Motus

Integrated report

for the year ended 30 June 2023

Reporting suite

The 2023 Motus integrated report

Online as PDF

This report

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 IFRS 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 itself is not audited. In addition, assurance is provided through an independent accountant's report on the pro forma information, labelled as such in this integrated report within the divisional performance reviews section.

The 2023 Motus environmental, social and governance report and annexures

Online as PDF

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

Preparation and frameworks

Frameworks applied and/or considered:

- King IV.
- Global Reporting Initiatives (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 2023, 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 requirements of the Companies Act.

Shareholders report and notice of 2023 annual general meeting

Online as PDF

Includes an invitation to shareholders to attend Motus' 2023 annual general meeting (AGM), and provides shareholders who want to attend the AGM with the information they need, such as the notice of AGM, extracts of the summarised financial information and an analysis of shareholding.

Key company information

Motus Holdings Limited

Incorporated in the Republic of South Africa

Registration number: 2017/451730/06
ISIN: ZAE000261913

JSE Main Board: Specialty retailers

Listing date: 22 November 2018

Share code: MTH

(Motus or the Group)

Navigating our reports

The following icons refer readers to information elsewhere in this report or additional reports online.

Information in this report.

Information online (corporate website).

Information in our suite of reports.

This report is an interactive PDF. It is best viewed in Adobe Acrobat for desktop, mobile or tablet.

Icons to navigate in this report are located at the top right hand side of each page and within the report.

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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 alongside to be taken there directly.

* *King IV Report on Corporate Governance for South Africa, also known as King IV. Copyright and trademarks are owned by the Institute of Directors in Southern Africa NPC and all of its rights are reserved.*

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.**

Note that signatures are not included for security purposes.

Contents

About this report

The Motus integrated report provides a holistic assessment of the Group's performance, its ability to create and preserve stakeholder value and guard against value destruction. It aims to provide stakeholders with balanced, transparent and comprehensive reporting.

This report provides stakeholders with an assessment of how strategy is managed, the risks faced by Motus and compliance with governance, as well as the Group's financial, operational and sustainability performance, and the material priorities that may affect value creation over time.

Scope and boundary

The 2023 integrated report covers the businesses over which the Group has operational control for the period 1 July 2022 to 30 June 2023. It includes subsidiaries, joint ventures and associates. The report also covers the risks, opportunities, stakeholder concerns and outcomes beyond the financial reporting boundary 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.

Reporting boundaries

Motus

Integrated reporting framework

- Financial capital
- Intellectual capital
- Manufactured capital
- Human capital
- Natural capital
- Social and relationship capital

Sustainability framework

- Natural capital
- Human capital
- Intellectual capital
- Social and relationship capital

Our stakeholders

Business relationships
- Customers
- OEMs and suppliers
- Business partners
- Business forms and industry bodies

Human capital relationships
- Employees
- Organised labour

Financial capital relationships
- Shareholders
- Investment community
- Debt providers

Regulatory relationships
- Government departments
- Regulators

Social relationships
- Civil society
- Communities
- Media

Informing our thinking

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Directing our strategy

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Time horizons

Certain statements in this report that are forward-looking are by their nature inherently predictive and speculative. They involve risk and uncertainty, and depend on future events and circumstances which may result in different outcomes to those we expect.

The Group considers the following time horizons in its strategic planning and operations:

Short term	Medium term	Long term
Within one to two years	Three to five years	Five years and beyond

A disclaimer on forward-looking statements can be found on page 232.

Reporting frameworks and assurance

The integrated report is guided by the principles and requirements of diverse frameworks, including those set out in the reporting suite on inside front cover.

Financial information is extracted from the audited consolidated and separate annual financial statements for the year ended 30 June 2023 (available online). 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 2023, 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.

Assurance has also been provided on selected non-financial information by Deloitte & Touche, and their independent limited assurance report is included from page 225.

In our commitment for continuous improvement, closer alignment with the International Sustainability Standards Board's sustainability-related (IFRS S1) and climate change-related (IFRS S2) standards for capital markets will be a key objective for the Group's reporting suite going forward. Some progress has already been made in this year's ESG report and its annexures.

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 have 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 accountant's report is included from page 228.

Materiality determination

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, considering the business and social context in which we operate, described on page 40.

The factors considered to be within the control of Group leadership, which have been identified for close and careful management over the short, medium and long term, are included in detail from page 66. The material priorities are grouped into key themes that have been discussed with management and reflect the plans to manage the risks and opportunities associated with the Group's strategy while meeting stakeholders expectations.

We explain our approach to determining the material priorities and related processes on page 66.

Preparation and presentation of this report

The board of directors of Motus (the board) acknowledges its responsibility to ensure the integrity of the 2023 integrated report. The ARC, together with executive management, is responsible for the preparation and presentation of the report and is comfortable that appropriate systems, procedures and controls are in place and operated effectively to ensure the integrity of the integrated report.

The ARC 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 view of the strategy and performance of Motus.

The board is satisfied that the integrated report has been prepared in accordance with the guidelines of the Integrated Reporting Framework, and 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

JJ Njeke
Chairman

Osman Arbee
Chief Executive Officer

27 September 2023

Motus at a glance

Motus is a multi-national provider of automotive mobility solutions and vehicle products and services, with a leading market presence in South Africa as well as a selected international offering in the United Kingdom, Australia, South East Asia and Southern and East Africa.

Motus employs over 19 800 people globally, and has a track record for steady growth and dependable value creation that spans over 75 years. Motus is a diversified (non-manufacturing) business in the automotive sector and is South Africa's leading automotive group, with unrivalled scale and scope across the automotive value chain. Our international focus is selective and aimed at enhancing our offering and contribution to Group performance.

Our services extend across all segments of the automotive value chain

Motus offers a differentiated value proposition to OEMs, customers and business partners with a business model that integrates our four business segments, Import and Distribution, Retail and Rental, Mobility Solutions and Aftermarket Parts to meet customers' mobility needs across a vehicle's lifecycle. Our services extend across all segments of the automotive value chain.

Import and Distribution

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

For more information on Import and Distribution see page 90.

Retail and Rental

Retailer of new and pre-owned passenger and commercial vehicles across all segments in South Africa and the United Kingdom, 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 page 96.

Mobility Solutions

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

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

Custodian of the **Group's data warehouse**.

Advancing Group innovation, fintech and data capabilities to discover future mobility needs and unlock new products and services.

For more information on Mobility Solutions see page 104.

Aftermarket Parts

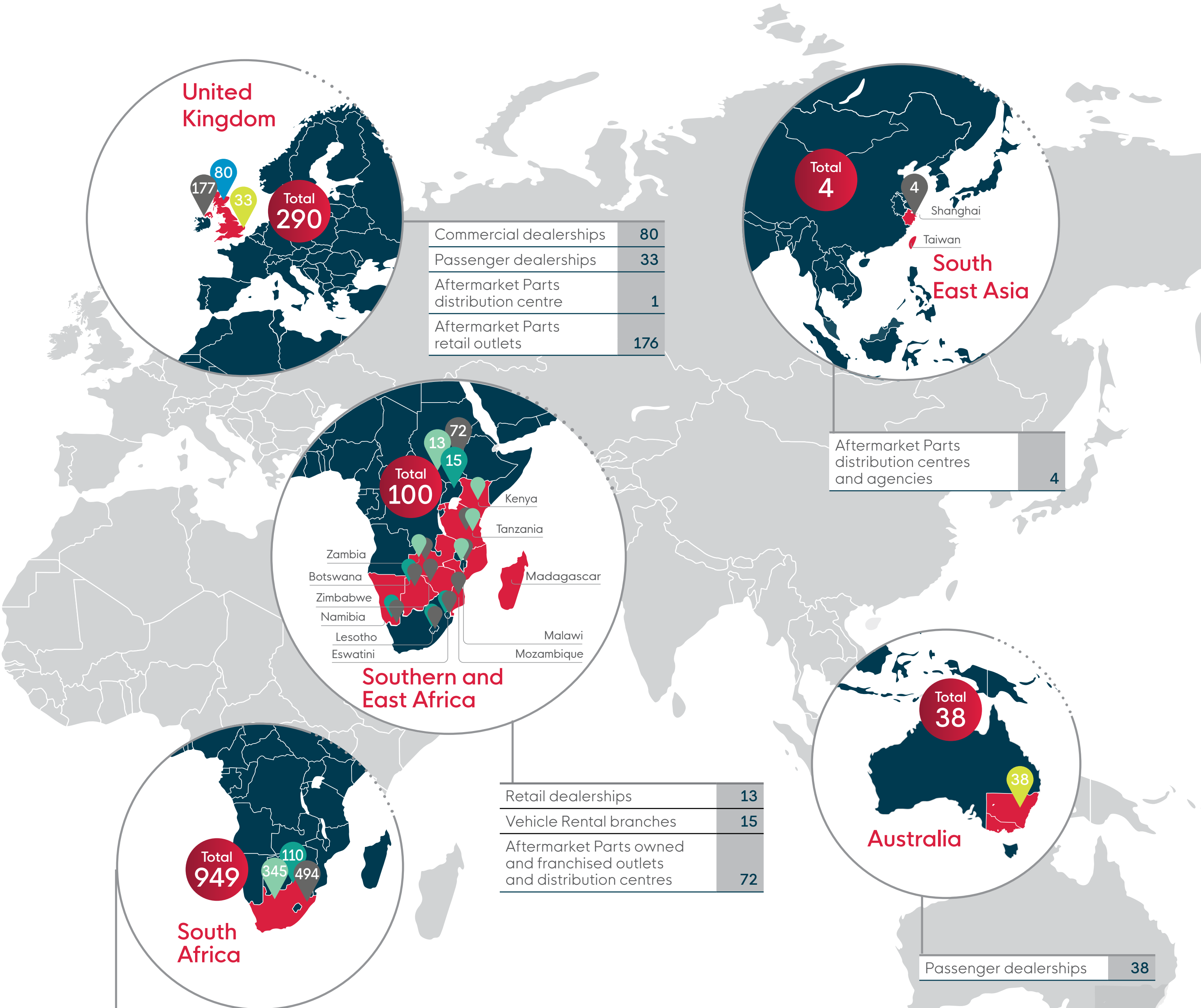
Distributor, wholesaler and retailer of parts and accessories mainly for **out-of-warranty vehicles** in Southern Africa, the United Kingdom and Europe.

Distribution centres in South Africa, Taiwan, China and the United Kingdom.

For more information on Aftermarket Parts see page 110.

Operational footprint

The Group's networks in the economic hubs of South Africa and selected international presence provide Motus with opportunities to leverage the strength of its differentiated offering and replicate aspects of the fully integrated business model across the automotive value chain.



United Kingdom

Commercial dealerships	80
Passenger dealerships	33
Aftermarket Parts distribution centre	1
Aftermarket Parts retail outlets	176

South East Asia

Aftermarket Parts distribution centres and agencies	4

Southern and East Africa

Retail dealerships	13
Vehicle Rental branches	15
Aftermarket Parts owned and franchised outlets and distribution centres	72

Australia

Passenger dealerships	38

Our South African footprint	Total
Retail dealerships	345
Commercial dealerships	32
Passenger dealerships	211
Auto Pedigree pre-owned dealerships	63
Motus Select	39
Vehicle Rental branches	110
Aftermarket Parts	494
Franchised outlets and distribution points	489
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

- Commercial dealerships
- Passenger dealerships
- Retail dealerships
- Vehicle Rental branches
- Aftermarket Parts

Motus at a glance (continued)

What makes Motus unique

The strength of the Group's integrated business model, diversification and scale encourages growth, resilience and agility, and generates strong cash flows. Our strong financial position provides a platform for growth and enables the Group to navigate cyclical challenges and capitalise on opportunities as they arise. Our integrated business model supports multiple income streams that are not solely dependent on new vehicle sales. As the international business continues to grow, its operations increasingly contribute to diversifying the Group's results.

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 deliver an employee value proposition (EVP) that attracts and retains talent, and positions Motus as an employer of choice in the automotive industry.
- 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 innovative-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 capitalise on opportunities in a dynamic industry to drive organic growth and acquisitions, supplemented by ongoing operational enhancements and innovation to create value for all stakeholders.

1 Our differentiated offering

Our long-standing importer and retail partnerships with leading OEMs allow us to represent some of the world's most recognisable brands. We consistently deliver a highly effective route-to-market based on a deep understanding of OEM 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 OEMs and customers 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 fully integrated business model generates varied income streams

Our business model is integrated across the automotive value chain with multiple touchpoints throughout the vehicle ownership cycle. This allows Motus to maximise the revenue and income opportunities for each vehicle sold and to generate income streams that are not all directly dependent on new vehicle sales.

Our integrated business model is enhanced by pre-owned vehicle sales and vehicle rentals. The growing vehicle parc provides access to annuity income streams through indirect vehicle-related revenue from parts and accessories (both in dealerships and aftermarket parts divisions), workshops, VAPS and other mobility solutions. The resilience of our business model enables our agile response to changes in consumer preferences and industry trends.

3 Our unrivalled scale in South Africa

Our unrivalled scale and operational maturity in South Africa underpins our differentiated value proposition, positioning us to maintain our leading retail market position and expand our geographical footprint with a selected international presence mainly in the United Kingdom and Australia and a limited presence in South East Asia and Southern and East Africa.

Our integrated business model offers multiple customer touchpoints that support customer loyalty and resilience throughout the vehicle ownership cycle.

We remain up-to-date with emerging digital, mobility and automation trends. We use technology and data, such as telemetry, to gain valuable insights to develop and offer innovative mobility solutions and products to our customers.

4 Our strong financial position

High cash flow generation from operations and returns on invested capital (ROIC) that exceed the weighted average cost of capital (WACC) are underpinned by access to indirect vehicle-related annuity income streams across the vehicle ownership cycle, providing a platform for acquisitions and attractive dividend yields.

Clearly defined organic growth supports our shareholder return profile, underpinned by innovation-driven improvement and portfolio optimisation, and is complemented by selective acquisitions to deepen our participation in the automotive value chain and expand our footprint. We leverage best-in-class expertise to sustainably grow and diversify our earnings over the long term.

5 Our people

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

A skilled, diverse, productive and motivated workforce operates efficiently and innovatively to meet stakeholder needs and, in turn, we endeavour to provide our employees with equal and fair opportunities in a safe working environment.

6 Our commitment to stakeholders

Our organisational structure is underpinned by a commitment to unwavering integrity and efforts to nurture strong relationships with all our stakeholders. The trust that our stakeholders place in the Group is the outcome of our reliability and high standards of accountability and transparency.

We execute our business strategy 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).

Leadership insights


HYUNDAI

Chairman's welcome

"Over the last five years, Motus has shown that its strategic agility and integrated business model has enabled it to manage the cyclicality of the automotive industry, to deliver sustainable growth and dependable returns. Our recent investments align with the Group's strategy to diversify the geographic base of our operations by expanding internationally and increasing revenue and income from non-vehicle sales, thereby deepening our resilience and positioning us for growth."

Economic headwinds across our markets

The years following the pandemic have been challenging for consumers and economies worldwide. The global economic recovery is slowing, and many consumers are struggling to make ends meet due to high inflation and interest rates. The adverse effects on the automotive industry have been predictable considering the prevailing economic conditions.

While measures to control inflation have been effective, they hinder economic growth. The International Monetary Fund (IMF) predicts that global growth will decrease from 3,5% in 2022 to an estimated 3,0% in 2023 and 2024. The situation in our markets is more concerning, with the IMF forecasting only 0,3% gross domestic product (GDP) growth in South Africa in 2023, rising to 1,7% next year. The United Kingdom is also facing difficulty, with growth forecast to be only 0,4% this year, rising to 1,0% next year. Australia's GDP growth is expected to drop to 1,25% this year before rising to 1,75% in 2024.

In South Africa, frequent power outages, volatile commodity prices, and a challenging external environment contribute to lacklustre economic performance. We appreciate the government's efforts to address the energy crisis, with measures to simplify the regulatory framework and licensing requirements for private sector investment in energy production. However, more extensive reforms are necessary to achieve inclusive economic growth which also promotes job creation. The key obstacles to overcome include the country's energy and logistics obstacles, and addressing the structural inflexibility in the labour market. The government must prioritise reducing regulatory barriers to promote competition, curb corruption, and enhance labour market flexibility.

For further detail on trends in the automotive industry, refer to page 40.

Mobility for Good

Motus is committed to promoting physical and social mobility for the greater good. Our integrated and sustainability reports showcase how we achieve this through our governance practices, diversification strategies, and a positive impact on profit, people, and the planet. Through these concrete measures, we aim to bring to life our purpose, "Mobility for Good", for the benefit of all our stakeholders.

Our contribution as a provider of accessible, affordable, and innovative mobility solutions, and as an ethical corporate citizen, is desperately needed in our home market.

To this end, I am proud of the contribution Motus has made over the last year, in living our purpose and I am confident that our commitment to uphold our values will ensure that the impact of our activities on society and the environment are net-positive. We have made investments in initiatives that support employment creation and meaningful community upliftment. As the bedrock for all of these, we continue to deepen the maturity of our governance practices and processes, to protect our resilience and drive responsible and sustainable growth.

Pro-growth investments in support of the strategy

The board unanimously supports the Group's strategy, which prioritises business sustainability and dependable earnings growth as the premise for long-term value creation. The strategy binds us to three key objectives, each with corresponding targets:

1. Diversify our revenue sources to lessen our reliance on vehicle sales with a target 50% of earnings before interest, taxation, depreciation and amortisation (EBITDA) from non-vehicle sales.

2. Grow the contributions of our international operations, targeting 35% of EBITDA from abroad.

3. Maintain strong free cash flow generation.

We understand investors' concern about South African companies expanding globally given that not many South African companies have been successful in their offshore expansion. We are conscious of these risks and our caution manifests in three ways. Firstly, we aim to retain management teams after the acquisition, as they hold valuable knowledge of the business and local market.

Earnings per share

2 008 cents per share

(2022: 1 902 cents per share)

▲ 6%

Net asset value per share

10 189 cents per share

(2022: 8 143 cents per share)

▲ 25%

Full year dividend

710 cents per share

(2022: 710 cents per share)

The board unanimously supports the Group's strategy, which prioritises business sustainability and dependable earnings growth as the premise for long-term value creation.

JJ Njeke
Chairman

Secondly, we focus on investing in businesses that are core to our business operations; these are businesses we understand and can add value to. Lastly, we partner with companies that share our entrepreneurial culture and mindset.

We are confident that these measures will enable us to build a successful portfolio of international businesses that will deliver sustainable growth. To this end, we acquired 100% of Motor Parts Direct Holdings Limited (MPD) in the United Kingdom, with effect from 3 October 2022. MPD is the fourth biggest business-to-business parts distributor in the United Kingdom, servicing a vehicle parc of some 32 million vehicles (out of warranty).

This investment in the United Kingdom aftermarket parts sector aligns with all three of our strategic objectives. It is not dependent on vehicle sales, expands our foreign currency earnings, and benefits from the sector's ability to turn over working capital multiple times annually.

Our growth strategy is explained throughout this integrated report, particularly in the Chief Executive Officer and Chief Financial Officer's reports on pages 14 and 28.

Overcoming the challenges in South Africa

The first two strategic objectives outlined above reflect our concern about the growth prospects of the South African economy and the operating environment. The depreciation of the Rand has underlined the need to grow our foreign currency earnings, to make good on our promise to sustainably grow shareholder returns. Adding downside risk to earnings, the pressure on South African consumers and fleet owners is inhibiting their ability to purchase new vehicles.

While these challenges are in part due to the pandemic and other global factors such as the Russia-Ukraine conflict, our government has contributed to the poor state of the business environment and declining business confidence, which have made our country an unattractive investment destination. Doing business in South Africa is costly, not least because of an increasing regulatory burden, cost of compliance and deteriorating infrastructure. These add to the costs we bear to self-provide critical inputs, like electricity, which fall within the ambit of the state. We embrace and are buoyed by the commitment of the business sector, working with government to restore and improve the economy, most clearly through practical efforts to resolve electricity supply disruptions.

The private sector's access to significant financial resources and talented professionals surely makes it the state's most valuable partner in restoring our country's ability to improve the quality of South African lives. Motus joins the rest of the private sector in committing our support to make South Africa work, not only through the way we conduct our business and the priorities we adopt, but also as an active member of business forums and industry associations, on which several of our executives serve as officials (see page 79 for specific detail).

ESG driving growth and transformation of company and country

Our dedication to making South Africa work reflects our commitment to be a responsible corporate citizen. Since Motus listed in November 2018, the importance ascribed to the company's ESG policies and performance in creating value for all stakeholders, has only intensified. At Motus, we have ensured that our policymaking really benefits our stakeholders and protects their interests. We believe our focus on ESG helps us identify risks and opportunities that could impact our long-term sustainability and profitability, while also giving us access to sustainability-linked financing. In short, we see ESG as critical to our business.

Reducing our environmental impact has always been a significant pillar of our ESG strategy. Our efforts have been negatively impacted by the electricity crisis, which forces us to burn diesel to generate power during extended loadshedding. We are also generally concerned about the country's water supply and state of infrastructure. A particular frustration is that inaccurate municipal billing makes it difficult to measure the impact of the water saving measures we have implemented. Refer to page 120 for more detail on our electricity and water saving measures, and responsible waste management.

We remain eager to combat climate change and reduce the impact of the transportation sector by introducing new energy vehicles (NEVs)[1]. However, since we are not a manufacturer, we rely on OEM strategies and progress in each of our markets. Adopting NEVs in South Africa will require policy changes and state subsidised infrastructure provision. The electricity crisis poses a significant challenge to introducing electric vehicles, and NEV prices must decrease before local consumers can adopt carbon-free driving.

There is a misconception that switching to NEVs will negatively affect companies that service and provide aftermarket parts for internal combustion engine (ICE) vehicles. This is simply not the case. As explained in greater detail in the various divisional reviews from page 90, NEVs will alter the services and parts we offer but not necessarily reduce them. We will have the support of OEMs and several years to make the necessary adaptations, including the technology we use to service vehicles and the training our technicians will need to undergo.

Please refer to our ESG report online for comprehensive information on our ESG priorities and initiatives.

Read about our approach to ESG on page 72 for more detail.

[1] *NEV collectively refers to battery-powered electric vehicles (BEVs), plug-in hybrids (PHEV) and mild hybrid electric vehicles (MHEVs). BEVs and PHEVs collectively comprise plug-in EVs.*

Innovation and digitisation as growth drivers

Innovation and digitisation, including artificial intelligence (AI) will increasingly drive our growth, allowing us to improve efficiency, reduce costs, and enhance the customer experience. This factor is crucial for younger and upcoming generations of vehicle buyers, who are more interested in convenient online vehicle browsing than shopping at dealers.

However, digitisation also demands careful management of cyber-crime risks and disciplined cost containment. The ARC and SES Committees pay particular attention to our information technology strategies and projects. The board is comfortable that Motus' innovation and digitisation strategies support our business and growth ambitions which are balanced with appropriate cost containment and sufficient cyber risk management measures.

Please read our innovation and digitisation review on page 20 for more detail.

Talent management

To achieve our digitisation, automation and growth goals, we must continually evaluate the human capital available to the Group. Historically, South African companies have experienced talent emigration, but since the pandemic we have also seen professionals staying in South Africa while working remotely for foreign companies, a trend particularly prominent in the information technology field. This has only intensified the competition for key skills and created a skills shortage.

Our board understands the importance of having a strong talent pool to achieve our growth ambitions. We are committed to acquiring, developing, promoting, and retaining people with the skills that match the company's needs. To ensure we achieve this, we have full access to key partners to help us meet and build our talent needs. We are confident that our recruitment plans are robust enough to ensure that capable and experienced leaders continue to fill critical positions.

While we do hire externally, our preference at Motus is to promote and develop from within. Entrepreneurial leadership is a vital aspect of our company culture, and promoting individuals who have already embraced and experienced this culture allows us to continue promoting the values that have served us so well. We believe this approach has been crucial to our success, and will continue to be as we drive growth responsibly into the future.

A balanced board

Three Motus board members, including our previous chairman, resigned in June 2023. And we convey our appreciation for the contribution of these directors over the years. We were fortunate to be able to fill the vacancies on the board in a relatively short space of time. In order to ensure that the board comprises individuals with the necessary skills and expertise to properly oversee the Group's operations and align them with our strategic objectives, we are committed to regularly evaluating the board's composition and performance. It is also essential that Motus has a diverse range of perspectives and experiences at the highest level of decision-making, to ensure we stay ahead of emerging trends and challenges, and make informed decisions that benefit all stakeholders.

Appreciation

I thank the board members and management team for their dedication and hard work throughout the past year.

On behalf of the board, I welcome our new non-executive directors, Jan Potgieter, Mathukana Mokoka and René van Wyk, and wish them well in their new roles.

Most importantly, I thank all members of the Motus family across the world. Your dedicated efforts will continue to support our promise to ensure mobility for good, across all its dimensions and for the benefit of all our stakeholders.

JJ Njeke
Chairman

27 September 2023

Chief Executive Officer's review

"Diversification, internationalisation, and innovation were Motus' bedrock over the past five years. With the global industry now touching pre-pandemic levels and the South African market maintaining its resilience, it is also Motus' foundation for local and international growth. Our scale and operational maturity in South Africa positions us well to maintain our leading position and selectively expand our geographical footprint."

Resilience and growth

Over the past five years, Motus has proven both its resilience, and strategic agility to capture opportunities in the industry we operate in.

Our competitive advantages of scale, integration, differentiation and the entrepreneurial leadership that is the Group's hallmark, saw us recover quickly from the impacts of the pandemic. Moreover, we positioned Motus for sustainable profitable growth and manage cyclicality in the tough market we find ourselves in by balancing income from vehicle sales with growing contributions from non-vehicle sales in line with our internationalisation and diversification priorities.

The integrated business model across the full automotive value chain offers many touchpoints to serve our customers' mobility needs, diversify our revenue and profit streams, cross-sell and leverage opportunities. This makes Motus profitable and highly cash generative, allowing us to invest in growth opportunities.

With the global industry now touching pre-pandemic levels, diversification, internationalisation and innovation are the bedrock for Motus' growth aspirations. The strong operating results under these challenging conditions once again confirm the robustness of our core strategy. Each of the operating divisions have supported the Group's strong trading results.

Please refer to the Chief Financial Officer's review of financial and operational results from page 28.

The context for growth

Whether in South Africa, the United Kingdom or Australia, consumers are struggling with rising inflation and interest rates which continue to place pressure on their spending. The majority respond by seeking to cut their mobility expenses and choose vehicles, solutions and value propositions that offer high standards within their limited budgets. Motus has positioned itself well to provide relevant offerings to our customers with a broad choice of high quality and affordable vehicles, parts and services.

Motus' structure and strategy overcomes the cyclical nature of the automotive businesses. We are able to balance between income from vehicle sales and that from our comprehensive aftersales services. Integration and diversification have made Motus resilient to cyclicality without compromising our ability to respond quickly and effectively to the inevitable opportunities when markets change – whether those changes are structural shifts or shorter-term market adjustments.

Consumers worldwide have been battling with the cost-of-living crisis that is only beginning to relinquish, and only in some markets. All three of Motus' main markets – South Africa, the United Kingdom and Australia – have experienced high inflation, interest rates and energy costs. On those fronts, conditions are easing in our two overseas markets. The United Kingdom and South Africa also experienced sharp increases in food prices.

To a large extent, those pressures are aftershocks of the pandemic and ripples from the war in Ukraine. However, in South Africa, consumers also face state and policymakers that continue to score "own goals". Our currency has fallen victim to foreign relations that emphasise historical ideology over contemporary pragmatism. The Government's inability to implement critical reforms is costing us our credibility as a foreign direct investment destination. Weak political leadership is evident in South Africans' everyday struggles, with intensified power outages undermining everybody's freedom to live and work. Unrelenting unemployment continues to deny people opportunity and dignity. And state governance is as weak as our crumbling infrastructure.

This context demands business strategies that are founded in realism but do not blind teams to opportunities. They demand the flexibility only strong free cash flows can offer. And they require a culture of adaptive entrepreneurship sharpened over many years in service of enduring relationships with suppliers and customers alike.

Looking beyond the current conditions; connectivity, autonomous driving, shared mobility, and electrification are unstoppable structural shifts that will transform the automotive industry – within different timeframes and in different ways in each of our markets.

Over the coming decades, these structural trends will create opportunities for companies with robust strategies, who have invested in innovation, and who have built strong relationships with industry partners and consumers as their strategies and their needs change.

Revenue

R106 321 million

(2022: R91 978 million)

▲ 16%

EBITDA

R8 083 million

(2022: R6 785 million)

▲ 19%

ROIC in excess of WACC of 3,4%

ROIC: 14,1%
WACC: 10,7%

Motus sells **one** in **five** new vehicles in South Africa

Motus

The integrated business model across the full automotive value chain offers many touchpoints to serve our customers' mobility needs, diversify our revenue and profit streams, cross-sell and leverage opportunities.

Osman Arbee
Chief Executive Officer

Chief Executive Officer's review (continued)

The bedrock for growth

Sustainable growth needs a solid foundation. We are building Motus' future on five pillars that are engineered to absorb the shocks of a volatile economy and establish a platform for enduring growth:

Integrated business model

The **integrated business model** maximises the profitability from the operations as you control more aspects of the value chain. This is possible because these businesses respond differently and at different times to market events. While vehicle sales respond with rapid growth to any improvement in consumer confidence, the service and maintenance plans, which support workshops and parts profitability sustains the Group with annuity income for a number of years after the initial vehicle sale. While dealerships' service and parts departments predominantly care for vehicles up to seven years, in line with average service and warranty plan periods, the Aftermarket Parts business provides the parts for vehicles long after the vehicles are out of service, maintenance and warranty plans. As a result, the divisions tend to counterbalance each other and buffer the Group from economic cyclicality.

The divisional performance reviews from page 90 contain more detail about how our business' driving forces and market sensitivities vary and counterbalance each other.

Comprehensive, diversified product offering

The **comprehensive, diversified product offering** spans all market segments. We have strong representation across multiple vehicle brands and a targeted footprint across the geographical areas where we operate. This offering places Motus' products and services within reach of a large customer base, irrespective of geographical or budget constraints. Motus has the vehicles and solutions our consumers want and can afford.

Disciplined investment in digitisation and innovation

The **disciplined investment in digitisation and innovation** focuses on protecting and growing the businesses in the Group. The initiatives support efficiency, sustainability and transformation initiatives. Innovation provides the ability to respond quickly and effectively to future challenges and opportunities. In addition, it offers protection against market disruption and agility to respond to evolving consumer preferences.

The innovation and digitisation review from page 20 provides more insight into innovation programmes and progress made in efforts to innovate and digitise.

Enduring relationships

Motus is as strong as our **enduring relationships** with customers, OEMs, suppliers, and financial institutions. We have built these relationships over many decades and they have withstood many market challenges, including the pandemic and global supply interruptions of recent years. The unrivalled strength of our relationships is a sustainable competitive advantage that protects against volatility and supports growth.

Superior customer experience

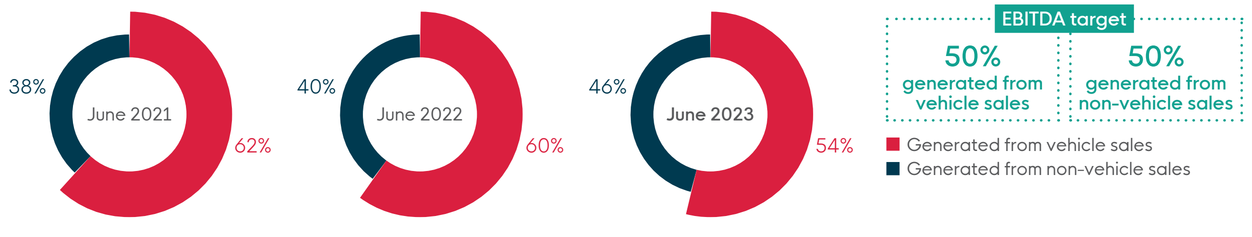
We recognise that our customers have a wide choice of product and service providers. To attract and retain customers, we invest in understanding their needs and offering relevant products and a **superior customer experience**. We continuously enhance programmes to retain customer loyalty.

Our overall approach is to be proactive and adaptable in responding to volatile and uncertain markets, while remaining focused on building long-term value rather than making short-term gains.

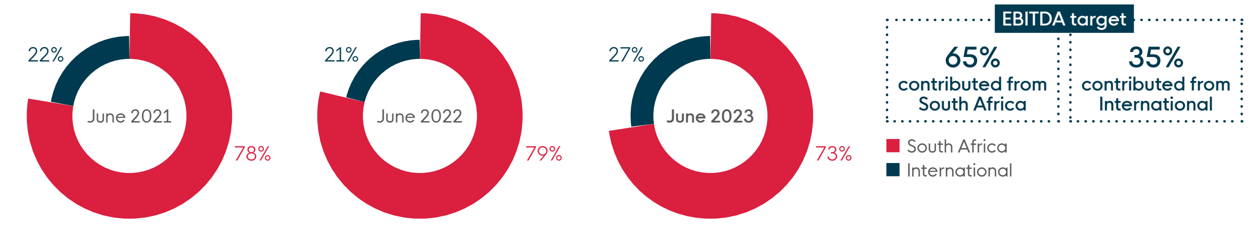
Strategic measures to promote growth

Our insistence on long-term value manifests in measurable strategies aimed at promoting sustainable growth:

Diversification (%)



Internationalisation (%)



1

We continue to **diversify** to reduce Motus' reliance on revenue and profits generated directly from vehicle sales. We have set a target to achieve a 50-50 split of EBITDA generated from vehicle- and non-vehicle sales. Since June 2021, non-vehicle sales' contribution to EBITDA has increased from 38% to 46% at the end of this period.

Mobility Solutions and, increasingly, the Aftermarket Parts segments are Motus' non-vehicle sales anchor businesses. With its annuity income stream, Mobility Solutions has proven its stabilising value with every economic downturn, especially during the pandemic. The Aftermarket Parts business is a natural and dependable hedge against economic decline as the longer consumers keep their vehicles on the road, the more they will need to spend on replacing components. Importantly, unlike with new vehicle sales, parts prices are elastic and we have more flexibility to adjust prices immediately.

2

We also focused on **internationalisation** of the business to protect Motus against the South African market's volatility and slower growth prospects. We aim to achieve a 65-35 split in EBITDA between South Africa and our international operations. From June 2021, our international businesses have increased their contribution to EBITDA from 22% to 27% two years later.

International acquisitions, particularly in the Aftermarket Parts division, will continue to drive acquisitive growth. Opportunities in this sector are as vast as the vehicle parcs of the countries we operate in, and are sizeable, growing and ageing with a current ICE vehicle parc of 40 million in the United Kingdom, 20 million in Australia and 12 million in South Africa. Opportunity for expansion into nearby regions exist as the European vehicle parc is over 240 million and the rest of Africa's vehicle parc is around 18 million ICE vehicles. Because vehicles typically only need aftermarket parts after their warranties expire, this market's growth is highly predictable and manageable. The aftermarket parts suppliers usually have a lead time of five years to find the best sources of products, negotiate the best deals, and get the product into an effective distribution network to meet the parts and servicing needs of older vehicle models.

3

Our **free cash flow generation** has been historically strong, supported by our critical mass and economies of scale, which gives us the agility to pursue attractive, sustainable growth opportunities.

The Aftermarket Parts performance review from page 110 provides more detail about the division's dependable growth, international expansion opportunities and strong free cash flow generation capabilities that contribute to the Group's strong cash generation.

Chief Executive Officer's review (continued)

Maintaining strong leadership

The sudden illness and passing of Corné Venter, our former CEO of Retail South Africa, shocked and saddened the Motus family this year. Corné exemplified Motus' values of being fair, accountable, driven and responsible. It also reminded us of the critical importance of maintaining a strong leadership team and succession pipeline.

Short- or long-term absences of key talent at critical times are as inevitable as they are unpredictable. Motus not only has robust, board-controlled succession planning programmes in place, but has also demonstrated the depth of the leadership team's expertise on several occasions.

The loss of key talent is an opportunity to realign existing leadership talent in the divisions with the shifting needs of the Group. It also allows us to offer growth opportunities to those with outstanding potential. Some of these talent reallocations feature in the divisional performance reviews from page 90. I am confident and excited to see the positive impact these changes will have on Motus.

Our commitment to transformation in South Africa has given us a foundation from which to drive a more inclusive and diverse workplace across all our operations. We strive to promote gender diversity at all levels of the Group, accommodate more people who are living with disabilities, and understand how to traverse a multi-generational workforce and ensure that Motus is positioned as an attractive option for younger people.

We are proud of our efforts to transform our South African operations, a journey that started in 2018. Most of our progress has been achieved through internal promotions, creating loyalty among our employees and a solid pipeline for future diverse talent. However, we recognise that there is still room to improve. Increasing black representation across all occupational levels underpinned by learning and development remain priorities.

Overall black representation
76%
of the workforce
2022: 75% 2021: 73%

Women representation
31%
of the workforce
2022: 32% 2021: 31%

Black dealer principals
46%
of dealer principals
2022: 46% 2021: 42%

The Group's diversity, equity and inclusion (DEI) framework was finalised during the year, and business segments and regions have developed and started implementing their DEI roadmaps, based on the Group framework but tailored to cater for the nuanced differences of their operating environments. The Group will continue to ensure that our employment policies and practices do not unintentionally create potential for discrimination.

Read more about our people strategy on page 127.

Our social compact

The Group's people continue to underpin the Group's resilience and delivery of our strategy and financial performance. We are a service business that relies heavily on the skill, energy and motivation of our people to deliver our strategy and their passion and commitment to excellence continues to inspire.

We also support initiatives that make a long-lasting positive difference to the economies and communities in which we operate. The long-term nature of our flagship CSI projects enables us to build strong relationships, working together to achieve predetermined objectives, deliverables and expectations. Our CSI efforts target education and skills development, road safety and primary healthcare – areas we believe deliver meaningful and positive impact and alleviate community needs.

We have a long-standing commitment to road safety and, support Unjani Clinics NPC, which provides affordable high-quality primary healthcare in areas where it is needed most. The Imperial and Motus Community Trust (the Trust) builds and maintains school libraries and resource centres at under-resourced public schools to encourage reading and promote higher literacy levels.

We continue to support the YES4Youth programme (YES), which continues to prove successful in creating working opportunities for the unemployed youth. In 2023, we enrolled our second cohort of YES learners and in 2024 another ~500 learners will join the Group as part of our third cohort.

Read more about our social initiatives on page 136.

Outlook for the year ahead

The economically fragile consumer, weak economic growth and elevated living expenses are having a negative impact in the economies in which we operate. Increasing interest rates, along with rising fuel, energy costs and inflation have strained the disposable income of consumers. Moreover, the depreciation of the Rand has negatively impacted the cost of vehicles, parts, panels and accessories, compounding the challenges posed by the present economic conditions. The combination of these factors are impeding growth.

Despite present economic conditions, we expect to deliver revenue growth and stable operating profit for the six months to 31 December 2023, compared to the six months ended 31 December 2022. Performance is supported by inflationary increases and contributions from recent acquisitions.

We will continue to experience elevated finance costs due to high working capital levels, vehicles for hire, acquisitions concluded during the 2023 financial year and higher interest rates. We expect to maintain a solid financial position, with cash flow generation from operations. The Group will continue to manage costs and monitor working capital, vehicles for hire and debt levels closely.

Appreciation and welcome

We have also recently announced changes in our board composition. Our Chairman, JJ Njeke, discusses these changes in his message on page 13 of his report. I would like to thank Graham Dempster for his invaluable contribution as the founding Chairman of the Group post the unbundling. His leadership and perspectives, particularly at the time of our unbundling and during the pandemic, will remain part of the Group's foundations. I would also like to extend my appreciation to Bridget Duker and Smit Crouse for their contributions over the last two and a half years.

I also welcome JJ Njeke as Chairman of the board. The executive management team have come to appreciate his insight as a member of the Nomination and Remuneration Committees and Chairman of the SES Committee. We look forward to working more closely with him in his new capacity. I also welcome Jan Potgieter, Mathukana Mokoka and René van Wyk to the Group and look forward to working with them in the future.

I am very grateful to the Motus board, executive team, the executives in the divisions and the 19 817 staff members that work at Motus who produce outstanding results year after year. To them I say thank you and long may it last.

Osman Arbee
Chief Executive Officer

27 September 2023

Innovation and digitisation review

"Innovation is the foundation upon which we build sustainable growth. At Motus, we foster a culture that embraces experimentation. This results in a continuously evolving portfolio of validated new solutions, that improves our customers' overall experience and creates value for all stakeholders. I am inspired by the passion and dedication of our community of innovators who are shaping a better future for all through our purpose of Mobility for Good."

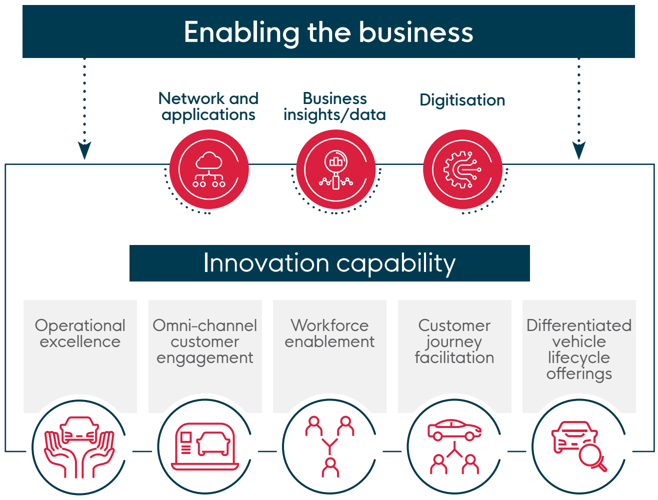
Innovation enabling value

Motus' innovative approach improves agility and responsiveness, enabling adaptation to market conditions and evolving customer needs in the mobility landscape. Our goal is to create leading-edge mobility solutions, driven by a culture of experimentation and evidence-based decision-making. This value enabling innovation strategy positions us as industry leaders while opening new avenues for sustainable growth.

At Motus, fostering a culture of experimentation has led to a significant portfolio of value enhancing initiatives. Aligning with our strategic priorities and evidence-based decision making, this agile capability ensures a continuous pipeline of experiments, transforming the automotive mobility experience for our customers. Our commitment to evidence-based decision-making keeps us ahead of market trends, allows us to anticipate customer needs, and pioneer cutting-edge products and services. In doing so we secure our position as an industry leader and foster growth and sustainability.

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 by doing things better.
- **Transformative Innovation:** Solving problems for new market segments.



Culture of innovation

Innovation enabling opportunity

Motus has deliberately and methodically developed a culture of innovation since its inception. The creation of Motus Xponential (m^x) in 2019 established a platform for encouraging engagement, participation and collaboration across the Group. Our aspiration is to encourage a culture of innovation and create the mechanisms, such as experimentation, within Motus to discover and address South African motorists' unmet mobility needs.

Our culture of innovation, supported by the m^x platform, empowers employees who possess the qualities of curiosity, determination, adaptability, and creativity that are needed to drive innovation and develop tomorrow's products and services today. The most significant support that business leaders can offer innovators is time and the space to fail, where they can learn from their mistakes and find solutions.

1. Register
2. Take part in business challenges
3. Build your skills
4. Attend our events
5. Join our pitching days
6. Be the voice of the customer

Motus

Fostering a culture of experimentation has led to a significant portfolio of value enhancing initiatives.

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

Innovation and digitisation review (continued)

We promote innovation by identifying and launching business challenges through the m^{x} platform. This allows any employee to participate in a range of ways on any challenge. By using the m^{x} platform, we allow our innovators to concentrate on their concepts, test their theories, make necessary adjustments, and successfully bring their ideas to commercial application.

We have also embedded the consideration of the longer-term sustainability of the Group and the ESG priorities in our innovation process. For each new innovation project, its sustainability and intended outcomes are considered prior to implementation, as well as the internal practices and policies needed to ensure effective decision-making and legal compliance.

m^{x} process

Doing the right things

Step 1
Obtain strategic business challenges from business segments.

Step 2
Shortlist high-level ideas to solve the problem.

Step 3
Search phase one – Determine the under-served needs of the customers' jobs to be done.

