, and death and disability insurance. These benefits are considered to be market related for executives.

Short-term incentive (STI)

All executives are eligible to receive a performance related STI. The incentive is non-contractual and not pensionable. RemCo reviews incentives annually and determines the level of each incentive payment based on performance criteria set at the beginning of the performance period.

RemCo sets the minimum performance targets at which annual STIs become payable and the targets at which the maximum incentive is paid. STIs are capped at maximum levels as a percentage of TGP. RemCo has the discretionary authority to adjust payments (up or down) in exceptional circumstances.

	Maximum STI as % of TGP
CEO and CFO	150
Executive director	100
Other participants	30 to 100

The annual STI criteria for executive directors and prescribed officers include the following. Criteria are adjusted annually or on an ad hoc basis when individual's responsibilities are amended.

Annual STI criteria for the 2023 financial year

The CEO and CFO's 2023 STI criteria will include:

	Maximum STI as % of TGP
Achieve targeted Group operating profit	35
Achieve targeted Group profit before tax (PBT)	35
Achieve targeted average debt to EBITDA	30
Strategy execution	15
– Consolidating dealership footprint, including multi-franchising	
– Investment in IT and innovation	
– Strategic acquisitions	
Achieve ESG targets	25
– Environmental: achieve fuel, electricity and water targets; invest in projects such as solar panels, electricity-saving equipment and water recycling on all new and refurbished buildings	
– Social: achieve employment equity targets (including gender) for top, senior and middle management; impactful CSI projects in communities	
– Governance: implement all the legislation changes impacting the business	
Individual performance:	10
– This component enables RemCo to set individual performance targets and assess these in circumstances that could not be foreseen at the start of the period or are not in the control of a particular executive	
Maximum as a percentage of TGP	**150**

The 2023 STI criteria for the executive director will include:

	Maximum STI as % of TGP
Achieve targeted Group operating profit	25
Achieve divisional PBT target	35
Strategy execution	10
– Successful execution of internal IT projects and innovation	
– Expansion of technology product offerings	
Achieve ESG targets	20
– Environmental: achieve fuel, electricity and water targets	
– Social: achieve employment equity targets (including gender) for senior, middle and junior management; impactful CSI projects in communities	
– Governance: implement all the legislation changes impacting the business and prepare the business for new legislation	
Individual performance:	10
– This component enables RemCo to set individual performance targets and assess these in circumstances that could not be foreseen at the start of the period or are not in the control of a particular executive	
Maximum as a percentage of TGP	**100**

The 2023 STI criteria for the prescribed officers will include:

	Maximum STI as % of TGP
Achieve Group operating profit target	15
Achieve divisional operating profit target	30
Achieve cash management target	10
Achieve ESG targets	25
– Environmental: achieve fuel, electricity and water targets; invest in projects such as solar panels, electricity-saving equipment and water recycling on all new and refurbished buildings	
– Social: achieve employment equity targets (including gender) for senior, middle and junior management; impactful CSI projects in communities	
– Governance: implement all the legislation changes impacting the business	
Market share/specific projects/strategy execution	10
Individual performance:	10
– This component enables RemCo to set individual performance targets and assess these in circumstances that could not be foreseen at the start of the period or are not in the control of a particular executive	
Maximum as a percentage of TGP	100

The 2023 STI criteria for the Company Secretary and Head of Legal Counsel will include:

	Maximum STI as % of TGP
Achieve targeted Group operating profit	16
Achieve ESG targets	16
– Environmental: achieve fuel, electricity and water targets; invest in projects such as solar panels, electricity-saving equipment and water recycling on all new and refurbished buildings	
– Social: achieve employment equity targets (including gender) for senior, middle and junior management; impactful CSI projects in communities	
– Governance: implement all the legislation changes impacting the business	
Specific projects (legal and governance projects)	26
Individual performance:	7
– This component enables RemCo to set individual performance targets and assess these in circumstances that could not be foreseen at the start of the period or are not in the control of a particular executive	
Maximum as a percentage of TGP	65

Long-term (LTI) schemes

Executive participation in LTI and retention schemes is based on criteria such as seniority, performance during the year and other retention drivers. Any senior employee with significant managerial or other responsibility, including any director holding salaried employment or office in the Group, is eligible to participate in LTI schemes. Non-executive directors may not be awarded rights in any of the incentive schemes.

Since 1 July 2020, the Group only uses the CSP as an LTI scheme. The SARs scheme and Deferred Bonus Plan (DBP) were previously used and shares were allocated under these schemes, these schemes have been discontinued.

The quantum of CSPs allocated are calculated using a model developed by independent remuneration consultants, and is determined using the expected value of an allocation expressed as a percentage of TGP. The percentage allocated is determined based on retention considerations and the job grading of the participant.

Benchmark awards for CSPs	Maximum LTI award as % of TGP
CEO and CFO	100
Executive director	75
Other participants	30 to 50

The CSPs were issued at R109,74 per share and will vest in September 2025.The value of long-term share-based incentives is determined in the financial year of allocation using the binomial tree valuation methodology. This is based on several assumptions, which include the original award price, the expected rate of share price growth and the expected fulfilment of related performance conditions. The eventual gains from long-term share- based incentives will vary from year to year depending on vesting and exercise patterns, as well as the impact on share price performance and external factors such as market sentiment, interest rates and exchange rates.

Conditional share plan (CSP)

Employees receive grants of conditional awards and vesting is subject to performance conditions, as set out below. The performance conditions for the CSPs are based on performance targets set by RemCo at the time of issue.

	% of CSP awards
Growth in HEPS relative to the growth in HEPS of a selected peer group of JSE-listed companies	25
ROIC in excess of WACC plus 3%*	25
Achieve cash flow target	25
Individual performance	25

* *Previously ROIC in excess of WACC plus 1%.*

The extent to which each performance condition has been met is determined on the vesting date as follows:

HEPS growth over the performance period	% of CSP awards
If the HEPS growth of the company is below the lower quartile of the peer group	0
If the HEPS growth of the company is equal to the lower quartile of the peer group	30
If the HEPS growth of the company is equal to or above the upper quartile of the peer group	100

Linear vesting occurs between the 30% and 100% range, depending on the company's performance relative to the peer group if HEPS growth falls in the second or third quartile.

ROIC	% of CSP awards
If the average ROIC of the company over the performance period is lower than the average WACC plus 1% of the company over the performance period	0
If the average ROIC of the company over the performance period is equal to or in excess of the average WACC plus 1% of the company over the performance period	50
If the average ROIC of the company over the performance period is equal to or in excess of 3% of WACC	100

Linear vesting occurs between the 50% and 100% range.

Cash flow target	% of CSP awards
Average debt: EBITDA < 2,35 times	25

Individual performance	% of CSP awards
This component enables RemCo to set individual performance targets and assess these in circumstances that could not be foreseen at the start of the period or are not in the control of a particular executive	25

Remuneration report (continued)

Section 4 Implementation of remuneration policy

Share scheme allocations

A total of 4 165 918 SARs remain unexercised in terms of the SARs scheme at an average price of R76,12 per share. A total of 4 221 217 CSPs have been allocated and remain unvested.

Annual share scheme allocations

The Group has awarded annual allocations of CSPs during September 2022 according to the allocation benchmarks in the remuneration policy.

The peer group of JSE-listed companies was selected based on a report prepared by independent remuneration consultants and considers comparative metrics including revenue, number of employees, industry and complexity.

Current peer group	Sector
Barloworld Limited	Industrials
Bidvest Limited	Industrials
Clicks Group Limited	Consumer services
Combined Motor Holdings Limited	Consumer services
KAP Industrial Holdings Limited	Industrials
Massmart Holdings Limited	Consumer services
Mr Price Group Limited	Consumer services
Multichoice Group Limited	Consumer services
Pepkor Holdings Limited	Consumer goods
Pick n Pay Stores Limited	Consumer services
RCL Foods Limited	Consumer services
Super Group Limited	Industrials
The Spar Group Limited	Consumer services
Tiger Brands Limited	Consumer goods
Woolworths Holdings Limited	Consumer services

Proposed non-executive directors' fees for 2023 and 2024

At the AGM to be held on 2 November 2022, shareholders will be asked to approve the following non-executive directors' remuneration by special resolution in terms of section 66(9) of the Companies Act, granting authority to pay fees for services as directors, which will be valid with effect from the date of the AGM until 30 June 2024.

The proposed increase in fees for the 2023 financial year is 5% and the 2024 financial year is 6% for the board and all its sub-committees.

The table below provides a breakdown per committee for the year ended 30 June 2022, as well as proposed fees for the years ended 30 June 2023 and 30 June 2024:

	Actual fee from 1 July 2021 to 30 June 2022	Proposed fee from 1 July 2022 to 30 June 2023	Proposed fee from 1 July 2023 to 30 June 2024
Chairman*	**R1 053 730**	R1 106 420	R1 172 805
Deputy Chairman*	**R526 870**	R553 215	R586 408
Board member	**R301 340**	R316 410	R335 395
Asset and Liability Committee Chairman*	**R192 069**	R201 675	R213 776
Asset and Liability Committee member	**R127 870**	R134 265	R142 321
Audit and Risk Committee Chairman*	**R397 940**	R417 840	R442 910
Audit and Risk Committee member	**R198 970**	R208 920	R221 455
Remuneration Committee Chairman*	**R143 790**	R150 980	R160 039
Remuneration Committee member	**R95 510**	R100 285	R106 302
Nomination Committee Chairman*	**R107 840**	R113 230	R120 024
Nomination Committee member	**R71 628**	R75 210	R79 723
Social, Ethics and Sustainability Committee Chairman*	**R192 600**	R202 230	R214 364
Social, Ethics and Sustainability Committee member	**R127 870**	R134 265	R142 321

** Fee paid in addition to a member's fee.*

In determining the proposed fees, cognisance was taken of market trends and the additional responsibilities of non-executive directors in terms of increased legal and governance requirements.

Executive directors receive no directors' or committee fees for their services as directors in addition to their normal remuneration as employees.

Non-executive directors' fees for 2022

The table below provides an analysis of the emoluments paid to non-executive directors for the year to 30 June 2022:

Non-executive directors	Directors' fees R'000	Sub-committee fees R'000	**2022 Total R'000**	2021 Total R'000
GW Dempster	1 356	595	**1 951**	1 857
PJS Crouse	301	128	**429**	250
NB Duker	301	199	**500**	285
P Langeni[1]	–	–	**–**	141
S Mayet	301	725	**1 026**	977
KR Moloko[2]	–	–	**–**	598
MJN Njeke[3]	301	633	**934**	1 023
F Roji[4]	251	272	**523**	–
A Tugendhaft[5]	829	343	**1 172**	1 207
Total	3 640	2 895	**6 535**	6 338

[1] Resigned from the board, NomCo and RemCo on 10 November 2020.
[2] Resigned from the board, ARC and SES Committee on 31 May 2021.
[3] Appointed to NomCo and RemCo on 15 September 2020. Resigned as a member of ALCO on 1 August 2021 and as a member of ARC on 1 September 2021. Appointed as the Chairman of RemCo on 3 November 2021.
[4] Appointed to the board, ARC and SES on 1 September 2021.
[5] Resigned as Chairman of RemCo on 3 November 2021 and remains a member.

Remuneration report (continued)

Executive remuneration

The executive directors and prescribed officers' remuneration include the TGP, STI, LTI.

Osman Arbee
Group CEO

2022 Remuneration

	2022 R'000	2021 R'000
Cash component	10 801	10 302
Retirement and medical contributions	529	469
Other benefits	386	386
Total guaranteed package	**11 716**	11 157
COVID-19 forfeiture	–	(557)
STI bonus	16 717	16 139
Total cash remuneration	**28 433**	26 739
Gains on exercise of LTI awards	19 694	4 682
Total remuneration realised	**48 127**	31 421

TGP

Osman's TGP was increased by 5% for inflation. The 2021 TGP was reduced by 20% for the three months to 30 September 2020 due to the COVID-19 crisis (R556 500). His TGP is R11 716 000 (2021: R10 600 000). The remuneration for this position was externally benchmarked in the prior year against companies with a similar size, complexity and geographic spread.

STI

Based on the computation (set out below) according to STI criteria set during July 2021 Osman achieved 95,3% of the criteria. An annual incentive of R16 716 700 was paid (2021: R16 138 500).

LTI

Based on the LTI criteria set during November 2018, Osman achieved 100% of the DBP criteria and 53% of the CSP criteria resulting in the vesting and exercise of LTI awards amounting to R19 694 444 (2021: R4 682 000).

Annual allocation of CSPs in line with LTI award benchmarks for executive directors to a value of R12 275 000 (2021: R11 690 000) were awarded in September 2022. The CSPs are subject to performance criteria set out above and will vest in 2025.

Ockert Janse van Rensburg
Group CFO

2022 Remuneration

	2022 R'000	2021 R'000
Cash component	**5 690**	5 245
Retirement and medical contributions	**416**	411
Other benefits	**178**	170
Total guaranteed package	**6 284**	5 826
COVID-19 forfeiture	**–**	(218)
STI bonus	**8 938**	8 410
Total cash remuneration	**15 222**	14 018
Gains on exercise of LTI awards	**11 432**	859
Total remuneration realised	**26 654**	14 877

TGP

Ockert's TGP was increased by 8% for inflation and additional responsibilities. The 2021 TGP reduced by 15% for the three months to 30 September 2020 due to the COVID-19 crisis (R217 500). His TGP is R6 284 000 (2021: R5 608 000). The remuneration for this position was externally benchmarked in the prior year against companies with a similar size, complexity and geographic spread.

STI

Based on the computation (set out below) according to STI criteria set during July 2021, Ockert achieved 95,3% of the criteria. An annual incentive of R8 937 500 was paid (2021: R8 410 000).

LTI

Based on the LTI criteria set during November 2018, Ockert achieved 100% of the DBP criteria and 53% of the CSP criteria, and also exercised SARs that vested during 2015 and 2017, resulting in the vesting and exercise of LTI awards amounting to R11 432 369 (2021: R859 000).

Annual allocation of CSPs in line with LTI award benchmarks for executive directors to a value of R6 600 000 (2021: R6 250 000) were awarded in September 2022. The CSPs are subject to performance criteria set out above and will vest in 2025.

Remuneration report (continued)

STI computation for the 2022 financial year for the CEO and CFO:

	Maximum STI as % of TGP	Achievement: Osman Arbee	Achievement: Ockert JV Rensburg	Note
Achieve targeted Group operating profit	35	35	35	
Achieve targeted Group PBT	35	35	35	
Achieve targeted average debt to EBITDA	30	30	30	
Strategy execution – Expand multi-franchising and dealership footprint – Investment in IT and innovation – Strategic acquisitions	15	15	15	Note 1
Achieve ESG targets – Environmental: achieve fuel, electricity and water targets; invest in projects such as solar panels, electricity-saving equipment and water recycling on all new and refurbished buildings – Social: achieve employment equity targets for top, senior and middle management – Governance: implement all the legislation changes impacting the business	25	18	18	Note 2
Individual performance	10	10	10	Note 3
Maximum as a percentage of TGP	150	143	143	
Achievement		95,3	95,3	

Notes to the STI computation:

1. **Strategy execution**
   - The multi-franchise dealership footprint strategy was accelerated in South Africa with consolidation of the following sites: Menlyn, Bedfordview, Klerksdorp and Rustenburg.
   - Strategic acquisition of FAI in the International Aftermarket Parts segment.
   - Investment in IT and innovation, most notably the getWorth acquisition providing greater pre-owned vehicle valuation capabilities, and various other technology platform acquisitions and developments in the Mobility Solutions segment.
   - Refinancing of local and international debt facilities with three to five-year maturity dates.

   Osman and Ockert were awarded 15% (target 15%) for this criteria.

2. **Achieve ESG targets**
   - **Environmental:** achieved fuel and electricity targets and marginal underachievement of the water usage target; invested in projects such as solar panels, electricity-saving equipment and water recycling on all new and refurbished buildings.
   - **Social:** achieved employment equity targets for top management, and marginal underachievement in senior and middle management.

	Black: Prior year %	Black: Actual %
Top management	36	50
Senior management	53	53
Middle management	47	50

   - **Governance:** implemented all the required legislation changes impacting the business.

   Osman and Ockert were awarded 18% (target 25%) for this criteria.