Step 4
Search phase two – Test whether the proposed solution would solve the challenge in step 3.

Step 5
Test phase – Determine whether the solution can be built and what the cost/benefit would be.

Step 6
Scale phase – Test the scalability of the solution.

Our innovation programme supports our methodical and deliberate approach to innovation. We use global innovation best practice methodologies and conduct various innovation programmes to enable our innovation teams to produce a portfolio of quantified concepts that sponsoring businesses can implement. Our employees are encouraged to participate by contributing ideas, assisting others, or joining teams to help implement workable concepts.

Our innovation programmes

Value creation
Revenue and profit

Research	Transformative
Our employees, who are customers of the automotive industry in one way or another, participate in our experiments to test our minimum viable products as part of our innovation sprint process. This helps us understand customer needs and validates our assumptions.	**m^{x} sprints:** all employees are provided the opportunity to generate ideas on how to solve the business challenges published on the m^{x} platform. **Future Leaders Programme:** talented individuals develop ideas to solve business challenges identified by executives.
Innovation theatre	**Culture builder**
m^{x} membership, keynote and thought leadership events, articles, innovation workshops, training and showcasing of innovative solutions. These programmes create awareness.	A points system that measures employee participation in our m^{x} programmes culminating in the top innovators from across the Group being recognised as Motus Futuremakers.

Culture change
New structures and processes

Innovation portfolio

Over the past year, mˣ has identified a further 13 concepts in five categories

ESG

2 concepts contributing to our ESG intentions

Vehicle owning

2 concepts improving vehicle ownership, helping drivers find the right products at the right times

Vehicle buying

6 concepts improving the vehicle buying journey

Business processes

1 concept improving business processes

Aftermarket Parts

2 concepts enhancing our Aftermarket Parts business

mˣ inspiration and events

Knowledge sharing

10 keynotes
These speaker events covered a diverse range of topics. Attendees also gained insights into driving future innovation and learned valuable lessons from corporate start-up experiences.
1 156 attendees

Experiential learning

1 GVB[1] innovation blitz
10 teams

Pitching days

2 pitching days
9 teams

mˣ campaigns

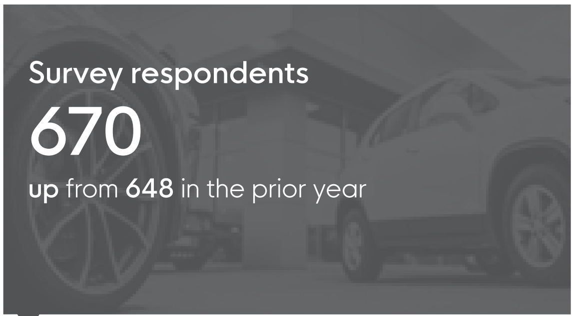
Annual 'Doing Things Differently' campaign
9 business units
221 submissions

Recognition

1 Futuremaker Awards
5 team categories
10 Futuremaker winners

[1] *GVB: gender-based violence*
[2] *Topics included the transformative journey of start-ups, valuable insights into the automotive industry, the potential of digital twin technology, strategies for overcoming resistance to new ideas, the revolutionary impact of 3D printing, the convergence of the metaverse and AI, the importance of customer centricity and how AI is empowering business.*

In the second half of 2022, our annual innovation survey was sent to all Motus employees to determine whether our innovation programmes are successful in fostering a culture of innovation within Motus.



Survey respondents
670
up from **648** in the prior year

78%
agree that the Motus innovation strategy is clear

81%
regard Motus as innovative

78%
agree the focus is on the generation of business opportunities and appropriate strategies rather than random ideas

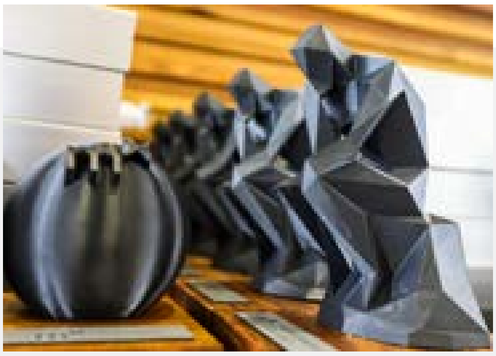
72%
agree that customer insights are used to source and validate ideas

75%
think that the Motus culture supports innovation

The survey also garnered qualitative feedback on how we can make the innovation strategy clearer and more effective, what employees feel are the biggest disruptors in our industry and what we can do to improve our culture of innovation.

The inaugural Futuremakers Awards

We also recognised the contribution of our people to innovation within Motus. We hosted our inaugural Futuremakers Awards for the top 10 contributors to innovation, measured across a number of m^x platform aspects; from attending events and logging ideas to joining teams who test and experiment with concepts. All aspects of engagement are tracked per employee and points are allocated according to the impact the activity has on innovation in Motus. All winners received a custom designed 3D printed cubist replica of Auguste Rodin's well-known work, The Thinker.



Since accelerating our innovation strategy through the launch of the m^x capability four years ago, it has proven to be a game-changer and enabled us to test 43 novel concepts. It resulted in the successful implementation of innovative projects such as: Contactable – a digital identity tool, Digital Dealer, and Europcar's "Ready to Go". These have been delivered and are working solutions that are used in business activities.

Digitisation enabling excellence

Our three flagship projects in the year included:

1 Digital identity proofing with Contactable

Our Finance and Insurance Management division, FAIMS, is always looking for ways to make things more convenient when interacting with our customers. Legislation is getting more complicated, and there is an ever-increasing list of requirements for disclosure, execution, and documentation. Consequently, FAIMS spend a lot of time thinking of ideas to be compliant, but also make it seamless for our customers.

FAIMS is the first Finance and Insurance (F&I) business in the country to go completely paperless, to introduce end-to-end online Financial Intelligence Centre Act (FICA) onboarding for clients and to have web links and forms for completing transactions digitally from anywhere in the world.

FAIMS is an accountable institution in its own right but also acts as an agent for financial institutions when arranging vehicle financing for customers, as well as for Motus Retail and Importer dealerships in their sales of new and pre-owned vehicles and accessories to ensure that FICA onboarding requirements are met.

Used by all Motus vehicle retail outlets in South Africa, Contactable is a digital third-party solution that offers an integrated identity platform which provides a slick and time-saving customer onboarding and screening process, supporting compliance within regulatory requirements. It verifies that identities claimed by new and existing customers correspond to their real-world identities and can be completed in the dealership or by customers online. The solution delivers efficiencies and cost savings, reduces risk and uses the most secure and trusted industry standard practices.

Since its implementation, Contactable has allowed over 350 employees to run Know Your Customer (KYC) checks on over 9 500 individual transactions a month for both natural and juristic persons.

Digitisation enabling excellence (continued)

2 Motus Digital Dealer

Technology plays a pivotal role in enabling our value propositions to various market segments. Despite fast-paced disruptions, we prioritise customer-centric innovation. Understanding our customers' needs is key. With a "plug and play" approach, we seamlessly integrate relevant technological solutions that enables growth opportunities identified during our innovation process.

MDD

Motus Digital Dealer

Motus Digital Dealer offers cutting-edge technology that ensures a seamless and fully digitised finance application process.

1	**Omni-channel sales capability** creates a superior customer onboarding experience	✓ Dealer ✓ Call centre ✓ Online (motus.cars)
2	**Fully digitised** boosts efficiency for our dealer sales and F&I operations	✓ Auto-filled forms and KYC requirements ✓ Reduced paperwork ✓ Time reduction from hours to seconds
3	**All-in-one system** built on a scalable platform that can be used by any OEM	✓ Bank agnostic ✓ Lowers compliance and credit risks ✓ Securely collects customer data in line with the Protection of Personal Information Act (POPIA) requirements

Our Digital Dealer Project, introduces an omni-channel sales capability across various sales channels, including motus.cars. This cutting-edge platform offers a seamless and fully digitised finance application process, white labelled and deployed within our Importer division and motus.cars.

Not only does it create a superior customer onboarding experience, but it also boosts efficiency for our dealer sales and finance and insurance operations. The platform is fully integrated with all suppliers and systems across the vehicle buying journey allowing for auto-filled forms and digitised KYC, and has reduced paperwork and processing time from hours to seconds. This advancement not only benefits our customers but also lowers compliance and credit risks, ensuring a smoother journey for all.

With our ongoing Digital Dealer Project, we are committed to enhancing functionality as we gain deeper insights into our customers' needs.

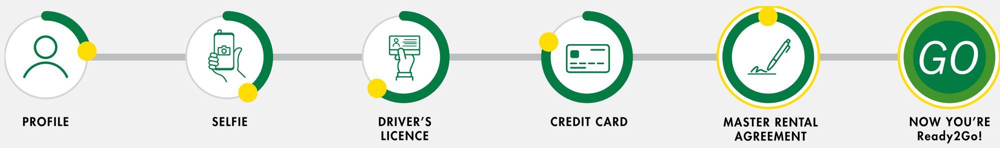
Forward-thinking

Our mission is to shape the future of car buying through a streamlined and sustainable approach, setting new industry standards for success.

Digitisation enabling excellence (continued)

3 Ready2Go

Ready2GO is the revolutionary express checkout service introduced by Europcar that has been designed to offer unparalleled convenience to our customers and boost operational efficiency. With no queues and no paperwork, Ready2GO was launched to accelerate the vehicle collection process, ensuring a seamless and hassle-free experience for renters. Setting up an account is a one-time process, streamlining future rentals. At our Ready2GO counter, all that is required is a driver's licence for identification, allowing us to get customers on the road swiftly. This innovative solution enhances customer satisfaction, propels growth, and elevates Europcar as an industry leader.



Navigating the road ahead: transforming data into AI-driven insights

In the dynamic world of automotive innovation, data serves a crucial role as more than just fuel. It is also the guiding star leading to a sustained competitive advantage, relevance, and ultimately success. Yet, in this data-rich landscape, the emphasis lies not merely on accumulating and safeguarding copious amounts of data, but rather on cultivating superior data quality.

We acknowledge that our enduring competitive advantage hinges not only on data possession, but on our ability to extract superior, well-informed conclusions from it. As we head towards a future that is increasingly and seamlessly intertwined with AI, the integrity of our data, the insights we can gather, and our decision-making abilities stand poised to differentiate us from our competitors.

By harnessing the potential of AI and collaborating closely with AI and machine learning experts, we conduct data experiments to enhance sales conversion, drive continuous improvement as well as understand the future mobility needs of our customers. Within our innovation portfolio (mentioned on page 23), seven distinct initiatives employ AI or similar new technologies as core to the solution.

Safeguarding our digital intellectual property

Fast-paced advancements in technology, device automation and the Internet of Things (IoT), the borderless flow of information and money, and consumer demands for instant gratification combine to make it increasingly difficult for businesses to keep up with the pace of change, while safeguarding their ecosystems.

Cybercrime thrives under such circumstances and is becoming harder to detect, understand and protect against. All companies and institutions are vulnerable and need to spend considerable time, effort, and resources to minimise this risk. We are no different. To protect Motus' digital assets, we follow the National Institute of Standards and Technology cybersecurity framework – an internationally recognised standard for protection against cybercrime.

Cyber Resilience and Information Protection Programme

Under the prevailing circumstances, sufficient investment in digitisation and a robust information technology (IT) backbone are essential for Motus' sustainability and growth. We have implemented a hybrid structure to align Motus IT with the Group's overall strategy. This approach is most appropriate due to the varied business models within the Group. IT strategy, cybersecurity and governance are dealt with centrally, while divisions manage business applications, process enablement and custom software development.

In a world increasingly driven by IT, most components a company needs to operate its technology infrastructure is available from vendors. These offerings include hardware, platform components, business applications, and support services. However, these come at a cost and may reduce flexibility and control, which has made us traditionally cautious about entering such arrangements.

Partnerships are now more necessary, as we face challenges in finding and retaining high-quality IT employees, especially considering the harsh economic climate in South Africa, active recruitment from overseas and various pressures on the workforce. We ensure that the value proposition for outsourcing to IT vendors is sound and our agreements are well-defined and expectations well-understood.

Mobility solutioning

Ongoing digitisation will have an increasingly profound impact on mobility and will happen at an unrelenting pace. In the past, limited data often hindered innovation. However, with the advent of the IoT and connected cars, there is now abundant data. The challenge now is to properly store, manage, and leverage the vast amounts of available data.

An example of this is connected vehicles, which are able to communicate with each other and the infrastructure around them. This technology can potentially improve traffic efficiency, reduce collisions and enable behaviour-based solutions using telemetry.

Connected vehicles will allow us to use our proprietary data store and machine learning to analyse customer behaviour and gain valuable insights about servicing, claims and driving patterns. Together with our vehicle data and product thinking, this will allow us to offer more tailored, intelligently-priced and individually timed VAPS that provide personalised experiences and foster customer loyalty. We will be able to reward good driving behaviour, which for Motus will help us identify high-quality customers and, in turn, could influence driver behaviour and potentially contribute to safer roads. As we gain experience at managing connected services, we will be able to position ourselves as the partner of choice for connected technologies.

Appreciation

Digitisation and innovation contribute to Motus' growth today and relevance tomorrow. Maintaining and deepening our culture of innovation and digitisation therefore remains critical in ensuring our longer-term sustainability and our ability to meet the under-served mobility needs of our customers.

I thank every member of the m^{x} community and all the innovation teams for their contribution that help Motus in "Creating Tomorrow Today".

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

27 September 2023

Chief Financial Officer's review

"The Group continues to demonstrate sustained strategic progress and remains well positioned to deliver sustainable profitable growth in line with our internationalisation and diversification priorities. The value of our integrated business model and dedication of our people remain the foundation to continue to be resilient and succeed in a dynamic operating environment. "

Strategic performance

The results for the year ended 30 June 2023 demonstrate sustained strategic progress with a strong trading performance, despite headwinds in all the geographies we operate in. The strong operating results under these challenging conditions once again confirm the robustness of our business strategy.

Our competitive advantage resides in our scale, integration, differentiation and entrepreneurial leadership. Moreover, we positioned Motus for sustainable profitable growth and manage cyclicality in the tough market we find ourselves in, by balancing income from vehicle sales with growing contributions from non-vehicle sales in line with our internationalisation and diversification priorities.

2023 Highlights

Strong financial performance
- Revenue up 16% to R106 billion
- EBITDA up 19% to R8,1 billion
- Operating profit up 14% to R5,7 billion
- Cash generation before working capital changes up 13% to R7,8 billion

Acquisition of MPD
- Acquired a business-to-business parts distributor in the United Kingdom, effective 3 October 2022, for R3,7 billion
- Contributed revenue of R3,6 billion and EBITDA of R610 million for nine months
- Fourth biggest player with ~5% market share

Acquisition of Mercedes Benz dealerships
- Acquired three passenger and one commercial dealership in Gauteng, effective 1 November 2022, for R715 million
- Contributed revenue of R952 million and EBITDA of R39 million for eight months

ESG highlights
- Achieved black representation of 76% in South Africa
- Group women representation of 31%
- Achieved an improved Level 3 B-BBEE[1] rating
- Continued CSI support

Shareholder returns
- ROIC of 14,1% > WACC of 10,7%
- Maintained full year dividend at 710 cents per share
- Net asset value up 25% to 10 189 cents per share

[1] *B-BBEE: Broad-based black economic empowerment.*

Revenue

R106 321 million

(2022: R91 978 million)

▲ 16%

Operating profit

R5 723 million

(2022: R5 029 million)

▲ 14%

Cash generated by operations before changes in net working capital

R7 837 million

(2022: R6 909 million)

▲ 13%

We positioned Motus for sustainable profitable growth and manage cyclicality in the tough market we find ourselves in.

Ockert Janse van Rensburg
Chief Financial Officer

Chief Financial Officer's review (continued)

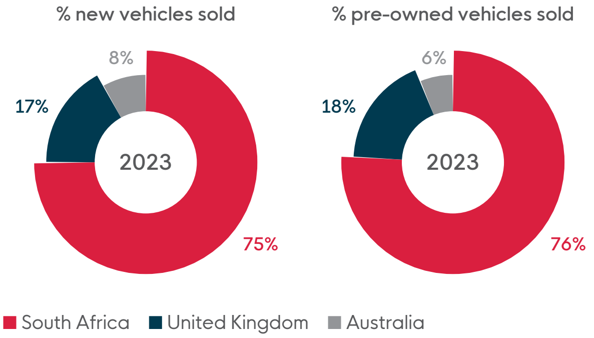
Globally, vehicle sales continue their recovery to pre-COVID levels as vehicle sales and supply continues to normalise.

In South Africa, naamsa[1] reported that new vehicle sales volumes have been encouraging with strong growth despite the challenges confronting the economy and the industry. New vehicles retailed were up 10,4% to ~541 000 for the 12 months to 30 June 2023. New vehicle sales projections for the 2023 calendar year is between 520 000 to 540 000 vehicles.

The United Kingdom new vehicle market has shown resilience in challenging economic conditions, growing by 12,1% for the 12 months to 30 June 2023. In Australia, the automotive industry remains a highly competitive environment with additional constraints due to decontamination screenings creating a backlog in clearing vehicles at the ports. The Australian automotive market grew by 10,3%[2] for the same period.

The Group's passenger and commercial vehicle businesses, including the United Kingdom and Australia, retailed 126 826 new units (2022: 135 564), and 85 752 pre-owned units (2022: 89 753) during the year.

Vehicle sales by regional contribution



1 *naamsa | The Automotive Business Council | Press releases.*
2 *Federal Chamber of Automotive Industries (fcai.com.au).*

Strategic acquisitions

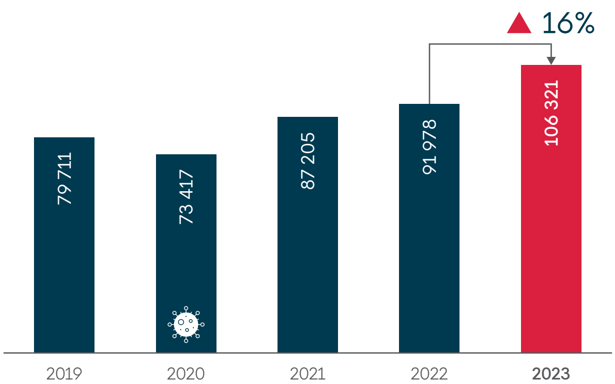
During the year we completed two complementary acquisitions. On 3 October 2022, we completed the acquisition of MPD, a business-to-business parts distributor based in the United Kingdom. The acquisition is aligned to Motus' international growth strategy for the Aftermarket Parts segment. The acquisition will strengthen our integrated business model, reduce our dependency on vehicle sales and is cash generative. MPD exceeded our expectations and contributed a meaningful 8% towards Group EBITDA for the year. On 1 November 2022, we completed the acquisition of three Mercedes Benz passenger dealerships and one commercial vehicle dealership in Gauteng (MB retail dealerships). The acquisition has enhanced Motus' South African portfolio. The acquisitions were funded using OEM floorplans and available cash and banking facilities, amounting to a combined purchase consideration of R4,4 billion.

Financial overview

Revenue increased by 16% to R106,3 billion with a positive contribution from all segments. The Aftermarket Parts segment increased by 52%, Retail and Rental segment increased by 14%, Mobility Solutions segment increased by 9%, and Import and Distribution segment increased by 3%.

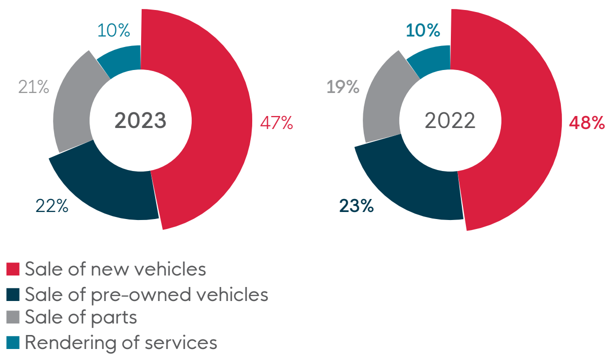
The revenue increase was as a result of increased contributions from new vehicle sales of R5,7 billion (13%), parts sales of R5,4 billion (31%), pre-owned vehicle sales of R2,0 billion (9%) and rendering of services of R1,3 billion (13%).

Revenue (Rm)



Impacted by the COVID-19 crisis.

Revenue contribution per stream (%)

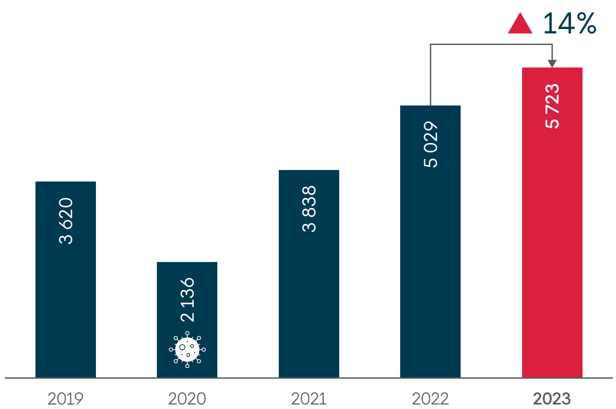


The South African operations contributed 61% to revenue and 73% to EBITDA for the year (2022: 66% and 79%, respectively), with the remainder being contributed by the United Kingdom, Australia and South East Asia.

Operating profit increased by R694 million (14%) with the following business segments improving year-on-year contribution: Aftermarket Parts R399 million (62%), Retail and Rental R344 million (16%), and Mobility Solutions R137 million (14%). This was offset by the reduced contribution from the Import and Distribution segment of R92 million (6%).

The increased operating profit is mainly as a result of the continued recovery of the automotive and vehicle rental sectors, the increased contribution from FAI Automotive plc (FAI) (included for the full 12 months) and MPD (included for nine months), supported by higher profitability from VAPS in Mobility Solutions and increased contributions from international businesses.

Operating profit (Rm)



Impacted by the COVID-19 crisis.

Net foreign currency exchange gains of R20 million (2022: R135 million) is mainly due to the translation differences arising from foreign currency denominated balances such as trade receivables, trade payables, Customer Foreign Currency (CFC) accounts and interest-bearing debt, and changes in the fair value of derivative instruments that are not formally designated in a hedge relationship.

Net finance costs increased to R1 352 million mainly due to higher average working capital and vehicles for hire levels, the financing of acquisitions, increased IFRS 16 – *Leases* finance costs and increased interest rates across all the geographies we operate in.

Profit before tax decreased by 3% to R4 357 million.

A full reconciliation of earnings to headline earnings is provided on page 191.

A full year dividend of 710 cents per share has been declared (2022: 710 cents per share). In March 2023, an interim dividend of 300 cents per ordinary share was paid and a final dividend of 410 cents per ordinary share will be paid in October 2023.

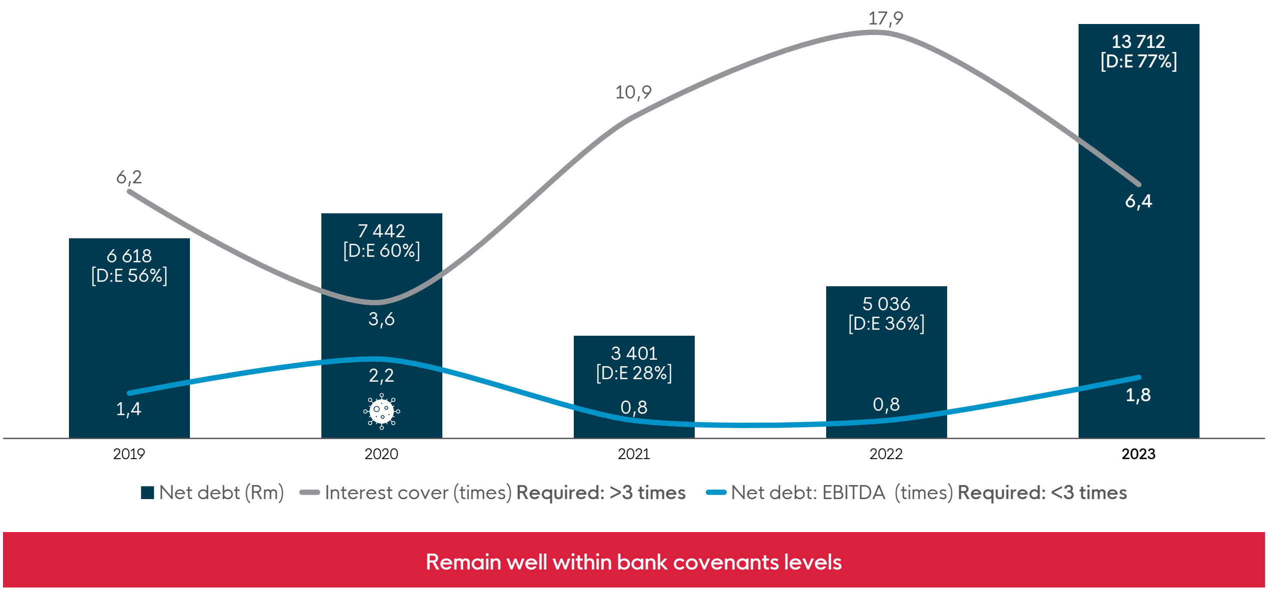
Movements in net working capital is an outflow of R5,8 billion after adjusting for non-cash movements relating primarily to the recent acquisitions, foreign exchange adjustments and translations. The increased cash investment in working capital is as a result of improved trading activity and the normalisation of the supply chain resulting in increased inventory and trade receivables, offset by higher payables and floorplans.

Debt and liquidity

Net debt to equity is 77% (2022: 36%). Core debt increased by R7,9 billion primarily due to higher working capital levels, higher vehicles for hire levels, the partial debt funding of the acquisitions and capital expenditure on fixed assets. The increase was partly offset by improved profitability for the year.

We continue to closely monitor our debt and working capital levels and aim to reduce these in a responsible manner as a priority. We are therefore implementing a range of strategies to reduce debt and working capital levels. These include postponing non-critical capital expenditure, increasing sales by adjusting sales targets and additional marketing and promotions, engaging with OEMs for flexible ordering arrangements and financial assistance, as well as revising our stock level targets.

Gearing, facilities and debt covenants



Impacted by the COVID-19 crisis.

Net debt to EBITDA is 1,8 times (2022: 0,8 times) and EBITDA to net interest is 6,4 times (2022: 17,9 times), which is well within the targeted debt levels set by management. Both ratios have been calculated by applying the funders' covenant methodology and we remain well within the bank covenant levels as set by debt funders of below 3,0 times and above 3,0 times, respectively.

Return on invested capital decreased to 14,1% (2022: 17,8%) mainly due to increased invested capital (net debt and total equity). Weighted average cost of capital decreased to 10,7% (2022: 10,9%) mainly due to increased debt levels which carries a lower cost than equity, offset by the increase in interest rates and risk-free rates.

Net asset value per share increased by 25% to 10 189 cents per share (2022: 8 143 cents per share).

The statement of financial position is detailed on page 191.

Cash generated by operations before changes in net working capital amounted to R7,8 billion (2022: R6,9 billion) and free cash flow generated from operations amounted to R90 million (2022: R4 835 million). The free cash flow was primarily generated by healthy operating profits, and was utilised mainly through the increased investment in net working capital, finance costs and taxation paid.

The cash flow movements are detailed on page 193.

The liquidity position is strong, and the Group has R7,4 billion in unutilised banking and floorplan facilities. A total of 63% of the Group funding is long-term in nature. Excluding floorplan funding, 7% of the funding is at fixed interest rates.

Outlook

The global economic outlook remains uncertain, with consumer and business sentiment expected to remain under pressure over the short to medium term. Global growth is projected at 3% in both 2023 and 2024, down from 3,5% in 2022[1].

Our diversification, internationalisation and innovation have been Motus' bedrock over the past five years. With the global industry now touching pre-pandemic levels and the South African market maintaining its resilience, it is also our foundation for local and international growth where we are targeting a 35% EBITDA contribution from our international businesses.

> Our diversification, internationalisation and innovation have been Motus' bedrock over the past five years.

Our scale and operational maturity in South Africa positions us well to maintain our leading position and selectively expand our geographical footprint through bolt-on complementary acquisitions both locally and internationally, while exploring strategic acquisitions that expand our offering in the Aftermarket Parts business or enhance the supply chain and the technology capabilities of the Group.

Appreciation

I would like to thank all our employees, customers, suppliers, funders, stakeholders and the board for their support during these challenging times.

My sincere appreciation to the dedicated finance teams across the Group who continue to deliver high standards of financial reporting.

Ockert Janse van Rensburg
Chief Financial Officer

27 September 2023

[1] *International Monetary Fund | World Economic Outlook July 2023 update.*

Motus

Integrated business

Group leadership

Board of directors*

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

Non-executive directors

Chairman and independent non-executive director

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

Appointed: 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 Group Limited and Sasol Limited and as Chairman of Momentum Metropolitan Holdings Limited.

Committees: NOM, REM

Deputy Chairman and non-executive director

BA, LLB

Appointed: 1 August 2018.

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

Committees: NOM, REM, SES

Independent non-executive director

BCom, BCompt (Hons), CA(SA)

Appointed: 22 November 2018.

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

Committees: ALCO, ARC

Board committee key

- ALCO – Assets and Liabilities Committee
- ARC – Audit and Risk Committee
- NOM – Nomination Committee
- REM – Remuneration Committee
- SES – Social, Ethics and Sustainability Committee
- C – Chairman

Changes made to the board and sub-committee memberships can be found in the governance report on page 140.

** At publication.*

Independent non-executive director

BCom (Accounting), CA(SA)

Appointed: 29 August 2023.

Mathukana is a Chartered Accountant (SA) with professional experience in financial services, audit and risk management, mergers and acquisitions, corporate restructuring and capital raising. Her previous work experience included: Woolworths as a financial analyst, Cadiz Financial Services as a Corporate Financier, and Standard Bank in the Dealmaker, Leveraged and Acquisition Finance division. She currently serves on the boards of City Lodge Hotel Group Limited, Sanlam Limited and Stadio Holdings Limited.

Committees: ARC, SES

Independent non-executive director

CA(SA), Management Development Programme, Strategic Planning and Management in Retailing, Advanced Management Programme

Appointed: 22 August 2023.

Jan is a Chartered Accountant (SA) with professional experience in financial management, retail business operations and strategy. His previous work experience included: South African Breweries in various financial management roles, MassDiscounters (which is part of the Massmart Group) as Financial Director and Chief Executive Officer (CEO), and Italtile Limited as CEO. He currently serves on the boards of Fortress Real Estate Investment Limited, Italtile Limited and The Foschini Group Limited.

Committees: ALCO, ARC

Independent non-executive director

BCom (Hons), CA(SA), Postgraduate diploma Financial Planning

Appointed: 1 September 2021.

Fundi is a Chartered Accountant (SA) with professional experience in finance, audit, private equity, investment management, investor relations, and mergers and acquisitions. She currently serves as an executive director of Dlondlobala Capital Proprietary Limited. Over the last 20 years, she has served on various boards of directors across industries. She currently also serves as a non-executive director of Life Green Group Proprietary Limited and GIC Re SA Limited.

Committees: ARC, SES

Independent non-executive director

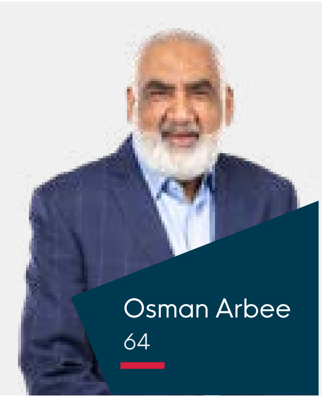
CA(SA), Advanced Management Programme

Appointed: 29 August 2023.

René is a Chartered Accountant (SA) with professional experience in banking, audit and risk management. His previous work experience included: Nedbank Group in various risk management roles, Imperial Bank as CEO, the South African Reserve Bank as Head of Banking Supervision and as Registrar of Banks. He currently serves as a non-executive director at ABSA Group Limited.

Committees: ALCO, NOM, REM

Executive directors



Chief Executive Officer (CEO)

BAcc, CA(SA), H Dip Tax

Appointed: 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 United Kingdom 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.

Chief Financial Officer (CFO)

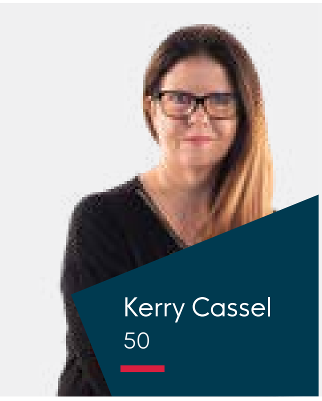
BCompt (Hons), CA(SA), H Dip Co Law (Wits), GCP (Wharton & IESE)

Appointed: 12 October 2017.

Ockert joined Imperial in January 2015 when he was appointed 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. In the 2022/2023 year, Ockert successfully completed the Global CEO Program (GCP) jointly facilitated by Wharton (USA) and IESE (Spain) business schools.

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

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



CEO – Mobility Solutions & Head: Innovation and Technology

BCom (Hons), CA(SA)

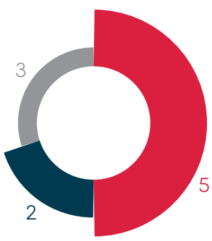
Appointed: 1 July 2019.

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

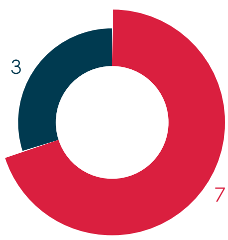
Prior to being appointed to the board, Kerry held multiple senior positions within the Group.

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

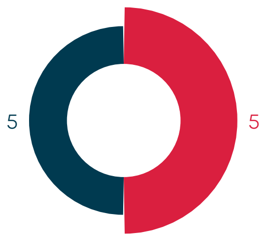
Board age*



Board gender representation*



Board race diversity*

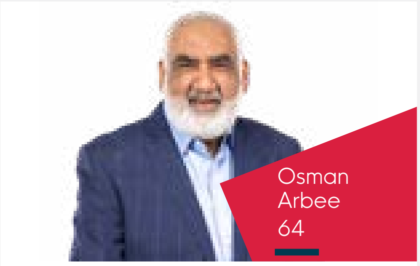


* At publication.

Group leadership (continued)

Executive Committee*

A highly experienced management team supports the board with years of collective experience and expertise, extensive industry knowledge of regional and global markets and a proven track record.



Chief Executive Officer

BAcc, CA(SA), H Dip Tax

Executive director CVs: page 37.

Chief Financial Officer

BCompt (Hons), CA(SA), H Dip Co Law, GCP (Wharton & IESE)

Executive director CVs: page 37.

CEO – Mobility Solutions and Head: Innovation and Technology

BCom (Hons), CA(SA)

Executive director CVs: page 37.

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 over 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.

CEO – Retail and Rental South Africa

BCom (Hons), CA(SA)

Rainer joined Motus in June 2022, when he was appointed the CEO of the Vehicle Rental Division. From 1 April 2023, he was appointed as the CEO of Retail and Rental in South Africa. Prior to joining Motus, Rainer spent 23 years with the Barloworld Group, where he held various positions within the Automotive division until 2021. This included CEO of Avis Car Rental Southern Africa from 2015 until February 2020.

Corporate Affairs, Risk and Sustainability

BCompt (Hons), MBA, CIA, CCSA

Berenice joined Motus from Imperial, where she served on the Group Executive Committee from 2009. She is the representative director of Ukhamba Holdings Proprietary Limited and related operations and serves as Chairman of Unjani Clinics. 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 a past President of the Institute. She is a member of the IIASA's Policy Committee, Institute of Directors governance forum and an audit committee member of the National Business Institute (NBI). She also served as a Vice President and Regional Governor of the Institute of Internal Auditors (IIASA).

CEO – Hyundai Automotive South Africa

BCom (Acc)

Gideon has been with the Group for over 20 years, having fulfilled various positions for Hyundai Automotive South Africa as Business Development Manager and later on Regional Director for KwaZulu-Natal and Gauteng East dealerships. He assumed his new role as CEO of Hyundai Automotive South Africa from 1 July 2023. Prior to joining Motus, Gideon was a Financial Manager for Barlow Motor Investment and a Business and Treasury Manager for Fiat Auto South Africa.

* *At publication.*

Chief Operating Officer (COO) – Aftermarket Parts

BCom, MBS

Niall has been with the Group for 13 years, during which he has served in various franchise director positions within the Retail and Rental business segment. He was the Managing Director of Renault South Africa (now known as Motus Vehicles Distributor) and was the CEO of Hyundai Automotive South Africa for seven years. He has recently been appointed as the COO for the Aftermarket Parts business with effect from 1 July 2023.

CEO – Mitsubishi Motors South Africa

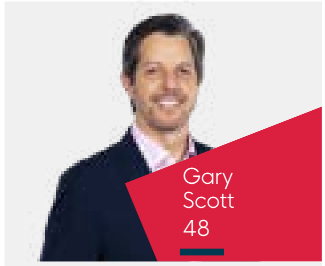
BCom, MBA

Thato started with the Group in 2009 and has held various roles in the Import and Distribution division for Daihatsu, Renault South Africa (now known as Motus Vehicles Distributor) and Mitsubishi Motors South Africa. He previously served as the sales General Manager for Renault South Africa (now known as Motus Vehicles Distributor). He has been the Managing Director of Mitsubishi Motors South Africa since 2021. Thato currently serves as the Vice President: Retailing OEMs and a member of the Project Oversight Committee at naamsa.

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 the Aftermarket Parts business segment and in April 2015, he was appointed as the CEO of the Aftermarket Parts business. In February 2023, he was appointed to the Independent Automotive Aftermarket Federation (IAAF) Council in the United Kingdom.



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 Sales Director at Kia South Africa from 2013 before becoming CEO in 2017. Gary is the immediate Past Vice-President: Retailing OEMs and also currently serves as Chair of the Project Oversight Committee at naamsa.

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 BSocSci 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.

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 as Commercial Director for Motus Vehicles Distributor. Shumani was appointed as CEO of Motus Vehicles Distributor in March 2022. Before joining Motus, he was Managing Director of Eqstra Industrial Equipment Group. 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. Shumani currently serves as a member of the Remuneration and Transformation Committee at naamsa.

Automotive industry

The economic impact of high global inflation, rising interest rates, tighter monetary policies in major markets, geopolitical tensions arising out of the protracted Russia-Ukraine conflict and financial sector turbulence continue to raise concerns about a global slowdown in economic growth.

Although supply chains have largely recovered, with shipping costs normalising to pre-pandemic levels, inflation remains high and continued interest rate increases are constraining global economies. Globally, household purchasing power has eroded, leading to a cost-of-living crisis across the world.

Outlook

The outlook remains uncertain, with consumer and business sentiment expected to remain under pressure over the short to medium term. Inflation is expected to gradually slow as monetary policy tightening takes effect. Global growth is projected at 3,0% in both 2023 and 2024, down from 3,5% in 2022.[1]

Economic environment

South Africa

The automotive industry plays an indispensable role in contributing to South Africa's longer-term economic sustainability. It provides mobility, facilitates trade, creates sustainable jobs, moves people, goods and services, serves communities and creates prosperity for South Africa's people.

The South African automotive industry contributes around 4,9% to GDP (including 2,0% from the retail segment), with the value of vehicles and automotive components exported to 152 international markets accounting for more than 12,4% of the country's total export value.[2]

Jobs supported by the automotive industry in South Africa

Vehicle manufacturing hubs

>30 000

jobs

Automotive component sector

>80 000

jobs

Multiplier effect

For every vehicle on an OEM factory floor there are 14jobs upstream and downstream of the automotive value chain, totalling

>457 000 jobs

across the industry

Source: naamsa | The Automotive Business Council.

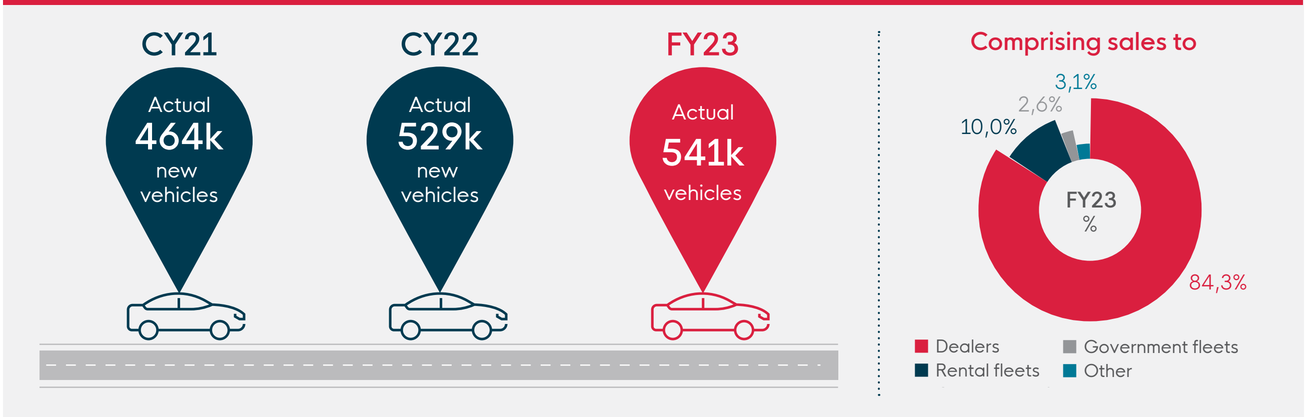
[1] *International Monetary Fund | World Economic Outlook July 2023 update.*
[2] *naamsa | The Automotive Business Council | Press releases.*

During 2022, the South African economy grew by 1,9% and is expected to slow to 0,3% for 2023.[1] Challenges confronting the economy, and the automotive industry, include rising interest rates, high inflation, a weaker currency as well as ongoing power supply outages, supply chain disruptions and inadequate infrastructure. Together, these are escalating the cost of doing business in South Africa, increasing consumer fragility as buying power is more constrained. Affordability appears to be driving consumer spending, which is reflected in new vehicle sales as consumers move away from luxury vehicles to more affordable vehicles. Parts and workshop activity is also increasing as a result of the extension of vehicle replacement cycles due to affordability.

According to naamsa[2], the South African new vehicle market performance has been encouraging with strong growth across the automotive market, despite the challenges confronting the economy and automotive industry. New vehicle sales have been exceeding expectations even with ongoing increases in the total cost of ownership. New vehicles retailed were up 10,4% for the 12 months to 30 June 2023, to ~541 000 vehicles. Motus achieved ~19,8% retail market share for the 12-month period. Management's forecast for vehicle sales for the 12 months to 31 December 2023 is between 520 000 to 540 000 vehicles.

The vehicle rental industry, which was heavily impacted by the COVID crisis, continues to recover aided by increased local and international travel.

The South African vehicle market[2,3]



CY – Calendar year FY – Financial year

United Kingdom

The United Kingdom economic position has continued to deteriorate as consumer spending is constrained by increasing living costs, higher interest rates, higher personal taxes and accelerating inflation. In 2022, GDP grew by 4,1%[1] and it is predicted to grow by only 0,4%[1] in 2023. Efforts to contain inflation have had some impact as inflation declined from 9,4% in June 2022 to 7,9%[4] in June 2023. Government efforts to provide support for energy costs are expected to reduce in the near-term, although the market continues to face labour shortages, including the automotive industry.

The United Kingdom new vehicle market has shown resilience and has grown by 12,1% for the 12 months to 30 June 2023, with the passenger market growing by 14,4%[5], the LCVs market declining by 0,5%[5] and the heavy commercial vehicles market growing by 19,1%. Annual new vehicle sales amounted to 2 118 056 for the 12 months to 30 June 2023, compared to 1 890 063 vehicles in the comparative period. Motus remains well positioned and maintained its retail market share, as ~70% of our dealerships are in the van and commercial business.

Parts and workshop activity is increasing as a result of the extension of the passenger vehicle replacement cycle as well as support from the steady flow of heavy commercial vehicles that are required to undergo regular routine roadworthiness inspections.

[1] *International Monetary Fund | World Economic Outlook July 2023 update.*
[2] *naamsa | The Automotive Business Council | Press releases.*
[3] *An annual alignment is made to naamsa actuals.*
[4] *Bank of England | Monetary Policy Report – August 2023.*
[5] *The Society of Motor Manufacturers and Traders | Press release.*

Automotive industry (continued)

Australia

Growth has been subdued as the economy has slowed, driven by higher interest rates and cost-of-living pressures. Conditions in the labour market have moderated. Inflation reached 6,0%[1] in June 2023 and is expected to decline further albeit at a slower than expected pace. GDP growth was 2,7% for 2022 and is expected to slow to 1,25%[1] in 2023 as consumer spending is expected to remain constrained by inflation and higher interest rates weighing heavily on disposable income in the near term.