3. **Individual performance**
   The CEO and CFO exceeded individual performance expectations in managing the business in a challenging economic environment. They were awarded their 10% (target 10%) allocation.

Kerry Cassel
CEO: Mobility Solutions & Head: Innovation and Technology

2022 Remuneration

	2022 R'000	2021 R'000
Cash component	4 479	4 252
Retirement and medical contributions	410	389
Other benefits	264	210
Total guaranteed package	5 153	4 851
COVID-19 forfeiture	–	(184)
STI bonus	4 893	4 900
Total cash remuneration	10 046	9 567
Gains on exercise of LTI awards	6 472	391
Total remuneration realised	16 518	9 958

TGP
Kerry's TGP was increased by 5% for inflation. The 2021 TGP was reduced by 15% for the three months to 30 September 2020 due to the COVID-19 crisis (R183 837). Her TGP is R5 153 000 (2021: R4 667 000). The remuneration for this position was externally benchmarked in the prior year against companies with a similar size, complexity and geographic spread.

STI
Based on the computation (set out below) according to STI criteria set during July 2021, Kerry achieved 95% of the set criteria. An annual incentive of R4 892 500 was paid (2021: R4 900 000).

LTI
Based on the LTI criteria set during November 2018, Kerry achieved 53% of the CSP criteria and 84% of the SAR criteria, and also exercised SARs that vested during 2015 and 2017, resulting in the vesting and exercise of LTI awards amounting to R6 472 010 (2021: R391 000).

Annual allocation of CSPs in line with LTI award benchmarks for executive directors to a value of R4 080 000 (2021: R3 862 500) were awarded in September 2022. The CSPs are subject to performance criteria set out above and will vest in 2025.

STI computation for the 2022 financial year for the executive director:

	Maximum STI as % of TGP	Achievement	Note
Achieve targeted Group operating profit	25	25	
Achieve divisional PBT target	35	35	Note 1
Strategy execution	10	10	Note 2
– Successful execution of internal IT projects and innovation			
– Expansion of technology product offerings			
Achieve ESG targets	20	15	Note 3
– Environmental: achieve fuel, electricity and water targets			
– Social: achieve employment equity targets for senior, middle and junior management			
– Governance: implement all the legislation changes impacting the business and prepare the business for new legislation			
Individual performance	10	10	Note 4
Maximum as a percentage of TGP	100	95	

Notes to the STI computation:

1. **Divisional profits**
   - Achieved in excess of 105% of target set in July 2021.

2. **Strategy execution**
   - Investment and development in various technology platforms in the Mobility Solutions segment.
   - Secured new income streams from new product developments.

   Kerry was awarded 10% (target 10%) for this criteria.

3. **ESG targets**
   - **Environmental:** achieved fuel and electricity targets and marginal underachievement of the water usage target; invested in projects such as solar panels, electricity-saving equipment and water recycling on all new and refurbished buildings.
   - **Social:** achieved employment equity targets for middle and junior management, and marginal underachievement in senior management.

	Black	
	Prior year %	Actual %
Senior management	46	46
Middle management	47	50
Junior management	71	76

   - **Governance:** implemented all the required legislation changes impacting the business and prepared the business for new legislation.

   Kerry was awarded 15% (target 20%) for this criteria.

4. **Individual performance**
   Kerry exceeded individual performance expectations and was awarded a 10% (target 10%) allocation for this criteria.

Prescribed officer remuneration

Prescribed officers are persons, not being directors, who either alone or with others exercise executive control and management of the whole or a significant portion of the business of the company.

Corné Venter
CEO: Retail South Africa

2022 Remuneration

	2022 R'000	2021 R'000
Cash component	3 870	3 593
Retirement and medical contributions	497	453
Other benefits	275	263
Total guaranteed package	4 642	4 309
COVID-19 forfeiture	–	(161)
STI bonus	4 176	3 957
Total cash remuneration	8 818	8 105
Gains on exercise of LTI awards	4 066	636
Total remuneration realised	12 884	8 741

TGP

Corné's TGP was increased by 8% for inflation and additional responsibilities. The 2021 TGP was reduced by 15% for the three months to 30 September 2020 due to the COVID-19 crisis (R161 248). His TGP is R4 642 000 (2021: R4 148 000). The remuneration for this position was externally benchmarked in the prior year against companies with a similar size, complexity and geographic spread.

STI

Based on the computation (set out below) according to STI criteria set during July 2021, Corné achieved 90% of the set criteria. An annual incentive of R4 176 000 was paid (2021: R3 957 000).

LTI

Based on the LTI criteria set during November 2018, Corné achieved 100% of the DBP criteria and 53% of the CSPs criteria, and also exercised SARs that vested during 2015 and 2017, resulting in the vesting and exercise of LTI awards amounting to R4 065 599 (2021: R636 000).

Annual allocation of CSPs in line with LTI award benchmarks for an Executive Committee member and business unit leader to a value of R2 437 500 (2021: R3 248 000) were awarded in September 2022. The prior year allocation included a four-year allocation which was discontinued this year. The CSPs are subject to performance criteria set out above and will vest in 2025.

Niall Lynch
CEO: Hyundai South Africa

2022 Remuneration

	2022 R'000	2021 R'000
Cash component	**3 302**	3 001
Retirement and medical contributions	**425**	421
Other benefits	**275**	255
Total guaranteed package	**4 002**	3 677
COVID-19 forfeiture	**–**	(133)
STI bonus	**3 960**	3 800
Total cash remuneration	**7 962**	7 344
Gains on exercise of LTI awards	**3 849**	553
Total remuneration realised	**11 811**	7 897

TGP

Niall's TGP was increased by 13% for inflation and additional responsibilities. The 2021 TGP was reduced by 15% for the three months to 30 September 2020 due to the COVID-19 crisis (R133 125). His TGP is R4 002 000 (2021: R3 544 000). The remuneration for this position was externally benchmarked in the prior year against companies with a similar size, complexity and geographic spread.

STI

Based on the computation (set out below) according to STI criteria set during July 2021, see the STI computation below. Niall achieved 99% of the set criteria. An annual incentive of R3 960 000 was paid (2021: R3 800 000).

LTI

Based on the LTI criteria set during November 2018, Niall achieved 100% of the DBP criteria and 53% of the CSPs criteria, and also exercised SARs that vested during 2015 and 2017, resulting in the vesting and exercise of LTI awards amounting to R3 849 388 (2021: R553 000).

Annual allocation of CSPs in line with LTI award benchmarks for an Executive Committee member and business unit leader to a value of R2 175 000 (2021: R2 800 000) were awarded in September 2022. The prior year allocation included a four-year allocation which was discontinued this year. The CSPs are subject to performance criteria set out above and will vest in 2025.

STI computation for the 2022 financial year for the prescribed officers:

	Maximum STI as % of TGP	Achievement: Corné Venter	Achievement: Niall Lynch	Note
Achieving targeted Group operating profit	15	15	15	
Achieved divisional PBT target	30	30	30	Note 1
Achieving cash target	10	10	10	Note 1
Achieve ESG targets – Environmental: achieve fuel, electricity and water targets; invest in projects such as solar panels, electricity-saving equipment and water recycling on all new and refurbished buildings – Social: achieve employment equity targets for top, senior and middle management – Governance: implement all the legislation changes impacting the business	25	18	24	Note 2
Market share/specific projects/strategy execution	10	10	10	Note 3
Individual performance	10	7	10	Note 4
Maximum as a percentage of TGP	100	90	99	

Notes to the STI computation:

1. **Divisional operating profit and cash targets**
   Corné and Niall exceeded targets for these criteria.

2. **ESG targets**
   - **Environmental:** achieved fuel and electricity targets and marginal underachievement of the water usage target; invested in projects such as solar panels, electricity-saving equipment and water recycling on all new and refurbished buildings.
   - **Social:** Corné achieved, employment equity targets for senior and junior management, with marginal underachievement for middle management. Niall achieved employment equity targets for senior, middle and junior management.

	Black	
Retail and Rental: South Africa	Prior year %	Actual %
Senior management	50	54
Middle management	43	43
Junior management	63	67

	Black	
Hyundai South Africa	Prior year %	Actual %
Senior management	50	50
Middle management	50	55
Junior management	69	76

   - **Governance:** implemented all the required legislation changes impacting the business.

   Corné was awarded 18% (target 25%) and Niall was awarded 24% (target 25%) for this criteria.

3. **Market share/specific projects/strategy execution**
   - Corné: The multi-franchise dealership footprint strategy was accelerated in South Africa with the consolidation in Menlyn, Bedfordview, Klerksdorp and Rustenburg. The market share of operations under control increased during the year.
   - Niall: grew Hyundai market share, including the launch of various new models.

   Corné and Niall were awarded 10% (target 10%) for this criteria.

4. **Individual performance**
   - Corné maintained individual performance criteria and was awarded 7% (target 10%) for this criteria.
   - Niall exceeded individual performance expectations and was awarded 10% (target 10%) for this criteria.

Ntando Simelane
Company Secretary and Head of Legal Counsel

2022 Remuneration

	2022 R'000	2021 R'000
Cash component	**2 735**	683
Retirement and medical contributions	**265**	66
Other benefits	**2**	1
Total guaranteed package	**3 002**	750
COVID-19 forfeiture	**–**	–
STI bonus	**1 814**	1 000
Total cash remuneration	**4 816**	1 750
Gains on exercise of LTI awards	**–**	–
Total remuneration realised	**4 816**	1 750

TGP
Ntando's TGP was R3 002 000 (2021: R750 000 as he was appointed 1 April 2021). The remuneration for this position was externally benchmarked in the prior year against companies with a similar size, complexity and geographic spread.

STI
Based on the computation (set out below) according to STI criteria set during July 2021, Ntando achieved 93% of the criteria. An annual incentive of R1 813 500 was paid (2021: R1 000 000 pre-determined annual incentive).

LTI
Annual allocation of CSPs in line with LTI award benchmarks for an Executive Committee member, Company Secretary and Legal Counsel to a value of R1 137 500 (2021: R1 050 000) were awarded in September 2022. The CSPs are subject to performance criteria set out above and will vest in 2025.

STI computation for the 2022 financial year for the Company Secretary and Head of Legal Counsel:

	Maximum STI as % of TGP	Achievement	Note
Achieving targeted Group operating profit	**16**	**16**	
Achieve ESG targets	**16**	**12**	**Note 1**
– Environmental: achieve fuel, electricity and water targets; invest in projects such as solar panels, electricity-saving equipment and water recycling on all new and refurbished buildings			
– Social: achieve employment equity targets for top, senior and middle management			
– Governance: implement all the legislation changes impacting the business			
Specific projects (legal and governance projects)	**26**	**26**	**Note 2**
Individual performance	**7**	**7**	**Note 3**
Maximum as a percentage of TGP	**65**	**61**	

Notes to the STI computation:

1. **ESG targets**
   - **Environmental:** achieved fuel and electricity targets and marginal underachievement of the water usage target; Invested in projects such as solar panels, electricity-saving equipment and water recycling on all new and refurbished buildings.
   - **Social:** achieved employment equity targets for top management, and marginal underachievement in senior and middle management.

	Black	
	Prior year %	**Actual %**
Top management	36	**50**
Senior management	53	**53**
Middle management	47	**50**

   - **Governance:** implemented all the required legislation changes impacting the business.

   Ntando was awarded 12% (target 16%) for this criteria.

2. **Specific projects (legal and governance projects)**
   - Ntando revamped the approval framework charter for the Group and streamlined processes to create a more effective legal and governance structure across the Group.
   - Valuable input and guidance were provided during the sustainability-linked financing process.

   Ntando was awarded 26% (target 26%) for this criteria.

3. **Individual performance**
   Ntando exceeded individual performance expectations and was awarded 7% (target 7%) for this criteria.

Summarised financial information

Extracts of summarised financial information

Group profit or loss (extract)

for the year ended 30 June 2022	2022 Rm	2021 Rm	% change
Revenue	**91 978**	87 205	5
Operating profit before capital items and net foreign exchange gains/(losses)[1]	**5 029**	3 838	31
Impairment of property, plant and equipment, net of profit/(losses) on sale	**(91)**	(7)	>100
Other costs	**(104)**	(45)	>100
Net foreign exchange gains/(losses)	**135**	(383)	>100
Net finance costs	**(496)**	(543)	(9)
Profit before tax	**4 473**	2 860	56
Income tax expense	**(1 135)**	(718)	58
Profit for the year	**3 338**	2 142	56
Attributable to non-controlling interests	**(48)**	(44)	9
Attributable to shareholders of Motus Holdings	**3 290**	2 098	57
Operating profit (%)	**5,5**	4,4	
Effective taxation rate (%)	**25,6**	25,5	

[1] *The prior period has been adjusted for the re-presentation to include share of results from associates and joint ventures.*

Revenue improved by 5% mainly due to improved performance in the Import and Distribution segment, the South African retail business, Car Rental, and the Aftermarket Parts and Mobility Solutions business segments. The increase was offset by a decreased revenue contribution from the international retail businesses. The increase in Group revenue was supported by an increase in the sale of new vehicles, parts (including acquisitions) and rendering of services, offset by reduced sales of pre-owned vehicles.

Operating profit before capital items and net foreign exchange gains/(losses) improved by 31% with all business segments improving operating profit contribution.

The increased operating profit is mainly as a result of the recovery of the automotive and car rental sectors which positively impacted gross income, coupled with increased margins achieved due to inventory shortages. The operations also benefitted from increased volumes supported by an improvement in after-sales, acquisitions in the Retail and Rental and Aftermarket Parts segments and the return to profitability of Bank JVs in the Mobility Solutions segment.

Net foreign exchange gains of R135 million were recognised. Foreign currency exchange gains or losses comprise of translation differences arising from foreign currency denominated balances such as trade receivables, trade payables, CFC accounts and interest-bearing debt, changes in the fair value of derivative instruments and ineffectiveness from hedging relationships. The weakening of the Rand against the major currencies during the year, resulted in a significant unrealised foreign currency gain being accounted for.

Net finance costs decreased by 9% mainly due to lower average working capital for the year and improved profitability which resulted in lower debt requirements. The decrease was further supported by reduced IFRS 16 finance costs. The above reductions were partially offset by decreased fair value adjustment gains recognised as a result of the unwinding of the interest rate swap.

Effective tax rate is 25,6%. The current tax rate was lower than 28% mainly due to deferred tax assets being recognised or utilised, and additional dividend income. This was partially offset by the change in the South African tax rate on deferred tax asset balances and additional impairments raised on assets.

Summarised reconciliation of earnings to headline earnings

for the year ended 30 June 2022	2022 Rm	2021 Rm	% change
Earnings	**3 290**	2 098	57
Impairment of goodwill and other assets	**305**	106	>100
Profit on sale of businesses and other	**(43)**	(9)	>100
Profit on disposal of assets	**(47)**	(63)	(25)
Adjustments included in results of associates and joint ventures	**(1)**	–	100
Taxation and non-controlling interests	**–**	13	>100
Headline earnings	**3 504**	2 145	63
Weighted average number of ordinary shares (million)	**173**	182	(5)
Earnings and headline earnings per share			
Basic EPS (cents)	**1 902**	1 153	65
Basic headline EPS (cents)	**2 025**	1 179	72

The Group repurchased 12 939 021 shares during the year at an average price of R104,41 per share, which resulted in lower weighted average number of shares, of which 1 307 000 shares were acquired as treasury shares for the share incentive schemes.

Financial position

as at 30 June 2022	2022 Rm	2021 Rm	% change
Goodwill and intangible assets	**1 959**	1 546	27
Investments in associates and joint ventures	**269**	289	(7)
Property, plant and equipment	**7 331**	7 024	4
Right-of-use assets	**2 046**	2 132	(4)
Investments and other financial assets	**320**	414	(23)
Vehicles for hire	**3 677**	2 426	52
Net working capital[1]	**7 166**	5 165	39
Tax assets	**1 392**	1 474	(6)
Assets classified as held-for-sale	**657**	649	1
Contract liabilities (service and maintenance plans)	**(3 021)**	(2 828)	7
Lease liabilities	**(2 347)**	(2 449)	(4)
Core interest-bearing debt	**(4 169)**	(2 528)	65
Floorplans from financial institutions	**(867)**	(873)	(1)
Other liabilities	**(368)**	(275)	34
Total equity	**14 045**	12 166	15
Total assets	**42 940**	38 457	12
Total liabilities	**(28 895)**	(26 291)	10

[1] *Net working capital includes floorplans from suppliers amounting to R4 988 million (2021: R4 479 million).*

Factors impacting the financial position at June 2022 compared to June 2021

Goodwill and intangible assets

Increased mainly due to acquisitions and currency adjustments, offset by the impairment of goodwill which is in line with the Group policy related to insignificant goodwill and annual impairment assessment. The Group examines each individual business which carries goodwill, and routinely impairs all individual amounts lower than R15 million.