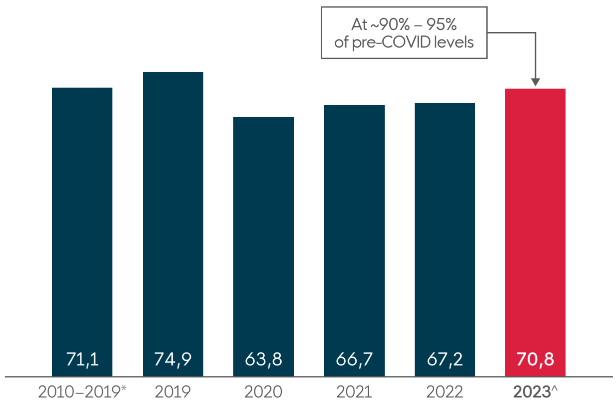
The Australian automotive industry remains a highly competitive environment. The market grew by 10,3%[2] for the 12 months to 30 June 2023, with Motus maintaining its retail market share. The market was also constrained due to contamination screenings creating a backlog in clearing vehicles at the ports. Annual new vehicle sales amounted to 1 125 330[2] for the 12 months to 30 June 2023, compared to 1 020 221[2] vehicles in the comparative period.

[1] *Reserve Bank of Australia | Statement on Monetary Policy, May 2023.*
[2] *Federal Chamber of Automotive Industries (fcai.com.au).*

Global

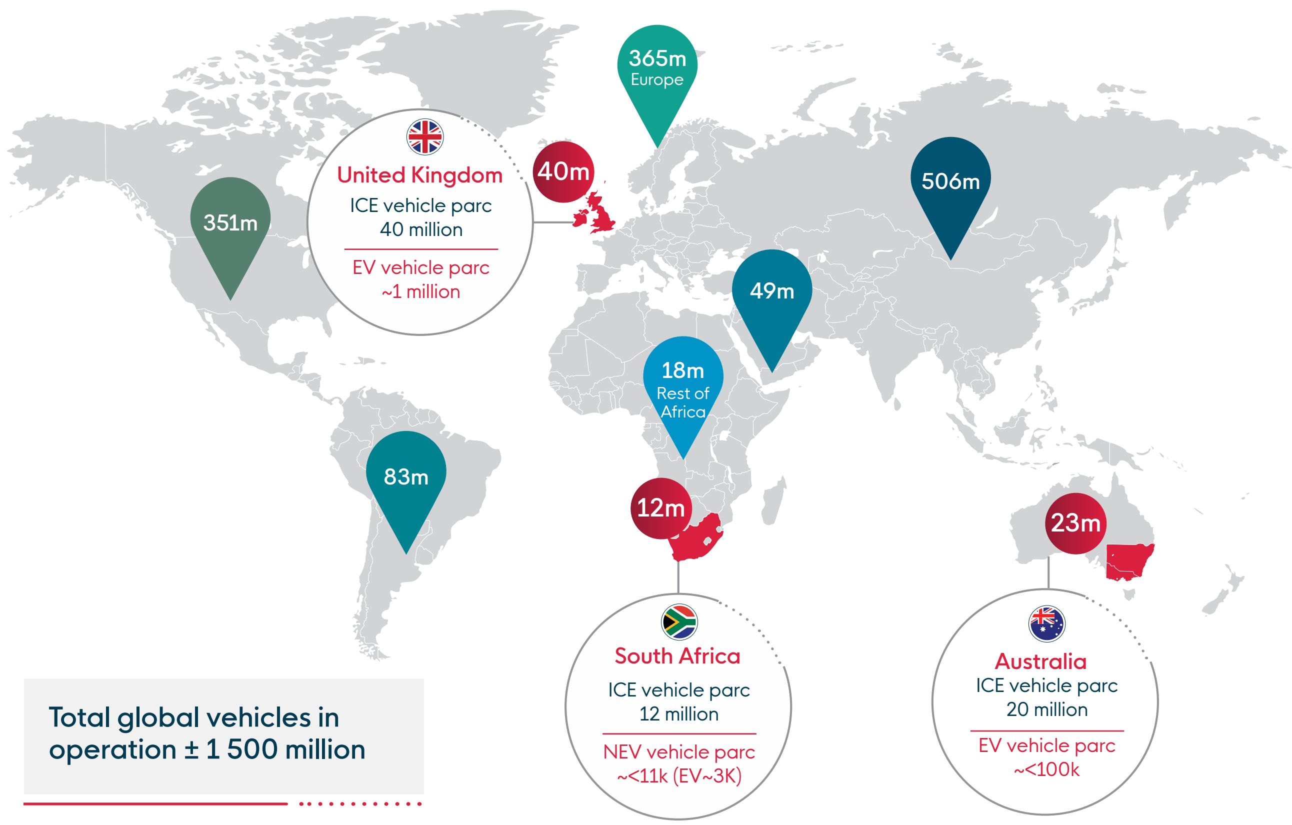
Global vehicle sales continue their recovery to pre-COVID levels as vehicle sales and supply continue to normalise.

Global vehicle sales (million units)



* *Annual averages.*
^ *This value is a forecast.*
Source: https://www.statista.com/statistics/200002/international-car-sales-since-1990/.

Global vehicle parc



Global and local sector trends

The business environment is currently being reshaped by four megatrends that are global in scope and long term in effect. Although not new, these megatrends are likely to change the global automotive industry in the medium-term: changing consumer behaviour, technological advances, sustainability and the workforce of the future.

The scope, impact and interdependence of these megatrends is growing. Remaining competitive in the automotive industry requires adaptive operating models that evolve to meet the needs of increasingly empowered consumers and ongoing technological advances.

Changing consumer 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 consumer buying preferences continues to transform businesses. As prospective buyers continue to demonstrate a preference for using multiple, including digital channels to source information, businesses must increasingly offer digital, omni-channel and omnipresent solutions that enhance the customer experience.
- Investment in technology must cover a variety of digital offerings that allow customers to access information at their convenience while being balanced by an accessible and relevant physical footprint that enhances business offerings where aspects of the buying process remain difficult to digitise and as customers continue to prefer completing the last step in dealerships.
- The global cost of living crisis has continued to place pressure on consumer spending. In South Africa, demand for non-premium and smaller entry level vehicles continues to grow as customers preferences trend towards more affordable vehicles.
- Shared mobility solutions such as vehicle subscription are becoming more attractive alternatives to traditional vehicle ownership, especially as vehicle prices increase, interest rates increase and the cost of maintenance and insurance are increasing as well. Vehicle subscription is cost-effective and offers easy access to vehicles. It is estimated that by 2030, the global vehicle subscription market could reach USD30 billion to USD40 billion[1].
- Connectivity will open up new avenues for revenue generation and transform operations to support service excellence. For example, connected technology can support vehicle alerts and automated fleet inventory management, and help to mitigate against vehicle theft. Creating connected mobility will grow as the availability of data from connected vehicles increases.
- Cybersecurity threats continue to grow in sophistication and aggressiveness. Fast-paced advancements in technology, device automation, the IoT and consumer demands for instant gratification combine to make it increasingly difficult for businesses to keep up with the pace of change, while safeguarding their technology ecosystems. Effective technology governance and policies need to be in place to create and maintain trust in technology and the opportunities that digital solutions present.

[1] *https://www.precedenceresearch.com/vehicle-subscription-market.*

Automotive industry (continued)

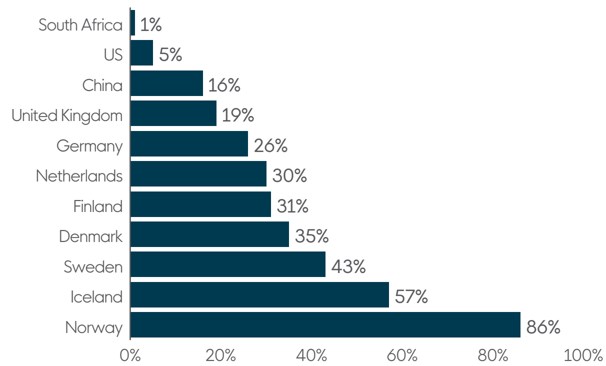
Sustainability

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

- The results of the World Economic Forum's Global Risks Perception Survey 2022-2023[1] indicate that over the next ten years, six of the top ten global risks are related to the natural environment, with failure to mitigate climate change being the number one risk followed by failure to adapt to climate change. Climate and environmental risks are seen to be the risks for which the world is least prepared. There has not been deep and concerted progress on achieving climate targets, and there is growing pressure as the window to transition to limit the temperature increase to 1.5°C above pre-industrial levels as per the Paris Agreement shrinks.
- The International Renewable Energy Agency (IRENA)'s 1.5°C scenario, set out in the World Energy Transitions Outlook, presents a pathway to achieve the 1.5°C target by 2050, positioning electrification and efficiency as key transition drivers, enabled by renewable energy, clean hydrogen and sustainable biomass energy from renewable organic material.
- 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.
- Reaching global net zero greenhouse gas (GHG) emissions by 2050 or soon thereafter will require cutting global emissions by at least 40% below 1990 levels by 2030. This means industrial production, transportation and the way people live and consume needs to change. South Africa, the United Kingdom, Australia, the European Union and South Korea have all committed to net zero emission targets by 2050, China by 2060 and India by 2070.
- Automotive manufacturers are changing their offerings to lower emissions vehicles and NEVs with many having made commitments to significantly reduce or altogether halt the production of ICE vehicles in the next 10 to 15 years. The adoption of NEVs is expected to accelerate exponentially in developed markets, with the United Kingdom planning to ban new 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 medium to long term.

The growing concerns about global sustainability and climate change are fuelling the shift towards new energy vehicles

EVs as a % of 2022 car sales[2]



Read more about the global trends for NEVs in the ESG report online.

[1] *World Economic Forum's Global Risk Report 2022 (Edition 17).*
[2] *International Energy Agency.*

Workforce of the future

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

- 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. For the automotive industry, while operational roles such as vehicle technicians, sales people, retail managers, etc. are still key, there is also a growing need for data and software scientists. The world is experiencing a technology talent crisis, likely to worsen given that demand for this type of talent is estimated to increase 22% between 2020 and 2030; substantially faster than for all other occupations[1].
- In today's labour market, employers globally compete fiercely for talent. In the past, competitive compensation was sufficient to attract top talent; however, post the COVID-19 crisis, flexibility and work-life balance are top of mind for many professionals, and younger generations want to work for organisations that have a strong purpose. Organisational cultures that support DEI cultivate a sense of belonging and recognise and reward contributions are also key to attracting talent.

[1] *https://www.griddynamics.com/global-team-blog/software-developer-shortage-us.*

Motus' response

The Group's agile responses to evolving market conditions ensures that Motus is well-positioned to maintain its longer-term resilience and deliver sustainable growth in the markets in which it operates. Our immediate responses are focused on ensuring that the Group remains adaptive and accelerating innovation to enhance competitiveness and optimise our productivity.

Business model

Motus' diversified integrated business model offers a differentiated value proposition to OEMs, customers and business partners, that integrates our four business segments across the vehicle's lifecycle.

Innovation and digitisation

Motus' ability to adapt and innovate, specifically by accelerating digitisation and innovation, 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 implement our growth strategies.

Governance

Motus conducts business within the parameters of good governance, guided always by our strong moral compass.

Our people

Motus' people continue to demonstrate entrepreneurial flair and commitment to professional standards.

Read more about our strategic priorities on page 62.

Engaging with stakeholders

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

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

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. We interact with our stakeholders through multiple channels using bi-directional communication methods. Our approach promotes open communication, fostering trust through transparent interactions that are developed over time.

Our stakeholders

Business relationships	Human capital relationships	Financial capital relationships	Regulatory relationships	Social relationships
• Customers • OEMs and suppliers • Business partners • Business forums and industry bodies	• Employees • Organised labour	• Shareholders • Investment community • Debt providers	• Government departments • Regulators	• Civil society • Communities • Media

Material priorities key

- Effective and strategically aligned growth opportunities
- Preserving existing market share
- Digitisation, research and innovation
- Regulatory compliance, cybersecurity and IT
- A challenging economic environment in key geographies
- Responsibly managing the ESG consequences of our activities and related stakeholder concerns and expectations

Strategic priorities key

- Enhance financial performance and value creation
- Ensure market leadership
- Drive innovation
- Improve technology solutions
- Invest in human capital and ESG initiatives

Business relationships

The Group acts as the vital link between OEM partners and the customer throughout the vehicle ownership cycle, enhancing its offering through its strategic partnerships and engaging on industry imperatives.

- **Customers –** the needs of our customers drive the nature of the products and services we offer and how we deliver them.
- **OEMs –** OEMs have specific requirements for how we retail their products and are critical to our customer relationships, given their role in delivering quality products and services, as well as their adherence to high ethical standards and brand reputation.
- **Suppliers –** our suppliers, including many small and medium enterprises (SMEs), and their adherence to our ethical standards and regulatory requirements, are critical to our customer relationships as they enable us to deliver quality products and services.
- **Business partners –** strategic partners, funders, franchises, B-BBEE and joint venture partners, enable a greater reach for our products and services.
- **Business forums and industry bodies –** our memberships of industry bodies help to shape our regulatory environment, promote the sector's interests and ensure a competitive yet collaborative industry.

How we engage

- Regular executive engagements with OEMs and suppliers.
- Customer surveys.
- Operational meetings.
- Membership in business forums and industry associations. Motus representatives hold a number of officer roles, among them being naamsa, National Automobile Dealers Association (NADA), Southern African Vehicle Retail and Leasing Association (SAVRALA), NBI, Nexar, Business Leadership South Africa (BLSA) and IRMSA.
- Media releases.
- Digital communication channels, including social media and online platforms.

What's important to them

- Ensuring customer data is protected and secure, and that access to this information is appropriately governed.
- Vulnerability of value chain due to cost of living crisis constraining consumer spending.
- Affordability and value for money vehicles, parts and service offerings.
- Mix of digital and in-person solutions offered for omni-channel purchasing of new and pre-owned vehicles.
- Providing products and services that exceed clients expectations and value for money.
- Meeting OEM quality and customer satisfaction targets.
- Supporting our partners and protecting key strategic relationships.
- The impact and timing of a shift to cleaner fuel technologies.
- Policy development to prepare the South African market for the introduction of plug-in EVs.
- Ethical business conduct.
- Transforming the automotive industry, including new employment equity targets for the sector (South Africa).

Relevant material priorities

Relevant strategic priorities

Engaging with stakeholders (continued)

Human capital relationships

The Group's people underpin the Motus organisational culture and support the Group's efforts to nurture strong relationships with all our stakeholders and enable us to exceed their expectations. In turn, the Group aims to provide equal and fair opportunities in a safe working environment.

- **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 opportunities and our ability to attract and retain people 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

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

What's important to them

- A safe and supportive working environment that supports holistic wellbeing.
- A diverse and inclusive work culture that supports transformation.
- Performance to achieve employment equity targets.
- Access to training initiatives and programmes.
- Two-way communication and engagements that promote transparency, innovation and leadership visibility.
- How disruptive technologies will impact employee roles and skillsets.
- Ethical business conduct and compliance with labour laws.

Relevant material priorities

Relevant strategic priorities

Financial capital relationships

The Group's providers of financial capital provide the capital needed to deliver the Motus strategy and sustainable growth and value creation.

- **Shareholders –** 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. Collectively, the investment community supports the effective functioning of the equity markets that are essential to attracting capital at a fair price.
- **Debt providers –** our financial position supports our strategic initiatives and growth aspirations. We work with debt providers to access debt funding at competitive rates in different jurisdictions.

How we engage

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

What's important to them

- Our response to a challenging domestic environment.
- The impact of foreign currency volatility on margins, volumes and related product pricing.
- Financial health of our customers, and the related impact on our business.
- The impact of rising interest rates on bank approval rates.
- Impact of any change in consumer preferences on demand for Motus' products and services.
- Cost of financing due to South Africa's grey-listing and sub-investment grade sovereign rating.
- Capital structure following international acquisitions.
- Governance of sustainability and ESG targets and strategies, including initiatives to support environmental improvement, water management, sustainable use of energy and fuel consumption.
- Managing the impact of legislative changes on the business.
- Allocation and use of available funds, including acquisitions.

Relevant material priorities

Relevant strategic priorities

Engaging with stakeholders (continued)

Regulatory relationships

The Group is committed to unwavering integrity, reliability and high standards of accountability and transparency.

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

How we engage

- Membership of business forums and industry associations.
- Ongoing interactions with regulators and government authorities.

What's important to them

- Legal and regulatory compliance, including understanding the impact of legislative changes.
- Support for transforming the South African automotive industry.
- Response to cybersecurity, data privacy and IT security risks.
- Quality of customer outcomes and oversight controls on regulated products and services.
- Our investment in environmental improvements such as energy-efficient technology, alternative water sources and other green solutions.

Relevant material priorities

Relevant strategic priorities

Social relationships

The Group is a responsible corporate citizen committed to making a real difference in its communities with long-term relationships with CSI partners and NGOs.

- **Civil society and communities –** the Group builds trust through being a good corporate citizen 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

- Road safety awareness and CSI programmes.
- Interactions with NGOs and business associations.
- South Africa's YES4Youth programme.
- Media outreach and response, including CEO and CFO radio, print media and online interviews.
- Digital communication channels, including social media and online platforms.

What's important to them

- Skills development, job creation and meaningful employment, as well as enterprise and community development.
- Procurement strategies supporting transformation and inclusion.
- Supporting DEI to transform the automotive industry.
- Managing legislative and environmental concerns.
- The impact of the increasing cost of living on fragile consumers.
- Assisting social partners to expand their critical work in vulnerable communities.
- Social cohesion.

Relevant material priorities

Relevant strategic priorities

Read more about our ESG priorities in our ESG report online.

Managing risks and opportunities

The Group's risk management framework promotes responsible risk-taking and is embedded in our day-to-day operations. It supports a better understanding of the potential impacts of risks and opportunities on the Group's strategic priorities and the likelihood of these risks materialising to identify effective action plans to mitigate risks and realise opportunities.

Risk management framework

Our integrated risk management framework covers the risks and opportunities (both current and emerging) associated with our strategy and present in our internal and external operating environment, which includes climate-related risks and opportunities.

Governance and structure

The board delegates the responsibility for the implementation and execution of risk management to the ARC, the Executive Committee and the divisional Finance and Risk Review Committees (FRRCs). The board via its sub-committees oversee the effectiveness of risk management, receiving regular reports and periodic assurance.

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 FRRCs
Responsible for managing all risks and implementing relevant risk governance processes, standards, policies and frameworks.

Risk management processes

Risk culture | Risk appetite and tolerance | Risk taxonomy

Communication and consultation | Risk assessment | Risk response | 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 framework includes both qualitative and quantitative assessment guidance. Our risk management policies, procedures and practices are systematically applied to the above activities.

Risk controls

Our internal control hierarchy

Additional measures to enhance the effectiveness of risk management include internal controls, control self-assessments, head office monitoring and oversight and divisional FRRCs.

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 coordinated and effective Group-wide approach to risk management. All three lines of defence report to the board, either directly or through the ARC and the SES Committee.

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

SECOND LINE OF DEFENCE – risk management, compliance, legal and 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 and other independent assurance providers
Assurance providers, offer oversight and assurance to the board and management on the adequacy and effectiveness of the controls implemented. Assurance is provided within a specific scope as agreed by management and or oversight committees and can be governed by regulatory and legislative requirements e.g. JSE and Companies Act.

Risk culture and values

The Group's values require that we are honest, transparent and communicate the level of exposure we take in pursuit of value creation and preservation, and the extent to which we are able to avoid value erosion. Ethical leadership is demonstrated in moral, motivating and respectful behaviour; underpinning how we do business, raising awareness and changing mindsets. It impacts company culture and positively impacts our reputation as an employer, and as a business that cares about its impact on people and the planet, can be trusted to make decisions responsibly and treats its customers fairly, engendering their loyalty. Our ethical culture, compliance initiatives and values enable us to earn and maintain customer trust.

Managing our risks and opportunities (continued)

Top risks and opportunities

The integrated risk management framework aims to ensure a consistent (value-based) and responsible (within tolerance levels) response to the uncertainty faced in our operating context.

We strive to harmonise and achieve efficiency in aligning our people, processes, data, systems and infrastructure to enable the Group to meet its strategic priorities by taking responsible risks within the operating context in which the business operates.

Any risk taken is considered within board-approved risk appetite and tolerance levels. These 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 the risk profile of the Group. Risks are classified as emerging when their extent, nature and timing are uncertain.

1 Currency volatility

Currency risk: As a Rand-based aligned organisation, currency volatility has a direct impact on the costs of imported vehicles and parts, and results in changes in the Group's equity by potentially resulting in a positive or negative hedging reserve position.

Unfavourable exchange rates against the Rand affect the competitiveness and profitability of the products, as well as service and maintenance plans. Foreign currency translation differences will arise on the consolidation of foreign subsidiaries in the reported results.

The short-term currency and economic outlook are expected to remain constrained, increasing concerns about the ability of the market to absorb price increases and put a strain on certain segments' profitability.

Risk exposure movement:

Inherent risk:

critical

Residual risk:

high

What we can control

- Active management of the effects of currency volatility through established hedging strategies, policies and governance structures.
- Assess the outcomes of currency scenarios to adequately mitigate currency fluctuations within tolerance levels.
- Hold regular management committee meetings to assess foreign currency requirements across the Group, especially for committed and forecasted vehicle and parts orders, as well as risks relating to the international operations.
- Review funding requirements, currency hedging, asset allocation, interest rates, funding of acquisitions and other cash management considerations at quarterly Assets and Liabilities Committee (ALCO) meetings.
- Engage with various financial institutions on an ongoing basis.

Opportunities

- Provide service excellence and innovative customer offerings to support sustainable margins.
- Increase diversification of revenues and geographic portfolio investment and contribution efforts.
- Optimise supply chain planning and logistics.
- Embed the benefits of the integrated business model to optimise opportunities within the broader vehicle value chain.

Relevant material priorities

Stakeholders impacted

- Customers
- Business partners
- Debt providers
- Regulators

2 Supply chain management

Brand and supplier dependency risks: our relationships with OEMs and suppliers, and complying with OEM and supplier agreements, are critical to our business model. Failure to comply with OEM and supplier standards will negatively impact profitability and result in penalties being imposed.

Commercial relationships are in place with key suppliers to enable the Group to deliver a superior service to customers. The loss of any significant supplier could impact operations and financial performance.

Inventory management risks: ongoing inventory management is needed to meet customer demand for new vehicles, pre-owned vehicles and parts. Erratic supply and shortages of parts due to supply chain disruptions could result in loss of sales. The maturity of the Group's planning and forecasting processes mitigate the impact of supply chain disruptions by improving the management of ageing new and pre-owned vehicles and parts inventory levels. Global supply chain disruptions have largely been resolved.

Risk exposure movement:

Inherent risk:

Residual risk:

What we can control

- Maintain OEM standards and requirements on how the Group retails their products with high service levels, quality and safety.
- Monitor customer satisfaction and perception of OEM brands across the Group's operations.
- Engage regularly with OEMs and suppliers to optimise inventory levels.
- Monitor and optimise the effectiveness of supply chains and improve the efficiency of supply chain distribution channels.
- Effective inventory management to meet customer demand, providing a wide range of brand and model derivatives.
- Continue to invest in the multi-franchise dealership model to offer customers a choice of available vehicles.
- Maintain collaborative and supportive relationships with suppliers and key strategic partners.
- Assess dealership footprint to improve representation in new or under-represented brands.
- Develop a fully integrated parts e-commerce platform.

Opportunities

- Access to global markets and relationships.
- Offer high-quality products and services.
- Provide excellent customer service.
- Ability to move vehicles and parts between locations to meet operational demand and provide continuous customer support.
- Become the preferred exclusive distributor of additional brands.
- Improve brand representation in under-represented retail dealerships.

Relevant material priorities

Stakeholders impacted

- Customers
- OEMs and suppliers
- Business partners
- Debt providers
- Government departments
- Regulators

Managing our risks and opportunities (continued)

3 Economic and socio-political challenges

Economic and credit risk: the slow post-COVID-19 recovery of the global economy has been exacerbated by increasing inflationary pressures, the ongoing Ukraine conflict and commodity volatility, and the high interest rates and cost of living.

In South Africa, high inflation, increasing interest rates, currency volatility, rising unemployment and intense power outages contribute to the rising cost of living which has created an economically fragile consumer. Inconsistent service delivery and poor public infrastructure, as well as lower economic growth expectations and increased cost of financing, has continued to constrain consumer spending, with the potential to further deteriorate social cohesion or fuel civil unrest.

Globally, larger economies are also facing lower economic growth and a high inflationary environment. In the United Kingdom and Australia, rising inflation and interest rates are contributing to increased cost of living with higher food and energy prices resulting in pressure on consumer spending.

Risk exposure movement:

Inherent risk:

Residual risk:

What we can control

- Focus on responsible cost management, cash utilisation and disciplined capital allocation to extract financial and operational efficiencies.
- Review product margins, unit growth and aggressively manage the balance sheet to leverage working capital investment.
- Expand Aftermarket Parts operations outside South Africa through acquisitions in selected international markets to support growth.
- Develop VAPS based on customer and vehicle data insights and expand VAPS offerings with competitively priced booster products and entry-level buyer offerings.
- Monitor the political environment to identify possible negative impacts and assess any risks and opportunities.
- Continue to invest in digitisation and innovation to support efficiency, sustainability and transformation.
- Install alternative sources of power supply like solar.
- Leverage the Group's buying power.
- Participate in industry bodies and forums to engage with government on solutions to transform and grow the automotive industry in South Africa.

Read more about the automotive industry on page 40.

Opportunities

- Provide service excellence and innovative customer offerings to support sustainable margins throughout the vehicle ownership journey.
- Leverage the omni-channel experience to grow digital sales channels.
- Support societal partners, such as NGOs, to uplift and support communities in need.
- Employ young people to assist with their career development and preparedness for the job market.
- Participate in the South African YES programme, employing graduate learners to assist with reducing unemployment and improving skills.
- Embed the benefits of the integrated business model to optimise the opportunities in the broader automotive value chain.

Relevant material priorities

Stakeholders impacted

- Customers
- OEMs and suppliers
- Business partners
- Employees
- Debt providers
- Shareholders
- Civil society
- Communities

4 Regulatory compliance

Regulatory and compliance risk: a wide range of legislation impacts the operations and relationships the Group has with various stakeholders, including banks, OEMs, suppliers, regulators and the public. Material legislative changes may impact our business model and core market dynamics and, together with increased oversight by regulators, will require ongoing and significant investment in ensuring appropriate implementation. Non-compliance with product, environmental, health, safety and labour-related legislation, among others, could undermine the Group's reputation and result in penalties and fines.

Risk exposure movement:

Inherent risk:


high

Residual risk:


high

What we can control

- Invest in initiatives to understand the impact of new regulations and implement the appropriate controls, training and awareness to ensure compliance.
- Confirm compliance with key policies, including the Anti-bribery and Corruption Policy, Code of Ethics Policy and Conflict of Interest Policy (available online), through an annual ethics self-declaration process.
- Conduct compliance audits.
- Monitor emerging legislation and legislative changes, supported by the integration and close cooperation of legal and operational functions to perform broader commercial impact assessments.
- Engage with industry and business associations to advocate for more effective policies.
- Proactively engage with regulators on emerging legislation.

Read more in our governance report on page 140.

Opportunities

- As a good corporate citizen, maintain the trust of our stakeholders as a partner to invest in, do business with and work for.
- Maintain our reputation as an organisation focused on ensuring compliance in an increasingly complex regulatory environment and quickly implementing effective new controls.

Relevant material priorities

Stakeholders impacted

- Customers
- OEMs and suppliers
- Business partners
- Business forums and regulatory bodies
- Employees
- Shareholders
- Investment community
- Debt providers
- Regulators
- Government departments
- Civil society
- Communities
- Media

Managing our risks and opportunities (continued)

5 Information technology and innovation

Technology risk: reducing system complexity through consolidation where feasible is critical to reducing IT risks, driving cost efficiencies and enhancing the customer and employee experience. Ongoing power outages and disruptions to technology-enabled services can have a significant adverse impact on continuing business activity.

The Group's digital 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 IT initiatives accelerates.

Innovation risk: customers are increasingly product savvy and accustomed to the convenience of digital and omni-channel engagement. Digital disruption will require competitive digital capabilities and innovation to remain relevant and sustain competitive advantage. Innovation is a core enabler of our competitiveness and growth in a rapidly changing automotive industry and dynamic digital economy.

Read more in the innovation and digitisation review on page 20.

Risk exposure movement:

Inherent risk:

high

Residual risk:

moderate

What we can control

- Maintain oversight and monitor material IT risk profiles and projects.
- Streamline IT architecture and invest in fit-for-purpose digital solutions that enhance digital and technology functionality across all our businesses.
- Ensure third-party service level agreements and compliance exceed our standards to ensure delivery and maintenance of critical hardware, software and application support.
- Perform external reviews and audits of general IT controls and incorporate findings in improvement practices.
- Enhance business performance with data-driven decision-making supported by advanced data analytics.
- Align digital lead generation to market demand and inventory mix to provide excellent customer service.
- Enhance online presence by improving capabilities, including motus.cars and Motus Select.
- 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 innovations.
  - Creating a culture of innovation and collaboration through the m^x initiative.

Opportunities

- Invest in leading technology and digitisation to respond to evolving customer expectations.
- Enhance the omni-channel customer engagement capabilities.
- 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.

Relevant material priorities

Stakeholders impacted

- Customers
- Business partners
- Employees
- Debt providers
- Investment community
- Government departments
- Regulators

6 Succession and talent management

People risk: the scarcity of qualified and skilled managers, as well as specialised technology, technical and customer-facing skills creates a constraint to the availability of the talent needed to remain competitive and successfully deliver on our strategy.

The demand for particular skills is driving worldwide skills migration, with companies offering opportunities for career mobility either through relocating or working remotely. Upskilling employees is critical to developing the capabilities and expertise that we need, as is providing an EVP that engages employees and attracts and retains talent.

In addition, as the business becomes increasingly digital, the technology component of most jobs grows, understanding what the right skills are and how we access these skills is increasingly important.

Risk exposure movement:

Inherent risk: high

Residual risk: moderate

What we can control

- Employ best people practices across the Group and motivate and engage employees with an attractive employee value proposition.
- Provide tailored programmes to build and enhance the digital dexterity of employees.
- Leverage the talent management framework to ensure a tailored approach for talent identification, mobility and management within each business to ensure business continuity and to support succession planning and progressing talented individuals into critical roles.
- Identify current and future critical skills to ensure a healthy succession pipeline of people and skills at all levels that fosters a diverse and 'future-fit' pool of leaders and specialists.
- Provide a healthy and safe working environment that supports employee wellbeing.
- Enrich the Group's entrepreneurial culture with diverse, inclusive and effective leadership.
- Invest in skills development and relevant training interventions and increase the number of learnerships.

Opportunities

- Be an employer of choice in the automotive industry.
- Develop a diverse talent pool to promote collaboration and innovation.
- Leverage and embed a culture of innovation through the m^x initiative.
- Participate in the South African YES programme, employing graduate learners to assist with reducing unemployment, improving skills and identifying potential talent.
- Refocus our senior skills on training for the technical competencies or readiness for work.
- Use AI to leverage routine work.

Relevant material priorities

ESG

Stakeholders impacted

- Customers
- OEMs and suppliers
- Business partners
- Employees

Managing our risks and opportunities (continued)

7 Information security

Information security risk: the scale of cybercrime is larger than any other criminal activity and is harder to protect against, detect or even to understand. Cybercrime has the potential to disrupt services, erode customer trust and cause financial loss and is increasing globally. All companies and institutions are vulnerable and need to invest considerable time, effort and resources to mitigate against this risk. The Group's ability to protect and secure its IT systems and information is critical to managing the threat cybercrime poses to its operational resilience and reputation.

Legislation relating to personal data means it must be afforded adequate levels of protection as instances of negligence carry large fines.

Risk exposure movement:

Inherent risk:

Residual risk:

What we can control

- Enhance the IT governance framework and cyber strategy to meet internationally recognised standards.
- Perform external reviews and audits of general IT controls and incorporate findings in improvement practices.
- Perform ongoing cyber risk assessments to understand the emerging risk landscape.
- Monitor adherence to cybersecurity guidelines and continue to strengthen these as vulnerabilities are identified.
- Meet with external cyber specialists for additional insights and areas for improvement.
- Deepen incident response capability to deal with incidents and risks that arise.
- Engage with employees and partners to protect personal information.
- Heighten cyber-awareness through campaigns and education initiatives.

Opportunities

- Invest in leading technology and digitisation to respond to evolving customer expectations.
- Efficient utilisation of IT resources across the Group to achieve economies of scale.

Relevant material priorities

Stakeholders impacted

- Customers
- OEMs and suppliers
- Business partners
- Employees
- Shareholders
- Debt providers
- Government departments
- Regulators

8 B-BBEE status of South-African based operations

Transformation risk: our competitiveness and sustainability will be impacted by failure to achieve our transformation strategy.

Our efforts include interventions aimed at building an inclusive supply chain, investing in our communities, as well as transforming the workforce.

Risk exposure movement:

Inherent risk:

high

Residual risk:

moderate

What we can control

- Drive a co-ordinated transformation programme to meet B-BBEE targets:
  - Develop, promote and source employees to achieve our employment equity targets.
  - Extend our network into informal communities, including non-OEM branded workshops, majority-owned black dealerships and making parts and services available to informal traders and technicians.
  - Support 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 the participation of new entrants.
- Targeted interventions to source entry level talent, promote internal candidates from designated groups and source external talent when needed.

Read more in the people section of the environmental and social review on page 127.

Opportunities

- Achieve a B-BBEE scorecard rating that ensures we maintain a preferred supplier and employer status to enhance our competitiveness and access to business opportunities.
- Build an inclusive supply chain with new entrants to the broader motor industry.
- Partner with the South African YES programme to provide unemployed learners with the opportunity to get work experience.

Relevant material priorities

Stakeholders impacted

- Customers
- Business partners
- Employees
- Investment community
- Regulators
- Government departments
- Civil society
- Communities

9 Reputation and brand position

Reputation risk: interactions with stakeholder groups must be based on the Group's espoused values and ethics. Failure to inculcate a culture that drives good corporate citizenship and the experience our stakeholders have in their interactions with us, has the potential to undermine the Group's as well as the OEMs and supplier's reputation.

Risk exposure movement:

Inherent risk: high

Residual risk: moderate

What we can control

- Monitor customer satisfaction and the perception of OEM brands.
- Engage with key stakeholders in a transparent, timeous and honest manner aligned with our values.
- Invest in reputable brands to maintain levels of quality and safety requirements of products and services.
- Deliver marketing excellence through well-developed distribution channels and retail footprint.
- Ensure we create sustainable value by further integrating our approach and response to ESG.
- Increase support for education, healthcare and road safety initiatives.
- Monitor sustainability indices ratings.
- Develop brand recognition and online presence through a public relations strategy that reinforces our agility, entrepreneurial flair, innovation and relevance.

Opportunities

- Clearly position the Group as a market leader in South Africa, leveraging its high levels of professionalism and values.
- Increase omni-channel investment to balance the customer experience in both physical and digital channels.
- Deepen our relationships with CSI partners and NGOs.

Relevant material priorities

ESG

Stakeholders impacted

- Customers
- OEMs and suppliers
- Business partners
- Employees
- Organised labour
- Shareholders
- Investment community
- Debt providers
- Regulators
- Government departments
- Civil society
- Communities
- Media

10 Climate change

Climate-related risk:

Physical risks (short term): extreme weather events may disrupt the functioning of the economy, disrupt business operations and cause damage to vehicles, property and other assets. Higher temperatures and lower rainfall will impact the length and severity of droughts, weakening economic growth as well as negatively impacting the availability of resources, food supply, cost of electricity, and worsening the unemployment crises.

Transition risks (short to long term): the transition to a low-carbon economy poses the following short-term risks:
- Ability to access finance that is increasingly linked to an organisation's climate-related risks.
- Higher prices for goods and services.
- Increasing costs to meet regulatory and legal requirements developed to reduce GHG emissions.

Over the medium to long term, climate-related risks include:
- Customer preference for products that have a lower negative impact on the environment.
- A change in our portfolio of products (the timing is dependent on country regulations).
- The impact of NEVs on workshop profitability.

In addition, failure to take action to curb GHG emissions and minimise direct environmental impacts could tarnish our reputation, particularly as public perceptions and expectations change.

Risk exposure movement:

Inherent risk:

high

Residual risk:

low

What we can control

- Operate in an environmentally conscious and responsible manner:
  - Robust targets for water, fuel and electricity consumption.
  - Environmental improvement projects.
- Provide appropriate and transparent disclosure on our environmental impacts and mitigation actions:
  - Improved measurement and reporting of our climate-related and environmental impact.
  - Standardise processes to monitor and report waste relating to paper, plastic, tyres, oil and batteries.
- Incorporate carbon tax management and compliance in our tax compliance function.
- Understanding and planning around the medium to long-term availability of NEVs from OEMs.
- Comply with our supply chain Code of Conduct.
- Participate in industry bodies to engage on national policy and the infrastructure needed in South Africa to support plug-in EVs, as well as the availability of automotive products and services that contribute to environmental improvement and risk mitigation.

Opportunities

- Enhanced reputation as an organisation that considers environmental aspects in its decision-making and meets its environmental compliance obligations in all countries of operation (short term).
- Procure lower emissions vehicles for our fleets.
- Provide battery charging infrastructure at dealerships (short term).
- Grow our sourcing of renewable energy.

Relevant material priorities

Stakeholders impacted

- Customers
- OEMs and suppliers
- Business partners
- Employees
- Investment community
- Debt providers
- Regulators
- Civil society
- Media

Strategic priorities

Grow and expand our participation in all aspects of the automotive value chain, offering competitive products and services that maximise our share of a 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 and value creation

Enhance financial performance and achieve our financial targets, to deliver long-term sustainable value.

Ensure market leadership

Maintain market share and 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 industry related profit margins and healthy 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 repurchases.
- 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, generating diversified income streams.
- We are well positioned to maintain our leading retail market share in South Africa, underpinning the foundation for international expansion.
- Our unrivalled scale underpins a differentiated value proposition for OEMs and customers.
- We have a dedicated, diverse and empowered workforce committed to meeting customer needs.

We are: Leaders | Innovators | Customer champions

Our value-creating priorities

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 United Kingdom and Australia, and a limited presence in South East Asia and Southern and East Africa.

Long-term aspirations

Optimise our business portfolio to deepen our competitiveness and relevance by focusing on selective expansion, entering into strategically beneficial partnerships and identifying procurement benefits and synergies.

Enhance our overall financial performance by driving organic growth through optimisation and innovation and through selective expansion, supported by high free cash flow generation that leverages the automotive value chain by preserving volumes and scale.

Allocate our capital responsibly, optimising between imperatives including working capital and vehicle rental fleet requirements, capital expenditure, reducing debt levels, share repurchases, dividends to shareholders and strategic acquisitions.

Drive market leadership by strengthening the core business, delivering exceptional customer service, investing in innovation and expanding our offerings, to ensure we are the OEMs partner of choice.

Enhance our relevance through our innovation and digitisation efforts, focusing on efficiency innovation (doing more with less), sustaining innovation (staying ahead of the game by doing things better) and transformative innovation (solving problems for new market segments).

Improve our technology solutions by upgrading our systems to ensure their sound functionality as well as to protect and secure IT systems and information, monitoring business continuity and embedding robust IT governance.

Invest in human capital and change management to develop and empower our people, enhancing entrepreneurial flair, encouraging a high-performance culture with development opportunities for all employee levels and promoting diversity, equity and inclusion in the workplace.

Deliver an environmentally friendly business strategy, adopting policies and practices that support long-term sustainability and enhance the growth of the economies in which we operate.

To further enhance the sustainability of the Group, three priorities have been identified:

Increase diversification between vehicle and non-vehicle contributions

Target:

50/50 EBITDA

50% EBITDA generated from vehicle sales

50% EBITDA generated from non-vehicle sales

Increase contribution from international operations

Target:

65/35 EBITDA

65% EBITDA generated in South Africa

35% EBITDA generated from international operations

Continue to deliver strong free cash flow generation

Target:

continue generating strong free cash flows

Read more about our strategic progress: insights from leadership from page 8 and the performance section from page 84.

Strategic priorities (continued)

Medium-term priorities

Group priorities

Motus

- Increase sustainable revenue and operating profit.
- Robust earnings growth through-the-cycle, leveraging the integrated business model.
- Long-term resilience by diversifying across segments and geographies, and growing the international businesses.
- Improve working capital efficiency with a focus on increased cash generation and debt reduction.
- Create value for shareholders.
- Invest in innovation to remain relevant.
- Continue to provide equal and fair opportunities for our people in a safe working environment.
- Monitor and manage performance against employee transformation and gender targets.
- Drive the improvement of IT systems, governance and security.
- Run the business in an environmentally conscious and responsible manner.
- Leverage data to shape and inform strategic initiatives.
- Embed policies and practices that enhance the growth of the economies in which we operate.
- Strive to maintain a strong moral compass.

ESG priorities

- Manage our activities that impact the environment and society.
- Uphold our commitments to all stakeholders.
- Remain committed to socio-economic growth.
- Continue to deepen the maturity of our people and governance practices and processes.

Read more about our approach to ESG on page 72.

Our divisional strategic initiatives underpin the delivery of our Group aspirations in the medium-term.

Import and Distribution

Read more on page 90.

- Enhance the retail strategy and customer experience throughout the vehicle ownership cycle.
- Deepen our strategic alliances with existing OEMs and expand our OEM partnerships and product ranges.
- Explore expanding exclusive distribution relationships to encompass other brands and new entrants in the market.
- Expand offerings and enhance customer communication to proactively respond to extending vehicle replacement cycle trends and deepen customer loyalty.
- Explore opportunities to assist customers in transitioning from using public transport to vehicle ownership.
- Grow market share for entry level, and small and medium sports utility vehicles (SUVs).
- Manage inventory availability, and assess alternative import routes and consolidate parts distribution.
- Expand aftersales product and service offerings.
- Grow the parts and service business.
- Manage costs and forward cover in line with Group policy.

Retail and Rental

Read more on page 96.

- Expand customer offering in entry level passenger vehicles.
- Investigate new entrants into the market.
- Rationalise the dealership and brand footprint, aligned to OEM strategies and customer demand.
- Maintain pre-owned vehicle market share in South Africa, targeting vehicles younger than six years old.
- Continue to implement the multi-franchise model where feasible.
- Manage inventory availability.
- Improve brand representation through select bolt-on acquisitions in South Africa, the United Kingdom, and Australia.
- Grow the commercial vehicle market share in the United Kingdom.
- Sell NEVs in the United Kingdom and Australia where charging infrastructure and government support are available, and keep abreast 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 omni-channel customer service and experience.
- Be the leading vehicle rental service provider in the Southern African market by providing outstanding customer service, value for money proposition and innovative product offering.

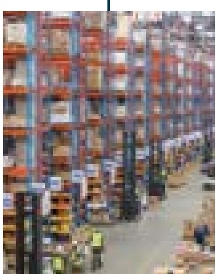
Mobility Solutions

Read more on page 104.

- Expand service offerings and drive further integration into the dealer networks and strategic partnerships.
- Develop new and innovative channels to market.
- Align our products and services with digital and automation trends, as well as changing customer needs.
- 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 and connected car initiatives.
- Leverage technology and digital channels to enhance our omni-channel capability and improve communication with our customers.
- Encourage employee collaboration and innovation through the Motus m^x community in order to:
  - Develop innovative products and services.
  - Foster a culture of innovation.
  - Drive Group-wide innovation.

Aftermarket Parts

Read more on page 110.