Intangible assets increased mainly due to acquisitions which resulted in the recognition of Customer Lists and Trademarks for FAI (UK), partly offset by amortisation and currency adjustments.

Extracts of summarised financial information
(continued)

Financial position (continued)

Property, plant and equipment
Increased mainly due to additions, acquisitions and currency adjustments, offset by depreciation, impairments and disposal of properties.

Right-of-use assets
Decreased mainly due to depreciation and derecognition of leases, offset by new leases entered into or existing leases extended, and acquisitions.

Vehicles for hire
Increased mainly due to increased demand from car rental companies. Import and Distribution vehicles for hire increased mainly due to increased vehicles delivered to car rental companies on buy-back. Retail and Rental increased due to up-fleets as a result of increased leisure, corporate and government travel.

Net working capital increased by R2,0 billion (39%)
- Inventory increased as a result of improved supply of certain vehicle models and derivatives, change in mix of vehicles, price increases and acquisitions. The 30 June 2021 position was low due to inventory supply constraints;
- The net current derivative moved from a liability at June 2021 to an asset at June 2022 due to the weakening of the ZAR against major currencies;
- Trade receivables increased mainly due to improved sales across the segments and acquisitions;
- Floorplan payables increased due to increased inventory being placed on floorplans (being a cheaper source of funding); and
- Creditors increased mainly due to increased trading activity and acquisitions.

Tax assets
Decreased mainly due to reduced deferred tax assets as a result of the 1% rate change for the South African entities and the utilisation of assessed losses raised in the prior year due to improved profitability, offset by deferred tax assets raised in the current year.

Assets classified as held-for-sale
Assets held-for-sale relate to the non-strategic properties identified for sale, mainly retail properties in South Africa, Australia and the UK.

Contract liabilities
Contract liabilities consists mainly of service and maintenance plans. The increase was due to higher prepaid contract sales and partly from conservative revenue recognition until a post COVID-19 pattern of travelling is established.

Lease liabilities
Decreased mainly due to lease payments and derecognition of leases. The decrease was offset by new leases entered into or existing leases extended, finance costs and acquisitions.

Core debt (excluding floorplan and IFRS 16 debt)
Increased primarily due to the higher working capital and vehicles for hire levels, dividend payments (final in September 2021 and interim in March 2022), share repurchases, business and associate acquisitions, capital expenditure and tax payments. This was offset by profits generated for the 12-month period.

Floorplans from financial institutions
Floorplan debt decreased mainly due to reduced floorplans in the UK and Australia which decreased mainly due to inventory shortages as a result of supply constraints. Offset by up-fleets with car rental in Mobility Solutions, partially funded through bank floorplans, and increased floorplan debt with financial institutions with South African dealers.

Equity
Equity was enhanced mainly by retained income of R3 338 million, favourable hedging reserve adjustments amounting to R666 million (foreign currency movements against the ZAR impacted forward cover since the 30 June 2021 position) and favourable currency translation reserve adjustments as a result of the weakening of the ZAR amounting to R128 million, offset mainly by the repurchase and cancellation of shares amounting to R1 217 million, the purchase of shares for the share scheme hedges resulting in treasury shares amounting to R134 million, and dividend payments to shareholders in September 2021 amounting to R468 million and March 2022 amounting to R460 million.

Cash flow movements

for the year ended 30 June 2022	2022 Rm	2021 Rm
Cash generated by operations before movements in net working capital	6 909	5 335
Movements in net working capital	(620)	1 778
Cash generated by operations before interest, taxation paid and capital expenditure on vehicles for hire	6 289	7 113
Finance costs paid	(574)	(716)
Finance income received	13	59
Dividend income received	297	142
Taxation paid	(1 190)	(694)
Free cash flow generated from operations	4 835	5 904
Net replacement capital (expenditure)/proceeds – vehicles for hire	(2 102)	151
Cash generated by operations	2 733	6 055
Net cash outflow on the acquisition and disposal of businesses	(633)	(199)
Net capital expenditure (excluding vehicles for hire)	(764)	(325)
Net movement in investments and investments in associates and joint ventures	(27)	(10)
Advances of other financial assets	(39)	(34)
Cash received on finance lease receivables	–	44
Cash generated from operating and investing activities	1 270	5 531
Repurchase of own shares	(1 351)	(485)
Acquisition of non-controlling interests	(40)	(288)
Dividends paid	(964)	(312)
Other	(15)	4
(Increase)/decrease in debt	(1 100)	4 450

The free cash flow was primarily generated by strong operating profits, further supported by decreased finance costs and increased income from profit sharing arrangements. This was offset by increased taxation paid as a result of increased profitability and increased investment in working capital.

Net working capital movements resulted in an outflow of R620 million after adjusting for non-cash movements relating primarily to the acquisition of businesses, net derivative assets and currency adjustments. The year-on-year increased cash investment in working capital amounts to R2,4 billion with the main contributor being the increased investment attached to inventory which was low at June 2021 due to supply constraints.

Cash outflow on vehicles for hire of R2,1 billion was due to increased car rental activity.

Cash outflow on capital expenditure, net replacement and expansion, amounted to R764 million.

Net cash outflow on acquisition of businesses amounted to R633 million and relates mainly to the acquisition of FAI in the UK in the Aftermarket Parts business segment and passenger dealerships in South Africa.

A final dividend of 255 cents per ordinary share was declared and paid on 27 September 2021, amounting to R468 million. An interim dividend of 275 cents per ordinary share was declared and paid on 14 March 2022, amounting to R460 million.

Advances of debt amounted to R1,1 billion in the statement of cash flows, with debt increasing by R1,5 billion in the statement of financial position, primarily due to non-cash movements related to new leases entered into, acquisition of businesses and currency adjustments on debt, reduced by leases derecognised and terminated.

Extracts of summarised financial information
(continued)

Summarised segment financial position

as at 30 June 2022	Group 2022 Rm	Group 2021 Rm	Import and Distribution 2022 Rm	Import and Distribution 2021 Rm
Financial position				
Assets				
Goodwill and intangible assets	**1 959**	1 546	**3**	–
Carrying value of associates and joint ventures (excluding loans to associates)	**194**	200	**37**	25
Property, plant and equipment	**7 201**	6 872	**607**	462
Investment properties	**130**	152	**130**	138
Right-of-use assets	**2 046**	2 132	**19**	128
Investments and other financial instruments	**320**	374	**4**	4
Vehicles for hire	**3 677**	2 426	**1 072**	787
Net investment in lease receivables	**–**	40	**–**	40
Inventories	**18 966**	16 528	**3 648**	3 383
Trade and other receivables[2]	**5 330**	4 246	**2 468**	1 989
Operating assets	**39 823**	34 516	**7 988**	6 956
– South Africa	**26 689**	23 025	**7 988**	6 956
– International[4]	**13 134**	11 491	**–**	–
Liabilities				
Contract liabilities	**3 021**	2 828	**–**	–
Lease liabilities	**2 347**	2 449	**23**	192
Provisions	**983**	1 000	**268**	219
Trade and other payables[2]	**16 147**	14 609	**4 579**	4 260
Other financial liabilities	**62**	56	**–**	–
Operating liabilities	**22 560**	20 942	**4 870**	4 671
– South Africa	**13 970**	13 343	**4 870**	4 671
– International[4]	**8 590**	7 599	**–**	–
Net working capital	**7 166**	5 165	**1 269**	893
– South Africa	**5 831**	4 114	**1 269**	893
– International[4]	**1 335**	1 051	**–**	–
Net debt	**5 036**	3 401	**903**	1 075
– South Africa	**4 706**	2 516	**903**	1 075
– International[4]	**330**	885	**–**	–
Net capital expenditure	**(2 866)**	(174)	**(651)**	580
– South Africa	**(2 719)**	(129)	**(651)**	580
– International[4]	**(147)**	(45)	**–**	–
Non-current assets (including equity investment in associates, excluding investment, deferred tax and other financial instruments)	**11 560**	10 902	**796**	753
– South Africa	**6 825**	6 659	**796**	753
– International[4]	**4 735**	4 243	**–**	–
– United Kingdom	**3 180**	2 675	**–**	–
– Other regions (Australia and South East Asia)[3]	**1 555**	1 568	**–**	–

[1] Formerly known as Financial Services.
[2] Includes amounts pertaining to derivative financial instruments.
[3] Retail and Rental operates in Australia and Aftermarket Parts operates in South East Asia.
[4] International operations now includes the holding company for the foreign subsidiaries. The comparative amounts have been amended to align with that of the current year.

Retail and Rental		Mobility Solutions[1]		Aftermarket Parts		Head Office and Eliminations	
2022 Rm	2021 Rm	2022 Rm	2021 Rm	2022 Rm	2021 Rm	2022 Rm	2021 Rm
1 074	1 047	19	21	859	470	4	8
29	52	4	12	120	107	4	4
6 088	5 951	136	125	322	284	48	50
–	14	–	–	–	–	–	–
1 720	1 778	1	1	306	225	–	–
–	–	315	366	5	5	(4)	(1)
2 591	1 581	1 143	883	–	–	(1 129)	(825)
–	–	–	–	–	–	–	–
12 389	10 941	349	341	2 630	1 899	(50)	(36)
3 090	2 721	441	255	940	725	(1 609)	(1 444)
26 981	24 085	2 408	2 004	5 182	3 715	(2 736)	(2 244)
15 436	13 104	2 408	2 004	3 598	3 205	(2 741)	(2 244)
11 545	10 981	–	–	1 584	510	5	–
86	136	2 935	2 692	–	–	–	–
1 988	2 006	1	1	335	250	–	–
291	199	236	285	4	3	184	294
11 811	10 550	706	597	1 524	1 190	(2 473)	(1 988)
47	28	–	–	11	21	4	7
14 223	12 919	3 878	3 575	1 874	1 464	(2 285)	(1 687)
6 156	5 546	3 878	3 575	1 355	1 238	(2 289)	(1 687)
8 067	7 373	–	–	519	226	4	–
3 377	2 913	(152)	(286)	2 042	1 431	630	214
2 609	2 043	(152)	(286)	1 475	1 250	630	214
768	870	–	–	567	181	–	–
3 181	3 953	(3 958)	(3 597)	1 587	755	3 323	1 215
2 488	2 871	(4 022)	(3 597)	1 203	714	4 134	1 453
693	1 082	64	–	384	41	(811)	(238)
(2 086)	(638)	(434)	635	(101)	(73)	406	(678)
(1 942)	(535)	(434)	635	(98)	(83)	406	(726)
(144)	(103)	–	–	(3)	10	–	48
8 911	8 842	160	159	1 607	1 086	86	62
4 759	4 710	160	159	1 024	975	86	62
4 152	4 132	–	–	583	111	–	–
2 705	2 675	–	–	475	–	–	–
1 447	1 457	–	–	108	111	–	–

Extracts of summarised financial information
(continued)

Summarised segment profit or loss

for the year ended 30 June 2022	Group 2022 Rm	Group 2021 Rm	Import and Distribution 2022 Rm	Import and Distribution 2021 Rm
Profit or loss				
Total revenue	**91 978**	87 205	**23 883**	19 683
– South Africa	**61 493**	56 091	**23 883**	19 683
– International[4]	**31 381**	31 680	**–**	–
– United Kingdom	**23 188**	23 854	**–**	–
– Other regions (Australia and South East Asia)[1]	**8 193**	7 826	**–**	–
– Eliminations between geographic regions	**(896)**	(566)	**–**	–
Earnings before interest, taxation, depreciation and amortisation	**6 785**	5 302	**1 798**	1 133
– South Africa	**5 410**	4 138	**1 798**	1 133
– International[4]	**1 398**	1 175	**–**	–
– Eliminations between geographic regions[3]	**(23)**	(11)	**–**	–
Depreciation, amortisation and impairments net of recoupments	**(1 886)**	(1 526)	**(296)**	(226)
– South Africa	**(1 467)**	(1 127)	**(296)**	(226)
– International[4]	**(419)**	(399)	**–**	–
Operating profit before capital items and net foreign exchange gains/(losses)[2]	**5 029**	3 838	**1 508**	922
– South Africa	**4 074**	3 097	**1 508**	922
– International[4]	**978**	752	**–**	–
– Eliminations between geographic regions[3]	**(23)**	(11)	**–**	–
Finance costs	**(561)**	(666)	**(195)**	(139)
– South Africa	**(430)**	(486)	**(195)**	(139)
– International[4]	**(131)**	(180)	**–**	–
Finance income	**65**	123	**76**	50
– South Africa	**64**	123	**76**	50
– International[4]	**1**	–	**–**	–
Other capital costs	**(104)**	(33)	**–**	–
– South Africa	**(41)**	(22)	**–**	–
– International[4]	**(63)**	(11)	**–**	–
Profit/(loss) before tax	**4 473**	2 860	**1 507**	458
– South Africa	**3 681**	2 295	**1 507**	458
– International[4]	**815**	576	**–**	–
– Eliminations between geographic regions[3]	**(23)**	(11)	**–**	–
Income tax expense	**(1 135)**	(718)	**(300)**	(122)

[1] *Retail and Rental operates in Australia and Aftermarket Parts operates in South East Asia.*
[2] *The prior period has been adjusted for the re–presentation to include share of results from associates and joint ventures.*
[3] *The unrealised profit adjustment between regions has been disclosed separately to enhance disclosure.*
[4] *International operations now includes the holding company for the foreign subsidiaries. The comparative amounts have been amended to align with that of the current year.*

Retail and Rental		Mobility Solutions		Aftermarket Parts		Head Office and Eliminations	
2022 Rm	2021 Rm	**2022 Rm**	2021 Rm	**2022 Rm**	2021 Rm	**2022 Rm**	2021 Rm
74 209	70 962	**2 107**	2 019	**8 163**	7 295	**(16 384)**	(12 754)
44 583	40 124	**2 107**	2 019	**7 304**	7 019	**(16 384)**	(12 754)
29 626	30 838	**–**	–	**1 755**	842	**–**	–
22 693	23 854	**–**	–	**495**	–	**–**	–
6 933	6 984	**–**	–	**1 260**	842	**–**	–
–	–	**–**	–	**(896)**	(566)	**–**	–
3 455	2 864	**1 165**	1 022	**802**	685	**(435)**	(402)
2 294	1 748	**1 165**	1 022	**580**	637	**(427)**	(402)
1 161	1 116	**–**	–	**245**	59	**(8)**	–
–	–	**–**	–	**(23)**	(11)	**–**	–
(1 344)	(1 118)	**(164)**	(118)	**(176)**	(139)	**94**	75
(969)	(729)	**(164)**	(118)	**(132)**	(122)	**94**	68
(375)	(389)	**–**	–	**(44)**	(17)	**–**	7
2 206	1 761	**1 004**	912	**644**	578	**(333)**	(335)
1 420	1 058	**1 004**	912	**466**	538	**(324)**	(333)
786	703	**–**	–	**201**	51	**(9)**	(2)
–	–	**–**	–	**(23)**	(11)	**–**	–
(525)	(681)	**(60)**	(67)	**(108)**	(95)	**327**	316
(386)	(487)	**(60)**	(67)	**(97)**	(92)	**308**	299
(139)	(194)	**–**	–	**(11)**	(3)	**19**	17
21	18	**–**	–	**3**	1	**(35)**	54
14	18	**–**	–	**2**	1	**(28)**	54
7	–	**–**	–	**1**	–	**(7)**	–
(65)	(26)	**(39)**	10	**–**	(17)	**–**	–
(65)	(15)	**24**	10	**–**	(17)	**–**	–
–	(11)	**(63)**	–	**–**	–	**–**	–
1 540	1 065	**904**	855	**543**	449	**(21)**	33
885	542	**967**	855	**371**	414	**(49)**	26
655	523	**(63)**	–	**195**	46	**28**	7
–	–	**–**	–	**(23)**	(11)	**–**	–
(452)	(296)	**(218)**	(198)	**(134)**	(94)	**(31)**	(8)

Extracts of summarised financial information
(continued)

Summarised segment profit or loss (continued)

for the year ended 30 June 2022	Group 2022 Rm	Group 2021 Rm	Import and Distribution 2022 Rm	Import and Distribution 2021 Rm
Additional information				
Revenue by nature				
Sale of goods	**82 339**	78 435	**23 809**	19 559
New motor vehicle sales	**43 746**	40 167	**20 576**	15 282
Pre–owned vehicle sales	**21 353**	22 266	**1 018**	2 294
Parts and other goods sales	**17 240**	16 002	**2 215**	1 983
Rendering of services	**9 639**	8 770	**74**	124
Vehicle workshops, maintenance, service and warranty	**5 617**	5 555	**49**	61
Motor vehicle rental	**2 123**	1 339	**–**	–
Fees on vehicles, parts and services sold	**1 899**	1 876	**25**	63
Total revenue	**91 978**	87 205	**23 883**	19 683
Inter–group revenue	**–**	–	**(15 482)**	(11 964)
Total external revenue	**91 978**	87 205	**8 401**	7 719
Depreciation, amortisation and impairments net of recoupments	**(1 886)**	(1 526)	**(296)**	(226)
Depreciation and amortisation	**(1 795)**	(1 513)	**(302)**	(222)
(Losses)/profits on disposals and impairments	**(91)**	(1)	**6**	(4)
Amortisation of intangible asset arising on business combinations	**–**	(12)	**–**	–
(Costs)/income included in profit before tax				
Total employee costs	**(7 307)**	(6 606)	**(452)**	(410)
Operating lease charges	**(237)**	(95)	**(11)**	(15)
Net foreign exchange gains/(losses)	**135**	(383)	**113**	(370)
Share of results from associates and joint ventures	**39**	43	**12**	10
Operating margin (%)	**5,5**	4,4	**6,3**	4,7

Retail and Rental 2022 Rm	Retail and Rental 2021 Rm	Mobility Solutions 2022 Rm	Mobility Solutions 2021 Rm	Aftermarket Parts 2022 Rm	Aftermarket Parts 2021 Rm	Head Office and Eliminations 2022 Rm	Head Office and Eliminations 2021 Rm
66 158	63 832	–	–	8 081	7 225	(15 709)	(12 181)
36 378	34 045	–	–	–	–	(13 208)	(9 160)
21 220	21 615	–	–	–	–	(885)	(1 643)
8 560	8 172	–	–	8 081	7 225	(1 616)	(1 378)
8 051	7 130	2 107	2 019	82	70	(675)	(573)
4 316	4 249	1 490	1 481	–	–	(238)	(236)
1 928	1 128	443	373	–	–	(248)	(162)
1 807	1 753	174	165	82	70	(189)	(175)
74 209	70 962	2 107	2 019	8 163	7 295	(16 384)	(12 754)
(452)	(440)	(424)	(326)	(33)	(24)	16 391	12 754
73 757	70 522	1 683	1 693	8 130	7 271	7	–
(1 344)	(1 118)	(164)	(118)	(176)	(139)	94	75
(1 252)	(1 108)	(163)	(118)	(178)	(130)	100	65
(92)	(10)	(1)	–	2	3	(6)	10
–	–	–	–	–	(12)	–	–
(5 155)	(4 719)	(540)	(490)	(957)	(885)	(203)	(102)
(200)	(74)	(2)	(2)	(54)	(28)	30	24
(3)	3	–	–	2	(7)	23	(9)
3	4	2	8	21	19	1	2
3,0	2,5			7,9	7,9		

Five-year review

	Financial definitions	2022 Rm	2021 Rm	2020 Rm	2019 Rm	2018 Rm
Extracts from the statement of profit and loss						
Revenue		**91 978**	87 205	73 417	79 711	77 001
Earnings before interest, taxation, depreciation and amortisation (EBITDA)		**6 785**	5 302	4 082	4 806	4 946
Operating profit[1,2]		**5 029**	3 838	2 136	3 620	3 593
Net finance costs		**(496)**	(543)	(1 116)	(774)	(737)
Income tax expense		**(1 135)**	(718)	(356)	(714)	(897)
Tax rate (%)		**25,6**	25,5	68,6	27,6	28,3
Profit for the year		**3 338**	2 142	185	1 896	2 313
Headline earnings		**3 504**	2 145	550	1 977	1 991
Extracts from the statement of cash flows						
Cash generated by operations before interest, taxation paid and capital expenditure on vehicles for hire		**6 289**	7 113	4 121	4 183	6 784
Cash flow from investing activities (including capital expenditure on vehicles for hire)		**(3 565)**	(373)	(1 666)	(1 312)	(1 018)
Net debt (raised)/repaid		**(1 100)**	4 450	537	(190)	1 387
Extracts from the statement of financial position						
Total assets		**42 940**	38 457	43 678	38 872	36 716
Operating assets	1	**39 823**	34 516	39 969	36 389	33 739
Operating liabilities	2	**22 560**	20 942	21 448	19 138	16 933
Net working capital	3	**7 166**	5 165	8 515	7 580	6 731
Net debt	4	**5 036**	3 401	7 442	6 618	5 900
Motus owners' interest		**13 924**	12 052	12 508	11 875	11 640
Non-controlling interest		**121**	114	(56)	(37)	4
Ratios						
Efficiency						
Revenue to average net operating assets (times)	5	**6,0**	5,4	4,1	4,7	4,5
Revenue relating to sales of goods to average inventory (times)	6	**4,6**	4,3	3,3	4,0	4,4
Revenue to average net working capital (times)		**14,9**	12,7	9,1	11,1	10,3
Profitability						
Operating profit to average net operating assets (%)[1]	7	**32,6**	23,9	11,9	21,3	21,0
Operating profit to average gross operating assets (%)[1]		**13,5**	10,3	5,6	10,3	11,0
Operating margins (%)[1]	8	**5,5**	4,4	2,9	4,5	4,7
Return on invested capital (%)	9	**17,8**	14,8	6,4	13,5	13,5
Weighted average cost of capital (%)	10	**10,9**	9,5	9,8	10,7	10,7
Solvency						
Operating profit by net interest (times)[1]		**10,1**	7,1	1,9	4,7	4,9
Net debt to EBITDA (times)		**0,7**	0,6	1,8	1,4	1,2
Adjusted EBITDA by Adjusted net interest (times)	11 – 13	**17,9**	10,9	3,6	6,2	n/a
Net debt to Adjusted EBITDA (times)	4, 11, 14	**0,8**	0,8	2,2	1,4	n/a
Total equity to total assets (%)		**32,7**	31,6	28,5	30,5	31,7
Net debt as a percentage of total equity (%)		**35,9**	28,0	60,0	55,9	50,7
Liquidity						
Unutilised facilities		**7 910**	9 963	7 555	7 525	n/a

[1] *The prior period has been adjusted for the re-presentation to include share of results from associates and joint ventures.*
[2] *Operating profit before capital items and foreign exchange gains/(losses).*

	Financial definitions	2022 Rm	2021 Rm	2020 Rm	2019 Rm	2018 Rm
Investing in the future						
Cost of new acquisitions		**657**	219	583	367	731
Net capital expenditure (excluding vehicles for hire and discontinued operations)		**764**	325	324	592	(756)
Capital expenditure commitments		**515**	211	101	254	343
Statistics						
Total new and pre-owned vehicles sold		**225 317**	228 633	208 778	215 279	227 587
Number of vehicles for hire (car rental owned only)		**12 407**	9 308	8 554	13 380	14 991
Number of employees		**17 283**	16 708	17 499	18 628	18 305
Total employee cost		**7 307**	6 606	6 633	6 822	6 425
Wealth created per employee (R'000)		**815**	713	612	624	621
Total taxes and levies paid	15	**1 502**	796	898	1 106	1 134
Share performance						
Basic HEPS (cents)		**2 025**	1 179	296	1 009	986
Dividends per share (cents)		**710**	415	–	490	n/a
Earnings yield (%)	16	**18,9**	12,6	9,7	13,8	n/a
Price earnings ratio (times)	17	**5,3**	7,9	10,3	7,2	n/a
Net asset value per share (cents)	18	**8 143**	6 586	6 653	6 185	5 762
Market prices (cents)						
– Closing		**10 700**	9 334	3 062	7 312	n/a
– High		**11 866**	9 950	8 468	10 238	n/a
– Low		**8 346**	2 700	2 380	7 152	n/a
Total market capitalisation at closing prices	19	**19 060**	17 635	5 898	14 369	n/a
Value of shares traded once unbundled		**13 195**	9 036	11 901	10 120	n/a
Value traded as a percentage of weighted average capitalisation (%)		**69**	76	107	110	n/a
Exchange rates used						
ZAR to US Dollar						
Average		**15,22**	15,40	15,67	14,18	12,86
Closing		**16,39**	14,27	17,37	14,10	13,71
ZAR to British Pound						
Average		**20,24**	20,70	19,73	18,35	17,31
Closing		**19,90**	19,72	21,46	17,95	18,10
ZAR to Australian Dollar						
Average		**11,03**	11,48	10,49	10,14	9,97
Closing		**11,27**	10,71	11,96	9,90	10,13
ZAR to Euro						
Average		**17,15**	18,35	17,31	16,18	15,34
Closing		**17,13**	16,93	19,51	16,06	16,01

Five-year review (continued)

Financial definitions

1	**Operating assets**	Operating assets are all assets less loans receivable, taxation assets, cash resources and assets classified as held-for-sale.
2	**Operating liabilities**	Operating liabilities are all liabilities less all interest-bearing debt, floorplans from financial institutions and taxation liabilities.
3	**Net working capital**	Net working capital includes inventories, trade and other receivables, derivative instruments less provisions, trade and other payables and floorplans from suppliers.
4	**Net debt**	Net debt includes interest-bearing borrowings less cash resources.
5	**Revenue to average net operating assets (times)**	Calculated by dividing revenue by average net operating assets (operating assets less operating liabilities).
6	**Revenue relating to sales of goods to average inventory (times)**	Revenue relating to sales of goods divided by average inventory.
7	**Operating profit to average net operating assets (%)**	Operating profit before capital items and net foreign exchange adjustments divided by average net operating assets.
8	**Operating margin (%)**	Operating profit before capital items and net foreign exchange adjustments divided by revenue.
9	**Return on invested capital (%)**	The return divided by invested capital. The return is the aggregate of a post-tax operating profit for the last 12 months. Post-tax operating profit is calculated as: • Operating profit before capital items and net foreign exchange movements • *Less* share of results in associates and joint ventures, which already includes the impact of tax • *Less* the impact of tax using a blended tax rate • *Add* share of results in associates and joint ventures. The blended tax rate is an average of the actual tax rates applicable in the various jurisdictions in which the Group operates. Invested capital is a 12-month average of the monthly total equity plus debt.
10	**Weighted average cost of capital (%)**	The WACC is the 12-month average of the monthly calculated WACC. The monthly WACC is calculated by multiplying the cost of each invested capital component by its proportionate share of invested capital and then aggregating the results. The cost of debt and equity is determined with reference to the prevailing rates in the various jurisdictions in which the Group operates.

Financial definitions

11	**Adjusted EBITDA**	Adjusted EBITDA is calculated as: • EBITDA • Adjusted for the impact of net foreign exchange movements • Adjusted for the impact of the share of income from associates and joint ventures • *Less* the profit attributable to non-controlling interests • *Plus* the EBITDA relating to businesses acquired, grossed up for a full year where the underlying acquisitions only contributed for a portion of the year • *Less* EBITDA relating to businesses disposed of during the current year • *Less* adjustments relating to the impacts on the EBITDA that arose on the application of IFRS 16. The adjustments include the reversal of profit on terminations of leases and includes lease payments.
12	**Adjusted net interest**	Adjusted net interest is calculated as: • Finance cost • *Less* finance income • *Less* facility set-up costs incurred • *Less* adjustments relating to the impacts on finance costs and income that arose on the application of IFRS 16. The adjustments include the reversal of the finance cost on lease liabilities.
13	**Adjusted EBITDA by Adjusted net interest (bank facilities) (times)**	Calculated as Adjusted EBITDA divided by the Adjusted net interest. This is one of the key measures of the covenants of the interest-bearing borrowings relating to our bank facilities.
14	**Net debt to Adjusted EBITDA (bank facilities) (times)**	Calculated as net debt divided by the Adjusted EBITDA. This is one of the key measures of the covenants of the interest-bearing borrowings relating to our bank facilities.
15	**Total taxes and levies**	Made up of income tax expense, withholding and secondary taxation on companies, rates and taxes, skills development and unemployment insurance fund levies.
16	**Earnings yield (%)**	The HEPS divided by the closing price of a share.
17	**Price earnings ratio (times)**	The closing price of a share divided by the HEPS.
18	**Net asset value per share**	Net asset value is the equity attributable to owners of Motus divided by total ordinary shares in issue, net of shares repurchased.
19	**Total market capitalisation at closing prices (Rm)**	Total ordinary shares in issue before treasury shares multiplied by the closing price per share.

Value-added statement

for the year ended 30 June 2022	Note	2022 Rm	2022 %	2021 Rm	2021 %
Revenue		**91 978**		87 205	
Paid to suppliers for materials and services		**(77 886)**		(75 297)	
Total wealth created		**14 092**		11 908	
Wealth distribution					
Salaries, wages and other benefits	1	**7 227**	**51**	6 547	55
Providers of capital		**2 811**	**20**	1 340	11
Net finance costs		**496**	**3**	543	5
Dividends paid to equity holders of Motus		**928**	**7**	294	2
Dividends paid to non-controlling interest		**36**	**–**	18	–
Share repurchases and cancellations		**1 351**	**10**	485	4
Central and local government	2	**1 502**	**11**	796	7
Reinvested in the Group to maintain and develop operations		**2 552**	**18**	3 225	27
Depreciation, amortisation, impairment and recoupments		**1 886**		1 526	
Future expansion (including vehicles for hire)		**666**		1 699	
		14 092	**100**	11 908	100
Value-added ratios					
Number of employees		**17 283**		16 708	
Revenue per employee (R'000)		**5 322**		5 219	
Wealth created per employee (R'000)		**815**		713	

Notes

	2022 Rm	2021 Rm
1. Salaries, wages and other benefits		
Salaries, wages, overtime, commissions, bonuses and allowances	**6 778**	6 112
Employer contributions	**529**	494
Less: Unemployment Insurance Fund and Skills Development Levy (included in note 2)	**(80)**	(59)
	7 227	6 547
2. Central and local government		
Income tax expense	**1 242**	588
Withholding and secondary tax on companies	**4**	3
Rates and taxes	**176**	146
Skills Development Levy	**50**	38
Unemployment Insurance Fund	**30**	21
	1 502	796

Motus

Shareholder information

Dividend declaration

Declaration of final ordinary dividend

for the year ended 30 June 2022

Notice is hereby given that a gross final ordinary dividend in the amount of 435 cents per ordinary share has been declared by the board, payable to the holders of the 178 133 390 ordinary shares. The dividend will be paid out of income reserves.

The ordinary dividend will be subject to a local dividend tax rate of 20%. The net ordinary dividend, to those shareholders who are not exempt from paying dividend tax, is therefore 348 cents per ordinary share.

The company has determined the following salient dates for payment of the ordinary dividend:

	2022
Last day for ordinary shares to trade cum ordinary dividend	**Tuesday, 20 September**
Ordinary shares commence trading ex-ordinary dividend	**Wednesday, 21 September**
Record date	**Friday, 23 September**
Payment date	**Monday, 26 September**

The company's income tax number is 983 671 2167.

Share certificates may not be dematerialised/rematerialised between Wednesday, 21 September 2022 and Friday, 23 September 2022, both days inclusive.

On Monday, 26 September 2022, amounts due in respect of the ordinary dividend will be electronically transferred to the bank accounts of certified shareholders. Shareholders who have dematerialised their shares will also have their accounts, held at their central securities depository participant (CSDP) or broker, credited on Monday, 26 September 2022.