- In South Africa, grow the retail footprint and optimise the operating structure, with the support of franchisees.
- Integrate international acquisitions and grow business-to-business offerings in the United Kingdom and Europe.
- Extend international distributor footprint.
- Optimise supply chain and inventory management.
- Strengthen the core business through improved efficiency and volume buying.
- Grow the number of buying groups in which we are members.
- Invest in technology to drive digitisation and e-commerce expansion.
- Rationalise distribution centres in South Africa and Asia, and set-up a European distribution centre.
- Expand the product range across all tiers, mainly entry level.

Material priorities

The factors that are most likely to influence the decisions of the stakeholders when assessing the Group's ability to create sustainable value over time are considered to be the Group's material priorities. They are those factors that are in the control of the Group within the broader context of the uncontrollable factors in the operating environment.

The materiality of a factor is considered 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 long term. These ultimately impact an organisation's ability to create and sustain value, and guard against value erosion.

In line with King IV, the six capitals model of value creation, the effectiveness with which the material priorities are managed is likely to influence the trade-off decisions made by management, as well as the decisions of stakeholders in relation to the capitals they provide and the outcomes they expect in return.

Materiality determination process

Inputs

- 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, concerns and priorities.
- The material concerns of key stakeholder groups.
- Top business risks.

Review

- Inputs are analysed by materiality and reporting experts to develop an initial list of material priorities.
- The proposed material priorities are discussed with members of the executive team to ensure representativity.
- Any gaps identified during the process are addressed, with a final set of material priorities developed for approval.

Approval

- Reviewed and approved by the board.

Changes to the 2023 material priorities and process

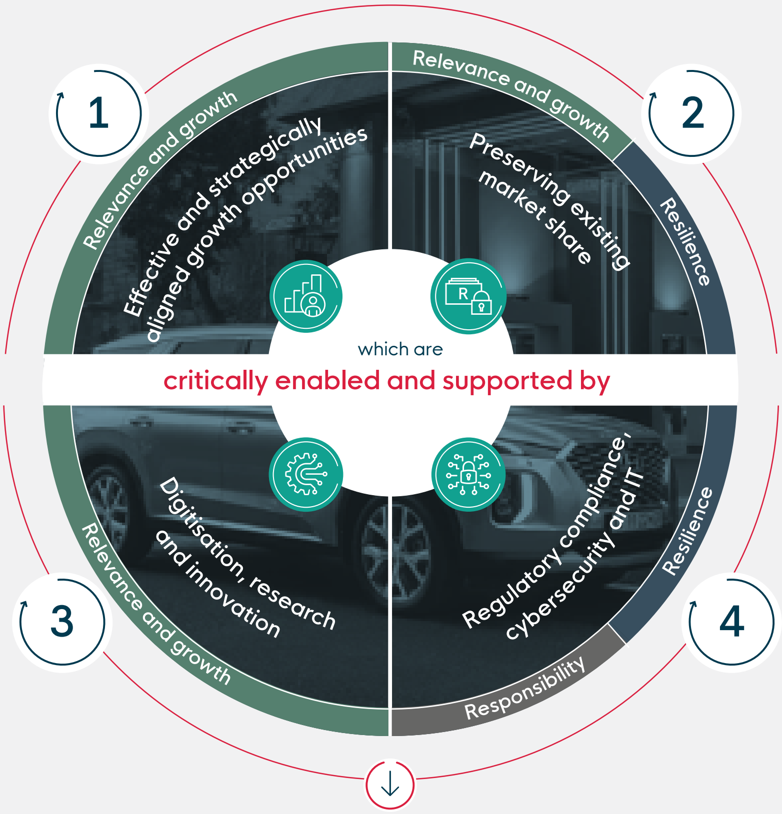
For 2023, we enhanced the materiality determination process by assessing the inputs, developing updated themes to facilitate discussions that clarify leadership imperatives and using these inputs to update and revise the material priorities.

The overall structure of the Group's priorities has therefore been amended this year to:

- Better represent the central concerns and areas of focus for 2023, with due regard for our stakeholders and strategic focus on business growth.
- Ensure that our top priorities are reported with greater clarity and conciseness, reducing repetition across the report.
- Enhance alignment with the material ESG themes and priorities identified and presented in the 2023 ESG report.

Materiality map

Our ability to deliver long-term value creation is achieved by our strategic focus on



to deliver

Growth

and deepen

Resilience

Our growth and resilience are mediated by key factors in the external environment and our ability to responsibly manage our ESG-related impacts and stakeholder relationships

5

A challenging economic environment in key geographies

Relevance and growth | Resilience

6

Responsibly managing the ESG consequences of our activities and related stakeholder concerns and expectations

Responsibility

Our material priorities serve as key themes, with details on each matter provided across our reporting suite. They provide a consolidated view of the Group's current concerns and priorities for securing our prospects now and into the future. They incorporate the key concerns of our stakeholders and top risks and are informed by our strategic priorities. While all our material priorities are connected to the 2022 key themes of relevance, resilience and responsibility in some manner, they are often more closely aligned with a specific theme. This is demonstrated in our material priorities listed on page 68, and in the diagram above.

Material priorities (continued)

Responsibility	Relevance and growth	Resilience

1 Effective and strategically aligned growth opportunities

Facilitated by:

- Selective expansion in all geographies, with a focus on enhancing existing brands and businesses.
- Strategic bolt-on acquisitions with the aim of enhancing supply chain and procurement for the Aftermarket Parts business segment.
- Improving brand representation via dealership acquisitions across geographies in which we operate.
- Strategic and mutually beneficial partnerships with key players in other sectors (e.g. value-added products partnerships with telecommunications and insurance sector players and supplier agreements with ride share and aviation players, etc).
- Identifying and prioritising key Aftermarket Parts businesses for acquisition.
- Unique value offerings for consumers, tailored to their unique needs and realities.
- Capital deployment aligned with organic and acquisitive growth strategies.

Related strategic objectives

Related risks

- Currency volatility
- B-BBEE status of South African based operations
- Reputation and brand position
- Climate change

Key stakeholder relationships impacted

- Business relationships
- Social relationships
- Financial capital relationships
- Regulatory relationships

Insights into our progress

Chief Executive Officer's review page 14, Innovation and digitisation review page 20, Chief Financial Officer's review page 28, Divisional performance reviews page 90, Environmental and social review page 120.

Responsibility	Relevance and growth	Resilience

2 Preserving existing market share

Enabled by:

- Robust, enduring and supportive OEM relationships.
- Long-term customer retention and loyalty.
- A product and services mix tailored to consumer needs.
- Highly responsive and adaptive strategies capable of timeously addressing stakeholder needs and concerns and answering contextual demands.
- Capital management discipline, and currency risk and cost management.
- Responsibly managing various supply chains across geographies.

Related strategic objectives

Related risks

- Currency volatility
- Supply chain management
- Economic and socio-political challenges
- Regulatory compliance
- Information technology and innovation
- Information security
- B-BBEE status of South African based operations
- Reputation and brand position
- Climate change

Key stakeholder relationships impacted

- Business relationships
- Human capital relationships
- Financial capital relationships

Insights into our progress

Chief Executive Officer's review page 14, Innovation and digitisation review page 20, Chief Financial Officer's review page 28, Divisional performance reviews page 90.

Responsibility	Relevance and growth	Resilience

3 Digitisation, research and innovation

Focused on:

- Becoming a mature data-led organisation that owns key digital processes.
- Optimising data-driven decision-making across the Group through market research and data analytics capabilities.
- Using evidence-based innovation and development to anticipate industry trends and align with consumer preferences.
- Harnessing opportunities presented by emerging sector trends (e.g. online sales platforms and warehouse retailing) to better meet consumer needs.
- Investing and partnering to deliver additional services and value-added products (e.g. telemetry).
- Using digital channels to monetise data and expand into other products and services.
- Re-engineering existing products to capture new markets.

Related strategic objectives

Related risks

- Supply chain management
- Economic and socio-political challenges
- Regulatory compliance
- Information technology and innovation
- Climate change

Key stakeholder relationships impacted

- Business relationships
- Social relationships
- Human capital relationships
- Financial capital relationships

Insights into our progress

Chief Executive Officer's review page 14, Innovation and digitisation review page 20, Divisional performance reviews page 90.

Responsibility	Relevance and growth	Resilience

4 Regulatory compliance, cybersecurity and IT

Enabled by:

- Ensuring continued regulatory compliance and managing onerous legislation changes that impact administration costs and efficiency.
- Strong cybersecurity and IT governance initiatives, supported by strategies that adequately and appropriately defend against intensifying cyber threats.
- Delivering IT projects that sustain the business, support and enable growth, and provide cost efficiency improvements.

Related strategic objectives

Related risks

- Regulatory compliance
- Information technology and innovation
- Information security
- Reputation and brand position
- Climate change

Key stakeholder relationships impacted

- Business relationships
- Social relationships
- Financial capital relationships
- Regulatory relationships

Insights into our progress

Innovation and digitisation review page 20, Governance report page 140.
ESG report: Our ethical business conduct can be found online.

Material priorities (continued)

Responsibility	Relevance and growth	Resilience

5

A challenging economic environment in key geographies

Characterised by:

Related strategic objectives

- Rising interest rates increasing the cost of financing.
- Rising inflation has driven a cost-of-living crisis.
- Limited economic growth due to persistent economic challenges, despite resilience and inflation peaking in many regions.
- Foreign currency volatility.

For a detailed account of our operating context and how this relates to the automotive industry, see page 40.

Related risks

- Currency volatility
- Supply chain management
- Economic and socio-political challenges
- Regulatory compliance
- Information technology and innovation
- Succession and talent management
- Information security

Key stakeholder relationships impacted	• Business relationships • Regulatory relationships • Human capital relationships • Social relationships • Financial capital relationships
Insights into our progress	How our integrated business model, strategic priorities, and risk and opportunity management respond to our operating context pages 40 and 83, Divisional performance reviews page 90.

Responsibility | Relevance and growth | Resilience

6

ESG

Responsibly managing the ESG consequences of our activities and related stakeholder concerns and expectations

By addressing ESG-related matters and concerns

Related strategic objectives

Related risks

- Regulatory compliance
- Information technology and innovation
- Succession and talent management
- Information security
- B-BBEE status of South African based operations
- Reputation and brand position
- Climate change

Environmental

- **A lower carbon economy** (fuel and energy efficiency, NEV trends, our carbon footprint and renewable energy).
- **Our environmental impact** (performance against targets, water efficiency, managing waste responsibility and waste recycling).

Social

- **An innovation culture** and development of **innovative products and services**.
- **A diverse, equitable, inclusive, and engaging workplace** (gender equality, accommodating people living with disabilities and employment equity in South Africa).
- **Leadership capability and talent pipeline**.
- **Employee value propositions** (employee engagement, developing current and future skills, employee wellbeing and fair human resources practices).
- **Health and safety** (healthy and safe workplaces, product safety and road safety).
- **Economic and social inclusion** (our transformation strategy, inclusive procurement practices, and community upliftment).

Governance

- **Ethical, fair and compliant business conduct and data protection**.
- **Accountability, transparency and integrity** (operations and reporting).
- **Responsiveness to legitimate stakeholder concerns**.
- **Environmentally and socially responsible operations**.

Which are central to:

- The Group's reputation, perception, credibility and continued responsible corporate citizenship.
- Positioning the Group as a proudly South African market leader.
- Delivering on our vision, strategic objectives, and investment proposition.
- Investor attraction and retention.
- Defending and growing market share and annuity income streams.
- Achieving a competitive B-BBEE rating.

Key stakeholder relationships impacted	• Business relationships • Regulatory relationships • Human capital relationships • Social relationships • Financial capital relationships
Insights into our progress	Chairman's welcome page 10, Chief Executive Officer's review page 14, Environmental and social review page 120, Governance report page 140, Remuneration report page 162. ESG report and detailed reviews of our approaches to ESG can be found online.

Approach to ESG

ESG is an opportunity to showcase how Motus lives its purpose – Mobility for Good – to provide mobility solutions that improve lives. The Group earns stakeholder trust by maintaining an ESG profile that resonates with their expectations, now and in the future. The Group's values are central to its ESG approach and guide the decisions made by leaders.

Principles that underpin our ESG strategy

Manage our activities that impact the environment and society → Uphold our commitments to all stakeholders → Remain committed to socio-economic growth → Continue to deepen the maturity of our governance practices and processes

We are refocusing our processes and systems that gather and assure our ESG information to meet investor and stakeholder demand for better disclosure on non-financial risks, impacts and opportunities. Specific non-financial key performance indicators (KPIs) are incorporated in our remuneration decisions.

Read more about our strategic initiatives on page 64.

Governance of sustainability

The principles of fairness, accountability, integrity and transparency guide our governance of sustainability and how we manage our ESG risks, opportunities and impacts. Our approach is both about understanding what risks we should take and having the competencies to ensure our decisions are implemented in a responsible way that balances the risk/reward ratio.

ESG management framework

Governance
- Develop framework
- Set risk appetite and tolerance framework
- Board and management committee oversight as well as central sustainability function
- Organisation
- structure
- Collaboration between functions

Strategy
- Engage senior executives
- Ensure transparent communication
- Educate and train employees
- Monitor stakeholder expectations
- Implement projects and initiatives that deliver controlled outcomes

Risk management
- Identify ESG-related risks
- Assess and prioritise ESG-related risks
- Mitigate risks
- Monitor levels of risk exposure
- Report on risks and mitigation
- Realign strategies to address changing context, risk and opportunities

Reporting of metrics
- Develop internal skill
- Implement the right tools and technology
- Collate data monthly
- Report against targets quarterly
- Independent assessment

Integrated with business activities and processes (cross-cutting)

Our governance structures ensure that our environmental and social impacts are identified and understood, that negative impacts are responsibly mitigated and positive impacts are leveraged to drive meaningful benefits for stakeholders, and that decision-makers are held appropriately accountable. Our Code of Ethics guides our interaction with all our stakeholders.

Read more about our governance approach on page 140. More detail can be found in the ESG report online.

Our ESG journey

Pre-unbundling	Parent company sustainability priorities	Ukhamba black ownership deal (2004)		
2019	Sustainability framework	Targets for water, electricity and vehicle fuel (15% ▼ by 2021)	First sustainability-linked financing facility	Standalone B-BBEE and sustainability verification
2020	Standalone sustainability report	Renewed sustainability-linked financing facility	Level 6 B-BBEE rating	
2021	Reconfigured the mandate of the SES Committee to better focus on ESG	Defined the Group strategy in the context of ESG	Met our environment targets and facility KPIs	Level 4 B-BBEE rating
2022	Aligned reporting to TCFD and the JSE Sustainability Guidance	Updated targets for water, electricity and vehicle fuel and developed a waste management strategy	Second sustainability-linked financing facility[1]	Level 4 B-BBEE rating
2023	Established the Sustainability Management Committee	Improved our FTSE4GOOD rating	Concluded an independent ESG maturity assessment	Level 3 B-BBEE rating

[1] *Linked to environmental and gender outcomes.*

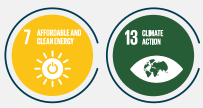
Aligning with the UN SDGs

The 17 UN SDGs are a universal call to action to end poverty and inequality, protect the planet, and ensure that all people enjoy health, justice and prosperity by 2030. The goals aim to address global challenges with 169 targets spread among the goals. While Motus' material ESG issues align to most of the SDGs, its business activities, focus on environment, transformation and community initiatives, as well as other ESG initiatives, deliver a sustainable and meaningful impact against nine of the goals. These areas align with our purpose and reflect Motus' unique strengths and capabilities.

More detail can be found in the SDG report online.

The Group's ESG priorities

Environment

Themes	Priorities	Key metrics	SDGs
Transition to a lower carbon economy	• Deliver our environmental strategy. • Meet our environment targets. • Improve our waste reporting to cover the full waste cycle. • Increase our focus on supplier sourcing and reporting. • Improve our measurement and reporting of environmental performance. • Plan for a net zero policy and longer-term targets.	• Purchased electricity • Vehicle fuel consumption • Carbon footprint • NEV sales in the United Kingdom	
Reduce our environmental impact		• Water consumption • Hazardous waste recycled • Environmental incidents • Environmental compliance	

More detail can be found in the ESG report online.

Approach to ESG (continued)

Social

Themes	Priorities	Key metrics	SDGs
Drive innovation to remain relevant and competitive	• Maintain our focus on innovation and digitisation as critical business enablers. • Use technology solutions and strategic partnerships to optimise the mˣ platform sprints. • Continue to develop mobility focused capabilities.	• New innovation projects started • Innovation projects at year end • Innovation projects deployed into the business • Employees attending keynote events	4 Quality Education 8 Decent Work and Economic Growth
Cultivate a diverse, equitable and inclusive workplace	• Create a change resilient and adaptive culture that leverages our collective intelligence to better drive business results. • Meet our diversity targets, including employment equity targets in South Africa. • Upskill and reskill to build the organisation's portfolio of future-ready skills. • Identify and develop key talented individuals and drive workforce mobility. • Develop a compelling EVP to retain and attract exceptional people. • Provide equal and fair opportunities for our employees.	• Overall female representation • Overall black representation[1] • Black representation at top, senior, middle and junior management[1] • Black representation among dealer principals[1]	1 No Poverty 3 Good Health and Well-being 4 Quality Education 8 Decent Work and Economic Growth 10 Reduced Inequalities
Build leadership capability and talent pipeline		• Future leaders developed[1] • Women leaders developed[1] • Managers developed	
Provide a compelling EVP		• Training spend • Training hours per employee[1] • Employee wellness[1] • Labour compliance	
Protect the health and safety of people	• Ensure all our business sites meet their Operational Health and Safety (OHS) compliance targets. • Deliver high-quality products. • Increase road safety awareness.	• Average OHS audit score • Road accidents • Workplace accidents • Fatalities • OHS compliance	3 Good Health and Well-being 8 Decent Work and Economic Growth
Contributing to improving economic and social inclusion	• Maintain a competitive B-BBEE rating. • Meet our enterprise and supplier development (ESD) targets in the B-BBEE scorecard. • Continue to invest in initiatives that support employment creation and meaningful community upliftment.	• Employment • B-BBEE score[1] • Preferential procurement spend[1] • ESD spend[1] • CSI spend	1 No Poverty 3 Good Health and Well-being 4 Quality Education 8 Decent Work and Economic Growth 10 Reduced Inequalities

[1] *Metric for the South African operation only.*

More detail can be found in the ESG report online.

Governance

Themes	Priorities	Key metrics	SDGs
Ensure ethical, fair and compliant business conduct	• Ensure compliance in an increasingly complex regulatory environment. • Monitor new legislative developments to stay abreast of regulatory changes. • Implement procedures and processes to ensure transparency, and ethical and fair treatment within the supply chain. • Deliver training to enhance governance implementation.	• Compliance • Valid concerns identified through the whistle-blowing hotline	8 DECENT WORK AND ECONOMIC GROWTH

More detail can be found in the ESG report online.

ESG maturity assessment

During the year, the Group concluded the externally facilitated ESG assessment started in 2022 to better understand its ESG maturity and identify gaps in stakeholder expectations. Key activities included a materiality assessment, the benchmarking of the Group's reporting against that of peers and industry best practices, and gaining insights from key individuals within Motus to identify what stakeholders expect us to report on. Gaps in reporting were identified against the disclosure requirements of globally recognised standards.

Key conclusions from the assessment are that Motus is a fairly mature reporter and reports a more comprehensive set of ESG indicators compared to its industry peers. The Group fares well in its governance reporting, with the key finding being the need to stay abreast of changes in sustainability reporting frameworks, and the need for ESG and climate change training for the board and management.

Areas identified for improved disclosure include:
- How we offset our environmental impact, for example, the amount of renewable energy sourced and water recycled.
- Waste streams, particularly recycling and the management of hazardous waste.
- Our strategy in terms of science-based targets and zero emissions.
- Stakeholder engagement and education.
- Defining what Motus can control and report on within the supply chain.
- Management of social risk, for example driver training to reduce road accidents.
- Additional employee metrics that align to those required by reporting frameworks.

We are working on these areas and refocusing our processes and systems that collate our ESG data to meet investor and stakeholder demand for better disclosure on non-financial impacts, risks and opportunities. We continue to drive the consistent application of ESG frameworks across the Group and standardise the reporting, monitoring and quality assurance of ESG metrics.

Key developments to support these improvements include:
- The upgrade of key information management systems for environmental, OHS and human capital.
- The introduction of the Sustainability Management Committee as an additional layer of management oversight.
- Work started on developing oversight mechanisms for third-party suppliers in two business segments.
- Established a Solar Project Committee; a sub-committee of the Group Property Committee, chaired by the CFO.

Integrated business model

Our integrated business model provides multiple customer touchpoints across the automotive value chain to meet customers' mobility needs across a vehicle's lifecycle. Free cash flow generation, scale and reach, entrepreneurial management, strategic agility and innovation, and a commitment to responsible business are features of our integrated business model.

Our activities

IMPORT OF VEHICLE FROM OEM FACTORY

Motus participation in the lifecycle of automotives

0 YEARS
New vehicle market

Customer touchpoint

Importation, distribution and 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 (parts, panel and services), vehicle rental

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 in South Africa, with opportunities to replicate aspects in the selected international markets we operate in. This, together with the Group's strong market shares positions Motus to deepen competitiveness and realise growth opportunities. 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 through the cycle.

1 – 6 YEARS

Pre-owned vehicle market | Trade-in

Customer touchpoint

Second sale of vehicle together with vehicle financing, insurance and value-added products, and supply of parts and accessories to the vehicle parc

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 vehicle 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 vehicle 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

Our inputs

Financial Capital

The pool of funds that support and grow our business activities.

More detail about our financial performance can be found in the Chief Financial Officer's review on page 28.

- Ability to generate cash provides liquidity to fund working capital, grow vehicle rental fleet, fund capital expenditure, pay dividends to shareholders, continue with share repurchases and invest in growth opportunities.
- Strong balance sheet is underpinned by a focus on cost management and financial discipline.
- Focused capital management and disciplined allocation ensure strategic flexibility.

Constraints and challenges

- Tough economic environment, with high inflation and increased interest rates constraining consumer affordability.
- Investing in growth and innovation while retaining the support of providers of capital.

Human Capital

The capabilities, experience and entrepreneurial flair of our employees deliver the required strategic priorities.

More detail about our people can be found in the people section of the environmental and social review from page 120.

Read the full people review in ESG report online.

- 19 817 employees (2022: 17 283).
- Training spend of R179,8 million (2022: R166,3 million) in South Africa, and the United Kingdom and Australian training spend of R246,2 million (2022: R123,7 million).
- An experienced, diverse and strong leadership team.
- High-performing, inclusive and collaborative culture supports diversity, innovation and entrepreneurial flair.
- A human capital strategy designed to provide business-informed people practices and frameworks that accelerate innovation and growth.
- A focus on Employment Equity and gender targets.

Constraints and challenges

- Attracting and retaining scarce talent.
- Maintaining a motivated workforce.
- Upholding an ethical culture and business conduct.

Our outputs

- Revenue of R106,3 billion (2022: R92,0 billion).
- EBITDA of R8,1 billion (2022: R6,8 billion).
- Operating profit of R5,7 billion (2022: R5,0 billion).
- Headline earnings of R3,4 billion (2022: R3,5 billion).
- Headline earnings per share of 2 046 cents per share (2022: 2 025 cents per share).
- Full year dividend of 710 cents per share, with a final dividend of 410 cents per share and an interim dividend of 300 cents per share declared and paid (2022: full year dividend of 710 cents per share).
- Net debt to EBITDA[1] of 1,8 times (2022: 0,8 times).
- Cash generated by operations before changes in net working capital of R7,8 billion (2022: R6,9 billion).
- Free cash flow generated from operations of R90 million (2022: R4 835 million).
- Continued to repurchase shares, totalling R101 million during the year.
- Invested in two complementary acquisitions, MPD in the United Kingdom and four MB retail dealerships in South Africa, during the year in line with the Group's longer-term internationalisation and growth strategies, for a total net of cash purchase consideration of R4,4 billion.

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

Our outcomes

A well-managed balance sheet and cash flow generation, structured capital allocation and financial discipline support the organic and inorganic growth of the Group, supporting sustainable returns to stakeholders over time.

- 70% of employees are based in South Africa, of whom 76% are black (2022: 76% and 75% respectively).
- Black representation at top management level in South Africa of 50% (2022: 50%).
- 292 employees participated in managerial development programmes (2022: 343), of whom 72% participants were black and 43% were women.
- 76% of total South African training spend supports technical training (2022: 83%).
- The Motus Technical Academy trains around 1 200 apprentices and technical workers annually as petrol, diesel and motorcycle technicians and auto-electricians, as well as offering other skills development training.
- Rolled out an enhanced Employee Wellness Programme in South Africa with access to a range of services including counselling and financial advice, Wellness portals allow employees to access services directly.
- Ongoing compliance with all health and safety guidelines to provide a safe working environment for our people.
- Developed a purposeful DEI vision for Motus to cultivate a diverse, equitable and inclusive workplace that encourages diversity sensitivity by increasing gender diversity improving racial representation and facilitating a multigenerational workforce.
- Hosted EmpowerHER events for women to drive awareness of workplace gender issues, improve working environments and create networking groups. Women comprise 31% (2022: 32%) of the Group's workforce.
- Membership on business forums and industry associations where Motus representatives hold a number of officer roles, including Gary Scott, Thato Magasa and Shumani Tshifularo on naamsa, Rainer Gottschick on SAVRALA, Berenice Francis on IRMSA and Institute of Directors, Malcolm Perrie on NEXUS and more recently, the IAAF in the United Kingdom and Brandon Cohen as the National Chairperson of NADA South Africa, among others.

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 working environment.

Integrated business model (continued)

Creating sustainable value (continued)

Our inputs

Social and relationship Capital

The relationships and partnerships we have with our key stakeholder groups.

More detail about our stakeholder engagement can be found in engaging with stakeholders on page 46, and our other social initiatives in the environmental and social review on page 120.

- Long-standing relationships with OEMs, suppliers and customers, as well as business partners, joint venture and technology partners.
- Constructive relationships with regulators, governments and local communities.
- Ongoing contributions to improving literacy and community healthcare, and promoting road safety awareness to support our CSI initiative.
- Enterprise development spend of R119,0 million in South Africa (2022: R121 million).
- CSI spend of R26,5 million on community upliftment and supporting education, health, youth development and road safety (2022: R30 million).

Constraints and challenges

- Balancing the diverse interests of key stakeholder groups.

Intellectual Capital

Our institutional knowledge, IT architecture and management systems.

More detail about our innovation and IT strategy can be found in the innovation and digitisation review page 20.

- 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 allows us to assess our responsiveness to disruption and change.
- We invest in IT security and governance to ensure the safety of our data and systems.
- We have registered our trademarks and intellectual property.

Constraints and challenges

- Balancing investing in innovation and technology against returns to shareholders.
- Ensuring our digital strategies meet business needs and deliver solutions to enhance competitiveness.

Our outputs

- We continue to enhance our communication to better manage our relationships with our stakeholders, including funders, investors and our people.
- Sponsored the K53 Learners' and Drivers' Manual for South African drivers.
- The Imperial and Motus Community Trust supports 71 school resource centres and libraries, providing access for over 79 300 learners. The Trust employs 76 full time employees, many of whom were unemployed learners from the communities where the resource centres are based.
- Reached over 2,25 million learners through the Motus Safe Scholar programme that teaches road safety in over 2 600 schools.
- Support a network of 154 Unjani Clinics and 10 mobile clinics and health pods in lower income areas, which provide primary healthcare services and employ 649 people. Clinic consultations exceed 3,9 million to date.
- Continue to support the South African YES4Youth programme, with an annual intake of over 450 youths with an investment of R33,4 million to date. The Trust and Unjani Clinics network also benefit from these placements. 41% of YES learners have been employed at Motus.

Our outcomes

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

- Our innovation community, Motus Xponential or m^x, has 4 239 members (2022: 3 876) participating from all businesses of the Group.
- During the year we retired 12 concepts, implemented five innovation concepts for commercialisation and scaling, and have a balanced innovation portfolio of 13 concepts covering the three categories of innovation: efficiencies, sustainability and transformative innovations.
- Hosted the first Futuremakers m^x event to acknowledge the contribution of m^x members.
- Continued to deepen our ability to engage digitally with our customers by enhancing the functionality of motus.cars.
- Partnered with leading institutes and innovation thought leaders to incorporate global best practices to grow our internal innovation capability.
- Partnered with leading corporate institutions to develop and sell innovative products and services.

Our IT architecture plays a critical role in securing our data, improving processes and integrating business segments. Effective management systems provide insight and oversight to ensure continuity, driving competitiveness and agility as our operating environment evolves. Our omni-channel access allows us to engage with customers at their convenience, deepening loyalty and engagement.

Creating sustainable value (continued)

Our inputs

Manufactured Capital

The facilities, buildings and general infrastructure that support our business operations.

More detail can be found in the Chief Executive Officer's review on page 14.

- Our footprint includes an extensive owned and leased network of dealerships and vehicle rental branches in Southern and East Africa, the United Kingdom and Australia (see page 5).
- We invest in maintaining our assets to ensure that they operate safely, reliably and efficiently.
- We own real estate worth R7,0 billion and have right-of-use leased assets worth R3,4 billion that support the Motus businesses.

Constraints and challenges

- Finding the right balance in our omni-channel approach between our physical footprint and digital customer access.

Natural Capital

Renewable and non-renewable natural resources needed for our everyday activities.

More detail about our environmental management can be found in the environmental and social review from page 120.

Read the full people review in ESG report online.

- 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.
- 672 938 kilolitres of water consumed (2022: 609 191 kilolitres).
- 64 998 megawatt hours of electricity purchased from municipalities (2022: 70 108 megawatt hours).
- 17,1 million litres of road fuel consumed (2022: 16,6 million litres).

Constraints and challenges

- Managing the impact of our business activities on the environment.

Our outputs

- We actively manage our dealership footprint to best strategically position Motus and meet OEM and client expectations.
- We have multi-franchise dealerships in various locations.

Our outcomes

Our property, plant and equipment as well as strategic right-of-use assets support our capacity to generate longer-term and sustainable returns for our stakeholders.

Our scale and highly effective route-to-market is supported by our dealership footprint.

- We achieved an environmental score of 2,6 out of 5 in the FTSE4Good Index Series (2022: 2,0 out of 5).
- 107 268 tCO_2e[1] across Scopes 1 and 2 emissions (2022: 111 841 tCO_2e).
- No incidents of non-compliance with environmental regulations.
- Partnered with registered waste disposal companies to recycle various wastes generated in our workshops.
- Energy-efficient technology and renewable energy solar photovoltaic (PV) plants installed at key sites.

We are responsible in how we 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.

[1] *tCO_2e: tonnes of carbon dioxide equivalent.*

Motus

Performance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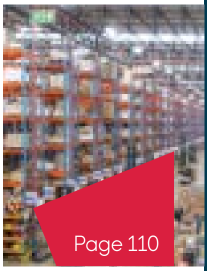
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NISSAN
Motus
ENAULT
RENAULT

Group performance overview

Revenue
R106 321 million
(2022: R91 978 million)
▲ 16%

EBITDA[1]
R8 083 million
(2022: R6 785 million)
▲ 19%

Operating profit[2]
R5 723 million
(2022: R5 029 million)
▲ 14%

Profit before tax
R4 357 million
(2022: R4 473 million)
▼ 3%

Attributable profit
R3 354 million
(2022: R3 290 million)
▲ 2%

Net asset value per share
10 189 cents per share
(2022: 8 143 cents per share)
▲ 25%

Earnings per share
2 008 cents per share
(2022: 1 902 cents per share)
▲ 6%

Headline earnings per share
2 046 cents per share
(2022: 2 025 cents per share)
▲ 1%

Total dividend per share
710 cents per share
(paid interim dividend of 300 cents per share)
(2022: 710 cents per share)

Diluted earnings per share
1 928 cents per share
(2022: 1 808 cents per share)
▲ 7%

Diluted headline earnings per share
1 963 cents per share
(2022: 1 925 cents per share)
▲ 2%

Cash generated by operations before changes in net working capital
R7 837 million
(2022: R6 909 million)

Free cash flows generated from operations
R90 million
(2022: R4 835 million)

Return on invested capital[3]
14,1%
(2022: 17,8%)

Weighted average cost of capital[3]
10,7%
(2022: 10,9%)

Net debt to equity
77%
(2022: 36%)

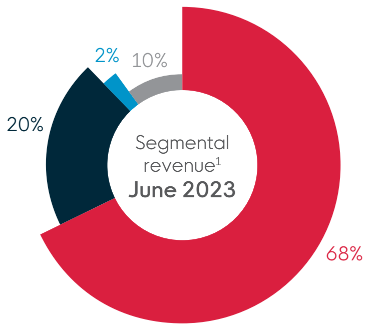
Net debt to EBITDA[4] (debt covenant)
1,8 times
(2022: 0,8 times)
Required: to be less than 3 times

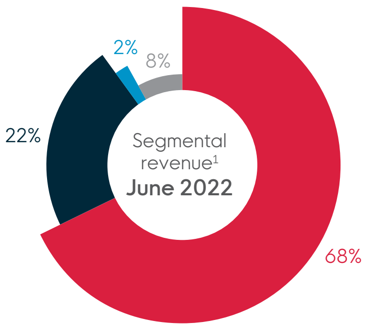
EBITDA to net interest[4] (debt covenant)
6,4 times
(2022: 17,9 times)
Required: to be greater than 3 times

[1] *Earnings before interest, taxation, depreciation and amortisation.*
[2] *Operating profit before capital items and net foreign exchange gains.*
[3] *The return on invested capital and weighted average cost of capital is prepared on a 12-month rolling basis.*
[4] *Calculated by applying the funders' covenant methodology.*

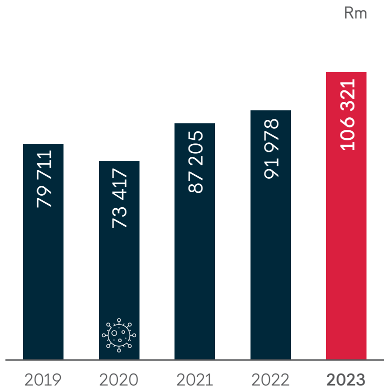
Revenue

% Contribution



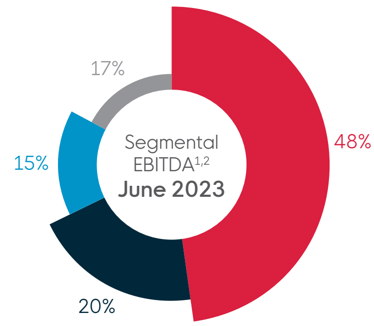


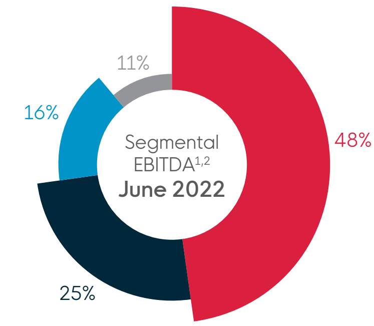
■ Retail and Rental ■ Import and Distribution
■ Mobility Solutions ■ Aftermarket Parts



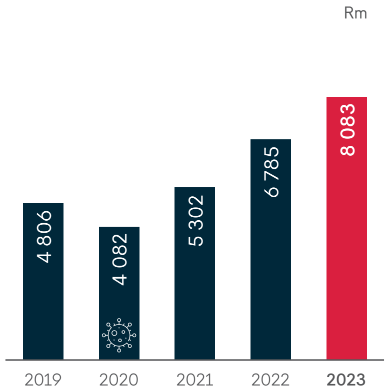
EBITDA[2]

% Contribution



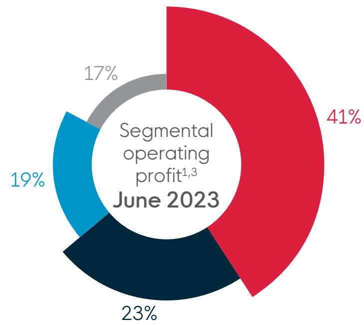


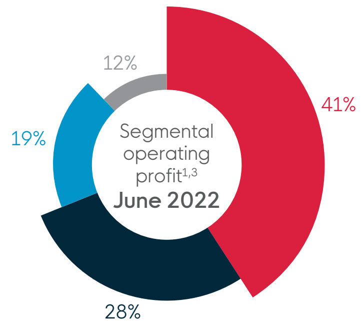
■ Retail and Rental ■ Import and Distribution
■ Mobility Solutions ■ Aftermarket Parts



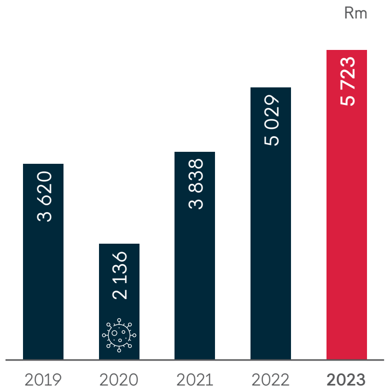
Operating profit[3]

% Contribution





■ Retail and Rental ■ Import and Distribution
■ Mobility Solutions ■ Aftermarket Parts



[1] *Excludes Head Office and Eliminations.*
[2] *Earnings before interest, taxation, depreciation and amortisation.*
[3] *Operating profit before capital items and net foreign exchange gains.*
Impacted by the COVID-19 crisis.

Group performance overview (continued)

Non-financial performance

Environment

Water

672 938 kilolitres purchased

(2022: 609 191 kilolitres)

Electricity

64 998 megawatt hours purchased

(2022: 70 108 megawatt hours)

Carbon footprint

108 660 tCO_2e

(2022: 111 841 tCO_2e)

Environmental compliance

No environmental-related fines or penalties incurred

Social

Black representation

76% of the Group's South African workforce

(2022: 75%)

Women representation

31% of the Group's South African workforce

(2022: 32%)

CSI spend

R26,5 million

(2022: R30 million)

▼ 12%

South African training spend

R179,8 million

(2022: R166,3 million)

▲ 8%

Governance

FTSE4Good Index Series

3,4 out of 5 overall score achieved and 5,0 out of 5 for governance

(2022: 3,3 out of 5 overall, with 5,0 out of 5 for governance)

Governance compliance

No sanctions, fines or penalties received

Read more in the environmental and social review from page 120, and the governance report from page 140.

Read more about our ESG performance and objectives in our ESG report online.

Segment overview

Import and Distribution

20% of Group revenue

23% of Group operating profit

5,8% operating margin

- Exclusive South African importer of Hyundai, Renault, Kia and Mitsubishi
- Operates in South Africa and neighbouring countries
- Exclusive distribution rights for Nissan in four East African countries
- ~21,3% passenger only vehicle market share in South Africa
- Vehicle parc >600 000 vehicles

Retail and Rental

68% of Group revenue

41% of Group operating profit

3,0% operating margin

South Africa

- Represent 24 OEMs and 33 brands
- ~345 dealerships
- ~19,8% retail market share
- Vehicle Rental (Europcar and Tempest): ~125 branches in Southern Africa and ~25% rental market share

United Kingdom

- Represent 13 OEMs and 19 brands
- ~80 commercial dealerships
- ~33 passenger dealerships

Australia

- Represent 20 OEMs and 21 brands
- ~38 passenger dealerships

A diversified business in the automotive industry

- Developer, manager and administrator of vehicle-related financial products and services
- Trusted VAPS provider to >700 000 vehicle owners in South Africa
- Strategic VAPS partner to some of South Africa's largest insurers
- Provider of fleet management services, telemetry and business process outsourcing solutions through sophisticated technology and call centre capabilities
- Custodian of the Group's data warehouse
- Advancing Group innovation, fintech and data capabilities to discover future mobility needs and unlock new products and services

2% of Group revenue

19% of Group operating profit~

Mobility Solutions

- Distributor, wholesaler and retailer of parts and accessories for mainly out-of-warranty vehicles
- Operates in Southern Africa, South East Asia, the United Kingdom and Europe
- 703 retail outlets and agencies (258 owned, including five canopy fitment centres) of which 426 are franchisees (independently owned), supported by 44 wholesale distribution points (41 owned)
- Distribution centres in South Africa, Taiwan, China and the United Kingdom
- Franchise base comprises:
  - Resellers (Midas and Alert Engine Parts)
  - Specialised workshops

10% of Group revenue

17% of Group operating profit

8,4% operating margin

Aftermarket Parts

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

Import and Distribution

The Import and Distribution business segment provides a differentiated value proposition to OEMs and the dealership network, generating opportunities for revenue and profits throughout the automotive value chain.

We are the exclusive South African importer of Hyundai, Renault, Kia and Mitsubishi, and have exclusive distribution rights for Nissan in four East African countries.

Niall Lynch

COO – Aftermarket Parts (effective 1 July 2023)
CEO – Hyundai Automotive South Africa (outgoing)

Gideon Jansen van Rensburg

CEO – Hyundai Automotive South Africa (incoming)

Shumani Tshifularo

CEO – Renault South Africa

Gary Scott

CEO – Kia South Africa

Thato Magasa

CEO – Mitsubishi South Africa

2023 priorities

- Enhance the retail strategy and customer experience throughout the vehicle ownership cycle.
- Deepen our strategic alliances with existing OEMs and expand our OEM partnerships and product ranges to further exceed client expectations.
- Explore expanding exclusive distribution relationships to encompass other brands and new entrants in the market.
- Expand offerings and enhance customer communication to proactively respond to extending vehicle replacement cycle trends and deepen customer loyalty.
- Explore opportunities to assist customers in transitioning from using public transport to vehicle ownership.
- Grow market share for entry level, and small and medium SUVs.
- Manage inventory availability and assess alternative import routes and consolidate parts distribution.
- Expand aftersales product and service offerings.
- Grow the parts and service business.
- Manage costs and forward cover in line with Group policy.
- Deliver on our environmental strategy and invest in key projects to reduce our environmental footprint.
- Invest in cultivating a diverse, equitable and inclusive workforce with a safe working environment by providing a compelling EVP.
- Maintain ethical business standards, guided by our values and moral compass.

Geography

South Africa and neighbouring countries

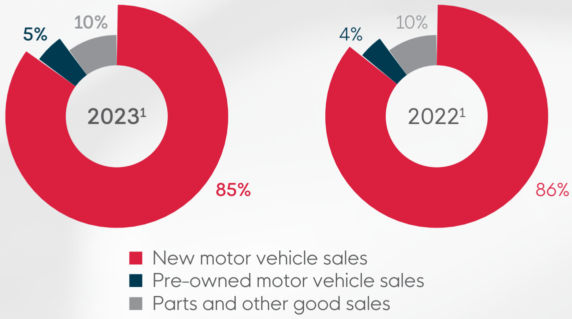
Vehicle parc

~600 000 vehicles with ~97 000 vehicles imported in FY2023

Total passenger market share

Motus Importer brands sell one in five new vehicles in South Africa

Revenue by nature (%)



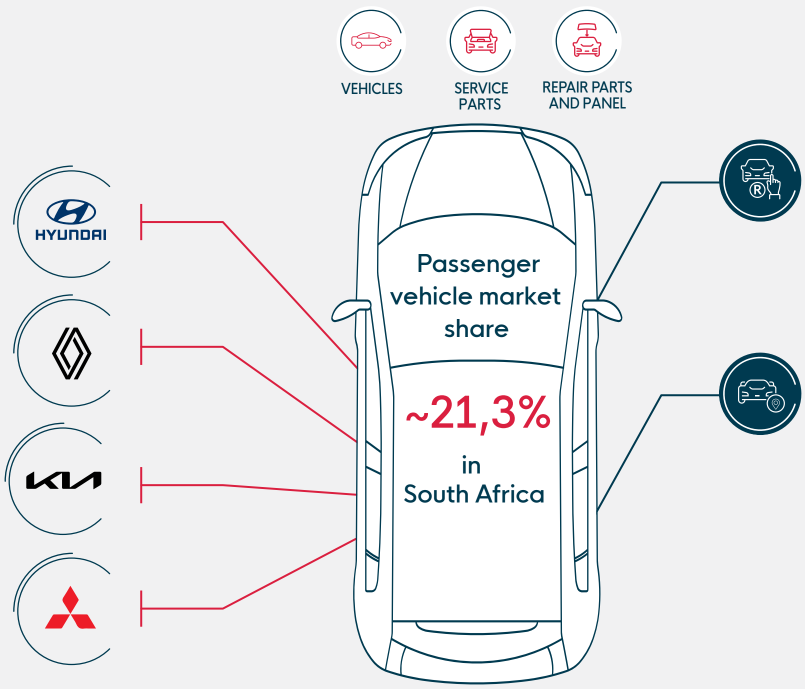
[1] *Excludes Head Office and Eliminations.*

Import and Distribution (continued)

About Import and Distribution

Exclusive importer and distributor

We import, distribute and supply vehicles and parts to the Group and independent dealership networks, government, fleets and vehicle rental companies. 60% to 65% of vehicle volume sales are generated through Motus-owned dealerships, with the remaining 35% to 40% sold by independently owned dealerships.