On behalf of the board

NE Simelane
Company Secretary

30 August 2022

Shareholder analysis

Shareholder information as at 30 June 2022

Top 10 shareholders[1]	Share class	Number of shares '000	% of issued listed share capital
Ordinary listed shares			
Public Investment Corporation (South Africa)	Ordinary	25 221	14,16
Ukhamba Holdings Proprietary Limited (South Africa)[2]	Ordinary	18 382	10,32
Coronation Fund Managers (South Africa)	Ordinary	16 423	9,22
M&G Investment Management (United Kingdom)	Ordinary	12 457	6,99
Lynch Family Holding (South Africa)	Ordinary	8 159	4,58
Visio Capital Management (South Africa)	Ordinary	7 951	4,46
Wooddale Investments (De Canha Family Holding) (South Africa)	Ordinary	6 954	3,90
M&G Investment Management (South Africa)	Ordinary	5 795	3,25
Vanguard Group (United States of America)	Ordinary	5 790	3,25
LSV Asset Management (United States of America)	Ordinary	4 273	2,40
Deferred ordinary unlisted shares			
Ukhamba Holdings Proprietary Limited (South Africa)[2]	Deferred	4 373	–

[1] *Excluding treasury shares held by Motus Group Limited.*
[2] *In total, Ukhamba Holdings Proprietary Limited owns 12,94% of the voting shares in the Group.*

Stock exchange performance	2022	2021
Number of shares in issue (million)	**178**	189
Number of shares traded (million)	**127**	145
Value of shares traded (Rand million)	**13 195**	9 036
Market price (cents per share)		
– Closing price	**10 700**	9 334
– High	**11 866**	9 950
– Low	**8 346**	2 700
Earnings yield (%)[1]	**18,9**	12,6
Price-earnings ratio[1]	**5,3**	7,9

[1] *Calculated using HEPS.*

Distribution of shareholders (listed ordinary shares)	Number of shareholders	Number of shares '000	% of ordinary shares listed
Public shareholders	5 939	119 415	67,03
Non-public shareholders	10	58 718	32,97
– Shareholder holding more than 10%	2	43 603	24,48
– Shareholder entitled to appoint a director	–	–	–
– Directors and prescribed officers	7	8 479	4,76
– Treasury shares	1	6 636	3,73
Total	**5 949**	**178 133**	**100,00**

Shareholder analysis (continued)

Spread of listed holdings	Number of shareholders	%	Number of shares '000	%
1 – 1 000	4 641	78,01	815	0,46
1 001 – 10 000	768	12,91	2 754	1,55
10 001 – 100 000	388	6,52	13 342	7,49
Over 100 000	152	2,56	161 222	90,50
Total	**5 949**	**100,00**	**178 133**	**100,00**

Shareholder type	Number of shares '000	% of voting shares
Financial institutions, pensions and provident funds	120 119	68,30
Unit trusts	11 645	6,62
Individuals	4 933	2,80
Directors and prescribed officers	8 479	4,82
Corporate holdings	26 321	14,97
Listed ordinary shares (net of treasury shares)	171 497	97,51
Unlisted deferred ordinary shares	4 373	2,49
Total voting shares in issue net of treasury shares	175 870	100,00
Treasury shares	6 636	
Total shares in issue	**182 506**	

Directors' interests in shares	2022 Direct	2022 Indirect	2021 Direct	2021 Indirect
Executive directors				
OS Arbee	7 000	131 393	125 211	223 474
OJ Janse van Rensburg	140 911	–	108 096	–
KA Cassel	16 597	–	694	–
Non-executive directors				
GW Dempster	99	–	99	–
A Tugendhaft	15 000	–	15 000	–
Prescribed officers				
NW Lynch	–	8 158 865	10 706	8 112 157
C Venter	9 440	–	19 440	–
Total	189 047	8 290 258	279 246	8 335 631

The above changes in the directors' interest in the stated share capital of the company and participation in the company's share incentive schemes, were announced in various SENS announcements during the financial year.

Notice of annual general meeting

Introduction

Message from the Chairman of the board to shareholders

On behalf of the board of Motus Holdings Limited, you are invited to attend the 2022 AGM to be held at 08:30 (CAT) on Wednesday, 2 November 2022, at 224 Garstfontein Road, Menlyn, 0181 Pretoria, Gauteng and through electronic participation.

I take this opportunity to welcome our shareholders back to a physical meeting after two years of holding these meetings through electronic participation following the outbreak of COVID-19.

The board believes that it is now safe to hold the AGM in person to allow shareholders to exercise their right to vote and ask questions at the meeting, following the removal of the COVID-19 restrictions and with most people being vaccinated.

Shareholders wishing to participate in the AGM will need to register by the latest at 08:30 (CAT) on Tuesday, 1 November 2022. A Virtual meeting guide for participants for shareholders who wish to exercise this option and a Registration to participate in person form are included in the notice of AGM, as Annexures A and B respectively.

The AGM provides the board with the opportunity to present the Group's performance for the year ended 30 June 2022 to the company's shareholders. The Chairs of the various board committees, senior members of management and the Group's external auditors will be present to engage with shareholders, should the need arise.

The notice of the meeting and explanatory notes, which accompany this message, set out the proposed resolutions and effects thereof. In accordance with section 31(1) of the Companies Act, you are notified that the 2022 Motus Holdings integrated report, ESG report, and audited consolidated and separate annual financial statements are available on the Motus website at **https://www.motus.co.za/investors/integrated-reports/** as of 30 September 2022. Should you wish to receive a printed copy of our 2022 integrated report, ESG report and the audited consolidated and separate annual financial statements, you may request these from the Motus Company Secretary at **nsimelane@motus.co.za**.

The company has retained the services of The Meetings Specialists Proprietary Limited (TMS) to host the AGM in order to facilitate participation and voting by shareholders.

We request that shareholders send their proxies and/or their letters of representation to TMS at **proxy@tmsmeetings.co.za** by no later than 08:30 (CAT) on Tuesday, 1 November 2022 to allow time for the tallying of votes and completion of the administrative processes relating to the meeting. Forms of proxy or letters of representation submitted on the day of the AGM must be emailed simultaneously to TMS at **proxy@tmsmeetings.co.za** and the Motus Company Secretary at **nsimelane@motus.co.za**, prior to the commencement of the AGM, before any proxy seeks to exercise any right granted to it.

Further details for the form of proxy submission are contained on page 215 and in the notes to the form of proxy on page 217.

I look forward to your attendance and participation in the meeting.

Yours sincerely,

Graham Dempster
Chairman

26 September 2022

Notice of annual general meeting of shareholders

Motus Holdings Limited

(Incorporated in the Republic of South Africa)
(Registration number: 2017/451730/06)
ISIN: ZAE000261913
JSE share code: MTH
(Motus, or the company or the Group)

Board of directors (board): GW Dempster (Chairman), OS Arbee (CEO), OJ Janse van Rensburg (CFO), KA Cassel, PJS Crouse, NB Duker, S Mayet, MJN Njeke, F Roji and A Tugendhaft.

Notice is hereby given to the shareholders of Motus that the 4th AGM will be held on Wednesday, 2 November 2022 at 08:30 (CAT) at 224 Garstfontein Road, Menlyn, 0181 Pretoria, Gauteng and though electronic participation or at any other adjourned or postponed time determined in accordance with the provisions of section 64(4) and section 64(10) (as read with section 64(11)(a)(i)) of the Companies Act.

This document is important and requires your immediate attention.

Your attention is drawn to the notes at the end of this notice, on page 212, which contain important information regarding shareholders' participation at the AGM. Should you be in any doubt as to what action to take in respect of the proposed resolutions and other matters contemplated in this notice of the AGM or the explanatory notes hereto, it is recommended that you consult appropriate professional advisers. For purposes of this notice of the AGM and the explanatory notes hereto, the term "shareholder" shall have the meaning ascribed thereto in section 57(1) of the Companies Act.

In terms of section 59(1) of the Companies Act, the board has set the record dates to determine which shareholders are entitled to:

- receive this notice of the AGM as being Friday, 23 September 2022; and
- participate in and vote at the AGM as being Friday, 28 October 2022.

The last day to trade in the company's shares, in order to participate in and vote at the AGM is Tuesday, 25 October 2022.

The meeting is convened to consider and if deemed appropriate, pass and approve, with or without modification, the ordinary and special resolutions set out below in the manner required by the Companies Act and the JSE Listings Requirements. Please see the explanatory notes commencing on pages 206 to 211 for the explanations which accompany the ordinary and special resolutions below. A virtual meeting guide for shareholders who have opted for this option, is included as Annexure A on page 212 of this notice of AGM. Details on how to register for the virtual option are explained in the Registration to participate form in Annexure B, on page 213 of this notice of AGM.

Resolutions

Part A – presentation of reports

These items, presented under Part A, do not require resolutions. They are presented here to afford shareholders the opportunity to ask questions and make comments about their contents, if any.

1. Presentation of the audited consolidated and separate annual financial statements

To present the audited annual financial statements of the company and its subsidiaries (Group) as approved by the board of the company in terms of section 30(3) of the Companies Act, incorporating, inter alia, the reports of the external auditors, Audit and Risk Committee (ARC) and the directors for the financial year ended 30 June 2022.

2. Presentation of the social, ethics and sustainability report

To present the report of the SES Committee for the financial year ended 30 June 2022, as required in terms of Regulation 43(5)(c) of the Companies Regulations, 2011 (Companies Regulations).

Part B – ordinary resolutions

3. Election of retiring non-executive directors

Ordinary resolution 1

To consider and, if deemed appropriate, to elect, by way of separate, divisible resolutions:

1.1 Mr. S Mayet, who is retiring by rotation in accordance with clause 23.3.2 of the company's Memorandum of Incorporation (MOI), as an independent non-executive director of the company as contemplated in section 68(2)(a) of the Companies Act and being eligible and available, offers himself for election.

1.2 Mr. MJN Njeke, who is retiring by rotation in accordance with clause 23.3.2 of the company's MOI, as an independent non-executive director of the company as contemplated in section 68(2)(a) of the Companies Act, and being eligible and available, offers himself for election.

4. Election of the members of the Audit and Risk Committee

Ordinary resolution 2

To consider and, if deemed appropriate, re-elect by way of separate, divisible resolutions the following independent non-executive directors as members of the ARC for the ensuing year in accordance with section 94 of the Companies Act:

2.1 Mr. S Mayet, be and is hereby elected as a member of the company's ARC (subject to being elected in accordance with resolution 1.1 above).

2.2 Ms. NB Duker be and is hereby elected as a member of the company's ARC.

2.3 Ms. F Roji be and is hereby elected as a member of the company's ARC.

5. Re-appointment of external auditor

Ordinary resolution 3

To appoint Deloitte & Touche, on the recommendation of the ARC, as the independent external auditor of the company for the ensuing year (the designated auditor being Ms. Shelly Nelson (IRBA number: 732206).

6. Appointment of external auditor – mandatory rotation

Ordinary resolution 4

To appoint PricewaterhouseCoopers Inc. (PwC), on the recommendation of the ARC, as the Group's independent external auditors, with Mr. Thomas Howatt (IRBA number: 721751) as designated audit partner, for the financial year ending 30 June 2024, replacing Deloitte & Touche after the 30 June 2023 financial year.

7. Authority to issue ordinary shares

Ordinary resolution 5

To approve that the authorised but unissued ordinary shares be and are hereby placed under the control of the directors by way of a general authority, that shall remain valid until the next AGM and the directors are authorised to allot and issue those shares at their discretion, which authority shall include the authority to issue any option/convertible securities that are convertible into ordinary shares, provided that the aggregate number of ordinary shares to be allotted and issued in terms of this resolution, shall be limited to 5% (five percent) of the issued share capital at 30 June 2022.

8. Authority to issue shares for cash

Ordinary resolution 6

To consider and approve that the directors of the company and/or any of its subsidiaries, from time to time be and are hereby authorised by way of a general authority, to:

- allot and issue or to issue any options in respect of any of the company's authorised but unissued shares placed under their control; and /or
- sell or otherwise dispose of or transfer, or issue any options in respect of, ordinary shares in the capital of the company purchased by subsidiaries of the company,

for cash, as they in their discretion may deem fit, without restriction, subject to the provisions of the JSE Listings Requirements, and subject to the proviso that the aggregate number of ordinary shares able to be allotted and issued in terms of this resolution, shall be limited to 5% (five percent) of the issued share capital as at the date of the notice, provided that:

- the approval shall be valid until the date of the next AGM of the company and shall not extend beyond 15 (fifteen) months from the date of this resolution;
- an announcement giving full details, including the number of securities issued, the average discount to the weighted average traded price of the securities over 30 (thirty) business days prior to the date that the issue is agreed in writing between the company and the parties subscribing for the securities and in respect of the issue of options and convertible securities and the impact on the statement of financial position, net asset value per share, net tangible asset value per share, the statement of comprehensive income, earnings per share, and headline earnings per share and, if applicable, diluted earnings and headline earnings per share, or in respect of an issue of shares, an explanation, including supporting information (if any), of the intended use of the funds, will be published after any issue of securities representing, on a cumulative basis within any one financial year, 3% (three percent) or more of the number of shares in issue prior to such issue;
- the company's securities which are the subject of the general issue of shares for cash, in the aggregate in any one financial year may not exceed 5% (five percent) of the company's issued share capital (number of securities) of that class, excluding treasury shares, as at the date of this notice, being 178 133 390 securities. Any securities issued under this authorisation will be deducted from the aforementioned 178 133 390 listed securities. In the event of a sub-division or a consolidation the authority will be adjusted to represent the same allocation ratio;
- in determining the price at which securities may be issued in terms of this authority the maximum discount permitted will be 10% (ten percent) of the weighted average traded price of such securities, as determined over the 30 (thirty) trading days prior to the date that the price of the issue is agreed between the issuer and the party subscribing for the securities. The JSE should be consulted for a ruling if the securities have not traded in such 30-business day period;
- any such issue will only be made to "public shareholders" as defined in paragraphs 4.25 to 4.27 of the JSE Listings Requirements and not, subject to the following, to related parties:
  - related parties may participate in a general issue for cash through a bookbuild process provided:
    - ~ related parties only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price, the relevant related party will be "out of the book" and not be allocated shares; and
    - ~ equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild;
- any such issue will only be securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue and shall comply with paragraph 5.52 of the JSE Listings Requirements; and
- whenever the company wishes to use repurchased shares, held as treasury stock by a subsidiary of the company, such use must comply with the JSE Listings Requirements as if such use was a fresh issue of ordinary shares.

Notice of annual general meeting (continued)

Part C – non-binding advisory votes

9. Confirmation of the Group's remuneration policy

Ordinary resolution 7

To endorse, by way of a non-binding advisory vote, the Group's remuneration policy (excluding the remuneration of the non-executive directors for their services as directors and members of committees), as set out in the explanatory notes on page 206.

10. Confirmation of the Group's remuneration implementation report

Ordinary resolution 8

To endorse, by way of a non-binding advisory vote, the Group's remuneration implementation report, as set out on pages 164 to 175 of the integrated report.

11. Delegation of authority

Ordinary resolution 9

To authorise any 1 (one) director of the company and/or the Company Secretary to do all such things and sign all such documents (including any amendments thereto) as are deemed necessary or advisable to implement the ordinary and special resolutions which have been (or will be) duly passed as set out in the notice convening the AGM.

Part D – special resolutions

12. Non-executive directors' remuneration

Special resolution 1

To approve the proposed fees and remuneration payable to non-executive directors and/or pay any fees related thereto and on any other basis as may be recommended by the Remuneration Committee and approved by the board of directors for the period set out in the table in the explanatory notes.

13. Authority to provide financial assistance in terms of section 44

Special resolution 2

To approve, subject to compliance with the provisions of the MOI and Companies Act (including but not limited to the board being satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company), the provision by the company, at any time and from time to time during the period of 2 (two) years commencing from the date of approval of this special resolution, of such direct or indirect financial assistance as contemplated in section 44 of the Companies Act, by way of a loan, guarantee of a loan or otherwise to any person for the purpose of, or in connection with, the subscription of any option, or securities, issued or to be issued by the company or related or inter-related company or for the purchase of any securities of the company or a related or inter-related company, subject to the Companies Act.