Vehicle volume sales
~60% to 65%
through Motus-owned dealerships

~35% to 40%
through independently owned dealerships

We distribute and supply to:

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

Mobility Solutions integration

Motus integration across the full value chain provides unique opportunities to provide relevant, innovative and differentiated financial services and other products and services to our customers.

Exclusive distributor in other Southern African countries

Hyundai	Renault	Kia	Mitsubishi	Nissan
in **four countries**	in **four countries**	in **four countries**	in **eight countries**	in **four countries**
Botswana, Eswatini Lesotho and Namibia	Botswana, Eswatini, Lesotho and Namibia	Eswatini, Lesotho, Namibia and Zimbabwe	Botswana, Eswatini, Lesotho, Malawi, Mozambique, Namibia, Zambia and Zimbabwe	Kenya, Malawi, Tanzania and Zambia

2023 performance

High inflation, rising interest rates and the impact of rolling power outages constrained an already fragile consumer. However, our Importer brands continued to benefit from the shift away from luxury brands as consumers become more financially constrained. The introduction of more premium vehicle models enhanced our comprehensive offering, and we continued to deepen our competitive value proposition.

Maintaining a strong value proposition

The unrelenting rise in mobility costs in South Africa is impacting the financial health of consumers, however financial institutions remain active supporters of the asset class, with around 85% of vehicles purchased being financed. In an environment characterised by increasing economic pressure, we were able to reach target volumes and customer satisfaction scores, deepening our relationships with OEMs.

Our OEM relationships are decades-long. Our deep strategic relationships with Importer OEMs allow us to introduce new vehicle models that exceed customer expectations, at competitive prices, with our omni-channel presence, service excellence and innovative products adding to our strong value proposition. With the local market showing a strong preference for five-door hatchbacks and SUVs, the range of our offering ensures we have the right vehicles in the right categories to supply excellent product offerings at varying price points.

Our vehicle market share (passenger only) in South Africa was ~21,3% (2022: 24,5%). Prior period market shares were flattering, as some of our competitors were more severely impacted by supply chain concerns which only normalised in the current period. However, given erratic production and shipment of vehicles, coupled with aggressive pricing from competitors, we believe this is a credible result. Hyundai's market share was 8,4% (2022: 9,4%), Renault's was 6,7% (2022: 7,9%), Kia's was 5,4% (2022: 6,3%), and Mitsubishi stood at 0,8% (2022: 0,9%) for the 12 months to 30 June 2023.

Maintaining our market share requires that we continuously enhance the customer experience at every touchpoint of the vehicle ownership cycle. Each of our brands make use of high impact marketing programmes to incentivise customers to purchase new vehicles, while our professional sales teams use an omni-channel approach to engage with our customers online and in-person. We strive to exceed customer expectations, build strong relationships and reward loyalty through tailored programmes.

With increasing currency volatility and forward cover at competitive rates, a key strategy has been to protect margins by extending the inventory cycle, keeping available vehicles for longer rather than pushing volumes and replacing stock at higher costs. We actively manage vehicle availability to maintain a wide range of attractive and affordable models. We also continually evaluate the volumes we supply to retail dealers against those supplied to vehicle rental fleets. This allows us to ensure that we have the right vehicles available for sale and to balance turnover and margins optimally.

Model launches

14 new model launches[1]

[1] *Includes diesel derivatives, range revisions and product enhancements.*

Foreign currency fluctuations are a significant risk to the cost of new vehicles and parts. Motus applies well-established hedging strategies, policies and governance structures to manage this risk. Our flexible guideline is currently to hedge seven months of forecasted vehicle import orders, and all committed orders must be covered by hedging contracts. We run currency scenarios to assess potential outcomes and mitigate fluctuations within set tolerance levels. The management team meets frequently, both internally and with service providers, to consider the foreign currency requirements and our response thereto.

The benefits of certainty on exchange rates applied to future stock orders allows us to set sound and competitive prices and, in turn, provide customer value propositions and impactful marketing that supports margins.

Hyundai, Renault and Kia have forward cover for the Euro and US Dollar to April 2024 and March 2024, respectively, at average rates of R19,75 to the Euro and R17,95 to the US Dollar, including forward cover costs. Mitsubishi is covered for all committed orders.

Ensuring ongoing competitiveness

We continually assess the range of vehicles, products and services we offer our customers and take proactive steps to contain costs and manage affordability. We work with Importer OEMs to establish a range of vehicles that is affordable for the South African consumer. To this end, around 68% of our Importer vehicles are now sourced from India, a developing economy that produces right-hand drive vehicles.

We review our dealership footprint on an ongoing basis, which allows us to respond to market developments and refine our franchise model to maintain volumes and ensure we meet our targets. Our strategy is to remain flexible in our approach, consolidating dealerships to deliver efficiencies while ensuring we have the footprint needed to maintain buying and servicing convenience for our customers nationally.

Driving digitisation and optimisation

We see untapped potential for growth in expanding our customer channels through innovation, leveraging the omni-channel approach that meets the customers where they are in the buying process, online or in-person. We use technology to improve communication throughout the ownership cycle, reward customer loyalty, and provide mobility solutions to our customers. We constantly work to improve relationship management tools to serve customers better, and use our extensive databases to gather insights that better inform our strategies and approach.

We invest in technology and innovation that enhances the customer experience, increases affordability, and gives us a deeper understanding of consumer trends. Our approach is conservative, with a strong focus on managing costs and inventory levels. We continue to improve our data analysis capabilities to support agile responses to match our mobility solutions with customer needs, even as they change, thereby earning their loyalty.

Read more about our innovation and digitisation efforts on page 20.

Living by high environmental, social and governance standards

As a responsible corporate citizen, we manage the impacts we can control and regularly review our initiatives to ensure that we deliver a net positive impact. We focus on investing in cleaner energy and water systems, and key sites already have solar PV systems in place. We regularly assess the feasibility of installing them at more sites.

We monitor the developments in the NEV market and the related legislative framework in South Africa, and the shifts made by our OEM partners in their transition. This allows us to prepare and quickly take advantage of any policy changes that make these vehicles more affordable. We have gained valuable insights from NEV adoption in the United Kingdom. This positions us well to serve the NEV market in South Africa when demand increases, and the government implements supportive policies.

Given the growing concern about climate change, which is driving the shift to NEVs, we are already evaluating several hybrid and EV models that are available. The timing of these vehicle launches in South Africa depend on the availability of product, market conditions and customer preferences.

Investing in our people

We recognise that our people are essential to our success, and we face a shortage of technical skills in particular. The industry expertise and experience of our leadership team allows us to effectively empower our employees and motivate high-performance teams that support sustainable growth.

Our culture of excellence, creativity, and forward-thinking is deepened through our commitment to facilitating career growth and advancement. Investing in our current and potential leaders supports succession and mobility to the broader Motus Group by providing a diverse pipeline of talent. This is demonstrated in the recent realignment of existing leadership talent with Gideon Jansen van Rensburg replacing Niall Lynch as CEO of Hyundai South Africa following Niall transferring to the Aftermarket Parts business as COO. This underpins our compelling and relevant value proposition to employees, enabling us to attract and retain exceptional people.

We recognise that socio-economic pressure is taking a toll on the wellbeing of our people and we are making support resources available to our people. The Group has implemented a wellness programme that offers employees and their immediate families access to a range of wellness services. In addition, ad hoc events like Hyundai's Wellness Month, address a range of wellness topics including nutritional, mental and financial wellness.

Read more about the Group's people strategy in the people section of the environmental and social review on page 120.

Looking ahead

Our mature brands are well entrenched in the South African new vehicle market. We will continue to drive growth with a specific focus on:

1. **Maintaining market share** by offering a comprehensive product range of attractive and affordable models.
2. **Leveraging efficiencies** to enhance profitability.
3. **Managing currency volatility** in line with Group policy.
4. **Unlocking new markets** by responding to new market entrants and exploring new capabilities, for example leveraging connected car capabilities.

2023 financial performance

Revenue

R24 596 million

Operating profit

R1 416 million

Operating margin

5,8%

	HY1 2023 unaudited^	% change on HY1 2022 unaudited^	HY2 2023 pro forma*	% change on HY2 2022 pro forma*	2023 audited	2022 audited	% change on 2022 audited
Revenue (Rm)	**12 603**	11	**11 993**	(4)	**24 596**	23 883	3
Operating profit (Rm)#	**686**	12	**730**	(18)	**1 416**	1 508	(6)
Operating margin (%)	**5,4**		**6,1**		**5,8**	6,3	

^ *HY1 numbers are unaudited and were released in the interim published results for the six months ended 31 December 2022.*
* *HY2 numbers are unaudited and derived from deducting the HY1 results from the annual published results for the year ended 30 June 2023.*

Import and Distribution revenue is up 3% mainly due to increased selling prices. Sales were supported by new model releases.

Operating profit decreased by 6% mainly due to the increased landed cost of vehicles (pricing, higher duties and the weaker Rand), and above inflationary increases in freight and logistics costs for vehicles, panel and parts, which started to normalise in HY2.

Motus took the deliberate strategy to stretch foreign currency cover by holding on to inventory and being selective around the retail channel versus the vehicle rental channel. The intention was to protect margins due to the replacement price being at a higher cost.

Hyundai, Renault and Kia have forward cover for the Euro and US Dollar to April 2024 and March 2024, respectively, at average rates of R19,75 to the Euro and R17,95 to the US Dollar, including forward cover costs. Mitsubishi is covered for all committed orders. The current Group guideline is to cover seven months of forecasted vehicle import orders.

Retail and Rental

The Retail and Rental segment sells new and pre-owned vehicles, parts and accessories, and services vehicles through dealerships based primarily in South Africa, with a selected presence in the United Kingdom and Australia. The Vehicle Rental business operates the Europcar and Tempest brands in Southern Africa.

Our unrivalled scale in South Africa and footprint of dealerships, largely in urban areas, underpins our leading market share. In Australia, we are located mainly in metro areas in New South Wales and provincial areas in Victoria, and mainly provincial areas in the United Kingdom. The United Kingdom business is largely focused on commercial vehicles.

These businesses provide OEMs with a consistent and superior route-to-market through quality marketing and high levels of customer satisfaction through strategically located dealerships.

CEO – Retail and Rental
South Africa

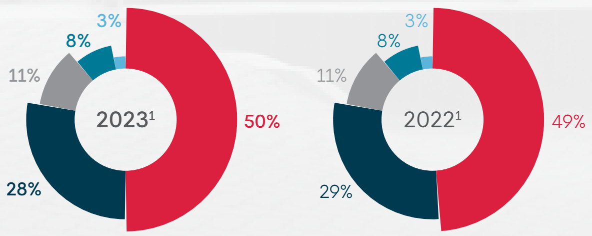
CEO – Retail
Australia

CEO – Retail
United Kingdom

2023 priorities

- Expand offering in entry level category for passenger vehicles.
- Investigate new entrants in the market.
- Rationalise the dealership and brand footprint, aligned to OEM strategies and customer demand.
- Maintain pre-owned vehicle market share in South Africa, targeting vehicles younger than six years old.
- Continue to implement the multi-franchise model where feasible.
- Manage inventory availability.
- Improve brand representation through select bolt-on acquisitions in South Africa, the United Kingdom, and Australia.
- Grow commercial vehicle market share in the United Kingdom.
- Sell NEVs in the United Kingdom and Australia where charging infrastructure and government support are available, and keep abreast 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 omni-channel customer service and experience.
- Be the leading vehicle rental service provider in the Southern African market by providing outstanding customer service, value for money proposition and innovative product offering.
- Deliver on our environmental strategy and invest in key projects to reduce our environmental footprint.
- Invest in cultivating a diverse, equitable and inclusive workforce with a safe working environment by providing a compelling EVP.
- Maintain ethical business standards, guided by our values and moral compass.

Revenue by nature (%)



- New motor vehicle sales
- Pre-owned motor vehicle sales
- Parts and other good sales
- Rendering of services excluding car rentals
- Motor vehicle rentals

[1] *Excludes Head Office and Eliminations.*

Geography

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

Dealership footprint

South Africa

~345 dealerships

(211 passenger vehicle, 102 pre-owned vehicles and 32 commercial vehicle)

United Kingdom

~113 dealerships

(80 commercial and 33 passenger)

Australia

~38 passenger dealerships

Annual vehicle sales

~87 000 new and ~85 000 pre-owned

Representing leading brands

~24 OEMs and 33 brands in South Africa

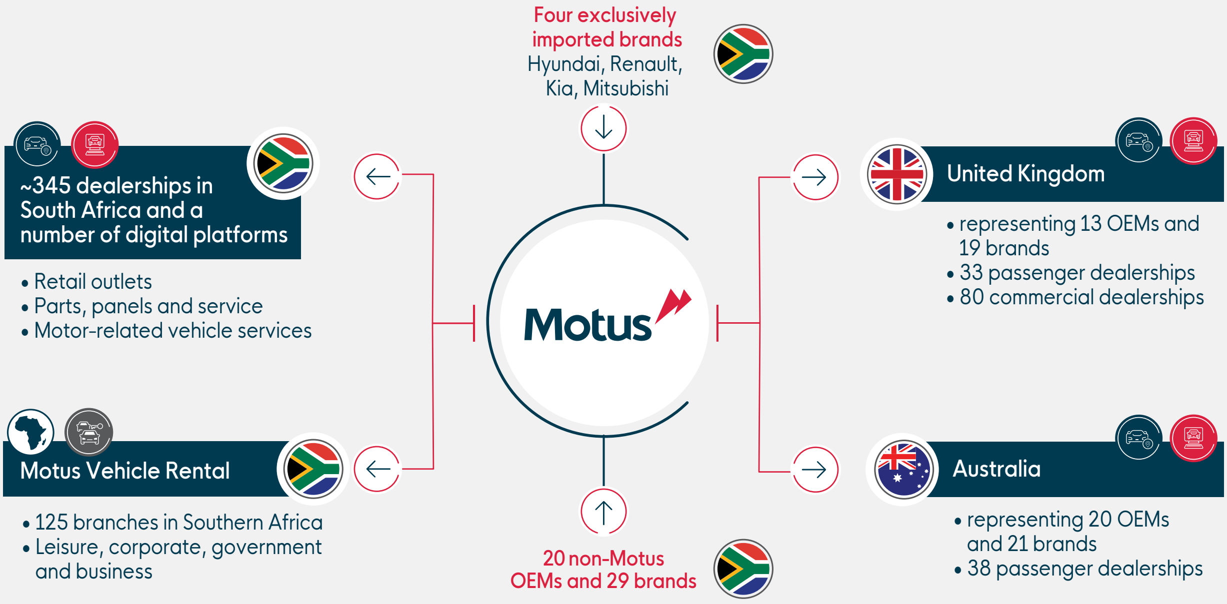
~13 OEMs and 19 brands in the United Kingdom

~20 OEMs and 21 brands in Australia

Retail and Rental (continued)

About Retail and Rental

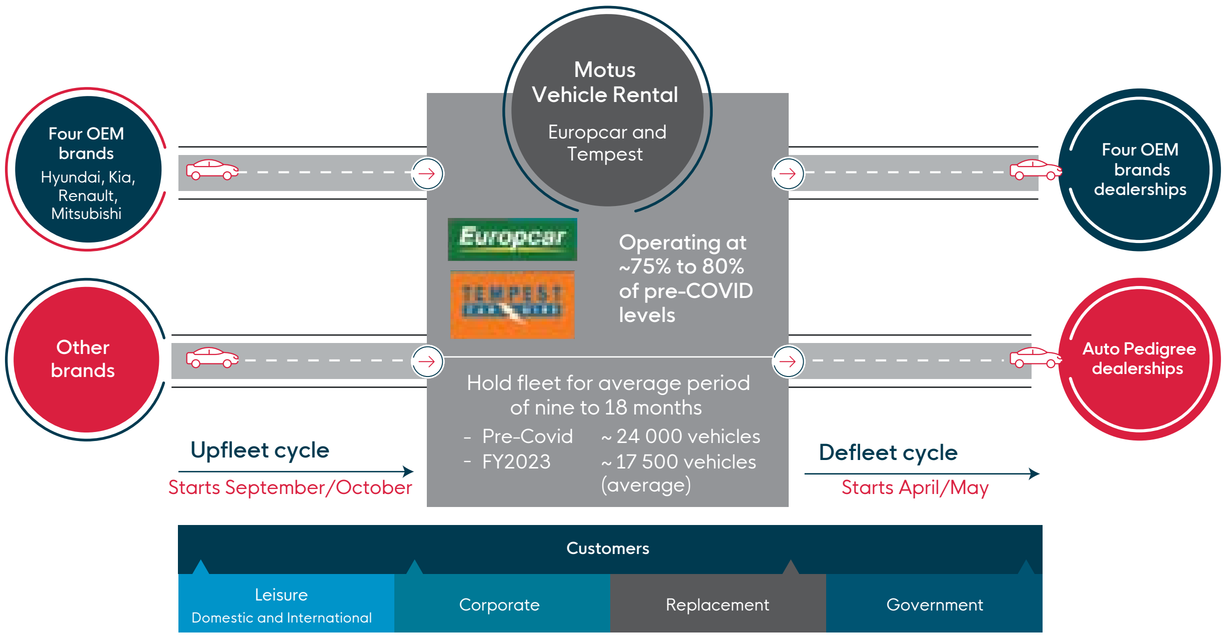
Our vehicle value chain



Mobility Solutions integration

Motus' integration across the full value chain provides unique opportunities to provide relevant, innovative and differentiated financial services and other products and services to our customers.

New vehicle dealerships | Pre-owned vehicle dealerships | Vehicle rental



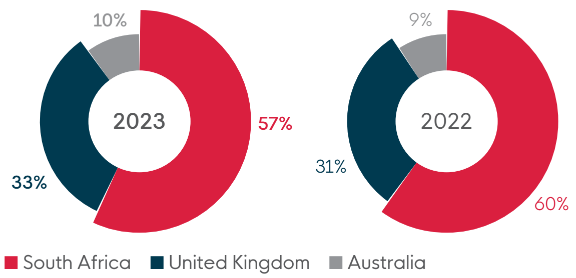
Our brand representation

South Africa

United Kingdom

Australia

Regional revenue contribution (%)



Market shares

~19,8% new vehicle
market share in South Africa

~20% DAF
~10% Mercedes
commercial vehicle market share in the United Kingdom

~25% vehicle rental
market share in South Africa

Retail and Rental (continued)

2023 performance

The gradual resolution of the international supply chain disruptions saw global vehicle sales improve to around 90% of pre-pandemic levels. Despite mediocre economic growth, higher inflation and rising interest rates, new vehicle sales in South Africa followed this positive global trend, while in the United Kingdom the heavy and light commercial industry saw good growth, the passenger vehicle business was constrained due to the fragile consumer. In Australia, the backlog at ports caused by the decontamination of vehicles, has reduced stock availability.

The global environment was characterised by rising inflation and high interest rates, and a constrained consumer has resulted in extended vehicle replacement cycle. The extended replacement cycle is increasing the age of the vehicle parc, which will require higher maintenance and parts replacements that support our workshop revenues.

The weak Rand has boosted both the post-COVID recovery of international and local tourism as more tourists choose South Africa as a holiday destination, aiding the recovery of the vehicle rental industry which is below pre-COVID levels. The weakening currency adversely impacts the cost of the vehicle rental fleet.

Maintaining a strong value proposition

Our investments in innovation and technology have continued to underpin our value proposition. Customers are responding well to omni-channel marketing, which enables us to meet them wherever they are on their purchasing journey and engage with them as they prefer. Continuously improving our digital channels is allowing us to market, distribute, and sell new and pre-owned vehicles more effectively.

Our Digital Dealer Project introduced an omni-channel sales capability across various sales channels, including motus.cars. This cutting-edge technology offers a seamless and fully digitised finance application process. Not only does it create a superior customer onboarding experience, but it also boosts efficiency for our dealer sales, and ability to sell finance and insurance products. Auto-filled forms and digitised KYC requirements have reduced paperwork and processing time from hours to minutes, not only benefitting customers but also lowering compliance and credit risks. We are committed to enhancing functionality as we gain deeper insights into our customers' needs. Our goal is to shape the future of vehicle buying through a streamlined and sustainable approach, setting new industry standards.

We regularly evaluate our dealership footprint to stay agile and responsive to shifts in the operating environment and optimise operations. The success of our multi-franchise dealership model is evident in our 52 multi-franchised operations in South Africa, including our flagship dealership in Menlyn, Pretoria. We continue to look for ways to improve the model and streamline processes for greater efficiency. The multi-franchise dealership model works well in the United Kingdom and Australia.

We also continually assess our product offering and are exploring the role that the growing entry level and Chinese vehicle brands could play in enriching our offering to customers who are looking for value for money.

We acquired three Mercedes Benz passenger and one commercial dealership in South Africa during November 2022 to ensure that our South African portfolio provides access to consumers in the luxury segment.

The vehicle rental brands position us well in both local and international tourism markets. Europcar is well established as a global premium brand that engenders trust among international travellers, while cost-conscious South Africans rely on Tempest Vehicle Hire's reputation for value. Together, these brands have been effective in securing interest from both local and international tourists. Europcar and Tempest Vehicle Hire, are now operating at about 75% to 80% of pre-COVID levels as reservations start to normalise. Our fleet now stands at an annual average of ~17 500 vehicles, compared to 24 000 pre-pandemic vehicles.

Europcar and Tempest's roles go beyond just the Vehicle Rental business. The rental fleets are expanded during the summer months to meet the increased holiday demand. During April, May and June the de-fleeting of vehicles replenishes the pipeline of vehicles available to our dealerships, as well as our quality certified pre-owned reseller, Auto Pedigree.

Increasing consumer fragility has continued to drive the shift away from luxury brands in the South African vehicle market. Our comprehensive offering from a broad range of OEMs ensures that not only do we have a variety of new vehicle brands and models on offer, but also that our Auto Pedigree network offers cost-conscious consumers a reliable source of pre-owned vehicles in the right condition and at the right price.

The de-fleeting of rental vehicles to the Auto Pedigree network of 63 dealerships ensures that we have a reliable source of pre-owned vehicles in excellent condition and at the right price. Our Auto Pedigree Service Centres have grown significantly from just five pilots two years ago to a network of 13 workshops. Our goal is to optimise our reach to ensure all vehicle owners have access to top quality vehicle service and maintenance at an affordable price. We plan to focus on streamlining our processes and systems in the short term while also looking towards further expansion.

Driving international growth

Unlike South Africa, where Motus sells one out of five vehicles, Australia and the United Kingdom still offer growth opportunities.

We are carefully expanding our footprint in the Australian market, concentrating on expanding our provincial presence in New South Wales and Victoria. Lower rental and operating costs ensure the dealerships in provincial areas are more profitable. Many dealerships in these regional markets are still family-owned, which offers significant opportunities for acquisitive growth. However, we deliberately preserve the entrepreneurial culture of owner-operated businesses, which seamlessly aligns with the Motus way.

Delays in decontaminating imported vehicles have created pent-up demand and strong order books for most brands. The relative strength of the Australian economy is reflected in bank approval rates which are holding steady. However, interest rates at 4% are higher than Australians are used to, which will ultimately dampen the market. As in South Africa, the uptake of electric vehicles is low with the vehicle parc being less than 100 000 vehicles.

The United Kingdom is significantly further advanced in the switch to NEVs than South Africa and Australia. Our United Kingdom dealerships have dedicated plug-in EV bays with OEM-trained technicians. Our presence in the United Kingdom offers Motus insight into the switch to NEVs, with lessons learnt that are likely to be valuable in South Africa and Australia.

Despite the United Kingdom's cost of living crisis, with higher inflation and raised interest rates, the United Kingdom operations maintained good margins. As the largest distributor of DAF vehicles and a key OEM partner in the United Kingdom, we have been able to expand our fleet offering and build lasting customer loyalty in the business. The United Kingdom truck regulations support regular servicing which has contributed to our commercial workshops maintaining good activity levels.

We concluded the bolt-on acquisition of Solway Vehicles Distribution Limited on 3 July 2023. The acquisition comprises four DAF commercial vehicle dealerships in North West England and Southern Scotland and extends our existing relationship with DAF. We acquired the entire shareholding for an estimated purchase consideration of R384 million.

Driving digitisation and optimisation

Innovation and unlocking customer potential in our customer channels is an opportunity for the business to grow. We also benefit from OEM-led innovation and leverage their digital platforms to supplement our customer value proposition.

Our investment in getWorth supports and enhances our online buying and warehouse retailing services. We analyse large sets of customer data and behaviour through getWorth's advanced technology and machine learning capabilities, assisting us to better understand customer behaviour and optimise product offerings. These advanced computer algorithms assist us to improve our pre-owned vehicle valuation capabilities and enhancing the customer experience. Our expertise in blending technology, data, and product offerings will enable us to create a seamless online and offline customer experience.

Inadequate road infrastructure, advanced vehicle technology requirements and poor driver behaviour are contributing to increased accident costs that make it more expensive to repair vehicles. To reduce the cost of vehicle damage and at the same time contribute to road safety, the Vehicle Rental business has implemented an initiative that uses telematics to monitor driving speed and installed new vehicle tracking devices in the majority of the vehicles. In addition, the Vehicle Rental business has developed and is testing a vehicle quality inspection app, which keeps a digital record of a vehicle's condition, to provide a more efficient quality control process and a seamless and transparent experience for our customers and reduce costs associated with vehicle accidents.

Read more about our innovation and digitisation efforts on page 20.

Social and environmental impact

We prioritise reducing our environmental impact whenever we can. This ambition drives our programme to implement solar PV equipment and water and waste recycling systems at our dealerships and Vehicle Rental branches. Additionally, we have started using LED technology for our displays and have installed light sensors in our showrooms to adjust the lighting according to the daylight available. We have also installed occupancy sensors in our facilities to shut down air-conditioning when they are empty.

We keep abreast of global trends and the progress OEMs are making in their transition to NEV models and competitor activity to understand shifts in market readiness. When national policies change and market demand increases, we will be able to quickly add these types of vehicles to our portfolio. Our representation of premium brands such as BMW, Mercedes, Audi and Jaguar Land Rover places us at an advantage to capture the plug-in EV market in South Africa when demand increases. Most of our passenger and light commercial vehicle businesses in the United Kingdom are providing NEV solutions and most sites have dedicated plug-in EV bays with OEM-trained technicians. In South Africa, technicians are also trained to service NEVs available in the market.

Retail and Rental (continued)

Investing in our people

Our goal is to establish a workplace focused on purpose. It encourages a culture of constant growth and innovation that is adaptable to change while providing a just, fulfilling and secure work environment. Being known as an employer that provides attractive career progression and learning opportunities enhances our employee value proposition, particularly for individuals with sought after skills.

In the United Kingdom, to manage the shortage of trained technicians, a programme is in place to recruit technicians from South Africa on three-year contracts. Currently, around 46 South African technicians are on the programme. In addition, several actions were taken to drive DEI, including encouraging women to apply for our apprentice programmes, increasing our career outreach activities to local schools, highlighting opportunities for students, and enrolling high-potential women on development programmes and providing them with mentorship opportunities.

Read more about the Group's people strategy in the people section of the environmental and social review on page 127.

Looking ahead

We will continue to drive growth with a focus on:

1. **Optimising profitability** by improving and growing retail brand representation through multi-franchising opportunities and selected acquisitions, as well as leveraging insights from data analytics to save costs.
2. **Growing market share** in pre-owned vehicles by deepening participation in motus.cars and digital warehouse offerings.
3. **Drive volume growth** in vehicle rentals and explore the viability of subscription models.
4. **Leveraging data, digitisation and analytics** to extract meaningful business insights and further enhance our digital channels for both retail and rental businesses.

2023 financial performance

Revenue	Operating profit	Operating margin
R84 404 million	R2 550 million	3,0%

	HY1 2023 unaudited^	% change on HY1 2022 unaudited^	**HY2 2023 pro forma***	% change on HY2 2022 pro forma*	**2023 audited**	2022 audited	% change on 2022 audited
Revenue (Rm)	**40 746**	12	**43 658**	15	**84 404**	74 209	14
Operating profit (Rm)#	**1 164**	30	**1 386**	5	**2 550**	2 206	16
Operating margin (%)	**2,9**		**3,2**		**3,0**	3,0	

^ HY1 numbers are unaudited and were released in the interim published results for the six months ended 31 December 2022.
** HY2 numbers are unaudited and derived from deducting the HY1 results from the annual published results for the year ended 30 June 2023.*

Revenue and operating profit are up 14% and 16%, respectively.

The Retail and Rental segment sold 87 194 new units (2022: 88 929) and 84 929 pre-owned units (2022: 88 942) during the year. In South Africa, this segment sold 55 786 new units (2022: 58 003) and 64 140 pre-owned units (2022: 67 884). Internationally, we sold 31 408 new units (2022: 30 926) and 20 789 pre-owned units (2022: 21 058).

Currency translation of the international operations contributed positively as a result of the weaker Rand. Across all geographies in which the segment operates, we are being negatively impacted by the increased cost of vehicles and parts, a fragile consumer, as well as higher inflationary operating costs.

South Africa

The South African retail revenue and operating profit increased by 8% and 17%, respectively. This was mainly due to selling price increases, new model releases, improved vehicle availability and the revenue contributions from the newly acquired MB retail dealerships for eight months.

Vehicle Rental revenue and operating profit increased by 26% and 12%, respectively. The division performed well, experiencing increased vehicle rental activity relating to increased travel, in both the international and corporate channels, and price increases. Achieved vehicle utilisation levels of 71%, despite utilisation rates being negatively impacted by cancellations for the December 2022 holiday season in KwaZulu-Natal as a result of beach closures.

United Kingdom

Revenue and operating profit increased by 21% and 17%, respectively. The strengthening of the British Pound against the Rand contributed positively to Group results as a result of the increased translation contribution.

The commercial division delivered strong results and was positively impacted by increased volumes and aftersales contributions. The passenger division is facing more challenges, and was negatively impacted by supply constraints from OEMs, logistic difficulties, and reduced consumer disposable income as a result of increasing interest rates, high inflation and personal income taxes. The weakening economic environment has reduced the consumer's appetite to acquire high value assets and has resulted in consumers holding onto their vehicles for longer.

The United Kingdom sold 21 698 new units (2022: 21 405) and 15 798 pre-owned units (2022: 16 400) for the year.

Australia

Revenue and operating profit increased by 21% and 12%, respectively. The strengthening of the Australian Dollar against the Rand contributed positively to Group results as a result of the increased translation contribution.

The inventory shortages experienced for part of the year across certain models and derivatives resulted in improved margins achieved on the vehicles sold. The Australian operation sold 9 710 new units (2022: 9 521) and 4 991 pre-owned units (2022: 4 658) for the year.

Inventory availability on certain models and derivatives improved during the year, but pressure on consumer's disposable income and operating expenses, as a result of high inflation and interest rates, continues.

Mobility Solutions

A leader in the VAPS industry, Mobility Solutions is known for its innovative technology and customer-focused mobility offering. During the last five years, we administered more than four and a half million policies that provided peace of mind to more than two million South African vehicle owners.

Our core strategy is focused on unlocking unique opportunities in the automotive value chain to enable mobility and peace of mind motoring. We offer a range of services and products, delivering efficiency and convenience to our customers.

Our business model has an integrated yet distinctive approach that benefits from Motus' scale. We seamlessly connect customers to various businesses within the Group throughout the vehicle ownership lifecycle. The strategy is to harness the captive channels within our Importer and Retail divisions, deepening the brand-customer connection and contributing to customer retention and profitability.

Our strategic values are evident in the consistent annuity income streams and strong cash flows which underpin the Group's earnings.

CEO – Mobility Solutions and Head: Innovation and Technology

2023 priorities

- Expand service offerings and drive further integration into the dealer networks and strategic partnerships.
- Develop new and innovative channels to market.
- Align our products and services with digital and automation trends, as well as changing customer needs.
- Focus on fintech developments and leverage relationships with financial institutions and joint venture partnerships.
- Explore opportunities to grow the business through data monetisation and connected car initiatives.
- Leverage technology and digital channels to enhance our omni-channel capability and improve communication with our customers.
- Encourage employee collaboration and innovation through the Motus mˣ community in order to:
  - Develop innovative products and services.
  - Foster a culture of innovation.
  - Drive Group-wide innovation.
- Invest in key projects to reduce our environmental footprint.
- Invest in cultivating a diverse, equitable and inclusive workforce with a safe working environment by providing a compelling EVP.
- Maintain ethical business practices, guided by our values and moral compass.

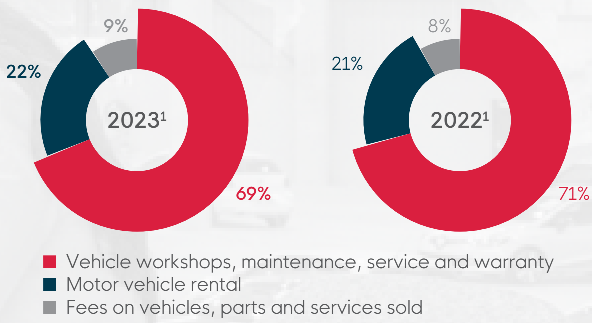
Geography

South Africa

Innovation

Leader in innovation, fintech, and data capabilities to discover future mobility needs and unlock new products and services.

Revenue by nature (%)

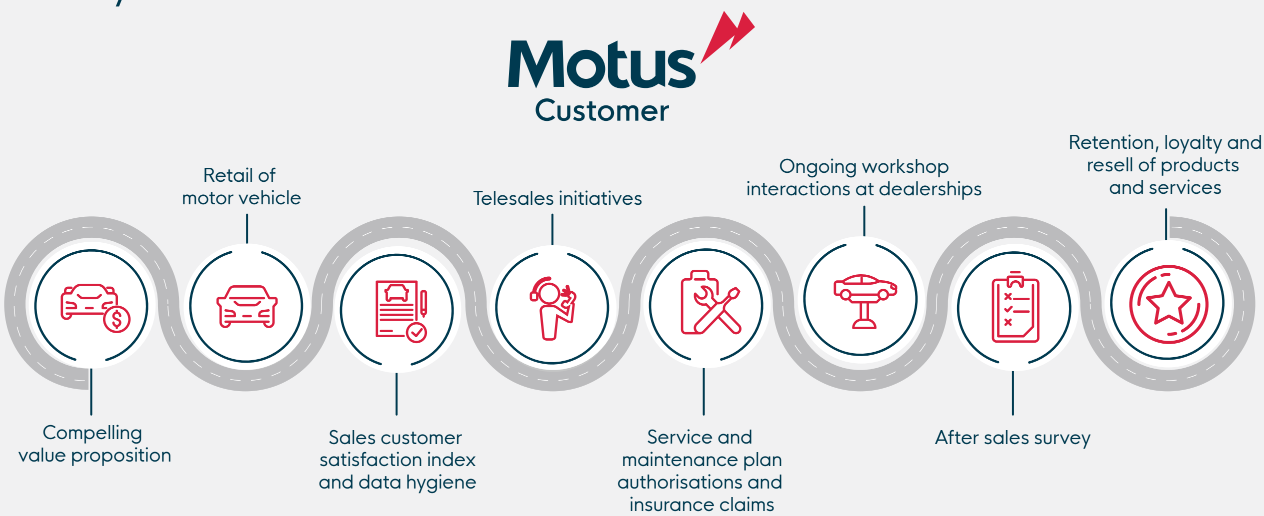


[1] *Excludes head office and eliminations.*

Mobility Solutions (continued)

About Mobility Solutions

Mobility Solutions value chain



- 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.

2023 performance

Mobility Solutions continued to deliver positive results by capitalising on new revenue streams during this period. Presently, we are benefiting from these new sources of income and steady annuity streams. Furthermore, our existing business is witnessing a revival, attributed to the increase in vehicle sales over the past couple of years. Our traditional revenue streams have recovered due to the post COVID recovery in vehicle sales.

Driving continuous innovation

As a leading provider of VAPS, our business has grown significantly. Our offering has evolved over many years to better meet the under-served needs of motorists and enhance the vehicle ownership experience of our customers.

To maintain and grow our market position, we focus on continuous innovation and thoughtful growth strategies. This ensures sustained development and supplements the annuity income streams from our traditional financial services business.

We are a top-tier provider of mobility solutions in the industry. We are committed to addressing the mobility needs of under-served motorists in South Africa and beyond, through ongoing product and market innovation. We increase our share of existing markets and diversify into new ones to achieve our growth objectives.

Within Mobility Solutions, we drive growth through three main avenues:

- Telemetry and data systems continue developing and offer Motus high-value opportunities as we become a more data-driven organisation.
- Strengthening measures to recapture vehicles whose motoring plans had expired, with targeted products and highly motivational internal sales drives.
- Strategic partnerships.

Mobility Solutions products and services

Motus MOBILITY SOLUTIONS

Segment	Brands	Products and services
VAPS	Liquid Capital; M-sure	• Service and maintenance plans • Extended warranties • Scratch and dent • AdCover • Credit life • Tyre and rim • Roadside assistance • Deposit Cover
Vehicle Asset Finance	Liquid Vehicle Finance; Kia Finance; Hyundai Finance	• Instalment sales • Lease/rental solutions
Fleet Management	58Fleet	• Procurement and financing of vehicles • Fleet maintenance solutions • Fleet management • Telematics
Consumer Mobility Solutions	MotorHappy	• Digital VAPS and comprehensive insurance • Digital leads rewards programmes

Key metrics

Trusted VAPS provider to vehicle owners

+700 000

Calls per month

+475 000

Custodian of the Group's data warehouse

Leverage data from 14,5 billion kilometres travelled annually by customers

Number of customer interactions

More than **45 customer interactions every minute**

Innovation, integration and optimisation

Mobility Solutions has a proven track record in innovation. We are always looking for ways to improve our customers' vehicle ownership experience, sharing ideas and experiences from across the Group. By identifying and addressing the needs of motorists overlooked by others in the industry, we have developed a range of products and services that enhance the value of owning a vehicle. With multiple touchpoints throughout the customer journey, we have built meaningful relationships with our customers that have proven resilient even during the pandemic.

Customer insights, which we build on a data foundation, drive our approach. We continuously evolve our products and services to ensure our customers receive the most compelling value propositions possible and integrate ideas developed from across the Group. We strive to create a stress-free motoring experience for our customers, ensuring that every vehicle we sell provides an annuity income stream for the Group over its useful life.

Innovating for growth

Investing in technology

By investing in digital VAPS and leveraging consumer data, we can provide more personalised services.

- Enhancing customer experience and improving retention.
- Investing in enhanced data capabilities to complement existing business process automation.

New partnerships

Identifying strategic partnerships allows us to expand our reach and unlock new opportunities.

- Introducing disruptive new products with partners, taking concepts beyond the conventional.

New sales channels

Exploring new customer channels and innovative solutions is critical to the growth of our business.

- Affordable and competitive financial products and services for customers.
- Innovating to find new ways to enhance customer experience.

We are constantly seeking new ways to enhance our customers' experience through innovative digitisation initiatives, which also improve efficiencies and save costs. In addition, we are investing in enhanced data capabilities to complement our existing business process automation and streamline our operations through ongoing software system upgrades.

DVP DataVerse Pro

DataVerse Pro is our data analytics platform

We utilise the power of data to further improve our business, expand revenue streams, and deliver innovative products and services to our valued customers.

We manage risk by continuously working on

- Preventative maintenance predictors
- Leveraging proprietary data sets and analytics
- Innovative new products and services

We prospect existing data for monetisation opportunities:

Increasing strategic partnerships	Increasing active customers	Increasing client retention
X3	10%	5%
added in 2023	more customers from 2022 – 2023	growth from 2022 – 2023

AI

Harnessing Artificial Intelligence

Collaborating with AI and machine learning experts, we conduct data experiments to enhance sales conversion, drive continuous improvement as well as understand the future mobility needs of our customers.

Investing in our people

The commitment of our people continually deepens our culture of innovation and our focus on enhanced customer experience. We foster an environment that encourages our employees to be forward-thinking, proactive, and customer focused. Their commitment to our purpose and values contributes to a culture of innovation and improvement in delivering excellent customer service and ongoing efficiencies.

During the year, we introduced reward and recognition programmes that recognise employees in three categories; namely, the Customer Champion Award, the Change Champion Award and the Legitimate Leadership Award.

Read more about the initiative in the people section of the environmental and social review on page 127.

Looking ahead

In summary, to maintain and expand our market share, deepen customer loyalty, and grow our sales and customer base, we will prioritise:

1. **Enhance the desirability of our brands** by delivering innovative VAPS and mobility services that consistently exceed customer expectations.
2. **Access new channels and customers** by building strategic partnerships.
3. **Develop new VAPS** to help us grow annuity income streams outside of our traditional channels.
4. **Expand our telemetry capabilities** to explore further opportunities to monetise data and leverage the opportunities presented by connected cars.
5. **Proactively monitor and respond** to regulatory changes in our operating environment and industry.

2023 financial performance

Revenue

R2 291 million

Operating profit~

R1 141 million

	HY1 2023 unaudited^	% change on HY1 2022 unaudited^	HY2 2023 pro forma*	% change on HY2 2022 pro forma*	2023 audited	2022 audited	% change on 2022 audited
Revenue (Rm)	**1 157**	13	**1 134**	5	**2 291**	2 107	9
Operating profit (Rm)~	**569**	13	**572**	14	**1 141**	1 004	14

^ HY1 numbers are unaudited and were released in the interim published results for the six months ended 31 December 2022.
** HY2 numbers are unaudited and derived from deducting the HY1 results from the annual published results for the year ended 30 June 2023.*
~ Operating profit includes profit without associated revenue streams.

Revenue increased by 9% mainly as a result of higher revenue from VAPS and an increased contribution from fleet vehicles to the vehicle rental companies.

Operating profit increased by 14% mainly due to increased profits from VAPS, an improvement in the insurance cell captives' income and higher interest income due to higher interest rates.

Aftermarket Parts

The Aftermarket Parts business segment is a wholesaler and retailer of accessories and parts for mainly out-of-warranty vehicles, operating in Southern Africa, South East Asia and the United Kingdom.

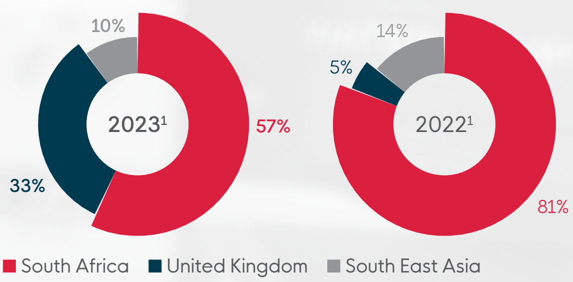
In Southern Africa, accessories and parts are sold through our own and franchised retail stores, and specialised franchise workshops. In the United Kingdom, we operate as a wholesaler, selling parts to the domestic and European markets via FAI and business-to-business distribution via MPD. Our operations are supported by distribution centres in South Africa, the United Kingdom, Taiwan and China.

CEO – Aftermarket Parts

2023 priorities

- In South Africa, grow the retail footprint and optimise the operating structure, with the support of franchisees.
- Integrate the international acquisitions and grow business-to-business offerings in the United Kingdom and Europe.
- Extend international distributor footprint.
- Optimise supply chain and inventory management.
- Strengthen the core business through improved efficiency and volume buying.
- Grow the number of buying groups in which we are members.
- Invest in technology to drive digitisation and e-commerce expansion.
- Rationalise distribution centres in South Africa and Asia, and open a European distribution centre.
- Expand the product range across all tiers, mainly entry level.
- Invest in projects to reduce our environmental footprint.
- Invest in cultivating a diverse, equitable and inclusive workforce with a safe working environment by providing a compelling EVP.
- Maintain ethical business standards, guided by our values and moral compass.

Revenue by regional contribution (%)



[1] *Excludes Eliminations between geographic regions.*

Geography

Southern Africa, United Kingdom, Europe and a limited presence in South East Asia

Stores and distribution points

Distribution centres located in South Africa, Taiwan, China and the United Kingdom.

703 retail outlets and agencies

(258 owned, including five canopy fitment centres) of which

426 are franchisees

(independently owned), supported by

44 wholesale distribution points

(41 owned)

Number of product derivatives

~135 000 parts in South Africa

~32 000 parts in UK: FAI

~90 000 parts in UK: MPD

Aftermarket Parts (continued)

About Aftermarket Parts

Accessories and parts value chain

- South Africa has a vehicle parc of over 12 million vehicles with ICE engines and approximately 11 000 NEVs, with an average passenger vehicle parc of ten years or older.
- The United Kingdom has a vehicle parc of ~40 million vehicles, including around one million NEVs. Australia has a vehicle parc of ~20 million vehicles, including ~100 000 NEVs.
- Market demand is driven by vehicles outside of warranty period.
- We mainly supply vehicle parts outside OEM warranty terms, with a focus on supplying parts that wear more quickly.
- Our South African product offering extends to over 135 000 individual stocking units to the reseller and fitter market, with FAI supplying 32 000 individual stocking units and MPD supplying 90 000 individual stocking units.
- Replacement cycles are either time dependent (such as oils and rubber components) or mechanical failure (usage dependent).

Aftermarket Parts brands

Franchises and agencies

Owned retail

Regional distribution

International distribution

Canopy manufacturing

Aftermarket channels to market

This business segment does not manufacture or fit aftermarket parts but is active in all aspects of the value chain between these processes. Excellent service, speed and convenient delivery are essential for maintaining strong customer relationships and driving organic growth. Our activities encompass three business streams:

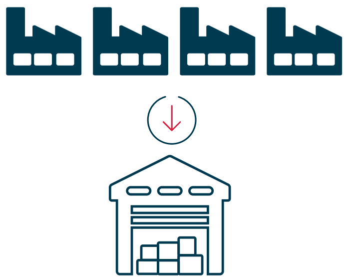
Product aggregator: procure components from multiple sources to make up ranges of product lines and kits. We either create our own brands or package for other private labels. Aggregators also manage and control suppliers and quality.

Wholesaler: distribute to resellers, whether owned, franchised or independent retailers. Wholesalers sell multiple brands at varying price points and manage and control the channel to market.

Retailers: source products and sell to end consumers, including formal and informal workshops, DIY[1] fitters and walk-in customers.

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[2] 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[1] and 'walk-in' customers
3. Manage and control the last mile

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

2023 performance

We continued to focus on growth through optimisation and expansion. The integration of FAI and MPD into our business has significantly expanded our wholesale and retail distribution channels in the United Kingdom and Europe. Globally increasing costs of living due to rising interest rates and high levels of inflation have characterised our industry. In South Africa, loadshedding materially impacts our customers namely the smaller informal workshops. Under these challenging conditions, we are serving the growing demand for more affordable products in an ever-increasing vehicle parc with longer vehicle replacement cycles.

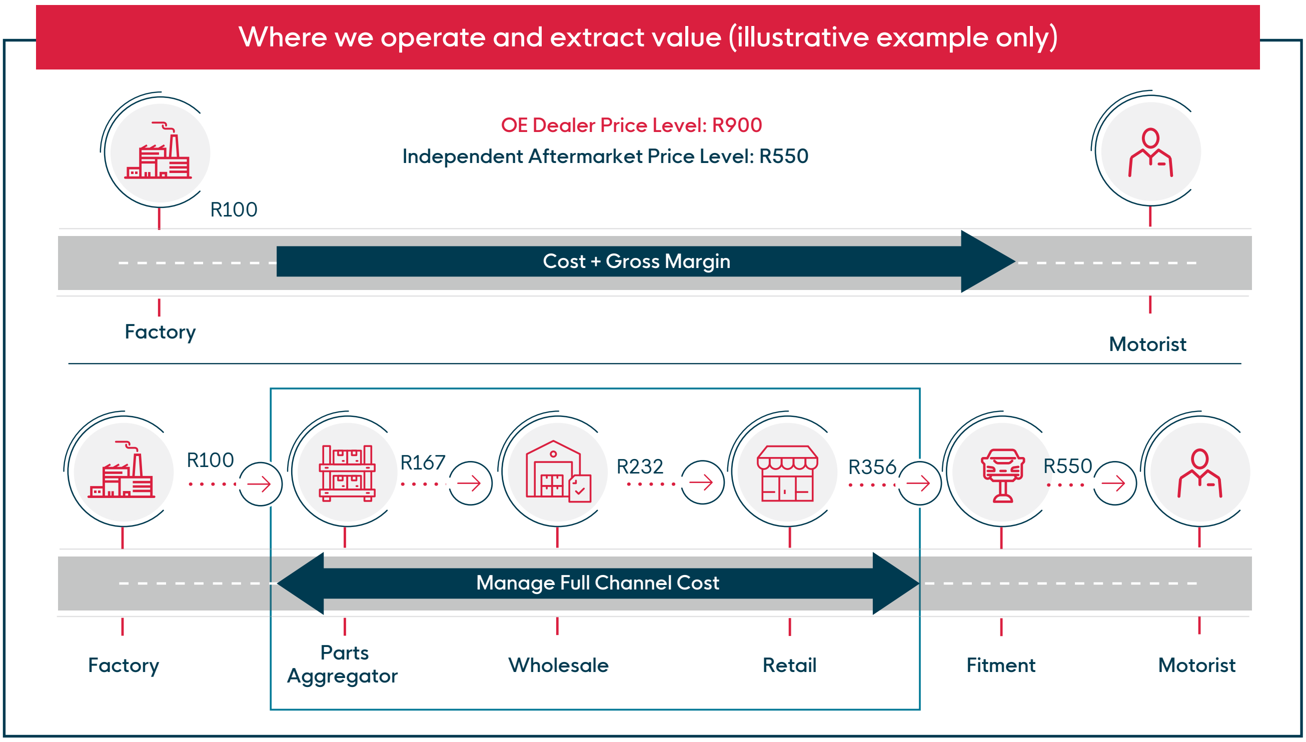
Delivering dependable growth

The ageing global vehicle parc provides opportunities for rapid development through organic growth and selective acquisitions. Expanding our share of the global aftermarket parts sector is therefore strategically important as it reduces our dependency on new vehicle sales and increases international contribution to revenues and income. Our inventory cycle is well managed, allowing us to turn inventory multiple times in a year and generates high free cash flows. In addition, our procurement and wholesale capabilities in South East Asia, the United Kingdom and Europe, provide a significant opportunity to increase utilisation and improve the profitability of our distribution centres.

Prospects for organic growth in South Africa, the United Kingdom and Europe are both promising and predictable. These markets have a combined vehicle parc of around 435 million ICE vehicles, of which about 80% are out of warranty and increasingly vulnerable to general wear and parts failure. Buying power, an optimised supply chain and a carefully tailored footprint, place the business in an ideal position to expand margins and improve profitability.

Aftermarket Parts aggregates, wholesales, and retails accessories and parts mainly for out-of-warranty vehicles, supplying mostly high-volume parts worn through everyday use and offers a wide range of product derivatives. Because we focus on out-of-warranty vehicles, there is predictability as the business has about five years to source and distribute components before the vehicle enters the aftermarket parts sector.

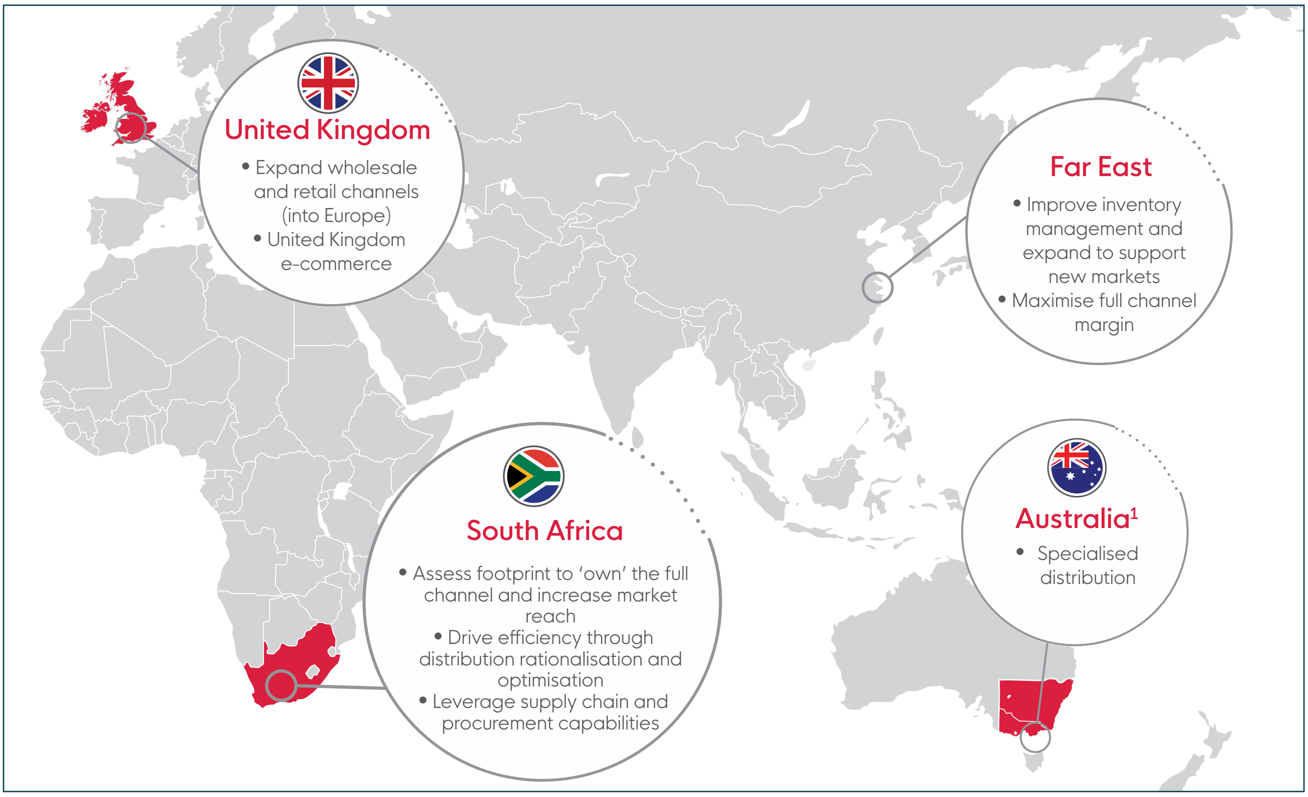
Operating through three business streams (shown on page 113) consolidated into an end-to-end supply chain has clear benefits. We are implementing multiple programmes that, in time, will integrate these three revenue and profit streams and create efficiencies. This will allow us to capture gross margin at each stage and, equally important, to improve the operating profit contribution. An example of this is illustrated below.



Expanding our procurement and wholesale capabilities together with access to the right suppliers, allows us to leverage our buying power to procure large volumes at competitive prices. Increasing our participation in the end-to-end supply chain also includes backward integration to reduce reliance on intermediaries.

Maintaining competitiveness

Expanding into other markets provides an opportunity to grow, supported by forward and backward integration strategies to optimise our supply chains and grow our distribution channels in retail and wholesale markets.



[1] *Future strategic opportunity.*

South African market

South Africa has a vehicle parc of around 12 million ICE vehicles, of which about 10 million are out of warranty. This vehicle parc is growing and ageing as financially constrained consumers have little choice but to keep their vehicles on the road longer. Long distances, poor road conditions and poor workmanship at non-regulated workshops contribute to premature wear and tear causing early breakdowns requiring frequent part replacements.

Motus supplies the highest quality aftermarket parts to those customers who can afford premium products. However, with the South African consumer under pressure, few are willing or able to pay premium prices for replacement parts from vehicle manufacturers. Owners of out-of-warranty vehicles are expected to increasingly opt for the higher-quality, lower-cost private-label aftermarket parts we offer.

There is limited opportunity for growing our footprint due to the leading market position we have in the South African market. However, the opportunity remains to deliver further efficiencies in our existing supply chain and to leverage our purchasing power through more effective procurement.

International markets

We partner with selected global parts distributors to facilitate competitive purchasing and increase our buying power. Our membership of Nexus, the largest automotive global parts buying group, of which ARCO Motor Industry Company Limited (ARCO) and Motus Trading Shanghai Company Limited (MTS) are approved suppliers, ensures consistency of quality of products from a variety of component suppliers. We have recently joined the IAAF in the United Kingdom, an organisation that promotes the independent automotive aftermarket as a credible alternative for vehicle service and repairs.

Expanding into new markets provides growth opportunities to support the Group's internationalisation objective. Scope for growth in Europe has the benefit of contributing significant volumes and buying power to Motus' parts aggregation business, supporting margins throughout the value chain.

Aftermarket Parts (continued)

United Kingdom opportunities

- Fourth largest market in Europe with annual accessories and parts turnover of around £48,5 billion (service and repair £26,5 billion, wholesale parts £16 billion and retail parts £6 billion).
- Fragmented market with opportunities to consolidate.
- Target market of around 32 million vehicles and LCVs that are more than three years old.
- Average vehicle age of 8,7 years – one year more than 14 months ago.
- Independent workshop rates are on average 45% lower than those of dealers and they service 65% of out-of-warranty vehicles, which is likely to increase due to financial pressure on consumers.

Recent United Kingdom acquisitions, namely FAI and MPD, have boosted volumes and buying power, making the Group less dependent on the South African market, while providing a limited currency hedge.

FAI is an aftermarket automotive parts business that specialises in distributing passenger and light commercial vehicle parts throughout the United Kingdom and Europe. We will integrate the FAI brand offering by accelerating its adoption in the South African market to drive volume and leveraging cross-selling opportunities.

MPD focuses on supplying passenger vehicle components and accessories to independent workshops and service centres within a 16-kilometre radius of one of its 176 branches. It maintains demand-driven product stocks across branches, which MPD replenishes twice daily from its central service depots. Suppliers of key product lines replenish stock directly and daily. Whether orders are made by phone or by walk-in customers, MPD guarantees swift delivery.

Driving digitisation and optimisation

The focus of our digital journey is to implement a single integrated enterprise resource planning (ERP) system to support the business as a trading platform, with improved inventory management that creates greater visibility of product availability and improves lead times. Significant progress has been made in building the ERP system and this will be rolled out across the business according to an agreed project plan. In addition, a review of the order cycle through data analytics has provided valuable insights and delivered added operational efficiencies.

We regularly review our product offering for relevance. We continue to expand our products and manage our brand portfolio to ensure we can supply customers with a range of appropriately competitively priced, quality products. The impact of NEVs on the aftermarket parts industry – and our business – is somewhat overstated, as is the concept that they are 'maintenance free'. Although NEVs do not require the same level of engine and drivetrain maintenance and parts as traditional ICE vehicle needs, they are significantly heavier than ICE engine vehicles, which will accelerate wear and tear on parts that are similar. Hybrid vehicles have both an ICE engine and electric motor, both of which require maintenance. NEVs also have more sensors and sensitive electronic components that may be vulnerable to failure. While the product mix might differ for electric vehicles, it is unlikely to be much smaller and we have at least five years from the model launch to source the right product mix and ensure availability.

Investing in our people

Our culture of high performance and innovation is underpinned by our investment in our people to build an agile and responsive business. Their safety, wellbeing and ensuring a safe workplace, remains a top priority.

We provide relevant and effective training, job support and career development. During the year, we established an employee bursary scheme; supporting 18 employees to gain tertiary qualifications. We also run a petrol and diesel mechanic apprenticeship with 26 artisans currently participating.

Our succession planning processes are regularly reviewed and updated. As such, we have appointed a new COO to ensure a timely and considered handover of knowledge and relationships in the business to a strengthened leadership team and a new South African CFO has also been appointed.

We participated in a joint pilot to test a tool aimed at improving communication with employees. The portal gives employees access to Motus news, important documents and information on wellness initiatives.

Read more about the initiative in the people section of the environmental and social review on page 127.

Looking ahead

Our size and diversified footprint allows us to focus on four key growth drivers:

1. **Driving operational efficiencies** by converting efficiency into operating profit, doing more with less and consolidating brands.
2. **Leveraging our integrated supply chain** to extract more margin, lower relative investment in inventory, and increase availability at the point of sales.
3. **Expanding our product offering** by supplying additional products to the existing customer base previously only available to customers in other regions.
4. **Unlocking new markets** by using the existing supply chain and sourcing expertise to penetrate new markets and channels.

2023 financial performance

Revenue
R12 406 million

Operating profit
R1 043 million

Operating margin
8,4%

	HY1 2023 unaudited^	% change on HY1 2022 unaudited^	HY2 2023 pro forma*	% change on HY2 2022 pro forma*	2023 audited	2022 audited	% change on 2022 audited
Revenue (Rm)	5 402	36	7 004	67	12 406	8 163	52
Operating profit (Rm)#	406	35	637	86	1 043	644	62
Operating margin (%)	7,5		9,1		8,4	7,9	

^ *HY1 numbers are unaudited and were released in the interim published results for the six months ended 31 December 2022.*
* *HY2 numbers are unaudited and derived from deducting the HY1 results from the annual published results for the year ended 30 June 2023.*

Revenue and operating profit increased by 52% and 62%, respectively. The South African operations revenue and operating profit increased by 4% and 2%, respectively, and international operations revenue and operating profit increased by greater than 100%.

South Africa

The South African parts business contributed positively to revenue, while operating profit remained stable. Margins remain under pressure due to decreased demand from customers and reduced disposable income in our targeted customer base and the negative impact of load-shedding on their businesses.

The canopy business contributed positively to revenue and operating profit mainly due to increased volumes of LCVs and selling price increases. The business is being negatively impacted by increased freight, container and raw material costs.

Asia

The Asian business contributed positively to revenue, with operating profit negatively impacted by inventory provisions raised on increased stockholding. The business benefitted from the active marketing of its product offering in other geographies through our subsidiary ARCO Motor Industry Company Limited (ARCO) (Taiwan), where sales to European countries increased as a result of a buoyant market in those countries.

United Kingdom

The FAI business was included for the full 12-month period (acquired on 1 October 2021). The business exceeded expectations from a revenue and operating profit perspective. The trading performance was supported by supply chain optimisation, improved efficiency and volume buying.

The MPD business was included for nine months (acquired on 3 October 2022). The business delivered ahead of expectations contributing revenue of R3,6 billion and EBITDA of R610 million for the period.

Despite pressure on consumers due to high inflation, revenue in both the United Kingdom businesses remains steady due to selling price increases.

Motus

ESG review


GIPPSLAND
SUZUKI
Gippsland

Corporate Affairs,
Risk and Sustainability

Chief People Officer

Leading with purpose, Motus promotes physical and social mobility to strengthen stakeholder relationships and make a positive difference in the lives of customers, employees and society.
The Group's decision-making is informed, considers the long term, holds Motus management and decision-makers to account, and ensures that the value we create today is preserved for tomorrow to benefit the current and future interests of all relevant stakeholders.

Environmental and social review

Our ESG themes

Our aim is to ensure that our strategies are achieved in an environmentally conscious and responsible manner, and continuously strive to uphold our commitments to all stakeholders.

The progress the Group has made has been categorised into the following themes:

Environment

- Transition to a lower carbon economy page 123.
- Reduce our environmental impact page 125.

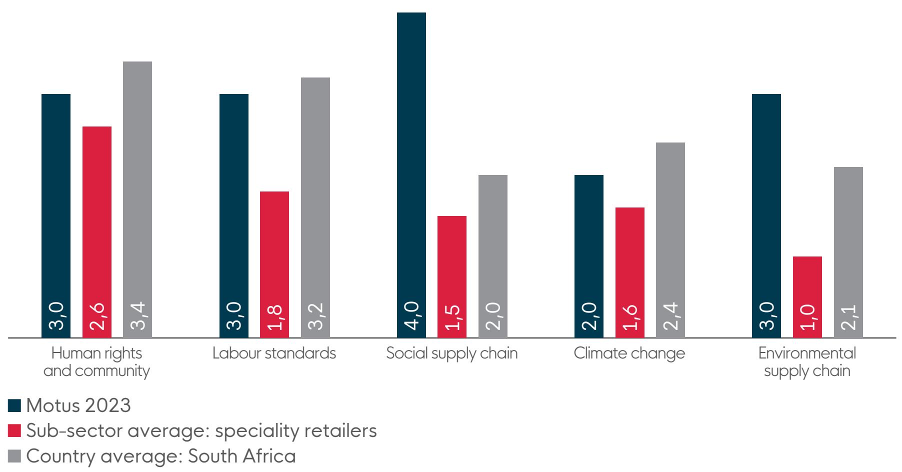
Social

- Drive innovation to remain relevant and competitive page 20.
- Cultivate a diverse, equitable and inclusive workplace page 128.
- Build leadership capability and talent pipeline page 130.
- Provide a compelling employee value proposition page 132.
- Protect the health and safety of our people page 134.
- Contributing to improving economic and social inclusion page 136.

Governance

- Ensure ethical, fair and compliant business conduct page 127.

FTSE4Good Index Series



More detail can be found in the ESG report online.

Our ESG-related systems are updated as business and stakeholder requirements change to ensure they remain effective and drive efficiency.

During the year, time, resources and energy were committed to the implementation of updated environmental, OHS and human capital information management systems. For the environmental pillar, the updated system is user-friendly and flexible, making it easier for the Group's business segments and regions to report their data. With better data we will be able to develop more credible targets. For human capital management, the implementation has helped the Group to identify where it can change its HR processes to drive a more consistent Motus experience for all employees, reduce complexity, and improve our responsiveness when issues arise and in a way that adds value to the business.

Environment

Our approach to environmental impact management

Our approach to caring for the environment is encapsulated in the Motus values and strategy. While Motus is not a carbon- or water-intense business, we responsibly manage the environmental impacts within our control and implement projects to protect the Group from the losses and potential damages arising from climate change.

Our environmental reporting outlines changes in the automotive industry as it adapts to become a sustainable contributor, and strives to address growing stakeholder expectations that companies have a better understanding of how their business models and strategies will be impacted by climate change. Some of our key priorities are to:

- implement environmental improvement and resource efficiency projects, particularly in new builds and property upgrades;
- meet our environmental targets;
- continue to progress our participation in the circular economy through better waste management practices; and
- engage with our stakeholders, particularly our OEM partners, industry bodies and business forums, to keep abreast of and contribute to advancements towards a lower carbon economy.

Transition to a lower carbon economy

Key performance indicators

Purchased electricity (Group)	Vehicle fuel consumption (Group)	Carbon footprint (Group)
▼ 7%	▲ 3%	▼ 3%
64 998 MWh	17 081 771 litres	108 660 tCO_2e

Highlights

- 15,2% of our new vehicle sales in the UK were plug-in EVs compared to 10,9% in 2022.
- As an initial step to transitioning our fleets, certain employees are trialling company plug-in EVs to test their viability in a South African context.
- Introduced a formal project to manage and monitor alternative energy installations across the Group.
- The upgraded environmental management system will measure and monitor renewable energy consumed.
- Obtained Energy Performance Certificates for five buildings in South Africa to better understand their energy output.
- The Retail division rolled out LED retrofits.
- In the UK, Motus Commercial encouraged employees to share their energy saving ideas, and Pentagon Motor Group achieved material reductions in electricity and gas usage since 2018.

Challenge

- In South Africa, significantly higher levels of load shedding resulted in an additional 873 kilolitres of generator fuel consumed.

Our objectives

Once our energy-efficiency and renewable energy projects mature, we will start to ready the Group for a net zero carbon emissions plan with carbon emissions targets for the South African operation. Our regional operations will align to national targets and OEM product guidelines.

Specifically:

- Validate our targets by the Science Based Targets initiative within the next year.
- Investigate how we can expand our Scope 3 emissions reporting.

Energy efficiency

A number of initiatives have been implemented since 2017 to reduce our carbon footprint. Our efforts include energy-efficient lighting and air-conditioning systems, sensors or timers to switch off lights and air-conditioning and heating units when rooms are not in use, LED replacement programmes, better use of natural light in our newer showrooms, the incorporation of lower emissions vehicles in our fleet buying plans, and route optimisation is employed for both the delivery of aftermarket parts and logistics planning when moving vehicles between locations.

Renewable energy

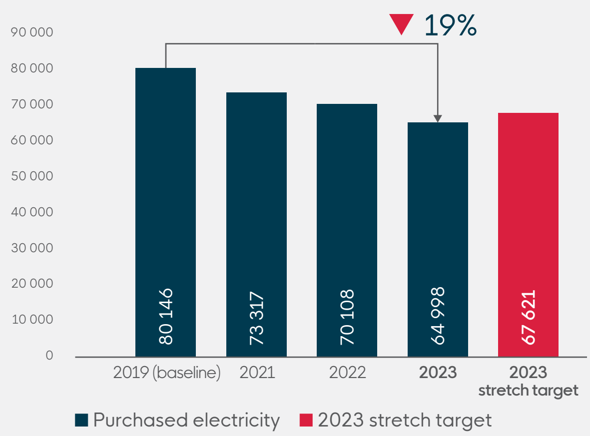
The more systematic approach to our alternative energy installations across the Group will ensure that installations meet our operational and capital expenditure requirements and provide a commercial benefit. We will also develop a standardised procurement process for alternative energy solutions, guidelines for site eligibility, a panel of approved suppliers, minimum equipment standards and legal requirements to protect the health and safety of our employees and our insured assets. The pace of roll out in South Africa has been impacted by the high demand for these systems, placing pressure on supplier availability to facilitate installations.

At year-end, 42 solar PV systems were operational; 38 owned by Motus and the balance belonging to landlords. In 2023, Hyundai's head office installed a system comprising 240 solar panels and delivering 110 kW of electricity.

2023 performance

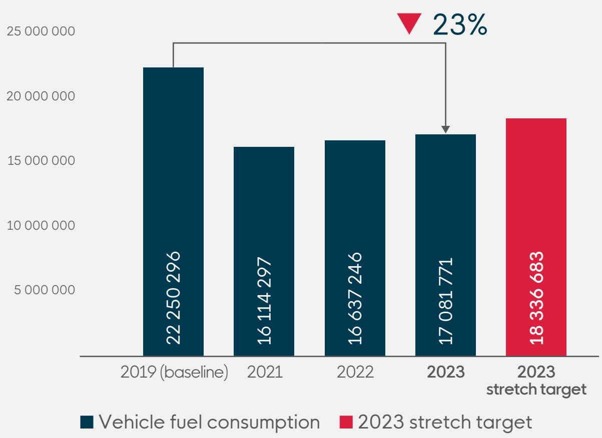
Group

Purchased electricity (MWh)



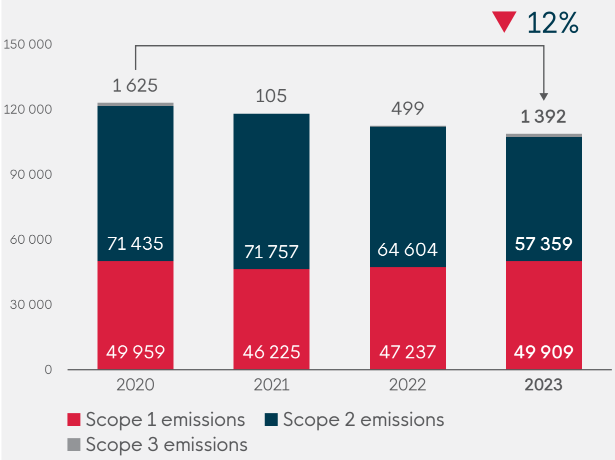
Purchased electricity decreased by 7% compared to 2022, exceeding our 2023 stretch target. The South African operation, which accounted for 78% of consumption, consumed 7% less electricity, despite an increasing footprint in 2023. While our solar PV projects played a key role in this achievement, the increased levels of load shedding would have also contributed to the decrease.

Vehicle fuel consumption (litres)

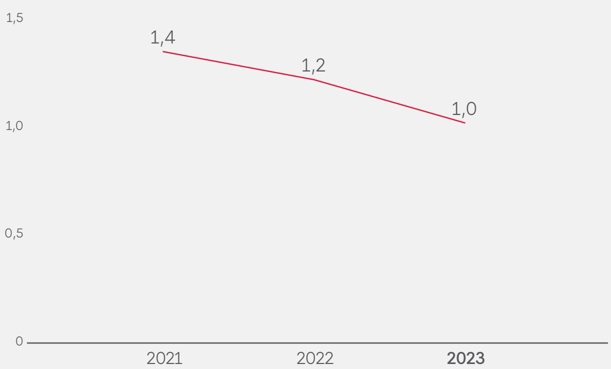


Vehicle fuel consumption was 3% higher across the Group compared to 2022, but well within our 2023 stretch target range. Vehicle fuel consumption in South Africa increased 3% compared to last year due to the normalisation of vehicle fleets and demo vehicle numbers in Vehicle Rental and the Importer divisions following the constrained stock levels of prior years. South Africa accounted for 84% of overall Group vehicle fuel consumption.

Carbon footprint (tCO_2e)



Carbon emissions intensity (tCO_2e per Rbn)



The 3% reduction in carbon emissions is pleasing against a year-on-year revenue increase of 16%. Our performance was negatively impacted by an increase in generator fuel usage; a direct impact of the increased load shedding in South Africa and adding to our operating costs.

Reduce our environmental impact

Key performance indicators

Water consumption (Group)

▲ 10%

672 938 kl

Environmental incidents (Group)

Zero

2022: Zero

Hazardous waste recycled (South Africa)

Batteries	Used oil
▼ 5%	▲ 25%
221 790 kg	**3,0 million litres**

Environmental compliance (Group)

Zero

incidents of non-compliance

2022: Zero

Highlights

- Our 2023 spend on environmental improvement projects was approximately R39 million with a further R20 million budgeted for the next financial year.
- Identified which business sites require electricity and/or water meters to counter erratic and estimated municipal readings.
- Improved the quality of our water and waste data.
- Businesses made good progress in implementing improved waste management initiatives.
- One of Kia's sites in South Africa, which uses digital deal files, has not printed a deal file since January 2023 (traditionally around 150 pages of paperwork per deal file).
- In the UK, electronic job cards were implemented at all eight Motus Truck and Van sites within our commercial vehicle business.

Challenges

- Capital expenditure in a low growth environment to implement environmental improvement projects.
- Managing targets in a business where area footprint and use of buildings often changes.
- Correct segregation of waste at source.

Our objectives

Continue to improve our measurement and reporting of environmental data, and achieve our 2024 targets.

Specifically:

- Support our management teams to achieve the Group's 2024 targets.
- Better understand the impact of our environmental improvement projects.
- Refresher training on the processes and importance of accurate reporting.

Environmental targets

Our environmental targets align with those of our sustainability-linked financing facilities, which tie the terms of our funding to ESG outcomes. In 2022 and 2023, we received an interest rate reduction on the BNP Paribas loan for our performance against targets.

Water efficiency

Based on their size and business activity, certain sites in South Africa are used as benchmarks to compare water consumption across our footprint. This helps to identify drivers of water consumption and opportunities to lower our reliance on municipal water sources, reduce operational costs, understand when we deviate from targets, and identify ways to secure water during drought conditions. 417 rainwater harvesting tanks are in place across 107 business sites, and five business site wash bays have water recycling systems. For South Africa, our key objectives are to invest in boreholes and ensure that high volume wash bays are fitted with recycling or water efficient technologies. In Australia, we will install water recycling solutions when upgrading or building a new dealership, with our UK operations incorporating smart water solutions.

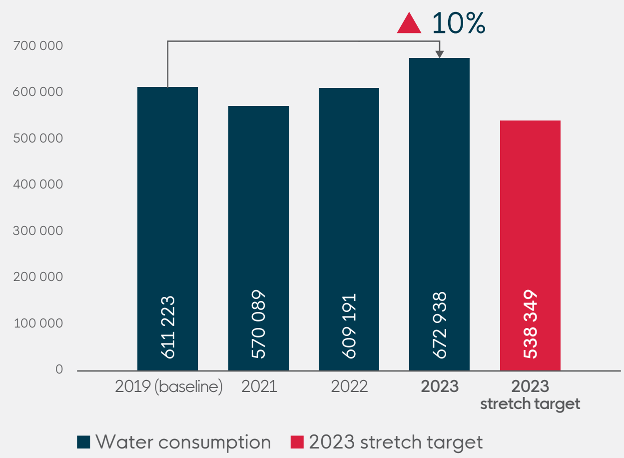
Waste management

We have continued our work to standardise the monitoring and reporting of paper, tyres, batteries and used oil in South Africa to gain a more complete view of our waste generation and recycling. These materials are now consistently reported across our businesses and we expect to have a complete view by next year. Targets will be set for these materials in 2025. At the same time we will integrate waste KPIs in remuneration structures.

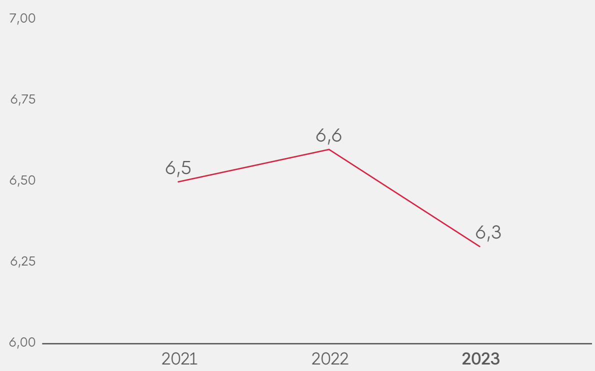
2023 performance

Group

Water purchased from municipalities (kilolitres)



Water intensity (kilolitres per Rbn)



Across the Group, water consumption increased 10% compared to 2022, with the Group's acquisitions in 2023 adding 34 790 kilolitres of water to total consumption. When removing the 2023 acquisitions from the total water consumption and comparing a like-for-like footprint between prior and current year, we exceeded our absolute water target of 581 417 kilolitres for 2023 by 3%, however we missed the stretch target. The South African operation increased its water consumption by 9%, accounting for 82% of total consumption. Other contributors to the increase are two material water leaks in South Africa and the return of all Mobility Solutions employees to the office. In addition, regions in Gauteng have experienced higher temperatures and delayed rainfall, which lowered the level of rainwater harvesting and increased the water sourced from municipal utilities. It should be noted that the quality of our water data has improved as most businesses this year reported consumption based on meter readings and not council estimates. Our water intensity ratio decreased despite year-on-year revenue increasing by 16%.

Water consumed from alternative sources (South Africa)

3 293 kl

from boreholes and rainwater harvesting tanks

2022: 2 430

Water recycled (South Africa)

12 719 kl

2022: 6 169 kl

Digitising the customer's interaction with Motus, particularly the vehicle purchasing process, enhances their experience, enables them to conveniently provide us with their information electronically and enables Motus to move away from the traditional 150 to 200 pages of paperwork generated when facilitating a vehicle sale. Similarly, Vehicle Rental's Ready2Go self-service web portal allows customers to access their invoices and statements electronically. Automation will continue to be key in reducing paperwork and printing costs.

Recycled batteries

221 790

kilograms either recycled or returned to suppliers

2022: 232 629 kilograms

Recycled used oil

3,0 million

litres

2022: 2,4 million litres

Recycled paper

939 411

kilograms

2022: 1 037 421 kilograms

Recycled tyres

54 162

tonnes

2022: 63 016 tonnes

Social

Our approach to human capital management

We want to create a working environment that is fair, rewarding and safe, and where everyone can perform to their full potential. Our people strategy, comprising the four human capital management imperatives shown below, supports Motus' growth and transition to a customer-centric and innovative organisation.

Our human capital management imperatives

Business growth	Prepare for future demand	Business continuity	Employer of choice
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 workforce mobility	Develop a compelling EVP to retain and attract exceptional people

HR systems and people practices and frameworks

A priority for the Group is to leverage our collective and diverse intelligence to drive deeper engagement among our people, promote innovation to support business growth, and improve productivity and business outcomes. In addition to delivering our strategy and motivating high-performance teams, our leaders play a critical role in embedding DEI and cultivating the Group's culture. Talent management is therefore a business imperative; supporting succession and progressing talented individuals into critical roles that aid strategic delivery and sustain our competitive advantage. Critical to attracting and retaining exceptional people, is positioning Motus as an employer of choice within the automotive industry – one that offers a just, rewarding and fulfilling EVP. Key attributes for the Group are our dynamic entrepreneurial culture, and our ability to provide diverse work experiences and career growth as a result of our integrated business model. Employee wellbeing assistance is another priority to maintain morale, support better employee engagement and boost the resilience of the workforce.

Our approach to social impact management

We are vigilant when it comes to the health and safety of our customers, employees and other stakeholders – a top priority Group-wide which is never compromised. Our OHS procedures and audits are adept at highlighting where risks exist or may occur, and ensure that all business sites meet Motus' and legislative health and safety requirements. Our employees receive health and safety training and awareness, and all serious accidents and fatalities are investigated to identify root causes and the controls needed to reduce the likelihood of reoccurrence.

Our high-quality products earn customer trust; helping them maintain safe vehicles or supporting their safety when driving one of our rental vehicles. As part of our commitment to safer roads for everyone, we extend our road safety initiatives to reach the next generation of drivers and road users – our future customers – teaching them about safe and responsible road usage and behaviours.

Just as important is the safety and wellbeing of our communities. We use Mobility for Good to strengthen our relationships with our stakeholders, create employment, grow and transform the automotive industry, and positively contribute to society. This secures our relevance in society as a business that makes a long-lasting positive difference to the economies and communities in which it operates.

Our approach to business conduct management

For Motus, integrity means always acting with honesty, fairness and transparency, conducting our business with diligence, and respecting each other, our customers OEMs, suppliers and other stakeholders, and the communities in which we operate. Together, our ethical culture, compliance initiatives and our values enable us to explain our decision-making when stakeholders hold us to account. Our ability to protect personal data, use this data responsibly and ensure that our systems are secure are also key factors in earning stakeholder trust.

Key priorities for the Group include training employees on the behaviours we expect from them, continuous professional development for employees subject to 'fit and proper' requirements, an effective and independently managed whistle-blowing hotline, effective processes to declare conflicts of interest and conduct customer due diligence, ensuring that our suppliers comply with our Code of Ethics and supply chain code of conduct and applying the most relevant security controls to our systems, critical infrastructure and end user devices.

Cultivate a diverse, equitable and inclusive workplace

Key performance indicators

Overall female representation (Group)
▼ 1%
31%

Overall black representation[1]
▲ 1%
76%

Black representation at top management[1]
Maintained
50%

Black representation at senior management[1]
Maintained
53%

Black representation at middle management[1]
▲ 2%
52%

Black representation at junior management[1]
▲ 2%
73%

Black representation among dealer principals[1]
Maintained
46%

[1] South Africa.

Highlights

- Finalised the Group's DEI framework.
- The YES4Youth Programme profiled Motus in its '100 000 work experiences created' campaign.
- Created opportunities for over 1 300 youth across the three cohorts of the YES4Youth Programme.
- Relaunched the Unstoppable campaign in South Africa to raise awareness around disability.
- Established the 'Steering the Future' diversity committee in the UK.
- Mandated DEI training for 3 000 employees in the UK.

Challenges

- We were forced to revise our employment equity targets for 2023 given the negative impact of prevailing economic challenges on opportunities to hire new employees in South Africa.
- Meeting the Department of Employment and Labour (DoEL) proposed sector targets in a low growth economy.

Our objectives

Embed our DEI strategy across all Group operations.

Specifically:
- Agree on a framework to assess and monitor our DEI progress and reporting.
- Meet the targets of our two-year employment equity plan for the South African operation.
- Improve the representation of women and people living with disabilities across the Group.

Embedding DEI

Embedding DEI into the bedrock of our culture, business processes and talent management is key for the Group as we strive to cultivate a deep sense of belonging, connection and purpose among our people. Business segments and regions have developed and started implementing their DEI roadmaps, based on the Group framework but tailored to cater for the nuanced differences of their operating environments. This work will continue into 2025.

Gender diversity

The UK's female headcount increased 63%, with women now representing 22% of the workforce. A new maternity pay offering was approved for the UK, high-potential women were prioritised for development programmes and Motus Commercial's Women in Motus working group continued to address potential challenges that women may face in our industry. In South Africa, female headcount grew 9%, bringing the representation of women in the South African workforce to 35%. The third EmpowerHER event was held in South Africa attended by 50 senior women managers, supporting their journey to success and empowerment. Two campaigns were also held to celebrate women: *CelebrateHer* profiled women trailblazers and their accomplishments at Motus, and *Allyship* communicated the importance of nurturing supportive relationships with under-represented groups of employees to advance their inclusion.

2023 performance

Executive Committee (Group)

25%

are women

2022: 33%

Top, senior, middle and junior management (Group)

26%

are women

The Employment Equity Amendment Act, promulgated in May 2023, empowers the DoEL to set sector-specific targets for designated groups. The DoEL has since published its proposed sector targets for public comment. Our comments have been submitted to the department through our memberships in NADA and RMI. Our preliminary analysis suggests that more focus will be needed on increasing the number of African men and women across most occupational levels. Of the 3 876 people hired in 2023, 82% are black (2022: 81%), and of the 482 employees promoted in 2023, 77% are black (2022: 84%). 76% of exits were black employees (2022: 75%). 36% of employees hired during the year are women, 35% of those promoted are women and 31% of employee exits were women.

Training and development

28%

(R51,1 million)

was spent on training and developing women in South Africa

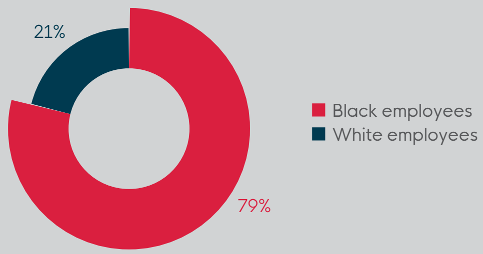
Black women representation

26%

of the South African workforce

2022: 24%

Training of black employees (%)
(percentage of training spend in South Africa)



R152 million

was invested in the development of black people

(**2022:** R128 million; 77%).

R42 million (27%)

was spent on developing black women

(**2022:** R38 million; 23%).

YES4Youth Programme (South Africa)

The YES4Youth Programme plays a key role in engendering a multi-generational workforce in South Africa, serving as a pipeline for skilled professionals and future managers who will drive Motus forward. We have enjoyed great success with the programme, which has been one of our most successful recruitment programmes. It helps us fill high attrition entry level roles, has garnered good support from our business segments with active mentoring, and enables us to assess the capabilities and behaviours of the learners, and their potential fit with the Group.

455

unemployed job seekers were recruited in our second cohort, with 33 working with our flagship CSI partners

First cohort: 435

166 (41%)

YES learners from the second cohort were hired in permanent positions at Motus.

First cohort: 196

Build leadership capability and talent pipeline

Key performance indicators

Future leaders developed (South Africa)
Maintained
20

Managers developed[1] (South Africa)
▼ 15%
292

Women leaders developed (South Africa)
▲ 25%
20

Managers developed (UK)
▼ 16%
16

[1] *Fewer managers trained as a key initiative for the year was to review Group-led leadership development programmes to ensure their relevance.*

Highlights

- Enhanced the Future Leaders Programme, allowing delegates to present business concepts supported by robust testing.
- 347 employees have graduated with Bachelor of Business Administration degrees to date.
- Introduced an updated talent management framework for South Africa.
- Enhanced our recruitment platform in South Africa to support a swift and effective end-to-end hiring process.
- In South Africa, 408 027 applications were received, averaging 131 applications per job advertised.

Challenges

- Creating a deep reservoir of successors at all employment levels in an environment of fierce competition for top talent.
- The emigration of skilled labour (IT and finance in particular) in South Africa to better economic growth environments.

Our objectives

Ensure that critical roles are filled with talented individuals able to deliver high tangible value and business growth.

Specifically:
- Ensure we have the right people with the right skills to fill critical roles when they become available.
- Ongoing review of succession management and critical skills planning, overseen by the board.
- Upskill our recruitment managers.
- Finalise our internal mobility guidelines.