14. Authority to provide financial assistance in terms of section 45

Special resolution 3

To approve, subject to compliance with the provisions of the MOI and Companies Act (including but not limited to the board being satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company), the provision by the company, at any time and from time to time during the period of 2 (two) years commencing from the date of approval of this special resolution, of such direct or indirect financial assistance as contemplated in section 45 of the Companies Act, by way of a loan, guarantee of a loan or other obligation or securing of a debt or other obligation or otherwise as the board may authorise to any 1 (one) or more related or inter-related company(ies) or corporation(s) (as such relations and inter-relationships are outlined in section 2 of the Companies Act), on such other terms and conditions as the board may deem fit, subject to the Companies Act.

15. General authority to repurchase company securities

Special resolution 4

To authorise the directors to approve and implement the acquisition by the company (or by a subsidiary of the company in terms of section 48(2)(b) of the Companies Act) from time to time, be and is hereby authorised to acquire ordinary shares in the company, by way of a general authority, which shall only be valid until the company's next AGM or 15 (fifteen) months from the date of the passing of this special resolution, whichever period is the shorter, and subject to section 48 of the Companies Act, the MOI, the JSE Listings Requirements, when applicable, and the following limitations, namely:

- the repurchase of ordinary shares must be implemented through the order book operated by the JSE trading system, without prior understanding or arrangement between the company and the counter party (reported trades are prohibited);
- the company being authorised thereto by its MOI;
- in determining the price at which the company's ordinary shares are acquired in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten percent) of the weighted average of the market value at which such ordinary shares are traded on the JSE, as determined over the 5 (five) business days immediately preceding the date on which the transaction is effected (the JSE should be consulted for a ruling if the company's securities have not traded in such 5 (five) business day period);
- an announcement being published in accordance with the JSE Listings Requirements as soon as the company has repurchased ordinary shares constituting, on a cumulative basis, 3% (three percent) of the number of ordinary shares in issue at date of the passing of this resolution (initial number), and for each 3% (three percent) in aggregate of the initial number of ordinary shares repurchased thereafter, containing such details of such repurchases as are required under the JSE Listings Requirements as well as any confirmations and disclosures required of the company and its directors;
- the company may only effect the repurchase if a resolution has been passed by the board confirming that it has authorised the repurchase, and that the company and its subsidiary/ies have passed the solvency and liquidity test as defined in the Companies Act and that since the test was done there have been no material changes to the financial position of the Group;
- any such general repurchases are subject to exchange control regulations and approval at that point in time;
- the acquisition of ordinary shares, in aggregate, in any one financial year may not exceed 20% (twenty percent) of the company's issued ordinary share capital;
- the number of shares purchased and held by a subsidiary or subsidiaries of the company shall not exceed 10% (ten percent) in aggregate of the number of issued shares in the company at the relevant times;
- any such general repurchase will be subject to the applicable provisions of the Companies Act (including sections 114 and 115 to the extent that section 48(8) is applicable in relation to that particular repurchase);
- the company or its subsidiaries may not repurchase securities during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless:
  - the Company had a repurchase programme in place and the programme has been submitted to the JSE prior to the prohibited period commencing;
  - only one independent third-party has been instructed to execute the repurchase programme prior to the prohibited period commencing;
  - the repurchase programme includes the name and date of appointment of the independent third-party instructed to execute the repurchase programme, the commencement and termination date of the repurchase programme and the fixed number of securities to be traded during the period; and
- the company only appointing 1 (one) agent at any point in time to effect any repurchases on its behalf.

Adequacy of working capital

The directors of the company confirm that no repurchase will be implemented in terms of this authority unless, after each such repurchase:

- the company and the Group will be able to pay its debts as they become due in the ordinary course of business for a period of 12 (twelve) months after the repurchase;
- the consolidated assets of the company and the Group, fairly valued in accordance with the accounting policies used in the latest audited annual Group financial statements, will exceed its consolidated liabilities for a period of 12 (twelve) months after the repurchase;
- the issued share capital and reserves of the company and the Group will be adequate for ordinary business purposes for a period of 12 (twelve) months after the repurchase; and
- the working capital of the company and the Group will be adequate for ordinary business purposes for a period of 12 (twelve) months after the repurchase, and the directors have passed a resolution authorising the repurchase, resolving that the company and its subsidiary/ies, as the case may be, have satisfied the solvency and liquidity test as defined in the Companies Act and since the solvency and liquidity test had been applied, there have been no material changes to the financial position of the Group.

Other disclosure in terms of section 11.26 of the JSE Listings Requirements

The JSE Listings Requirements require the following disclosures with respect to general repurchases, some of which appear elsewhere in the integrated report of which this notice forms part:

- Major shareholders – page 195.
- Share capital of the company– page 195.

Statement of intent

The directors undertake that, to the extent it is still required by the JSE Listings Requirements and the Companies Act, they will not implement any repurchase as contemplated in this special resolution while this general authority is valid, unless:

a) the board has resolved to authorise such repurchase subject to the limitations set out in this special resolution, have applied the solvency and liquidity test set out in section 4 of the Companies Act and have reasonably concluded that the Group will satisfy the solvency and liquidity test immediately after completing such repurchase, and are satisfied that since the test was carried out there have been no material changes to the financial position of the Group; and

b) the Group will comply with the provisions of section 46 of the Companies Act and the JSE Listings Requirements in relation to such repurchase.

The board has considered the impact of a repurchase of up to 10% (ten percent) of the company's securities, under a general authority in terms of the JSE Listings Requirements. Should the opportunity arise and should the directors deem it in all respects to be advantageous to the company to repurchase such securities, it is deemed appropriate that the company or a subsidiary be authorised to repurchase the company's securities.

Directors' responsibility statement

The directors, whose names are given on pages 24 and 25 of the integrated report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that to the best of their knowledge and belief there are no facts in relation to this special resolution that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the aforementioned resolution contains all information required by law and the JSE Listings Requirements.

No material changes to report

Other than what is reported on in the integrated report, there are no material changes in the financial position of the Group since the financial year-end of 30 June 2022 and the date of this notice.

16. Any other business to be transacted at the AGM

In terms of section 61(8)(d) of the Companies Act, an AGM must provide for the transacting of business in relation to any matters raised by shareholders, with or without advance notice to the company.

17. Electronic participation

Shareholders or their proxies may participate in the AGM by way of electronic participation call and, if they wish to do so TMS by no later than Tuesday, 1 November 2022 to make such arrangements as mentioned above. In terms of section 61(10) of the Companies Act, the company has retained the services of TMS to host the AGM in order to facilitate electronic participation and voting by shareholders.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, should contact their CSDP or broker in the manner and time stipulated in their agreement with their CSDP or broker:

- to furnish them with voting instructions; and
- in the event that they wish to participate in the meeting, to obtain the necessary authority to do so.

Shareholders who intend participating in the meeting on the virtual platform and who wish to vote at the meeting are required to contact TMS at **proxy@tmsmeetings.co.za** by submitting the completed registration form attached to this notice of AGM on page 214 as soon as possible, but no later than 08:30 (CAT) Tuesday, 1 November 2022. Shareholders who wish to attend the meeting on the virtual platform, should instruct their CSDP or broker to issue them with the necessary letter of representation to attend the meeting as stipulated in the agreement with their CSDP or broker.

Although the electronic platform provides for voting during the meeting, shareholders are strongly encouraged to still submit their votes by proxy prior to the meeting to TMS at email **proxy@tmsmeetings.co.za**.

Shareholders will be liable for their own network charges and these will not be for the expense of the company or TMS. Neither the company nor TMS can be held liable in the case of loss of network connectivity or network failure due to insufficient airtime/internet connectivity/power outages which would prevent you from voting at or participating in the virtual meeting.

Voting and proxies

A shareholder entitled to attend and vote at the AGM may appoint one or more persons as its proxy (who need not be a shareholder of the company) to attend, speak and vote (or abstain from voting) in its stead. Note that equity securities held by a share trust or scheme and unlisted securities will not have their votes taken into account at the AGM for the purposes of resolutions proposed in terms of the JSE Listings Requirements. Shares held as treasury shares in terms of the Companies Act and JSE Listings Requirements may not vote on any resolutions.

Please note that, in accordance with section 63(1) of the Companies Act, the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder, or as a proxy for a shareholder, has been reasonably verified. Accordingly, meeting participants (including shareholders and proxies) must provide satisfactory identification. Without limiting the generality hereof, the company will accept a valid South African identity document, a valid driver's licence, or a valid passport as satisfactory identification.

On a show of hands, every shareholder of the company present in person or represented by proxy shall have one vote only. On a poll, every shareholder of the company shall have one vote for every share held in the company by such shareholder.

A form of proxy is attached for the convenience of certificated shareholders and own-name dematerialised shareholders who are unable to attend the AGM but who wish to be represented thereat. In order to be valid, duly completed forms of proxy must be submitted electronically to TMS at **proxy@tmsmeetings.co.za**, by no later than 08:30 (CAT) on Tuesday, 1 November 2022, subject to the proxy instructions meeting all other criteria. Alternatively, a duly completed form of proxy may be handed to the Chairman of the AGM prior to the commencement of the AGM. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote at the AGM should the shareholder decide to do so.

Dematerialised shareholders, other than with own-name registration, who have not been contacted by their CSDP or broker with regard to how they wish to cast their votes should contact their CSDP or broker and instruct their CSDP or broker as to how they wish to cast their votes at the AGM in order for their CSDP or broker to vote in accordance with such instructions. If such dematerialised shareholders wish to attend the AGM in person, they must request their CSDP or broker to issue the necessary letter of representation to them. This must be done in terms of the custody agreement entered into between such dematerialised shareholders and their CSDP or broker.

By order of the board

NE Simelane
Company Secretary

26 September 2022

Annual general meeting – explanatory notes

Part A

Presentation of the audited consolidated and separate annual financial statements

Section 61(8) of the Companies Act requires directors to present the audited consolidated and separate annual financial statements for the year ended 30 June 2022 to shareholders, together with the reports of the directors, external auditor, and the ARC at the AGM. These are contained within the audited consolidated and separate annual financial statements and an extract is included in the integrated report.

Shareholders are advised that, in terms of section 62(3)(d) of the Companies Act, a copy of the audited consolidated and separate annual financial statements for the preceding financial year may be obtained by submitting a written request to the Company Secretary, and electronic copies are available on the company's website: **https://www.motus.co.za/investors/integrated-reports/**.

Presentation of the Social, Ethics and Sustainability report

Regulation 43(5)(c) of the Companies Regulations requires the SES Committee, through 1 (one) of its members, to report to the shareholders on matters within its mandate at the AGM. The SES Committee's report will be presented during the AGM.

Part B

Ordinary resolution 1 – Election of retiring non-executive directors

In terms of the company's MOI, one-third of the directors are required to retire at each AGM and may, if eligible, offer themselves for election in terms of clause 23.3.2.

1.1 Mr. S Mayet retires by rotation in terms of paragraph 23.3.2 of the MOI; and
1.2 Mr. MJN Njeke retires by rotation in terms of paragraph 23.3.2 of the MOI.

Messrs Mayet and Njeke retire in accordance with clause 23.3.2 of the MOI and now offer themselves for election by shareholders, having been evaluated and had their eligibility and suitability for election confirmed by the Nomination Committee (NomCo).

Brief curriculum vitae in respect of the retiring directors who have offered themselves for election are set out on page 24 of the integrated report.

To be approved, each of the resolutions set out under ordinary resolution 1 requires the support of more than 50% (fifty percent) of the voting rights exercised on the resolutions by shareholders, present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution.

If each of the individual resolutions set out under ordinary resolution 1.1 and 1.2 are approved, the effect would be to elect the retiring directors who have offered themselves for election as independent non-executive directors to the board of the company until such time as they resign, retire, and do not offer themselves for re-election or are otherwise removed from office.

Ordinary resolution 2 – Election of the members of the Audit and Risk Committee

Section 94(2) of the Companies Act requires the company to elect an Audit Committee comprising at least 3 (three) independent non-executive directors of the board at each AGM. The board has constituted ARC as one committee. In order to comply with this provision of the Companies Act, the board, following a recommendation of the NomCo, hereby nominates the following independent non-executive directors to be elected as members of the ARC:

2.1 Mr. S Mayet as a member of the ARC (subject to being appointed in accordance with resolution 1.1 above).
2.2 Ms. NB Duker as a member of the ARC.
2.3 Ms. F Roji as a member of the ARC.

A brief curriculum vitae in respect of each of the above independent non-executive directors who offer themselves for re-election as members of the ARC, is set out on page 24 of the integrated report.

To be approved, each of the resolutions for the election of members of the ARC in ordinary resolution 2 requires the support of more than 50% (fifty percent) of the voting rights exercised on the resolutions by shareholders, present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution.

If ordinary resolution 2 is approved, the effect would be to elect the abovementioned directors to the ARC until the next AGM of the company.

Ordinary resolution 3 – Re-appointment of external auditor

In terms of section 90(1) of the Companies Act, the company is required to appoint an auditor each year at its AGM by way of an ordinary resolution of the shareholders entitled to exercise voting rights on that resolution. In terms of section 94(7)(a) (read with section 90(2)) of the Companies Act, the Audit Committee of the company must nominate a registered auditor for appointment as auditor of the company who is, in the opinion of the Audit Committee, independent of the company.

The ARC has nominated Deloitte & Touche as the independent external auditor of the company. The ARC, following receipt of the information set out in paragraph 22.15(h) of the JSE Listings Requirements, is satisfied that Deloitte & Touche and Ms. Shelly Nelson, who is responsible for performing the functions of the company's external auditor on behalf of Deloitte & Touche, can be regarded as independent and are thereby able to conduct their external audit functions without any conflict or influence.

Deloitte & Touche has confirmed its willingness to be engaged as external auditor of the company and ordinary resolution 3 proposes the appointment of that firm as the company's auditor with immediate effect until the next AGM. As contemplated in section 90(3) of the Companies Act, the name of the designated auditor, Ms. Shelly Nelson, forms part of the resolution. The resolution also notes the remuneration of the independent external auditor as determined by the ARC.

To be approved, ordinary resolution 3 requires the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders, present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution.

If ordinary resolution 3 is approved, the effect would be that Deloitte & Touche would be the independent external auditor of the company, with Ms. Shelly Nelson as a designated auditor until after the 30 June 2023 financial year.

Ordinary resolution 4 – Appointment of external auditor – mandatory rotation

Shareholders are referred to the announcement that was published on SENS on 13 June 2022 which advised that the proposed change in the audit firm was initiated by the Group to comply IRBA's 2017 ruling on mandatory audit firm rotation, which requires a company to rotate its external auditor where it has held such appointment for more than 10 consecutive financial years. PwC is being appointed for the financial year ending 30 June 2024 to replace Deloitte & Touche after the 30 June 2023 financial year. This would enable Deloitte & Touche to handover to PwC in an orderly manner. The appointment is subject to shareholder approval.

The ARC has nominated PwC as the independent external auditor of the company. The ARC, following receipt of the information set out in paragraph 22.15(h) of the JSE Listings Requirements, is satisfied that PwC and Mr. Thomas Howatt, who is responsible for performing the functions of the company's external auditor on behalf of PwC, can be regarded as independent and are thereby able to conduct their external audit functions without any conflict or influence.

To be approved, ordinary resolution 4 requires the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders, present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution.

If ordinary resolution 4 is approved, the effect would be that PwC would be able to appropriately attend to handover from Deloitte & Touche and be appointed as independent external auditor of the company for the financial year ending 30 June 2024, with Mr. Thomas Howatt as a designated auditor.

Ordinary resolution 5 – Authority to issue ordinary shares

In terms of the company's MOI, the requirements of the Companies Act and the JSE Listings Requirements, the board has the authority to issue shares of the company that have been authorised by or in terms of the company's MOI. Notwithstanding the above, the board wishes to exercise its authority as set out this in this resolution, i.e. the authorised but unissued ordinary shares are to be placed under the control of the directors by way of a general authority that shall remain valid until the next AGM. The directors' authority granted under this resolution shall include the right to allot and issue such shares.

To be approved, ordinary resolution 4 requires the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders, present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution.

If ordinary resolution 5 is approved, the effect would be that the aggregate number of ordinary shares the directors will be able to allot and issue in terms of this resolution shall be limited to 5% (five percent) of the issued share capital until the next AGM.

Ordinary resolution 6 – Authority to issue shares for cash

It is not possible to detail in advance all instances where authority to issue shares for cash could be required. However, the company may from time to time need to raise funding to recapitalise the business or to conclude a transaction or transactions with third parties which may involve the issuing of shares for cash. The purpose of this resolution is accordingly to obtain a general authority from shareholders to ensure that, when a need arises, the board is able to issue shares for cash in compliance with the JSE Listings Requirements.

In terms of the JSE Listings Requirements in order for ordinary resolution 6 to be adopted, a majority of 75% (seventy-five percent) of the voting rights exercisable on the resolution is required.

Part C

Ordinary resolution 7 – Confirmation of the Group's remuneration policy

Principle 14 of the King IV requires companies to ensure that they remunerate fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term and requires companies to table their remuneration policy to shareholders every year for a non-binding advisory vote at the AGM. This vote enables shareholders of the company to express their views on the remuneration policies adopted and on their implementation. The Group's remuneration report is contained on pages 152 to 175 of the integrated report. Ordinary resolution 7 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing arrangements.

However, the board will, as required in terms King IV and the JSE Listings Requirements, disclose in the background statement of the remuneration report succeeding the voting: with whom the company engaged, and the manner and form of engagement to ascertain the reasons for dissenting votes; and the nature of steps taken to address legitimate and reasonable objections and concerns, in the event that either the remuneration policy or implementation report, or both, were voted against by 25% (twenty five percent), or more, of the voting rights exercised.

To be approved, ordinary resolution 7 requires the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders, present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution.

Ordinary resolution 8 – Confirmation of the Group's remuneration implementation report

Principle 14 of King IV further requires that the implementation of a company's remuneration policy be tabled for a non- binding advisory vote by shareholders at each AGM. This resolution is of advisory nature only to enable shareholders to express their views on the implementation of the company's remuneration policy.

To be approved, ordinary resolution 8 requires the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders, present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution.

Ordinary resolution 9 – Delegation of authority

The reason for ordinary resolution 8 is to authorise any 1 (one) director or the Company Secretary of the company to do all such things and sign all documents and take all such action as he/she may consider necessary to implement the resolutions set out in the notice convening the AGM.

To be approved, ordinary resolution 9 requires the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders, present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution.

Part D

Special resolution 1 – Non-executive directors' remuneration

Shareholders are requested to consider and if deemed appropriate, approve the proposed annual market related fees and remuneration payable to non-executive directors for their services as directors as set out in the table hereunder. Full particulars of all fees and remuneration paid to non-executive directors for the past financial year are contained on page 165 the integrated report. Since the Companies Act took effect, in particular sections 65(11), 66(8) and (9), remuneration may only be paid to directors for their services as directors in accordance with a special resolution approved by the shareholders within the previous 2 (two) years.

To be approved, special resolution 1 requires the support of at least 75% (seventy five percent) of the voting rights exercised on the resolution.

	Proposed fee from 1 July 2022 to 30 June 2023	Proposed fee from 1 July 2023 to 30 June 2024
Chairman*	**R1 106 420**	R1 172 805
Deputy Chairman*	**R553 215**	R586 408
Board member	**R316 410**	R335 395
Asset and Liability Committee Chairman*	**R201 675**	R213 776
Asset and Liability Committee member	**R134 265**	R142 321
Audit and Risk Committee Chairman*	**R417 840**	R442 910
Audit and Risk Committee member	**R208 920**	R221 455
Remuneration Committee Chairman*	**R150 980**	R160 039
Remuneration Committee member	**R100 285**	R106 302
Nomination Committee Chairman*	**R113 230**	R120 024
Nomination Committee member	**R75 210**	R79 723
Social, Ethics and Sustainability Committee Chairman*	**R202 230**	R214 364
Social, Ethics and Sustainability Committee member	**R134 265**	R142 321

* *Fee paid in addition to a member's fee.*

The Nomination Committee only has three scheduled meetings, and as and when it is necessary. The proposed increase in fees for the 2023 financial year is 5% (five percent) and the 2024 financial year is 6% (six percent) for the board and all its sub-committees.

Executive directors are full time employees of the company and therefore do not receive directors' remuneration for participating in the meetings of the board and/or its sub-committees. Remuneration and fees are stated excluding value-added tax.

If special resolution 1 is approved, the effect would be to authorise the company to pay the remuneration contemplated in the above table to the non-executive directors of the company for their services as directors as set out in the table above.

Notice of annual general meeting (continued)

Special resolution 2 – Authority to provide financial assistance in terms of section 44

From time to time the company would like to be able to borrow from its subsidiaries, and to on-lend or provide loans to its subsidiaries as envisaged in special resolution 2 in accordance with the provisions of section 44 of the Companies Act. It is not possible to detail in advance all instances where such financial assistance could be required, and approval is accordingly sought as contemplated in section 44 of the Companies Act generally for the provision of financial assistance to certain subsidiaries for the purpose of, or in connection with, the subscription of any option, or any securities issued or to be issued by the company or related or inter-related company. If approved, this general authority will expire at the end of 2 (two) years from the date on which it is approved. In addition, it would be impractical and difficult to obtain shareholder approval every time the company wishes to provide financial assistance as contemplated above. Accordingly, the company requires flexibility and the authority to act promptly as the need arises, and the authority of this special resolution is sought in advance to avert the need for shareholder approval in each instance.

To be approved, special resolution 2 requires the support of at least 75% (seventy five percent) of the voting rights exercised on the resolution.

If special resolution 2 is approved, the effect would be to authorise the company to grant the aforementioned financial assistance to the relevant companies, subject to compliance with the MOI and the Companies Act (including but not limited to the board being satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act).

Special resolution 3 – Authority to provide financial assistance in terms of section 45

From time to time the company would like to be able to borrow from its subsidiaries, and to on-lend or provide loans to its subsidiaries as envisaged in special resolution 3 in accordance with the provisions of section 45 of the Companies Act. It is not possible to detail in advance all instances where such financial assistance could be required, and approval is accordingly sought as contemplated in section 45 of the Companies Act generally for the provision of financial assistance to certain subsidiaries. If approved, this general authority will expire at the end of 2 (two) years from the date on which special resolution 3 is approved. In addition, it would be impractical and difficult to obtain shareholder approval every time the company wishes to provide financial assistance as contemplated above. Accordingly, the company requires flexibility and the authority to act promptly as the need arises, and the authority of this special resolution is sought in advance to obviate the need for shareholder approval in each instance.

To be approved, special resolution 3 requires the support of at least 75% (seventy five percent) of the voting rights exercised on the resolution.

If special resolution 3 is approved, the effect would be to authorise the company to grant the aforementioned financial assistance to the relevant companies, subject to compliance with the MOI and the Companies Act (including but not limited to the board being satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act).

Special resolution 4 – General authority to repurchase company's securities

The board believes that it may be prudent to obtain a general authority to repurchase the company's shares to enable it to act promptly should the opportunity arise. Shareholders' approval, by way of a special resolution, is sought for a repurchase of the company's shares, subject to the provisions of the JSE Listings Requirements and the Companies Act as set out in the proposed resolution. This special resolution is subject to the statement of intent as set out above.

To be approved, special resolution 4 requires the support of at least 75% (seventy five percent) of the voting rights exercised on the resolution.

If special resolution 4 is approved, the effect would be to authorise the company and/or its subsidiary company/ies by way of a general authority to acquire the company's issued shares on such terms, conditions and in such amounts as determined from time to time by the directors of the company subject to the provisions of the JSE Listings Requirements and the Companies Act as set out in special resolution 4.

Quorum

The meeting of shareholders contemplated herein may begin, and a matter may begin to be debated at that meeting, only if the following quorum requirements are met as required by the Companies Act and the MOI:

1. subject to 2 and 3 below –
   1.1 a meeting of shareholders may not begin until sufficient persons are present at the meeting to exercise, in aggregate, at least 25% (twenty five percent) of all of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting; and
   1.2 a matter to be decided at the meeting may not begin to be considered unless sufficient persons are present at the meeting to exercise, in aggregate, at least 25% (twenty five percent) of all of the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda;
2. once a quorum has been established at a meeting of shareholders, all the shareholders necessary to maintain such quorum must be present at that meeting to consider and vote on any matter;
3. despite the percentage figures set out in 1, as the company has more than 2 (two) shareholders, a meeting may not begin, or a matter begin to be debated unless –
   3.1 at least 3 (three) shareholders are "present at the meeting" (as defined in the Companies Act); and
   3.2 the requirements of 1 are satisfied.

Annexure A

Virtual meeting guide for participants who elect to participate in the meeting using this platform

How to access the virtual meeting

1. In order to participate and vote in the meeting, each user must have an internet-enabled device (phone, laptop, desktop, tablet) capable of browsing to a regular website (in order to vote and participate).
2. Closer to the meeting date or on the day of the virtual meeting, you will receive a link and a password to enter the virtual meeting room.
3. Click on the link and you will be directed to the meeting platform.
4. An additional unique link will be sent, individually, to each shareholder who has made contact with TMS on **proxy@tmsmeetings.co.za** and who has successfully been validated to vote at the meeting.
5. Guests will only be allowed to observe and listen to the proceedings of the meeting.

Navigating the meeting platform

1. Participants who would like to pose questions, please click on the Q&A icon on the bottom of your screen, to ask your question.
2. If you have a question on a particular resolution, please type your name, the resolution number, followed by your question and press enter or send.
3. Alternatively, if you would like to address the meeting directly, please click on the raise your hand icon. Once the Chairman has identified you, your microphone will be un-muted, and you will be able to address the meeting.

How to exercise your votes

1. All shareholders or their representatives, who have elected to vote electronically, would have received a link from Digital Cabinet to either their phone or email based on the number or address provided.
2. The voting option will be available on all the resolutions when the Chairman opens the meeting.
3. Please click on the "vote now" link and it will direct you to the voting platform.
4. You will notice that the voting platform contains all the resolutions which have been published in the notice of meeting, with your votes automatically defaulted to "Abstain".
5. Please note – once you click the "submit" button, your votes cannot be retracted and re-voted.
6. You may vote on all the resolutions simultaneously by defaulting all your votes as either "For" or "Against" or keeping it as an "Abstained" vote and then clicking on the "submit" button on the bottom of the electronic ballot form.
7. You may also indicate your votes individually, per resolution, by selecting the relevant option (For, Against, Abstain), on a resolution-by-resolution basis.
8. Once you have voted on all the resolutions, scroll down to the bottom of the page and click the "submit" button.
9. You will receive a message on your screen confirming that your votes have been received.
10. Once again, please ensure that you have selected the correct option on a resolution (For, Against, Abstain) before clicking the "submit" button.

You will only be able to access both the meeting platform and the voting platform 10 minutes prior to the commencement of the virtual meeting.

Annexure B

To participate in the annual general meeting virtually: registration form

Motus Holdings
(Incorporated in the Republic of South Africa)
Registration number: 2017/451730/06
Share code: MTH
ISIN: ZAE000261913
(Motus or the company)

To be held on Wednesday, 2 November 2022 at 08:30 (CAT)

Shareholders or their proxies who wish to participate in the AGM via electronic participation (Participants), must register with the company's meeting scrutineers by delivering the signed form the next page (the application) to The Meeting Specialists Proprietary Limited (TMS) at email **proxy@tmsmeetings.co.za** by no later than 08:30 (CAT) on Tuesday, 1 November 2022.

- Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with 'own name' registration, should contact their Central Securities Depository Participant (CSDP) or broker in the manner and time stipulated in their agreement with their CSDP or broker:
  - To furnish them with their voting instructions; and
  - In the event that they wish to participate in the meeting, to obtain the necessary authority to do so.
- Participants will be able to vote during the AGM through an electronic participation platform, if they elect this option. Such Participants, should they wish to have their votes(s) counted at the AGM, must provide TMS with the information requested below.
- Each shareholder, who has complied with the requirements below, will be contacted between 28 October 2022 and 1 November 2022 via email/mobile with a unique link to allow them to participate in the virtual AGM.
- The cut-off time, for administrative purposes, to participate in the meeting will be at 08:30 (CAT) on 1 November 2022. The Participant's unique access credentials will be forwarded to the email/cell number provided on the next page.

Please take note of the virtual meeting guide for shareholders on page 212.

Annexure B (continued)

Application form

Name and surname of shareholder:

Name and surname of shareholder representative (if applicable)

ID number of shareholder or representative:

Email:

Cell number:

Telephone:

Name of CSDP or broker (if shares are held in dematerialised format):

SCA number/broker account number or own name account number:

Number of shares

The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the general meeting is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.

The Participant acknowledges that the telecommunication lines/webcasts/web-streaming are provided by a third-party and indemnifies Motus, the JSE Limited (JSE), TMS (virtual platform service provider) and/or its third-party service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against Motus, the JSE, TMS and/or its third-party service providers, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the general meeting.

Participants will be able to vote during the general meeting through an electronic participation platform. Such Participants should they wish to have their vote(s) counted at the general meeting, must act in accordance with the requirements set out above.

Once the Participant has received the link, the onus to safeguard this information remains with the Participant.

The application will only be deemed successful if this application form has been fully completed and signed by the Participant and sent by email to TMS at **proxy@tmsmeetings.co.za**.

The company collects and uses personal information mainly to identify shareholders who must participate and vote during the AGM and to comply with legal obligations of the Companies Act (No 71 of 2008) as amended, and Protection of Personal Information Act. The company will take reasonably practicable steps to ensure that the personal information is used for the purpose for which it is collected and in compliance with the Protection of Personal Information Act.

By signing this registration form, I agree and consent to the processing of my personal information above for the purpose of participation in the AGM.

Shareholder name:

Signature:

Date:

Form of proxy

Motus Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 2017/451730/06)
ISIN: ZAE000261913
JSE share code: MTH
(Motus, or the company or the Group)

Form of proxy for the 4th annual general meeting (AGM) to be held on Wednesday, 2 November 2022 at 08:30 (CAT) in respect of the AGM of shareholders to be held at 224 Garstfontein Road, Menlyn, 0181 Pretoria, Gauteng and through electronic participation or at any other adjourned or postponed time determined in accordance with the provisions of section 64(4) or section 64(10) (as read with section 64(11)(a)(i)) of the Companies Act as amended from time to time.

To be completed by certified ordinary shareholders and dematerialised shareholders with "own name" registrations only.

A shareholder entitled to attend and vote at the AGM, and is also entitled, at any time, to appoint one or more proxies (who need not be shareholders of the company) to attend, speak and vote in his/her stead.

Dematerialised ordinary shareholders who do not have own-name registration who wish to attend or send a proxy to represent them at the AGM must inform their central securities depository participant (CSDP) or broker of their intention to attend or be represented at the AGM and request their CSDP or broker to issue them with the relevant letter of representation to attend or be represented at the AGM and vote. If they do not wish to attend or be represented at the AGM, they must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. In the absence of such instructions, the CSDP or broker or proxy holder will be entitled to vote in accordance with the instructions contained in the custody agreement mandate between them and their CSDP or broker or as they deem fit. These shareholders must not use this form of proxy.

I/We (please print name in full):	
of address	
Telephone number	Cellphone number
Being an ordinary shareholder(s) of the company holding	ordinary shares in the company do hereby appoint
1	or failing him/her
2	or failing him/her

		Number of votes (one per share) For	Against	Abstain
1.	**Ordinary resolution 1 – Election of retiring non-executive directors** Ordinary resolution 1.1: To elect Mr. S Mayet, who is retiring by rotation in accordance with clause 23.3.2 of the company's Memorandum of Incorporation (MOI), as an independent non-executive director of the company as contemplated in section 68(2)(a) of the Companies Act.			
	Ordinary resolution 1.2: To elect Mr. MJN Njeke, who is retiring by rotation in accordance with clause 23.3.2 of the company's MOI, as an independent non-executive director of the company as contemplated in section 68(2)(a) of the Companies Act.			
2.	**Ordinary resolution 2 – Election of the members of the Audit and Risk Committee** To re-elect by way of separate divisible resolutions the following independent non-executive directors as the Audit and Risk Committee members.			
	Ordinary resolution 2.1 – Mr. S Mayet (subject to being appointed in accordance with resolution 1.1 above)			
	Ordinary resolution 2.2 – Ms. NB Duker			
	Ordinary resolution 2.3 – Ms. F Roji			
3.	**Ordinary resolution 3 – Re-appointment of external auditor:** To re-appoint Deloitte & Touche as independent external auditor of the company for the ensuing year (the designated auditor being Ms. Shelly Nelson).			
4.	**Ordinary resolution 4 – Appointment of external auditor – mandatory rotation:** To appoint PricewaterhouseCoopers Inc., as the Group's external auditors, with Mr. Thomas Howatt as designated audit partner, for the financial year ending 30 June 2024, replacing Deloitte & Touche after the 30 June 2023 financial year.			
5.	**Ordinary resolution 5 – Authority to issue ordinary shares:** To approve that the authorised but unissued ordinary shares be and are hereby placed under the control of the directors by way of a general authority, that shall remain valid until the next AGM and the directors authorised, to allot and issue those shares at their discretion.			
6.	**Ordinary resolution 6 – Authority to issue shares for cash:** To consider and approve that the directors of the company be and are hereby authorised by way of a general authority, to allot and issue any of the company's unissued shares placed under their control for cash, as they in their discretion may deem fit, without restriction, subject to the provisions of the JSE Listings Requirements.			