Succession

Motus has a skilled and experienced leadership team with deep industry knowledge and the capability to effectively empower and motivate high-performing teams that support sustainable growth. Close attention is paid to succession planning at all executive levels. The depth of our succession pipeline is evidenced by the executive promotions and Executive Committee changes made during the year (see page 38).

Talent management

An updated and more flexible talent management framework has been introduced for South Africa, catering for each business segment's specific talent needs. Already operational in two divisions, the framework will be implemented in a further two divisions in the near future.

Developing Group-wide data for talent in critical roles, now and in the future, is work in progress. As we become more proficient in gathering this data, we will be able to clearly define career pathways and strategically move employees across different roles and divisions of the Group. Talent mobility will allow employees to gain experience, provide the Group with a talent pipeline ready for promotion when opportunities arise, and unlock organisational value by placing talent where it can make the most impact.

The new recruitment platform in South Africa gives employees a broad view of potential opportunities within the Group that they may be interested in applying for. A new system is being sourced to enhance the recruitment process in the United Kingdom.

2023 performance

As a key feeder into our succession pipeline, 64% of middle managers in South Africa attended a development programme in preparation for future opportunities (2022: 72%). In the UK, the 2022/23 delegates of the Management Development Programme presented their insights and plans for business improvement with the executive team, following the completion of the programme.

Future Leaders Programme (South Africa)

Henley Business School

The Future Leaders Programme equips leaders with the skills to think at a higher strategic level and to effectively respond to change. The programme enables participants to improve the efficiency, effectiveness and legitimacy of their leadership. At the same time, it advances the business ideas generated through the m^x innovation platform or in response to business challenges identified by executive management, using the Motus Design Thinking methodology. This year the programme included the testing of key assumptions underpinning the business ideas generated. This allowed teams to present evidence-backed business concepts together with their associated potential return on investment and estimated annual operating profit. Of the 20 employees enrolled on the programme during the year, 55% were black and 40% were women.



The IT skills needed to advance Motus into a sustainable technology driven future are critical. The short supply of trained and suitable candidates not only impacts our strategic delivery but is also true for our IT service providers who provide networking, application support and application development services. Retention mechanisms were put in place during the year to retain critical IT resources, and greater effort was made to recruit and train interns and learners as feeders into our entry-level pipeline. We also engage regularly with our suppliers on the continuity of skill to support our projects.

Hyundai implemented a new talent management process, which has enabled it to identify critical roles, develop a talent matrix to support talent management and succession planning, and prioritise learning and development.

To enhance its recruitment process, Mobility Solutions is piloting a new interviewing software which uses video, giving hiring managers more time to review potential candidates independently, and leading to higher-quality second interviews and hiring results.

In the UK, there is an industry-wide shortage of technicians, vehicle body builders and auto electricians. In addition to revising our compensation packages to ensure we remain competitive and engaging with local schools and colleges to enhance our profile as an employer, we have introduced a technician recruitment project, which creates opportunities for a diverse group of Africans and people from the Middle East with these skills. Working on new generation vehicle technologies not necessarily readily available in their own countries, the recruits are able to further their skillset and, in turn, advance their careers when they return home. A similar concept is underway in Australia.

Provide a compelling employee value proposition

Key performance indicators

Training spend (Group)

▲ 47%

R426,0 million
of which R179,8 million relates to South Africa

Employee wellness (South Africa)

▲ 100%

426 cases registered

Labour compliance (Group)

Zero
incidents of non-compliance
2022: Zero

Highlights

- Following an exercise to understand our key differentiators as an employer, we defined and communicated the Motus EVP.
- Motus Commercial received the Apprenticeship of the Year Award at the Motor Transport Awards and a Commendation Award for its commitment to Outstanding Mental Health and Welfare by Fleet News.
- Reviewed the Group-led learning and development programmes in South Africa to understand how they support the Group's growth ambitions.
- Approved a new employer-funded funeral benefit for all employees in South Africa.
- A new wage agreement between organised labour in South Africa and the Motor Industry Bargaining Council was concluded for the next three years.

Challenges

- Employee turnover rate was 23% in South Africa, and 17% in the UK.
- An increasing number of employees seeking mental health support.

Our objectives

Continue to enhance the employee experience, and measure the efficacy of our internal and external EVP communications, ensuring that they support inclusivity and provide insight on employee concerns and expectations so that we can effect change.

Specifically:

- Continue to develop customised training solutions that build current and future critical skills.
- Measure the return on investment from our learning and development initiatives.
- Develop an employee wellness policy, and understand the return on investment associated with our employee wellness interventions.

Fostering a safe environment for employees to provide feedback, includes them in decision-making and is a means of assessing our people risks and identifying employee concerns. We launched a six-month pilot of Motus Connect in 2023, covering three business areas. The mobile phone tool is used to communicate with employees, and provides them with access to Motus news, important documents and information on our DEI and wellness initiatives. Employees are able to keep in touch with each other, and the Group can use the platform to celebrate success.

We are developing a digital EVP to drive enhanced engagement with talented individuals, young professionals, students and individuals with scarce specialised skills, who are interested in working for Motus.

Employee wellbeing

Motus Cares was rolled out in South Africa in April 2023, providing employees and their immediate families with direct access to 24/7/365 face-to-face and virtual counselling services, health and wellness information and advice, and education and awareness interventions, including manager and supervisor training and consultation. Our ongoing communication with employees to encourage the use of the Employee Wellness Programme, as well as the direct and easy access now provided to employees, have resulted in the number of requests for assistance doubling during the year across a wider range of problem categories beyond psychosocial cases. 41% of cases registered related to mental wellbeing, the highest problem category.

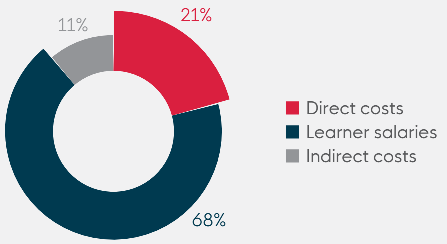
2023 performance

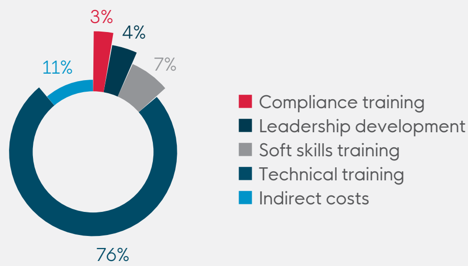
The review of our learning and development programmes in South Africa enabled us to identify the skills, knowledge and behaviours needed for effective leadership, and the current and future skills that our business segments need to drive the Group strategy. New programmes and/or service providers will be introduced where gaps have been identified.

The Digitally Speaking Programme counteracts resistance to change by teaching employees how to confidently navigate digitisation, and use it to work more productively and effectively. This helps employees adapt to new ways of working and supports their continued employment and opportunity to secure quality jobs.

218 (2022: 276) employees in South Africa received training on industrial relations covering effective communication, conflict resolution and fostering a positive work environment. HR personnel received training on our anti-harassment policy and how to manage incidents of harassment. Broader training on anti-harassment is being developed for roll out to all employees in September 2023.

Training spend breakdown (%)





Our South African training spend for the year equated to 3,0% of payroll costs – exceeding the Skills Development Act's requirement that training spend equal 1% of payroll (2022: 3,4%). At the semi-skilled level, 57% of employees received training as part of our commitment to uplift our employees (2022: 75%).

In the UK, we continue to provide a broad range of apprenticeship opportunities to develop future talent. During the year, 200 learners were enrolled on an apprenticeship with 87 recruited into the business. Over 24 900 online courses were completed. Training spend in the UK and Australia equated to R237,7 million and R8,5 million, respectively – 2,9% of the total payroll costs for the two operations.

Protect the health and safety of people

Key performance indicators

Average OHS audit score (Group)

▲ 1%

94%

Road accidents (Group)[1]

▲ 5%

43

Workplace accidents (Group)[1]

▲ 10%

301

Fatalities (Group)[1]

▼ 43%

four

OHS compliance (Group)

Zero

material incidents of non-compliance

2022: Zero

[1] *OHS metrics cover employees and third parties.*

Highlights

- Updated our OHS policies, frameworks and checklists to meet changes in regulation.
- Introduced an OHS database in South Africa, providing safety officers with easy access to OHS documents.
- In the UK, increased vigilance around near miss reporting and root cause analysis to respond to the increasing trend in workplace accidents.
- Vehicle Rental initiated SMS notifications to drivers exceeding the speed limit.
- Ran a road safety awareness campaign for our dealership employees in South Africa.
- Provided road safety education at the schools supported by the Imperial and Motus Community Trust, and signed a two-year sponsorship of the K53 Learner's and Driver's manual in South Africa.

Challenges

- Consistent application of safety measures across regions with differing OHS regulations.
- Monitoring the compliance of third-party on-site contractors to our OHS standards.

Our objectives

Continue to enhance our management of OHS issues and ensure that our products and services do not pose a risk to the health and safety of people and communities.

Specifically:
- Introduce driver training for relevant dealership employees in South Africa.
- Report the safety performance of our Asian operation.

Innovation to support our ESG aspirations

As part of our m^x platform initiative we are exploring a sustainable interim pothole solution that could potentially create micro-jobs for unskilled unemployed people while making roads safer. If feasible, the project will be a collaboration with local government, communities and NGOs, and will aim to patch around 500 potholes a month.

Customer safety

Product safety is a key focus for Motus in the later stages of a vehicle's lifecycle – when it is serviced and maintained, sold as a pre-owned vehicle, supplied as a rental and when it requires parts and accessories. We support customers to maintain safe vehicles with competitively priced service and maintenance plans, special offers for customers with out-of-warranty vehicles (discounted prices on service kits or beneficial labour rates), and market-leading motor warranty products which assist policyholders when unexpected mechanical breakdown or vehicle electrical failures occur. Our Auto Pedigree Service Centres in South Africa offer vehicle owners access to affordable high-quality vehicle maintenance, and the Motus Assist app provides access to a panel of accredited roadside assistance service providers in all major metropolitan hubs and provinces of South Africa. Vehicle Rental implemented a number of initiatives to maintain its quality control processes and reduce the costs associated with accidents. There were no material recalls from OEMs during the year.

2023 performance

Number of sites audited for OHS compliance

581

2022: 547

OHS audit coverage

93%

of all Group sites

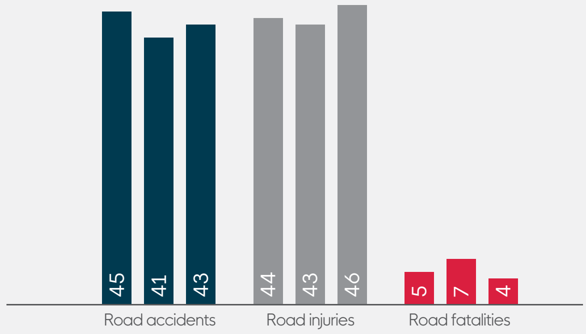
2022: 92%

Average OHS audit score

94%

2022: 93%

Road accidents (number)

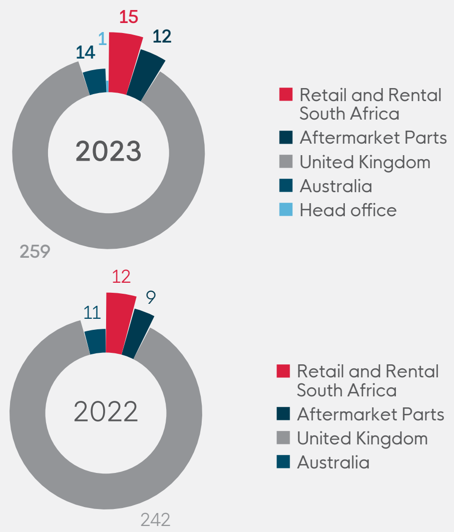


Note: each category measured across three years from 2021 to 2023.

Four road fatalities occurred during the year, resulting from four separate road accidents in South Africa. All four incidents were third-party fatalities, three involving pedestrians. All incidents were beyond the control of our drivers.

Accidents per million kilometres increased from 0,218 in 2022 to 0,224. Of the 43 road accidents, 34 (2022: 28) occurred in South Africa and nine (2022: 13) in the UK. Road incidents increased 27% to 785 (2022: 616).

Workplace accidents (number)



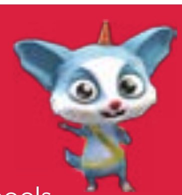
Workplace accidents increased from 274 in 2022 to 301, and 509 workplace incidents were reported; up 75% from 290 in 2022. The UK reports a higher number of workplace injuries as a result of more stringent regulatory reporting requirements. The majority of injuries reported in the UK were slips, trips and falls at 29% (2022: 18%) and operator error at 14% (2022: 17%). Of the accidents in the UK, 11 (2022: 11) were reportable.

Note: an incident is an unsafe occurrence where damage to property is incurred but there were no fatal or occupational injuries. An accident is when a fatality or an occupational injury to either employees or third parties has occurred.

The Road Safety – Powered by Motus

In partnership with leading road safety advocates and the government, this flagship CSI programme drives road safety education and awareness among school children, parents and holidaymakers in South Africa.

Impact (cumulative since 2011)



>2,25 million

learners reached in over 2 600 schools

2022: >1,96 million learners; >2 300 schools

Highway Patrol Programme

12

patrol vehicles sponsored during the Festive and Easter periods

2022: 12

Our investment

R1,3 million

invested during the year

2022: R1,5 million

Environmental and social review (continued)

Contribute to improving economic and social inclusion

Key performance indicators

Employment (Group)

▲ 15%

19 817 employees

70% in South Africa

B-BBEE score (South Africa)

▲ 4%

85,19 points

at June 2023

Preferential procurement spend with >51% black-owned businesses (South Africa)

▲ 59%

R4,6 billion

ESD spend (South Africa)

▼ 2%

R119 million

CSI spend (Group)

▼ 12%

R26,5 million

Highlights

- Achieved a Level 3 B-BBEE rating for the first time in the 2023 scorecard.
- Considered a number of B-BBEE ownership structure options for post-2025 when Ukhamba shareholders will receive their Motus shares.
- Enhanced the management of the Motus Technical Academy and introduced a new learning curriculum.
- Extended the pool of qualifying employees in South Africa able to apply for funding relief for the tertiary education of their children.

Our objectives

Continue to find opportunities to support socio-economic development, and uplift marginalised communities and those in need.

Specifically:

- **South Africa:** select a new B-BBEE ownership structure for post-2025.
- **South Africa:** increase the number of black-owned Motus-aligned franchise dealerships.
- **South Africa:** grow the network of black-owned second tier workshops.
- Expand the reach of our CSI programmes to provide larger pools of support to projects, enhancing their sustainability.

Challenges

- Providing the right support to help small suppliers build their capabilities.
- The increasing need for immediate assistance to social issues balanced against investing to establish sustainable and far-reaching positive social impact.

Inclusive procurement

The Makhaya project aims to create a sustainable micro-network of informal sector mechanics in historically under-served areas and informal communities. We provide equipped non-OEM branded workshops, technical support and SME-linked business training. The project currently supports one workshop and five technicians with an additional five potential workshop sites identified. Aftermarket Parts is testing a solution to connect informal traders and technicians, and their customers to our stores, enabling them to pre-order parts. The informal traders and technicians gain convenience and access to trade credit, Motus gains access to new markets, and the broader public is able to afford to maintain the safety and reliability of vehicles that are 12 years or older. We provide training, mentoring and financial assistance to a number of SMEs across various trades, mostly black-owned outsourced wash bay and food service providers who operate on our premises rent and utility free. 10 SMMEs within our supply chain were selected to participate in our newly launched Business Fit Programme, which will help the entrepreneurs to build and scale their businesses, and meet reporting and compliance requirements. We also provide interest-free loans to the black professional women nurses of the Unjani Clinics network, who through their clinics provide affordable quality primary healthcare and medicines to lower-income communities.

2023 performance

>51% black-owned suppliers

R4,6 billion

2022: R2,9 billion

30% black women-owned suppliers spend

R3,0 billion

2022: R1,8 billion

EME and QSE suppliers spend

R2,5 billion

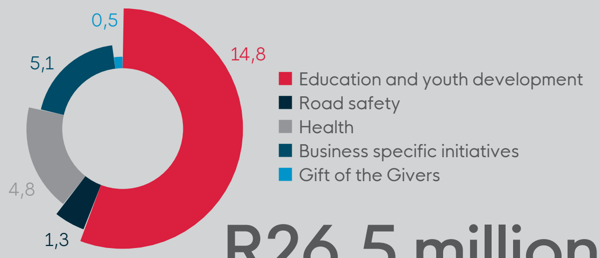
2022: R2,1 billion

Unjani Clinics networks

R7 million

in interest-free funding made available to the network in two tranches up to 2027. To date, R4,2 million has been disbursed to clinics.

Corporate social investment spend



R26,5 million

2022: R30 million

Gift of the Givers

Donated a Toyota Hilux to Gift of the Givers which provides essential goods, food and basic items to communities during their time of need, particularly when impacted by natural disasters.

Motus Family Bursary Fund

30

beneficiaries supported – 53% women and 77% black students. Similar bursary programmes were rolled out for Hyundai and Aftermarket Parts.

2022: 27

Motus Technical Academy

1 167

apprentices trained, with 64% trained for the broader automotive industry and the balance being Motus apprentices. The Academy supports ten technical trainer jobs.

2022: 1 633

Environmental and social review (continued)

2023 performance (continued)

Imperial and Motus Community Trust

>79 300

learners with access to school libraries and resource centres in 71 under-served schools. 76 full-time jobs are supported, mostly unemployed people from the local communities.

2022: 63 facilities; >72 000 learners

Unjani Clinics network

1 039 060

patients served in 164 health facilities (clinics, mobile clinics and health pods) located across South Africa.

649 permanent jobs supported.

2022: 864 122

Employee involvement

Employees volunteered their time to help communities on Mandela Day, including cleaning up the Grade R playground at a primary school in Gauteng and participated in the Santa Shoe Box drive providing learners with toiletries, toys and stationery.

Gender-based violence

Held an innovative ideas workshop to identify solutions to gender-based violence in our communities. Nine ideas were generated with three to be taken forward for further investigation.

Biggest Morning Tea event

In Sydney, Australia, the Motus Biggest Morning Tea event united employees in a meaningful cause and raised funds for the Cancer Council.

Key indicator summary

Assurance has been provided on the selected KPIs described below (see the independent limited assurance report on page 225).

Environment

	Boundary	2023
Energy consumption		
Road fuel usage (litres)	Group	17 081 771
Electricity purchased (megawatt hours)	Group	64 998
Emissions		
Scope 1[1] emissions (tCO_2e)	Group	49 909
Scope 2[2] emissions (tCO_2e)	Group	57 359
Scope 3[3] emissions – air travel only (tCO_2e)	Group	1 392
Water		
Water purchased from municipalities (kilolitres)	Group	672 938

Social

	Boundary	2023
Training spend		
South Africa (Rm)	South Africa	179,8
Safety		
Road accidents (includes any fatalities)	Group	43
Road accidents per million kilometres	Group	0,224
Corporate social investment (CSI) spend		
Total CSI spend (Rm)	Group	26,5

[1] Scope 1: all direct emissions from the activities of Motus or under our control, including fuel combustion and on-site oil (fleet vehicles, air-conditioning or generators).
[2] Scope 2: indirect emissions from the electricity Motus purchases and uses.
[3] Scope 3: indirect emissions from air travel only.

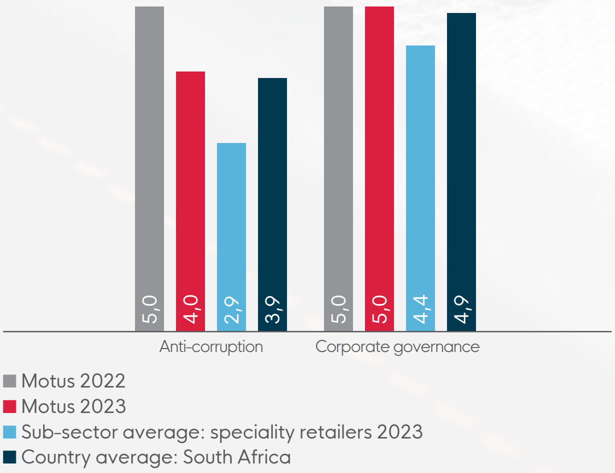
Company Secretary and
Head of Legal Counsel

Governance approach

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

FTSE4Good Index Series (Group)

Governance themes



Governance report

The board is committed to good corporate governance and, as the custodian thereof, ensures that Motus adheres to the highest standards of accountability, fairness and ethics – essential in building and maintaining trust and delivering value.

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 appropriate authority is exercised and decisions are taken within an ethical and predictable framework that promotes accountable decision-making.

Assisted by its sub-committees, the Motus board sets the tone at the top, leading ethically and with integrity to ensure that a culture of good corporate governance cascades down throughout the organisation. 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 further guided by 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.

Creating value through good corporate governance by applying the King IV principles

Principle 1: Leadership

The governing body (i.e. the board) should lead ethically and effectively.

Applied

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

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.

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 ensures that a culture of good corporate governance cascades down throughout the organisation.

Principle 2: Ethics

The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.

Applied

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. This includes adherence to honesty, accountability, transparency, fairness and sustainability practices.

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, clients, stakeholders, suppliers, and the communities within which Motus operates.

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.

Employees and stakeholders are encouraged to report any suspected contravention of the policies and/or law through an independently operated anonymous whistle blowing 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. In addition to the above, Phase 2 of the Motus Ethics Self Declaration (ESD) programme was launched in the 2022 financial year. The objective is to have all the divisions complete the ESD programme to amplify the level of alertness on the importance of ethics within the Group. To date, over 91% of employees across the Group who are required to, have completed the annual declaration. In addition, the Group developed an online gifts and conflicts register to track and record declarations and to continuously monitor for any potential ethical conflicts.

For more detailed information, refer to 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 sub-committee agendas 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 long-term 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.

Principle 3: Responsible corporate citizenship

The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.

Applied

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.

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

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.

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.

For more information on our responsible corporate citizenship, see engaging with stakeholders on page 46, strategic priorities on page 62, environmental and social review on page 120.

Principle 4: Elements of value creation

The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are inseparable elements of the value creation process.

Applied

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. Every year, the Group convenes a full day strategy and budget session, attended by all the directors of the company and certain Executive Committee members who are leaders of the various commercial divisions of the Group. The purpose of this session is for the non-executive directors to receive an in-depth presentation and evaluation of the various businesses of the Group, including detailed financial information and the opportunities and potential risks faced by those businesses. The intention is that the board should then be in a position to approve the future strategic direction of the Group going forward.

Any risk taken is considered within board-approved risk appetite and tolerance levels which are reviewed and, where necessary, updated on a quarterly basis. The Group has a clearly defined strategy with identified risks and opportunities.

For more information on how we create value, see integrated business model on page 76.

Principle 5: Reporting

The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short, medium and long-term prospects.

Applied

Oversight and guidance of the process, reporting approach and content planning for the Group's reporting suite is provided by the Group Executive Committee members, who also oversee the process and controls applied in the information gathering and drafting process.

The ARC and SES Committee assist 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.

For more information on our reporting, see the introduction: preparation and presentation of this report on page 3.

Principle 6: Role and responsibilities of the board

The governing body should serve as the focal point and custodian of corporate governance in the organisation.

Applied

The board is committed to good corporate governance and as the focal point and 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 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 2023, where management presented the strategy and budget to the board for consideration and approval, as mentioned above.

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 Nomination Committee (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 management of Motus is the responsibility of the CEO, who reports and is accountable to the board for 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.

Principle 7: Composition of the board

The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.

Applied

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 comprised of seven non-executive directors and three executive directors during the year.

Details of board members, including a brief CV, can be found in the leadership section from page 36. Changes to the board can be found below.

The board is guided by its charter, which is based on the principles of King IV and the MOI. Each board sub-committee has terms of reference, also based on King IV, from which the committee's annual plan is drawn. These are standing items on the committee agendas to ensure confirmation that each committee has adhered to its terms of reference.

Board changes

The following changes to the board and committees occurred during the year under review:

Effective date	Nature of the change
June 2023	• Mr. GW Dempster resigned as Chairman and as a member of the board on 7 June 2023. He also resigned as Chairman of the NomCo and ALCO, and as a member of the Remuneration Committee (RemCo). • Mr. PJS Crouse resigned as an independent non-executive director of the board on 28 June 2023. He also resigned as a member of ALCO. • Ms. NB Duker resigned as an independent non-executive director of the board on 28 June 2023. She also resigned as a member of the ARC. • Mr. MJN Njeke was appointed as Interim Chairman of the board on 8 June 2023.
After 30 June 2023	• Mr. MJN Njeke was appointed as Chairman of the board, Chairman of the NomCo and resigned as Chairman and as a member of the SES Committee with effect from 22 August 2023. He resigned as Chairman of RemCo and remains a member of this committee, with effect from 29 August 2023. • Ms. F Roji was appointed as Chairman of the SES Committee with effect from 22 August 2023. • Mr. JN Potgieter joined the board as an independent non-executive director with effect from 22 August 2023, and was appointed as Chairman of the ALCO and a member of the ARC. • Ms. MG Mokoka joined the board as an independent non-executive director with effect from 29 August 2023, and was appointed as a member of the ARC and the SES Committees. • Mr. R van Wyk joined the board as an independent non-executive director with effect from 29 August 2023, and was appointed as Chairman of the RemCo, and a member of the NomCo and ALCO Committees.

Governance report (continued)

Board attendance to 30 June 2023

Board and sub-committee meetings, as well as the board strategy and budget meeting, are scheduled annually and in advance.

	Board meetings	Special board meetings	Annual board strategy and budget meeting	Independent	Appointed to the board
Total meetings	4	4	1		
Non-executive directors					
GW Dempster (former Chairman)	4/4	3/3	1/1	Yes	1 August 2018
MJN Njeke (Chairman)	4/4	3/4	1/1	Yes	22 November 2018 Appointed as Interim Chairman on 8 June 2023 Appointed as Chairman on 22 August 2023
A Tugendhaft (Deputy Chairman)	4/4	4/4	1/1	No	1 August 2018
PJS Crouse	4/4	4/4	1/1	Yes	10 November 2020
NB Duker	4/4	3/4	1/1	Yes	10 November 2020
S Mayet	4/4	4/4	1/1	Yes	22 November 2018
F Roji	4/4	3/4	1/1	Yes	1 September 2021
Executive directors					
OS Arbee	4/4	4/4	1/1	No	12 October 2017
OJ Janse van Rensburg	4/4	4/4	1/1	No	12 October 2017
KA Cassel	4/4	4/4	1/1	No	1 July 2019

Board meetings and ensuring effectiveness

The meetings of the board and its sub-committees are scheduled annually in advance. Normally there are four scheduled board meetings and an annual strategy and budget session. Board papers are provided to directors in advance of meetings in a timely manner, affording 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 committees 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 charter regulates board training and director education sessions. Board training contributes to the board's awareness of relevant trends and skills development. Board training can include briefings and updates on business, regulatory or operational matters. Formal training sessions are scheduled when the board identifies a specific need. In addition, new directors undergo a formal induction process to facilitate their understanding of the operations of the Group and attend onboarding briefings with management who provide an overview of the business.

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 calendar

July to August 2022

- Discussed and approved the 2022 financial results and ordinary dividend.
- Approved the re-appointment of Deloitte as external auditors to the company and Ms. Shelly Nelson as the designated partner for the 2023 audit and recommended the re-appointment to the shareholders for approval at the AGM.
- Recommended the appointment of PwC as external auditors (due to rotation) with Mr. Thomas Howatt as designated partner for the 2024 audit.
- Recommended the re-election of Messrs S Mayet and MJN Njeke as directors to the shareholders following their retirement by rotation.
- Evaluated and confirmed the competence, qualifications and experience of the Company Secretary to discharge his duties as such.
- Approved the Group's remuneration policy and implementation.

September to November 2022

- Approved the Group's acquisitions of MPD and MB retail dealerships.
- Held the Group's 2022 AGM with virtual and in-person options.
- Approved the general authority to conclude financial assistance with related entities.

December 2022 to February 2023

- Approved the Group's 2023 interim results including interim dividend.
- Reviewed and approved the board sub-committee (NomCo) terms of reference.

March to June 2023

- Interrogated and approved the Group's business plan, divisional strategies (including the Group strategy) and budgets as presented by management.
- Constituted an ad hoc committee assisted by the Company Secretary to review certain internal company processes with a view to strengthen them and to report back to the board.
- The ad hoc committee subsequently presented its observations, aimed at improving identified processes and procedures, which the board agreed to. The action plan will be implemented by 30 November 2023.
- Considered and approved the proposed Group audit fee for the 2023 audit.
- Reviewed and approved the board sub-committee (RemCo) terms of reference.

Post June 2023

- Appointed three new independent non-executive directors.
- Reconstituted the board sub-committee memberships and changed roles of certain directors.
- Reviewed and approved the board sub-committee (ALCO) terms of reference.

Board appointment and nomination

The nomination and appointment of directors is regulated in terms of the MOI, the NomCo terms of reference and the 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 including, but 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 and prescribed officers based on directors or prescribed officers' role, ability to attend meetings and contribution on the board or the Group. 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 required 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: Ms. MG Mokoka and Messrs JN Potgieter and R van Wyk.

For more information about NomCo activities, see page 155.

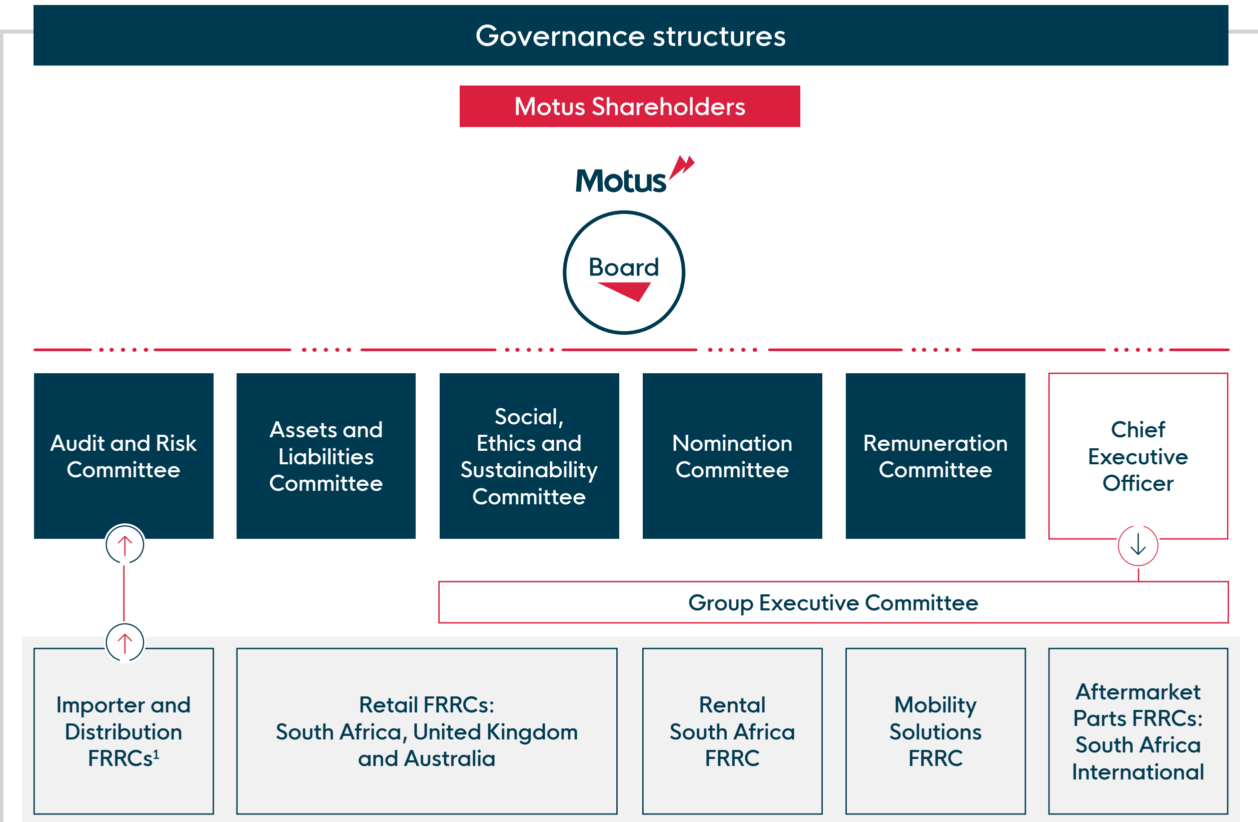
Principle 8: Committees of the board

The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.

Applied

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 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 committees are generally constituted with powers of recommendation unless specified in a board resolution, board charter, or legislation.



[1] *Finance and Risk Review Committee.*

The Group has a formally constituted board who is accountable to the company's shareholders. The sub-committees and 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 (chaired by internal individuals who are not directly involved in the day-to-day running of the respective business), 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 to ensure that strategic priorities are appropriately prioritised and monitored, and that financial performance is reviewed and monitored quarterly. Minutes of the FRRCs 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 ExCo, which meets a minimum of seven times a year, is responsible for considering and approving operational policies and reviewing business performance.

A listing of the key subsidiaries and related parties of the Group can be found online in the annual financial statements.

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, board-approved term of reference 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 board committees do from time to time, invite directors who are not members of the committee to participate in discussions (co-opted directors) but the invited directors do not form part of the quorum for committee meetings and do not participate in voting.

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 Committee

Responsibility

The role of the SES Committee is set out in the Companies Act and its terms of reference. In addition, this committee plays a 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 United Nations 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 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. Subsequent to year end, Ms. F Roji was appointed as the new committee Chairman and Ms. MG Mokoka was appointed as a new committee member.

Members	Attendance	Standing invitees
Chairman: MJN Njeke	4/4	KA Cassel
Members:		B Cohen
OS Arbee	3/4	B Francis
F Roji	4/4	OJ Janse van Rensburg
A Tugendhaft	3/4	M Seroke

For detail of changes to committee membership, refer to board changes on page 145.

Performance

During the year, the committee discharged its statutory duties to monitor activities relating to the following:

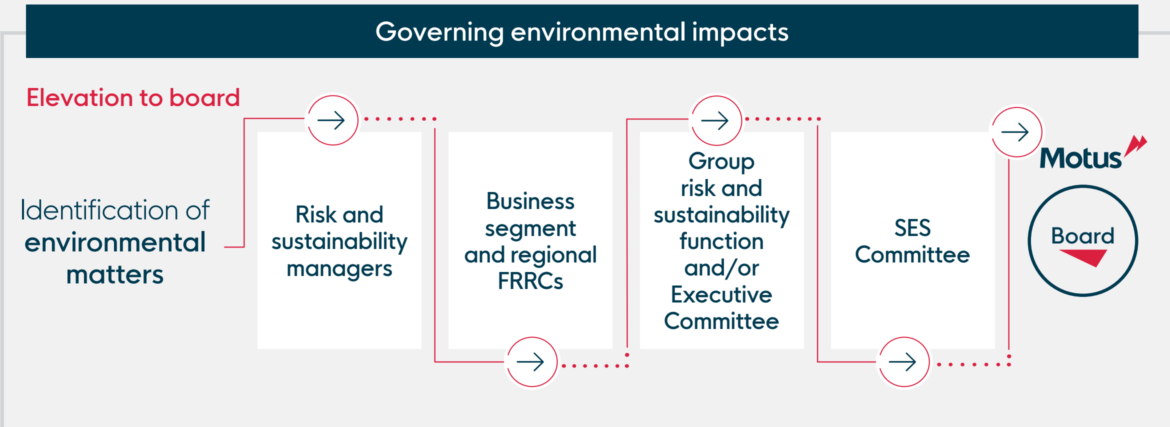
- Compliance with the Companies Act and its regulations.
- Compliance with the principles of King IV.
- Feedback from independent service providers managing our whistle-blowing hotline.
- Motus' sustainability commitments.
- B-BBEE requirements as described in the Department of Trade, Industry and Competition (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.
- Considered Motus' Branding and Reputation Management strategy and initiatives.
- Occupational health and safety.
- Socio-economic development commitments.
- Review of its terms of reference.
- Motus innovation, brand positioning and reputation.
- Various business divisions presented to the SES Committee on their business operations and key green investment initiatives.
- Considered the ESG benchmarking assessment for Motus' ESG report.
- Compliance with Code of Ethics and other key policies.

Our approach to managing climate-related risks

The Financial Stability Board's Task Force on Climate-related Financial Disclosures aim to improve and increase climate change reporting so that investors and funders have clear, comprehensive and high-quality information on the impacts, including the financial impacts, of climate change as well as climate-related risks and opportunities.

The board is therefore ultimately responsible for ensuring that the Motus climate-related impacts, risks and opportunities are identified, understood and effectively managed through formal processes, robust systems and visible policy compliance across the Group. The board considers material climate change-related risks and opportunities when reviewing the Group's strategy, risk management framework and financial planning. In this responsibility, the board is assisted predominantly by the SES Committee and to a lesser extent the ARC and RemCo.

Material climate change and environment-related matters and metrics are elevated through our governance and management structures to the board quarterly.



Social, Ethics and Sustainability Committee

The SES Committee guides and oversees our ESG-related strategies and their implementation. It monitors the Group's ESG performance, including our progress against our environmental targets and compliance with various environment-related regulations. The committee's agenda includes climate change risk, our environmental strategy, our investment in green projects, and OEM plans to supply NEVs to our markets. In the future, the SES Committee will oversee the development of a net zero strategy for the Group.

Audit and Risk Committee

ARC is responsible for ensuring that Motus has a robust and effective risk management framework that is embedded throughout the Group. The committee reviews the impact of ESG-related risks on the Group's risk profile and oversees the funding for non-insurable climate-related events. Climate change is included in the Group's top ten risks. ARC assists the board in overseeing the quality and integrity of sustainability reporting.

The Motus TCFD report sets out our response to each of the TCFD's recommended disclosures, with additional information in our CDP submission online. Read more about how Motus governs sustainability in the ESG report online.

Governance report (continued)

Audit and Risk Committee

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	In its role as the Risk 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 risks 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. • 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. • Confirms that the findings contained in the JSE Proactive Monitoring reports, thematic reviews, combined findings report, and the JSE letters, documents, and limited-scope thematic reviews were taken into consideration in the audited consolidated and separate annual financial statements and the summarised audited consolidated financial statements. • Monitors the performance and functioning of divisional FRRCs 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 integrated report. • Performs such other oversight functions as may be determined by the board from time to time.	• 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. Subsequent to year end, Mr. JN Potgieter and Ms. MG Mokoka were appointed as new committee members.

Members	Attendance	Standing invitees	
Chairman: S Mayet	4/4	OS Arbee	OJ Janse van Rensburg
Members:		N Bell	R Louw
NB Duker	4/4	KA Cassel	U Singh
F Roji	4/4	GW Dempster	K Volschenk
		B Francis	External audit representatives

For detail of changes to committee membership, refer to board changes on page 145.

Performance

During the year, the committee discharged its statutory duties to monitor activities relating to the following:

- The committee has reviewed the results of the Group's compliance with internal policies and procedures and assessed the adequacy and effectiveness of internal controls.
- 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.
- Reviewed the combined assurance model and is satisfied that the model is appropriate, complete and effective in addressing the risks identified in the business.
- Oversight of IT governance and strategy.

For more detailed information, refer to the audit and risk report in the audited consolidated and separate annual financial statements.

Assets and Liabilities Committee (ALCO)

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 associated 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.
- Provide oversight of capital expenditure within its level of authority.

Membership

ALCO comprised three non-executive directors, with permanent invitees being members of management. It was chaired by the former Chairman of the board up to the date of his resignation from the board and its sub-committees. Subsequent to year end, Mr. JN Potgieter was appointed as the new committee Chairman and Mr. R van Wyk was appointed as a new committee member.

Members	Attendance	Standing invitees
Chairman: GW Dempster	4/4	OS Arbee
Members:		OJ Janse van Rensburg
PJS Crouse	4/4	S Pillay
S Mayet	4/4	K Volschenk

For detail of changes to committee membership, refer to board changes on page 145.

Performance

During the year, the committee discharged its delegated 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 downgrade of the South African sovereign credit 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 (such as the acquisition of MPD and MB retail dealerships) to the board for approval and also considered liquidity and solvency requirements.
- Foreign exchange management through appropriate forward cover and hedging mechanisms is in place.

Nomination Committee

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 was chaired by the former Chairman of the board up to the date of his resignation from the board and its sub-committees. Subsequent to year end, Mr. MJN Njeke was appointed as the new committee Chairman and Mr. R van Wyk was appointed as a new committee member.

Members	Attendance	Standing invitees
Chairman: GW Dempster	3/3	OS Arbee
Members:		OJ Janse van Rensburg
MJN Njeke	3/3	
A Tugendhaft	3/3	

For detail of changes to committee membership, refer to board changes on page 145.

Performance

During the year, the committee discharged its delegated 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.
- Following the resignation of the directors as mentioned elsewhere in this report, the committee led the search for suitable replacements before a recommendation was made to the board.
- Directors, through the ARC, SES Committee 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

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.

Membership

The committee comprised three non-executive directors, with standing invitees being members of management. It is chaired by an independent non-executive director. Subsequent to year end, Mr. R van Wyk was appointed as the new committee Chairman with Mr. MJN Njeke stepping down as Chairman and remaining a member.

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 145.

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 staff members.
- RemCo also considered and approved the following:
  - 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.
  - Medical aid and retirement benefits of the Group.

Full details of RemCo's performance are set out in the remuneration report from page 162.

Principle 9: Evaluation and performance of the board

The governing body should ensure that the evaluation and performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.

Applied

The evaluation of the board's performance and that of its sub-committees, its Chairman and its individual members is regularly conducted to support continued improvement in its performance and effectiveness. An internal evaluation is conducted by the Company Secretary every two years, with the summary of the outcome presented to the board for consideration and discussion. An external evaluation is performed every three years.

The internal evaluation of the board's performance and that of its sub-committees was conducted in the period under review. The evaluation covered areas such as board composition, training, governance of meetings, the relationship between the board and the executive management; governance on board committees; strategy, risk management and control, reporting, compliance, sustainability amongst others.

The outcome of the evaluation highlighted the need to fill non-executive director vacancies and provide additional director training in certain areas. Non-executive director vacancies have since been filled and a director training programme has commenced.

Directors are of the view that the board is functional and the standard of governance is high in terms of effectiveness.

Principle 10: Appointment and delegation to management

The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibility.

Applied

The board has adopted and regularly reviews, a written policy (delegation of authority framework) that governs delegation of authority to management and matters reserved for decision by the board as well as those reserved for shareholders' authority.

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 framework 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 an arm's length transaction with the board.

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.

Principle 11: Risk governance

The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.

Applied

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.

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.

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.

For more information see Principle 13: Compliance governance on page 159.

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 our risks and opportunities management section from page 51.

Principle 12: Information and technology governance

The governing body should govern technology and information in such a way that supports the organisation setting and achieving its strategic objectives.

Applied

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. 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 20.

Read more about how we govern data in our ESG report online.

Principle 13: Compliance governance

The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.

Applied

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.

Keeping abreast of regulatory changes

The Group operates in a highly regulated and complex environment. Despite a number of key pieces of legislation 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 is 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.

For more detailed information, refer to our ESG report online.

Principle 14: Remuneration governance

The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long-term.

Applied

The remuneration policies are formulated to attract and retain high-calibre staff members, and motivate them to develop and implement the Group's strategy to optimise long-term shareholder value.

RemCo advises and guides the board on director remuneration and sets and implements the remuneration policy to ensure fair and responsible remuneration. This includes setting the criteria for executive short-term and long-term incentives. For 2023, the criteria included the achievement of fuel, electricity and water targets, and investing in environmental improvement projects.

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 2021. The review included: total guaranteed pay (TGP), STIs, LTIs, key performance criteria and the constituents of the peer group. Findings confirmed that the remuneration packages are aligned to the market and the remuneration mix has a higher proportion of variable pay, supporting the Group's pay-for-performance reward philosophy. A detailed benchmarking exercise was performed in the prior year to determine if the constituents of the peer group is still appropriate.

For more information see remuneration report from page 162.

Principle 15: Assurance

The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.