Form of proxy (continued)

		Number of votes (one per share) For	Against	Abstain
7.	**Ordinary resolution 7 – Confirmation of the Group's remuneration policy:** To endorse, by way of a non-binding advisory vote, the Group's remuneration policy (excluding the remuneration of the non-executive directors for their services as directors and members of committees).			
8.	**Ordinary resolution 8 – Confirmation of the Group's remuneration implementation report:** To endorse, by way of a non-binding advisory vote, the company and Group's remuneration implementation report as set out in the integrated report.			
9.	**Ordinary resolution 9 – Delegation of authority:** To authorise any 1 (one) director of the company and/or the Company Secretary to do all such things and sign all such documents (including any amendments thereto) as are deemed necessary or advisable to implement the ordinary and special resolutions.			
10.	**Special resolution 1 – Non-executive directors' remuneration:** To approve the proposed fees and remuneration payable to non-executive directors and/or pay any fees related thereto and on any other basis as may be recommended by the Remuneration Committee and approved by the board of directors for the period from the period set out in the table below:			

		Fees from 1 July 2022 to 30 June 2023	Fees from 1 July 2023 to 30 June 2024	For	Against	Abstain
10.1	Chairman*	R1 106 420	R1 172 805			
10.2	Deputy Chairman*	R553 215	R586 408			
10.3	Board member	R316 410	R335 395			
10.4	Asset and Liability Committee Chairman*	R201 675	R213 776			
10.5	Asset and Liability Committee member	R134 265	R142 321			
10.6	Audit and Risk Committee Chairman*	R417 840	R442 910			
10.7	Audit and Risk Committee member	R208 920	R221 455			
10.8	Remuneration Committee Chairman*	R150 980	R160 039			
10.9	Remuneration Committee member	R100 285	R106 302			
10.10	Nomination Committee Chairman*	R113 230	R120 024			
10.11	Nomination Committee member	R75 210	R79 723			
10.12	Social, Ethics and Sustainability Committee Chairman*	R202 230	R214 364			
10.13	Social, Ethics and Sustainability Committee member	R134 265	R142 321			

** Fee paid in addition to a member's fee.*

		For	Against	Abstain
11.	**Special resolution 2 – Authority to provide financial assistance in terms of section 44:** To approve, subject to compliance with the provisions of the MOI and Companies Act (including but not limited to the board being satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company), the provision by the company, at any time and from time to time during the period of 2 (two) years commencing from the date of approval of this special resolution, of such direct or indirect financial assistance as contemplated in section 44 of the Companies Act.			
12.	**Special resolution 3 – Authority to provide financial assistance in terms of section 45:** To approve, subject to compliance with the provisions of the MOI and Companies Act (including but not limited to the board being satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company), the provision by the company, at any time and from time to time during the period of 2 (two) years commencing from the date of approval of this special resolution, of such direct or indirect financial assistance as contemplated in section 45 of the Companies Act.			
13.	**Special resolution 4 – General authority to repurchase company securities:** To approve the general authority to repurchase the company's securities subject to the JSE Listings Requirements and Companies Act as set out in the resolution.			

 # Insert an X in the appropriate block. If no indications are given, the proxy will vote as he/she deems fit.

Please read the notes on the reverse side hereof.

Signed at ______ on ______ 2022

Signature ______

Assisted by (where applicable) ______

Please provide contact details ______ Tel: (   ) ______ Email: ______

Notes to the form of proxy

Notes and summary of salient rights in terms of section 58 of the Companies Act:

1. A shareholder entitled to attend and vote at the AGM may insert the name of a proxy or the names of two alternative proxies of the shareholders choice in the space provided, with or without deleting "the Chairman of the AGM". A proxy need not be a shareholder of the company. The person whose name stands first on this form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow. Should this space be left blank, the proxy will be exercised by the Chairman of the AGM.
2. All resolutions put to the vote shall be decided by way of a poll. A shareholder is entitled on a poll, to 1 (one) vote per share held. A shareholder's instructions on the proxy must be indicated by inserting the relevant number of votes exercisable by the shareholder in the appropriate box(es). An "X" in the appropriate box indicates the maximum number of votes exercisable by that shareholder. Failure to comply with the above will result in the proxy not being authorised to vote or to abstain from voting, except in the case where the Chairman of the AGM is the proxy.
3. If a shareholder does not indicate on this form that his proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution/s or any amendment/s which may properly be put before the AGM be proposed, the proxy shall be entitled to vote as he thinks fit.
4. The Chairman of the AGM may reject or accept any form of proxy which is completed and/or received, other than in compliance with these notes.
5. The appointment of a proxy or proxies is suspended at any time to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder.
6. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the company or unless the Chairman of the AGM waives this requirement.
7. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the transfer secretaries of the company.
8. Where there are joint holders of shares, any one of such shareholders may sign the form of proxy provided that if more than one of such holders is present or represented at the AGM, the holder whose name stands first in the register of the company in respect of such shares, or his proxy, as the case may be, shall alone be entitled to vote in respect thereof.
9. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has previously been registered with the company or the transfer secretaries.
10. A proxy may delegate his/her authority to act on behalf of a shareholder to another person subject to any restriction therefore set out in this instrument of proxy.
11. The proxy appointment must be in writing, dated and signed by the shareholder, and remains valid only until the end of the meeting at which it was intended to be used, unless the proxy appointment is revoked, in which case the proxy appointment will be cancelled with effect from such revocation.
12. A vote given in accordance with the terms of this form of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy of the authority under which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the company before the commencement of the AGM (or any adjournment thereof), unless notice as to any of the aforementioned matters shall or have been received by the transfer secretaries not less than 48 (forty-eight) hours before the commencement of the AGM.
13. Any alteration or correction made to this form of proxy, other than the deletion of alternatives, must be signed and not merely initialled by the signatory/ies.
14. Forms of proxy must be emailed to: The Meeting Specialist Proprietary Limited (TMS) at **proxy@tmsmeetings.co.za**, to be received by them for administrative purposes by no later than 08:30 (CAT) on Wednesday, 2 November 2022. Should this form of proxy not be returned to TMS, it may be delivered to the Chairman of the AGM before that meeting is due to commence by email to the Motus Company Secretary at **nsimelane@motus.co.za**.

Notes to the form of proxy (continued)

15. Summary of the rights of a shareholder to be represented by proxy, as set out in section 58 of the Companies Act:
    - A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy, and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the relevant shareholders' meeting.
    - A proxy may delegate the proxy's authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
    - The appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a shareholder.
    - The appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of:
      a. the date stated in the revocation instrument, if any; and
      b. the date on which the revocation instrument is delivered to the company as required in the first sentence of this paragraph.
    - If the instrument appointing the proxy or proxies has been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company's MOI to be delivered by the company to the shareholder, must be delivered by the company to:
      a. the shareholder; or
      b. the proxy or proxies, if the shareholder has (i) directed the company to do so in writing; and (ii) paid any reasonable fee charged by the company for doing so.
    - The completion of a form of proxy does not preclude any shareholder from attending the AGM.

Independent limited assurance report

To the Directors of Motus Holdings Limited

1 Van Buuren Road
Corner Van Dort and Geldenhuys Streets
Bedfordview
2007

Dear Sirs and Mesdames

Independent limited assurance report to the directors of Motus Holdings Limited

We have performed our limited assurance engagement in respect of the key performance indicators for the year ended 30 June 2022.

The subject matter comprises the selected key performance indicators conducted in accordance with management's basis of preparation, as supported by the Global Reporting Initiative Standards (GRI Standards), as prepared by the responsible party, during the year ended 30 June 2022.

The terms of management's basis of preparation comprise the criteria by which the company's compliance is to be evaluated for purposes of our limited assurance engagement. The key performance indicators are as follows:

No	Key performance indicator	Metric
	Safety	
1	Kilometres travelled	Kilometres
2	Road accidents	Absolute
3	Accidents per million kilometres	Ratio
	Environmental	
4	Diesel consumed	Litres
5	Petrol consumed	Litres
6	Electricity consumed	kWh
7	Municipal water consumed	Litres
8	Scope 1 emissions	Carbon emission tonnes (tCO_2e)
9	Scope 2 emissions	Carbon emission tonnes (tCO_2e)
	Social	
10	Training hours	Hours
11	Training spend	Rands
12	Corporate Social Responsibility spend	Rands

Directors' responsibility

The directors being the responsible party, and where appropriate, those charged with governance are responsible for the key performance indicator information, in accordance with management's basis of preparation.

The responsible party is responsible for:
- ensuring that the key performance indicator information is properly prepared and presented in accordance with management's basis of preparation;
- confirming the measurement or evaluation of the underlying key performance indicators against the applicable criteria, including that all relevant matters are reflected in the key performance indicator information; and
- designing, establishing and maintaining internal controls to ensure that the key performance indicator information is properly prepared and presented in accordance with management's basis of preparation.

Independent limited assurance report (continued)

Assurance Practitioner's responsibility

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historic Financial Information*. This standard requires us to comply with ethical requirements and to plan and perform our limited assurance engagement with the aim of obtaining limited assurance regarding the key performance indicators of the engagement.

We shall not be responsible for reporting on any key performance indicator events and transactions beyond the period covered by our limited assurance engagement.

Independence and Other Ethical Requirements

We have complied with the independence and other ethical requirements of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

Deloitte applies the International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of work performed

We have performed our procedures on the key performance indicator transactions of the Company, as prepared by management in accordance with management's basis of preparation for the year ended 30 June 2022.

Our evaluation included performing such procedures as we considered necessary which included:
- interviewing management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process for the selected subject matter;
- testing the systems and processes to generate, collate, aggregate, validate and monitor the source data used to prepare the selected subject matter for disclosure in the Integrated Report;
- inspected supporting documentation and performed analytical review procedures; and
- evaluated whether the selected key performance indicator disclosures are consistent with our overall knowledge and experience of sustainability processes at Motus Holdings Limited.

Our assurance engagement does not constitute an audit or review of any of the underlying information conducted in accordance with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit opinion or review conclusion.

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

In a limited assurance engagement, the procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the key performance indicator information has been properly prepared and presented, in all material respects, in accordance with management's basis of preparation.

Limited assurance conclusion

Based on our work described in this report, nothing has come to our attention that causes us to believe that the key performance indicators are not prepared, in all material respects, in accordance with management's basis of preparation.

Deloitte & Touche
Registered Auditors
Per Mark Victor
Partner

26 September 2022

5 Magwa Crescent
Waterfall City, Waterfall

Pro forma financial information accountants report

To the Directors of Motus Holdings Limited

1 Van Buuren Road
Corner Van Dort and Geldenhuys Streets
Bedfordview
2007

Dear Sirs and Mesdames

Report on the Assurance Engagement on the Compilation of Pro Forma Financial Information Included in the "Motus Holdings Limited – Preliminary Summarised Audited Consolidated Results for the year ended 30 June 2022"

We have completed our assurance engagement to report on the compilation of pro forma financial information of Motus Holdings Limited ("the company" or "the group") by the directors. The pro forma financial information, as set out in the *"Motus Holdings Limited – Preliminary Summarised Audited Consolidated Results* for the year ended 30 June 2022" to be dated on or about 30 August 2022, consists of the pro forma information included in the following tables:

- Pro Forma Import and Distribution Segment Results;
- Pro Forma Retail and Rental Segment Results;
- Pro Forma Financial Services Segment Results; and
- Pro Forma Aftermarket Parts Segment Results.

The pro forma financial information has been compiled on the basis of the applicable criteria specified in the JSE Limited (JSE) Listings Requirements. As part of this process, information about the group's financial performance has been extracted by the directors from the group's financial statements for the year ended 30 June 2022, on which an auditor's report was issued on 30 August 2022 and contained an unmodified opinion.

The directors of Motus Holdings Limited have disclosed financial information that is considered to be pro Forma information per the JSE Listings Requirements, which is stipulated below. The directors of the company have prepared the following pro forma financial information for inclusion in the Preliminary Summarised Audited Consolidated Results:

- The Segmental performance for Half Year 1 (period 1 July 2021 to 31 December 2021), and for Half Year 2 (period 1 January 2022 to 30 June 2022) in relation to the same period in the prior year.

The purpose of pro forma financial information, included in the specified tables in the Preliminary report under the segment performance section, is solely to provide a more meaningful assessment of the group's performance for the year.

Directors' Responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the pro forma financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in the Preliminary Summarised Audited Consolidated Results.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

The firm applies the International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion about whether the pro forma financial information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus which is applicable to an engagement of this nature. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the pro forma financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in the Preliminary Summarised Audited Consolidated Results is solely to illustrate the impact of the group's performance for Half Year 1 (period 1 July 2021 to 31 December 2021), and for Half Year 2 (period 1 January 2022 to 30 June 2022).

We do not provide any assurance that the actual results for the period of Half Year 2 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the pro forma financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the pro forma financial information.

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

Opinion

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in the Preliminary Summarised Audited Consolidated Results.

DocuSigned by:

Deloitte & Touche

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Deloitte & Touche
Registered Auditor
Per: Shelly Nelson
Partner

30 August 2022

5 Magwa Crescent
Waterfall City
Waterfall
Johannesburg

Corporate information

Motus Holdings Limited
Incorporated in the Republic of South Africa
Registration number: 2017/451730/06
ISIN: ZAE000261913
Share code: MTH
("Motus" or "the Company" or "the Group")

Directors
GW Dempster (Chairman)*
A Tugendhaft (Deputy Chairman)**
OS Arbee (CEO)#
OJ Janse van Rensburg (CFO)#
KA Cassel#
PJS Crouse*
NB Duker*
S Mayet*
MJN Njeke*
F Roji*

* *Independent non-executive*
** *Non-executive*
\# *Executive*

Company Secretary
NE Simelane
nsimelane@motus.co.za

Group Investor Relations Manager
J Oosthuizen
motusIR@motus.co.za

Business address and registered office
1 Van Buuren Road
Corner Geldenhuis and Van Dort Streets
Bedfordview, 2008
(PO Box 1719, Edenvale, 1610)

Share transfer secretaries
Computershare Investor Services Proprietary Limited
1st Floor Rosebank Towers
15 Biermann Avenue, Rosebank, Johannesburg, 2196

Auditor
Deloitte & Touche
5 Magwa Crescent
Waterfall City
Waterfall, 2090

Sponsor
Merchantec Capital
13th Floor, Illovo Point
68 Melville Road
Illovo, Sandton
(PO Box 41480, Craighall, 2024)

This report is available on the Motus website at:
www.motus.co.za

Disclaimer
This document contains certain statements that are forward-looking with respect to certain of the Group's plans, goals and expectations relating to its future performance, results, strategies and objectives. These forward-looking statements are not statements of fact or guarantees of future performance, results, strategies and objectives, and by their nature involve risk and uncertainty because they relate to future events and circumstances which are difficult to predict and are beyond the Group's control, including but not limited to domestic and global economic conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing impact and other uncertainties of future acquisitions, as well as the impact of changes in domestic and global legislation and regulations in the jurisdictions in which the Group operates. Forward-looking statements apply only as of the date on which they are made, and the Group does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise, and does not assume responsibility for any loss or damage arising as a result of the reliance by any party thereon.

Motus

Bastion

Motus

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1 Van Buuren Road
Corner Geldenhuis and Van Dort Streets
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2008
South Africa

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