Applied

The ARC is responsible for the oversight and management of the Group's combined assurance approach.

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.

Principle 16: Stakeholders

In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.

Applied

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 Motus' ability to successfully implement its strategic objectives. All 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.

Motus has developed strong relationships with its stakeholders. 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, these 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, 71 resource centres and libraries provide access to over 79 300 learners on a daily basis and create 76 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 2 600 schools and reaching over 2,25 million learners.

Unjani Clinic Network

Comprising 164 healthcare facilities, the Unjani Clinic concept supports a sustainable model for primary healthcare in disadvantaged communities, empowering black women professional nurses and employing 649 people.

YES4Youth programme

The Motus support for the YES4Youth initiative, gives over 450 young people relevant work experience and preparing them for future employment.

In addition, Motus provides apprentice training to around 1 200 apprentices.

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. In addition to the above, Motus hosts an annual Investor Day where management shares the Group's strategy and affords investors the opportunity to interact with members of management and to ask questions about the business.

Read more in our stakeholder engagement from page 46.

Principle 17: Responsible investing

The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests.

n/a

The Group is not an institutional investor, and this principle is therefore not applicable.

Group investments are considered and evaluated at ALCO and board level.

Remuneration report

Outgoing Remuneration Committee Chairman

Incoming Remuneration Committee Chairman

Reward philosophy:

The remuneration policies are formulated to attract and retain high-calibre staff members, and motivate them to develop and implement the Group's strategy to optimise long-term shareholder value.

This report comprises four sections:

1. Statement from the Remuneration Committee Chairman page 163.
2. Remuneration governance page 164.
3. Remuneration policies page 165.
4. Implementation of the remuneration policies page174.

Section 1
Statement from the Remuneration Committee Chairman

On behalf of the Remuneration Committee (RemCo), I am pleased to present the Group's remuneration report, which sets out the remuneration governance, remuneration policies and its implementation for the financial year.

I would like to thank Mr. GW Dempster and Mr. A Tugendhaft, my fellow committee members, who provided insightful contributions that allowed the RemCo to perform its duties effectively and efficiently. Through the committee, the board ensures the Group's remuneration policies and practices align to the Group's strategies.

Background statement

RemCo welcomes and considers the views of shareholders in its 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 and expertise, in the areas in which they operate.

I would like to thank the shareholders for their support of the Group's remuneration policies and their implementation as evident from the voting at the AGM. Your endorsement is a testament to the trust and confidence you have placed in the Group's leadership and our commitment to fair and effective remuneration practices. At the 2022 AGM, 97,2% of shareholders voted in favour of the Group's remuneration policies and 96,9% in favour of its implementation. As a result of our ongoing interactions with shareholders, we continuously implement changes which relate to the remuneration policies and enhance the implementation thereof.

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 2021. 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 remuneration packages are aligned to the market and the remuneration mix has a higher proportion of variable pay, supporting the Group's pay-for-performance reward philosophy.

RemCo has 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.
- Medical aid and retirement benefits of the Group.

Shareholder engagement and changes to remuneration policy and disclosure

In keeping with the recommended practices of King IV, both the remuneration policies and its implementation will be tabled for shareholder approval by separate non-binding advisory votes at the AGM on 8 November 2023. RemCo and the board will continue to consider the views expressed by shareholders, and we remain deeply committed to sound corporate governance, responsible decision-making and transparency on executive remuneration.

Should 25% or more of the voting rights exercised at the 2023 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 policies 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 policies and its implementation are in line with the Group's remuneration philosophy.

JJ Njeke
RemCo member (outgoing Chairman)

27 September 2023

Section 2
Remuneration governance

Remuneration Committee

Committee Chairman

The committee was chaired by Mr. MJN Njeke, an independent non-executive director for the 12 month period ended 30 June 2023.

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 senior executives to ensure fair and responsible remuneration.
- Approval of the general composition of remuneration packages for executive directors, prescribed officers and senior executives, 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 retirement benefits, 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, etc.
- 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 and provide insights where required, except when their own remuneration and performance are discussed. No director is allowed to decide his or her own remuneration.

Members	Attendance
Chairman: MJN Njeke	4/4
Members:	
GW Dempster[1]	4/4
A Tugendhaft	4/4

[1] *Mr. GW Dempster resigned from the board and RemCo on 7 June 2023.*

Subsequent to year end, Mr. R van Wyk was appointed as the new committee Chairman, with Mr. MJN Njeke stepping down as Chairman and remaining a member.

Read more about RemCo governance in the governance report on page 156.

Section 3
Remuneration policies

Reward philosophy

The remuneration policy is formulated to attract and retain high-calibre executives and motivate them to develop and implement the Group's strategies to optimise long-term shareholder value. It also aims to align the entrepreneurial ethos and long-term interests of executive directors and senior 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

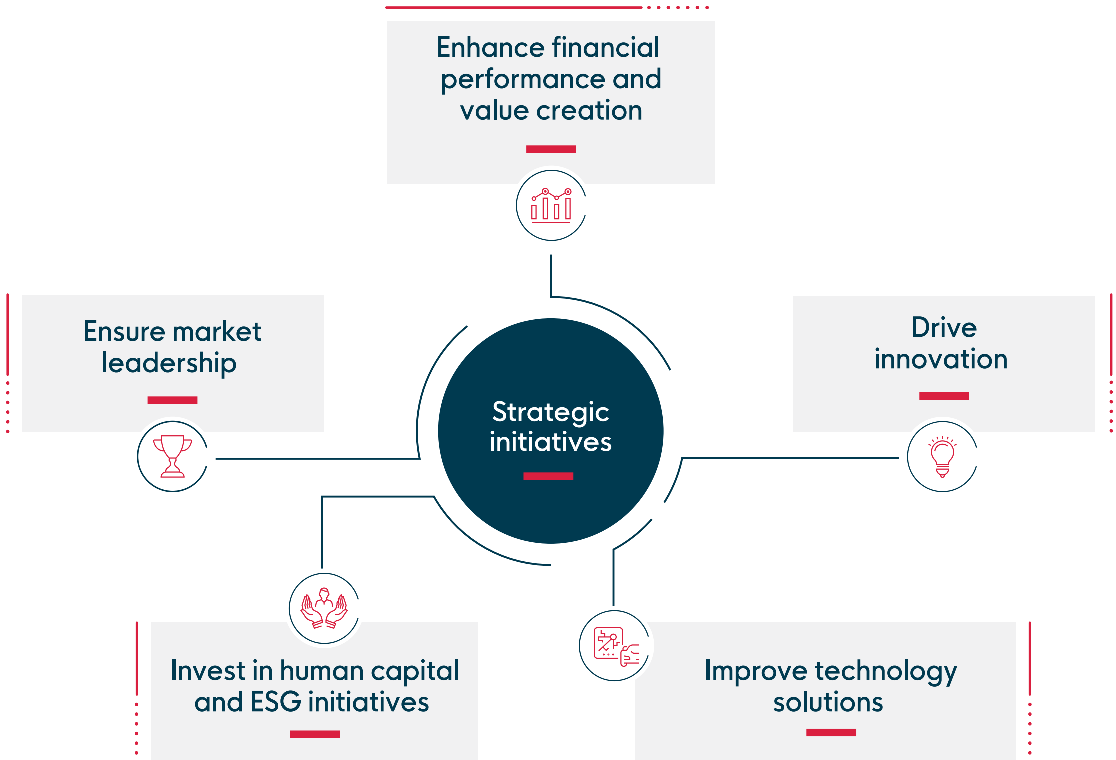
The remuneration policies are intended to conform to best practices. They are structured around the following key principles:

- Total rewards are set at responsible and competitive levels within the relevant market.
- Incentive-based rewards (STIs and LTIs) are capped and earned by achieving sustainability, growth and return targets 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, leveraging existing capabilities and networks, and creating a sustainable business by reducing the dependency on income arising from vehicle sales and investing offshore in closely aligned businesses. 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 locally and internationally, to enhance profitability, and bolt-on acquisitions of technology companies to enhance the Mobility Solutions business.

Our five strategic pillars include the following:



The individual's performance measurement criteria are aligned with the achievement of the Group's strategies.

Section 3
Remuneration policies (continued)

Determination of performance incentives

The Group 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 occur regularly throughout the Group, where company performance, personal achievement of key performance criteria, and delivery of key strategic imperatives are discussed.

	2023	2022
Total number of employees[1]	19 817	17 283
Total compensation paid to employees (Rm)	8 680	7 307

[1] *Includes 1 885 MPD employees as a result of the acquisition.*

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 policies seek 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, while also preserving the executives' entrepreneurial spirit.

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 remuneration structure 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 vehicle, travel allowances, pension funds 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 has 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 the grounds of misconduct, poor performance or proven dishonest or fraudulent conduct) before the vesting date, all share appreciation rights 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 the 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 a contributory retirement fund. 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. These are included in the report as both the NomCo and RemCo are relevant decision-makers on these matters.

External appointments

Executives are only permitted to hold external directorships or offices with the approval of the board.

Directors' service contracts

Executive 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.

Section 3
Remuneration policies (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.

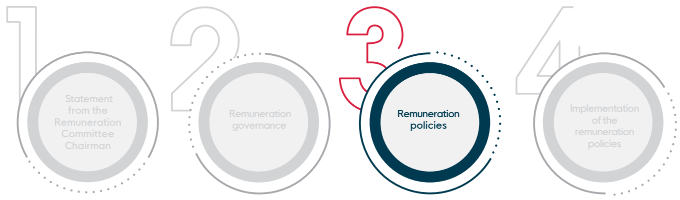
Compliance with the MSR will be measured annually, and executives subject to MSR will have to declare the extent of their personal shareholdings in the company at each year end or as and when directed by the company. RemCo will assess compliance with the MSR before making future discretionary LTI awards.

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 director and prescribed officers	1 times post-tax annual fixed remuneration		
Kerry Cassel		30 June 2024	Achieved in financial year ended 30 June 2023
Rainer Gottschick		30 June 2028	Newly appointed prescribed officer
Niall Lynch		30 June 2024	Achieved in 2019
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 executives (executives)

Executives are responsible for leading others and making significant decisions about the short- and long-term operations 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 (TGP)
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 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 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 an individual's responsibilities are amended.

Section 3
Remuneration policies (continued)

Annual STI criteria for the 2024 financial year

The CEO and CFO's 2024 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 (cash management target)	30
Strategy execution – Succession planning – Optimisation of dealership footprint, including multi-franchising – Investment in IT and innovation	15
Achieve ESG targets – *Environmental:* achieve Group fuel consumption, purchased electricity, water consumption and waste reduction targets; invest in projects such as solar PV systems, energy-efficiency initiatives and water saving initiatives 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	25
Individual performance – 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	10
Maximum as a percentage of TGP	150

The 2024 STI criteria for the executive director will include:

	Maximum STI as % of TGP
Achieve targeted Group operating profit	25
Achieve divisional PBT	30
Strategy execution – Successful execution of internal IT projects and innovation – Expansion of technology product offerings	10
Achieve ESG targets – *Environmental:* achieve Group fuel consumption, purchased electricity, water consumption and waste reduction targets; invest in projects such as solar PV systems, energy-efficiency initiatives and water saving initiatives 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 and prepare the business for new legislation	25
Individual performance – 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	10
Maximum as a percentage of TGP	100

The 2024 STI criteria for the prescribed officer will include:

	Maximum STI as % of TGP
Achieve Group operating profit target	20
Achieve divisional operating profit target	30
Achieve cash management target	15
Achieve ESG targets	25
– *Environmental:* achieve Group fuel consumption, purchased electricity, water consumption and waste reduction targets; invest in projects such as solar PV systems, energy-efficiency initiatives and water saving initiatives 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	
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 2024 STI criteria for the Company Secretary and Head of Legal Counsel will include:

	Maximum STI as % of TGP
Achieve targeted Group operating profit and PBT	29
Achieve ESG targets	16
– *Environmental:* achieve Group fuel consumption, purchased electricity, water consumption and waste reduction targets; invest in projects such as solar PV systems, energy-efficiency initiatives and water saving initiatives 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)	13
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

Section 3
Remuneration policies (continued)

Long-term (LTI) schemes

Executive participation in LTI and retention schemes are 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 quantum of CSPs allocated is 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 R92,77 per share and will vest in September 2026. The value of long-term share-based incentives is determined in the financial year of allocation using the Black-Scholes valuation methodology. This is based on several assumptions, which include the share price 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

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 headline earnings per share (HEPS) relative to the growth in HEPS of a selected peer group of JSE-listed companies	25
ROIC in excess of WACC plus 2%	25
Achieve cash flow target	25
Individual performance	25

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 2% 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

Section 4

Implementation of the remuneration policies

Share scheme allocations

A total of 925 451 SARs remain unexercised in terms of the SARs scheme at an average price of R72,05 per share. A total of 3 602 950 CSPs have been allocated and remain unvested.

Annual share scheme allocations

The Group has awarded annual allocations of CSPs during September 2023 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 in the prior year and considered comparative metrics including revenue, number of employees, industry and complexity.

Current peer group[1]	Sector
Barloworld Limited	Industrials
Bidvest Limited	Industrials
Clicks Group Limited	Consumer services
Combined Motor Holdings Limited	Consumer services
KAP Industrial Holdings Limited	Industrials
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

[1] *Massmart Holdings Limited was included in the peer group in the prior year, but has subsequently been removed due to their delisting.*

Proposed non-executive directors' fees for 2023 and 2024

At the AGM to be held on 8 November 2023, 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 2025.

The proposed fee increase for the 2024 financial year is 6%, and the 2025 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 2023, as well as proposed fees for the years ended 30 June 2024 and 30 June 2025:

	Actual fee from 1 July 2022 to 30 June 2023	Proposed fee from 1 July 2023 to 30 June 2024	Proposed fee from 1 July 2024 to 30 June 2025
Chairman*	**R1 106 420**	R1 172 805	R1 243 173
Deputy Chairman*	**R553 215**	R586 408	R621 592
Board member	**R316 410**	R335 395	R355 519
Assets and Liabilities Committee Chairman*	**R201 675**	R213 776	R226 603
Assets and Liabilities Committee member	**R134 265**	R142 321	R150 860
Audit and Risk Committee Chairman*	**R417 840**	R442 910	R469 485
Audit and Risk Committee member	**R208 920**	R221 455	R234 742
Remuneration Committee Chairman*	**R150 980**	R160 039	R169 641
Remuneration Committee member	**R100 285**	R106 302	R112 680
Nomination Committee Chairman*	**R113 230**	R120 024	R127 225
Nomination Committee member	**R75 210**	R79 723	R84 506
Social, Ethics and Sustainability Committee Chairman*	**R202 230**	R214 364	R227 226
Social, Ethics and Sustainability Committee member	**R134 265**	R142 321	R150 860

* *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 2023

The table below provides an analysis of the emoluments paid to non-executive directors for the year to 30 June 2023:

Non-executive directors	Directors' fees R'000	Sub-committee fees R'000	**2023 Total R'000**	2022 Total R'000
GW Dempster[1]	1 423	625	**2 048**	1 951
PJS Crouse[2]	316	134	**450**	429
NB Duker[2]	316	209	**525**	500
S Mayet	316	761	**1 077**	1 026
MJN Njeke	409	663	**1 072**	934
F Roji	316	343	**659**	523
A Tugendhaft	870	310	**1 180**	1 172
Total	3 966	3 045	**7 011**	6 535

[1] *Mr. GW Dempster resigned, effective 7 June 2023.*
[2] *Mr. PJS Crouse and Ms. NB Duker resigned, effective 28 June 2023.*

Section 4
Implementation of the remuneration policies (continued)

Executive remuneration

The executive directors and prescribed officers' remuneration include the TGP, STI, and LTI.

2023 Remuneration

	2023 R'000	2022 R'000
Cash component	11 261	10 801
Retirement and medical contributions	654	529
Other benefits	386	386
Total guaranteed package	12 301	11 716
STI bonus	15 958	16 717
Total cash remuneration	28 259	28 433
Gains on exercise of LTI awards	47 749	19 694
Total remuneration realised	76 008	48 127

TGP

Osman's TGP was increased by 5% for inflation. His TGP is R12 301 000 (2022: R11 716 000).

STI

Based on the computation (set out below) according to STI criteria set during July 2022, Osman achieved 87% of the criteria. An annual incentive of R15 957 500 was paid (2022: R16 716 700).

LTI

Based on the LTI criteria for the four-year performance period set during November 2018, Osman achieved 80% of the CSP criteria. Based on the LTI criteria for the three-year performance period set during September 2019, Osman achieved 100% of the CSP criteria. The combined result of the vesting and exercise of LTI awards in September 2022 amounted to R47 749 000 (September 2021: R19 694 444).

The annual allocation of CSPs in line with LTI award benchmarks for executive directors to a value of R13 011 500 (2022: R12 275 000) were awarded in September 2023. The CSPs are subject to performance criteria set out above and will vest in September 2026.

Ockert Janse van Rensburg
Group CFO

2023 Remuneration

	2023 R'000	2022 R'000
Cash component	6 005	5 690
Retirement and medical contributions	451	416
Other benefits	180	178
Total guaranteed package	6 636	6 284
STI bonus	8 580	8 938
Once-off incentive award	1 500	–
Total cash remuneration	16 716	15 222
Gains on exercise of LTI awards	26 184	11 432
Total remuneration realised	42 900	26 654

TGP

Ockert's TGP was increased by 5,6% for inflation. His TGP is R6 636 000 (2022: R6 284 000).

STI

Based on the computation (set out below) according to STI criteria set during July 2022, Ockert achieved 87% of the criteria. An annual incentive of R8 580 000 was paid (2022: R8 937 500).

In addition, Ockert assisted in managing the Retail division (South Africa) for nine months due to the CEO of the Retail division's ill health. An additional once-off incentive award to the value of R1 500 000 was paid.

LTI

Based on the LTI criteria for the four-year performance period set during November 2018, Ockert achieved 80% of the CSP criteria. Based on the LTI criteria for the three-year performance period set during September 2019, Ockert achieved 100% of the CSP criteria. The combined result of the vesting and exercise of LTI awards in September 2022 amounted to R26 184 000 (September 2021: R11 432 369).

The annual allocation of CSPs in line with LTI award benchmarks for executive directors to a value of R7 000 000 (2022: R6 600 000) were awarded in September 2023. The CSPs are subject to performance criteria set out above and will vest in September 2026.

Remuneration report (continued)

Section 4
Implementation of the remuneration policies (continued)

STI computation for the 2023 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	25	25	
Achieve targeted average debt to EBITDA	30	30	30	
Strategy execution	15	15	15	Note 1
– Consolidating dealership footprint, including multi-franchising				
– Investment in IT and innovation				
– Strategic acquisitions				
Achieve ESG targets	25	15	15	Note 2
– *Environmental:* achieve Group fuel consumption, purchased electricity and water consumption targets; invest in projects such as solar PV systems, other energy-efficiency initiatives and water saving initiatives 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	10	10	Note 3
Maximum as a percentage of TGP	150	130	130	
Achievement (%)		87	87	

Notes to the STI computation:

1. **Strategy execution**
   - The multi-franchise dealership footprint and consolidation strategy was accelerated in South Africa.
   - Strategic acquisition of MPD (United Kingdom) in the international Aftermarket Parts segment and MB retail dealerships in Johannesburg.
   - Investment in IT and innovation in various technology platforms and developments in the Mobility Solutions segment.

   Osman and Ockert were awarded 15% (target 15%) for this criteria.

2. **Achieve ESG targets**
   - *Environmental:* achieved the Group's fuel consumption, purchased electricity and water consumption targets. Continued to invest in solar PV systems, other energy-efficiency initiatives and water saving initiatives on all new and refurbished buildings.
   - *Social:* achieved some but not all employment equity and gender representation targets for top, senior and middle management.

	Black		Gender	
	Prior year %	Actual %	Prior year %	Actual %
Top management	50	**50**	33	**25**
Senior management	53	**53**	38	**42**
Middle management	50	**52**	29	**31**

Contributed towards impactful CSI projects in communities – refer to our environmental and social review on page 120 and our ESG report online).

   - *Governance:* implemented all changes necessary to comply with new legislation impacting the business.

Osman and Ockert were awarded 15% (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 10% (target 10%) for this criteria.

Remuneration report (continued)

Section 4
Implementation of the remuneration policies (continued)

2023 Remuneration

	2023 R'000	2022 R'000
Cash component	**4 647**	4 479
Retirement and medical contributions	**455**	410
Other benefits	**340**	264
Total guaranteed package	**5 442**	5 153
STI bonus	**5 277**	4 893
Total cash remuneration	**10 719**	10 046
Gains on exercise of LTI awards	**20 528**	6 472
Total remuneration realised	**31 247**	16 518

TGP

Kerry's TGP was increased by 5,6% for inflation. Her TGP is R5 442 000 (2022: R5 153 000).

STI

Based on the computation (set out alongside) according to STI criteria set during July 2022, Kerry achieved 97% of the set criteria. An annual incentive of R5 276 800 was paid (2022: R4 892 500).

LTI

Based on the LTI criteria for the four-year performance period set during November 2018, Kerry achieved 80% of the CSP criteria. Based on the LTI criteria for the three-year performance period set during September 2019, Kerry achieved 100% of the CSP criteria. The combined result of the vesting and exercise of LTI awards in September 2022 amounted to R20 528 000 (September 2021: R6 472 010).

The annual allocation of CSPs in line with LTI award benchmarks for executive directors to a value of R4 327 500 (2022: R4 080 000) was awarded in September 2023. The CSPs are subject to performance criteria set out above and will vest in September 2026.

STI computation for the 2023 financial year for the executive director:

	Maximum STI as % of TGP	Achievement	Note
Achieve targeted Group operating profit	25	25	
Achieve divisional PBT	35	35	Note 1
Strategy execution – Successful execution of internal IT projects and innovation – Expansion of technology product offerings	10	10	Note 2
Achieve ESG targets – *Environmental:* achieve Group fuel consumption, purchased electricity and water consumption targets; invest in projects such as solar PV systems, other energy-efficiency initiatives and water saving initiatives 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 and prepare the business for new legislation	20	17	Note 3
Individual performance	10	10	Note 4
Maximum as a percentage of TGP	100	97	
Achievement (%)		97	

Notes to the STI computation:

1. **Divisional profits**
   - Achieved in excess of 100% of the target set in July 2022.

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. **Achieve ESG targets**
   - *Environmental:* achieved the Group's fuel consumption, purchased electricity and water consumption targets. Continued to invest in solar PV systems, other energy-efficiency initiatives and water saving initiatives on all new and refurbished buildings.
   - *Social:* achieved some but not all employment equity and gender representation targets for senior, middle and junior management.

	Black		Gender	
	Prior year %	Actual %	Prior year %	Actual %
Senior management	46	50	38	43
Middle management	50	54	45	45
Junior management	76	77	52	52

   Contributed towards impactful CSI projects in communities– refer to our environmental and social review on page 120 and our ESG report online).

   - *Governance:* implemented all changes necessary to comply with new legislation impacting the business.

   Kerry was awarded 17% (target 20%) for this criteria.

4. **Individual performance**
   Kerry exceeded individual performance expectations and was awarded 10% (target 10%) allocation for this criteria.

Section 4
Implementation of the remuneration policies (continued)

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.

During the year we were shocked and saddened by the passing away of the CEO of the Retail Division (South Africa), Corné Venter. Corné exemplified Motus' values of being fair, accountable, driven and responsible. It also reminded us of the critical importance of maintaining a strong leadership team and succession pipeline. To this end, Rainer Gottschick, assumed Corné's responsibilities for the Retail Division in South Africa on 1 April 2023.

Niall Lynch
CEO – Hyundai South Africa

2022 Remuneration

	2023 R'000	2022 R'000
Cash component	3 608	3 302
Retirement and medical contributions	430	425
Other benefits	314	275
Total guaranteed package	4 352	4 002
STI bonus	3 959	3 960
Total cash remuneration	8 311	7 962
Gains on exercise of LTI awards	9 841	3 849
Total remuneration realised	18 152	11 811

TGP

Niall's TGP was increased by 9% for inflation and additional responsibilities relating mainly to international operations in the United Kingdom. His TGP is R4 352 000 (2022: R4 002 000).

STI

Based on the computation (set out below) according to STI criteria set during July 2022, Niall achieved 91% of the set criteria. An annual incentive of R3 958 500 was paid (2022: R3 960 000).

LTI

Based on the LTI criteria for the four-year performance period set during November 2018, Niall achieved 80% of the CSP criteria. Based on the LTI criteria for the three-year performance period set during September 2019, Niall achieved 100% of the CSP criteria. Niall also exercised SARs that vested in prior periods. The combined result of the vesting and exercise of all LTI awards during the year amounted to R9 841 312 (September 2021: R3 849 388).

Annual allocation of CSPs in line with LTI award benchmarks for an Executive Committee member and business unit leader to a value of R2 305 000 (2022: R2 175 000) were awarded in September 2023. The CSPs are subject to the performance criteria set out above and will vest in September 2026.

Change in responsibilities

Niall has been transferred from his position as the CEO of Hyundai South Africa to the Aftermarket Parts business segment, as COO with effect from 1 July 2023, resulting in him no longer being a prescribed officer for Motus.

Rainer Gottschick

CEO – Retail and Rental South Africa

2023 Remuneration

	2023 R'000
Cash component	3 184
Retirement and medical contributions	512
Other benefits	182
Total guaranteed package	3 878
STI bonus	3 206
Total cash remuneration	7 084
Gains on exercise of LTI awards	–
Total remuneration realised	7 084

TGP

Rainer's TGP is R3 878 000. He was appointed as a prescribed officer from 25 May 2023.

STI

Based on the computation (set out below) according to STI criteria set during July 2022 and updated after his appointment as CEO: Retail and Rental in April 2023, Rainer achieved 83% of the set criteria. An annual incentive of R3 205 875 was paid.

LTI

Annual allocation of CSPs in line with LTI award benchmarks for an Executive Committee member and business unit leader to a value of R2 125 000 were awarded in September 2023. The CSPs are subject to the performance criteria set out above and will vest in September 2026.

Section 4
Implementation of the remuneration policies (continued)

STI computation for the 2023 financial year for the prescribed officers:

	Maximum STI as % of TGP	Achievement: Niall Lynch	Achievement: Rainer Gottschick	Note
Achieve Group operating profit target	15	15	15	
Achieve divisional operating profit target	30	30	30	Note 1
Achieve cash management target	10	5	0	Note 2
Achieve ESG targets	25	21	18	Note 3
– *Environmental:* achieve Group fuel consumption, purchased electricity and water consumption targets; invest in projects such as solar PV systems, other energy-efficiency initiatives and water saving initiatives 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	10	10	Note 4
Individual performance	10	10	10	Note 5
Maximum as a percentage of TGP	100	91	83	
Achievement (%)		91	83	

Notes to the STI computation:

1. **Divisional operating profits**
   Niall and Rainer achieved in excess of 100% of the target set in July 2022.

2. **Divisional cash management**
   Niall achieved 5% out of 10% divisional cash management target, and Rainer did not achieve the cash management target.

3. **Achieve ESG targets**
   - *Environmental:* achieved the Group's fuel consumption, purchased electricity and water consumption targets. Continued to invest in solar PV systems, other energy-efficiency initiatives and water saving initiatives on all new and refurbished buildings.
   - *Social:* Niall achieved some but not all employment equity and gender representation targets for senior, middle and junior management.

	Black		Gender	
Hyundai: South Africa	Prior year %	**Actual %**	Prior year %	**Actual %**
Senior management	50	**50**	43	**43**
Middle management	55	**59**	20	**24**
Junior management	76	**80**	20	**22**

Rainer achieved some but not all employment equity and gender representation targets for senior, middle and junior management.

	Black		Gender	
Rental: South Africa	Prior year %	**Actual %**	Prior year %	**Actual %**
Senior management	43	**45**	0	**27**
Middle management	58	**60**	37	**38**
Junior management	85	**86**	25	**26**

Contributed towards impactful CSI projects in communities – refer to our environmental and social review on page 120 and our ESG report online).

   - *Governance:* implemented all changes necessary to comply with new legislation impacting the business.

   Niall was awarded 21% (target 25%) and Rainer was awarded 18% (target 25%) for this criteria.

4. **Market share/specific projects/strategy execution**
   Niall and Rainer achieved targeted vehicle and parts market share, delivered on specific projects and implemented key strategies.

   Niall and Rainer were awarded 10% (target 10%) for this criteria.

5. **Individual performance**
   Niall and Rainer exceeded their individual performance expectations and were awarded 10% (target 10%) for this criteria.

Section 4
Implementation of the remuneration policies (continued)

2023 Remuneration

	2023 R'000	2022 R'000
Cash component	**2 964**	2 735
Retirement and medical contributions	**286**	265
Other benefits	**2**	2
Total guaranteed package	**3 252**	3 002
STI bonus	**1 901**	1 814
Total cash remuneration	**5 153**	4 816
Gains on exercise of LTI awards	**–**	–
Total remuneration realised	**5 153**	4 816

TGP

Ntando's TGP was increased by 8% for inflation and additional structural responsibilities. His TGP is R3 252 000 (2022: R3 002 000).

STI

Based on the computation (set out alongside) according to STI criteria set during July 2022, Ntando achieved 90% of the criteria. An annual incentive of R1 901 250 was paid (2022: R1 813 500).

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 207 500 (2022: R1 137 500) were awarded in September 2023. The CSPs are subject to performance criteria set out above and will vest in September 2026.

STI computation for the 2023 financial year for the Company Secretary and Head of Legal Counsel:

	Maximum STI as % of TGP	Achievement	Note
Achieve targeted Group operating profit	16	16	Note 1
Achieve ESG targets – *Environmental:* achieve Group fuel consumption, purchased electricity and water consumption targets; invest in projects such as solar PV systems, other energy-efficiency initiatives and water saving initiatives 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	16	10	Note 2
Specific projects (legal and governance projects)	26	26	Note 3
Individual performance	7	7	Note 4
Maximum as a percentage of TGP	65	59	
Achievement (%)		90	

Notes to the STI computation:

1. **Group operating profit**
   Ntando achieved 16% out of a possible 16% Group operating profit.

2. **ESG targets**
   - *Environmental:* achieved the Group's fuel consumption, purchased electricity and water consumption targets. Continued to invest in solar PV systems, other energy-efficiency initiatives and water saving initiatives on all new and refurbished buildings.
   - *Social:* achieved some but not all employment equity and gender representation targets for senior, middle and junior management.

	Black		Gender	
	Prior year %	Actual %	Prior year %	Actual %
Senior management	53	53	38	42
Middle management	50	52	29	31
Junior management	71	73	24	26

   Contributed towards impactful CSI projects in communities – refer to our environmental and social review on page 120 and our ESG report online).

   - *Governance:* implemented all changes necessary to comply with new legislation impacting the business.

   Ntando was awarded 10% (target 16%) for this criteria.

3. **Specific projects (legal and governance projects)**
   - Ntando structured elements of the legal framework to create a more effective legal and governance structure across the Group.
   - Valuable input and guidance were provided during the strategic expansion of the operations.

   Ntando was awarded 26% (target 26%) for this criteria.

4. **Individual performance**
   Ntando exceeded individual performance expectations and was awarded a 7% (target 7%) allocation for this criteria.

Summarised financial information


MODE

Extracts of summarised financial information

Group profit or loss

for the year ended 30 June 2023	2023 Rm	2022 Rm	% change
Revenue	**106 321**	91 978	16
Earnings before interest, taxation, depreciation and amortisation	**8 083**	6 785	19
Operating profit before capital items and net foreign exchange gains	**5 723**	5 029	14
Profit/(losses) on disposal of property, plant and equipment, net of impairments	**17**	(91)	(>100)
Other capital costs	**(51)**	(104)	(51)
Net foreign exchange gains	**20**	135	(85)
Net finance costs	**(1 352)**	(496)	>100
Profit before tax	**4 357**	4 473	(3)
Income tax expense	**(947)**	(1 135)	(17)
Profit for the year	**3 410**	3 338	2
Attributable to non-controlling interests	**(56)**	(48)	17
Attributable to shareholders of Motus Holdings	**3 354**	3 290	2
Operating profit (%)	**5,4**	5,5	
Effective tax rate (%)	**21,9**	25,6	

Revenue increased by 16% with a positive contribution from all segments. The Aftermarket Parts segment increased by 52%, Retail and Rental segment increased by 14%, Mobility Solutions segment increased by 9%, and Import and Distribution segment increased by 3%.

Overall vehicle volumes were lower, but offset by price increases. Vehicle prices increased above inflation due to the initial supply constraints of products, but also the market conditions affected by the weakening currency mainly in South Africa.

Operating profit before capital items and net foreign exchange gains improved by 14% with the following business segments improving operating profit contribution for the year: Aftermarket Parts (62%), Retail and Rental (16%), and Mobility Solutions (14%). This was offset by the reduced contribution from the Import and Distribution segment (6%).

The increased operating profit is mainly as a result of the continued recovery of the automotive and vehicle rental sectors, the increased contribution from the FAI and MPD acquisitions, supported by higher profitability from VAPS in Mobility Solutions and increased contributions from international businesses.

The increased operating profit was mainly offset by margin pressure experienced by the Import and Distribution segment.

Net foreign exchange gains of R20 million were recognised. The gains are mainly due to the translation differences arising from foreign currency denominated balances such as trade receivables, trade payables, CFC accounts and interest-bearing debt, and changes in the fair value of derivative instruments that are not formally designated in a hedge relationship.

Net finance costs increased to R1 352 million mainly due to higher average working capital and vehicles for hire levels, the financing of acquisitions, increased IFRS 16 – *Leases* finance costs and increased interest rates across all the geographies we operate in.

Effective tax rate is 21,9%. The effective tax rate was lower than the prior year mainly due to the change in the South African tax rate reducing to 27% and a reduction in permanent differences. In addition, the tax rate adjustments also reduced, which had a negative impact in the prior year on the deferred tax assets in South Africa and the related effective tax rate.

Summarised reconciliation of earnings to headline earnings

for the year ended 30 June 2023	2023 Rm	2022 Rm	% change
Earnings	**3 354**	3 290	2
Impairment of goodwill and other assets	**125**	305	(59)
Profit on sale of businesses and other	**(8)**	(43)	(81)
Profit on disposal of assets	**(53)**	(47)	13
Adjustments included in results of associates and joint ventures	**(1)**	(1)	–
Tax and non-controlling interests	**(1)**	–	>100
Headline earnings	**3 416**	3 504	(3)
Weighted average number of ordinary shares (millions)	**167**	173	(3)
Earnings and headline earnings per share			
Basic earnings per share (cents)	**2 008**	1 902	6
Diluted basic earnings per share (cents)	**1 928**	1 808	7
Headline earnings per share (cents)	**2 046**	2 025	1
Diluted headline earnings per share (cents)	**1 963**	1 925	2

The Group repurchased 1 083 145 shares during the year at an average price of R93,25 per share, which resulted in lower weighted average number of shares, of which 418 795 shares were acquired as treasury shares for the share incentive schemes.

Financial position

as at 30 June 2023	2023 Rm	2022 Rm	% change
Goodwill and intangible assets	**6 572**	1 959	>100
Investments in associates and joint ventures	**277**	269	3
Property, plant and equipment	**8 309**	7 331	13
Right-of-use assets	**3 410**	2 046	67
Investments and other financial assets	**258**	320	(19)
Vehicles for hire	**3 920**	3 677	7
Net working capital[1]	**14 362**	7 166	100
Tax assets	**1 618**	1 392	16
Assets classified as held-for-sale	**376**	657	(43)
Contract liabilities (service and maintenance contracts)	**(3 086)**	(3 021)	2
Lease liabilities	**(3 768)**	(2 347)	61
Core interest-bearing debt	**(12 042)**	(4 169)	>100
Floorplans from financial institutions	**(1 670)**	(867)	93
Other liabilities	**(774)**	(368)	>100
Total equity	**17 762**	14 045	26
Total assets	**66 655**	42 940	55
Total liabilities	**(48 893)**	(28 895)	69

[1] *Net working capital includes floorplans from suppliers amounting to R10 968 million (2022: R4 988 million).*

Factors impacting the financial position at June 2023 compared to June 2022

Goodwill and intangible assets

Goodwill increased mainly due to the MPD, MB retail dealerships and Aftermarket Parts South African business acquisitions and currency adjustments, partly offset by impairments in line with the Group policy. The Group examines each business which carries goodwill and routinely impairs all individual amounts lower than R15 million.

Intangible assets increased mainly due to the MPD and MB retail dealerships acquisitions in which customer lists and OEM agreements were recognised as intangible assets. This was further increased by currency adjustments and computer software additions, partly offset by amortisation and impairments.

Extracts of summarised financial information
(continued)

Financial position (continued)

Property, plant and equipment
Increased mainly due to acquisitions in the United Kingdom and South Africa, additions and currency adjustments, offset by depreciation, disposals and impairments.

Right-of-use assets
Increased mainly due to the acquisition of MPD and MB retail dealerships, new leases entered into or renewals and currency adjustments. Offset by depreciation and derecognition of leases.

Vehicles for hire
Increased mainly due to increased demand from vehicle rental customers following up-fleets as a result of increased travel, coupled with the increased cost of vehicles as a result of price increases.

Net working capital increased by R7,2 billion (100%)
- Inventory increased as a result of improved supply of certain models and derivatives (with production backlogs from OEMs being received in late December 2022 to June 2023), change in mix of vehicles (more weighted towards new vehicles), price increases and acquisitions;
- Trade and other receivables increased mainly due to improved sales and trading activity across segments, price increases and acquisitions; offset by:
- Floorplan payables increased due to increased inventory being placed on floorplans. Inventory shortages in the prior year further impacted the current year increase;
- Trade and other payables increased mainly due to increased trading activity across segments and acquisitions;
- The net current derivative asset decreased from June 2022 mainly as a result of the rolling of favourable forward exchange contracts over the year, the utilisation of contracts over the year and the deliberate strategy to stretch FX cover.

Tax assets
Increased mainly due to deferred tax assets recognised and increased tax payments.

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 United Kingdom. The decrease mainly related to the sale of properties in South Africa and instances where the intention to sell certain properties has changed and the property has been reclassified to property, plant and equipment. The decrease was offset by currency adjustments and new properties classified as held-for-sale.

Contract liabilities
Contract liabilities consists mainly of service and maintenance contracts. The increase was due to higher prepaid contract sales, as well as new business written, offset by revenue recognised over the year.

The fund continues to be impacted by the mix of new vehicles sold which is weighted towards lower value vehicles and smaller contracts.

Lease liabilities
Increased mainly due to the acquisition of MPD and MB retail dealerships, new leases entered into or renewals, finance costs and currency adjustments. Offset by lease payments and derecognition of leases.

Core debt (excluding floorplan and IFRS 16 debt)
Core debt increased by R7,9 billion primarily due to higher working capital levels, higher vehicles for hire levels, the partial debt funding of the acquisitions and capital expenditure on fixed assets. The increase was partly offset by improved profitability for the year.

Floorplans from financial institutions
Floorplan debt increased mainly due to up-fleets with vehicle rental companies in Mobility Solutions, additional facilities drawn down in the United Kingdom to fund vehicle inventory as a result of increased manufacturer production volumes and improved availability of certain models and derivatives in both South Africa and Australia where floorplans were utilised.

Other liabilities
Increased mainly due to deferred tax liabilities raised on the intangible assets recognised on the MPD, MB retail dealerships and other recent acquisitions, as well as an increase in tax payable.

Equity
Equity was enhanced mainly by profit for the year of R3,4 billion, favourable currency translation reserve adjustments as a result of the weakening of the Rand amounting to R1,4 billion, favourable hedging reserve adjustments amounting to R194 million, and the movement in the shared-based reserve due to charges net of tax amounting to R101 million. Offset mainly by dividend payments to shareholders (final dividend in September 2022 and interim dividend in March 2023) amounting to R1,3 billion and share repurchases amounting to R101 million.

Cash flow movements

for the year ended 30 June 2023	2023 Rm	2022 Rm
Cash generated by operations before changes in net working capital	7 837	6 909
Movements in net working capital	(5 777)	(620)
Cash generated by operations before interest, taxation paid and capital expenditure on vehicles for hire	2 060	6 289
Finance costs paid	(1 320)	(574)
Finance income received	44	13
Dividend income received	377	297
Taxation paid	(1 071)	(1 190)
Free cash flow generated from operations	90	4 835
Replacement capital expenditure – vehicles for hire	(1 277)	(2 102)
Cash flows from operations	(1 187)	2 733
Cash outflow on the acquisition and disposal of businesses	(4 641)	(633)
Capital expenditure (excluding vehicles for hire)	(572)	(764)
Net movement in investments and investments in associates and joint ventures	35	(27)
Advances of other financial assets	(1)	(39)
Cash flows from operating and investing activities	(6 366)	1 270
Repurchase of own shares	(101)	(1 351)
Acquisition of non-controlling interests	–	(40)
Dividends paid	(1 291)	(964)
Other	(1)	(15)
Increase in debt	(7 759)	(1 100)

The free cash flow was primarily generated by healthy operating profits, and were utilised mainly through the increased investment in net working capital, finance costs and taxation paid.

Net working capital is an outflow of R5,8 billion in the statement of cash flows, while net working capital increased by R7,2 billion in the statement of financial position, due to non-cash movements relating primarily to recent acquisitions, foreign exchange adjustments and translations.

The increased cash investment in working capital is as a result of improved trading activity and receipt of production backlog from OEMs, which increased inventory and increased receivables, offset by higher payables and floorplans.

Cash outflow on vehicles for hire of R1,3 billion due to vehicle rental activity.

The acquisitions in our Aftermarket Parts segment and Retail and Rental segment contributed to the net cash outflow on acquisition of businesses of R4,6 billion.

Cash outflow on capital expenditure, net replacement and expansion, amounted to R572 million.

As a result of the above, R6,4 billion cash was utilised in operating and investing activities.

A final dividend of 435 cents per ordinary share was declared and paid on 26 September 2022, amounting to R754 million, and an interim dividend of 300 cents per ordinary share was declared and paid on 20 March 2023, amounting to R520 million. In addition, dividends were paid to NCI (ARCO) amounting to R52 million, offset by dividends received from Ukhamba Holdings Proprietary Limited amounting to R35 million.

Advances of debt amounted to R7,8 billion in the statement of cash flows, while debt increased by R10,1 billion in the statement of financial position, due to non-cash movements relating primarily to the leases included in the MPD and MB retail dealerships acquisitions, new leases entered into, foreign exchange adjustments and translations.

Extracts of summarised financial information
(continued)

Summarised segment financial position

as at 30 June 2023	Group 2023 Rm	Group 2022 Rm	Import and Distribution 2023 Rm	Import and Distribution 2022 Rm
Financial position				
Assets				
Goodwill and intangible assets	**6 572**	1 959	**4**	3
Carrying value of associates and joint ventures (excluding loans to associates)	**204**	194	**–**	37
Property, plant and equipment	**8 188**	7 201	**628**	607
Investment properties	**121**	130	**121**	130
Right-of-use assets	**3 410**	2 046	**23**	19
Investments and other financial instruments	**258**	320	**4**	4
Vehicles for hire	**3 920**	3 677	**931**	1 072
Inventories	**32 302**	18 966	**6 960**	3 648
Trade and other receivables[1]	**7 571**	5 330	**2 661**	2 468
Operating assets	**62 546**	39 823	**11 332**	7 988
– South Africa	**34 978**	26 689	**11 332**	7 988
– International	**27 568**	13 134	**–**	–
Liabilities				
Contract liabilities[2]	**3 086**	3 021	**–**	–
Lease liabilities	**3 768**	2 347	**25**	23
Provisions	**1 115**	983	**292**	268
Trade and other payables[1]	**24 396**	16 147	**3 571**	4 579
Other financial liabilities	**37**	62	**–**	–
Operating liabilities	**32 402**	22 560	**3 888**	4 870
– South Africa	**14 976**	13 970	**3 888**	4 870
– International	**17 426**	8 590	**–**	–
Net working capital	**14 362**	7 166	**5 758**	1 269
– South Africa	**12 246**	5 831	**5 758**	1 269
– International	**2 116**	1 335	**–**	–
Core debt[3]	**12 042**	4 169	**4 692**	903
– South Africa	**11 554**	4 459	**4 692**	903
– International	**488**	(290)	**–**	–
Net debt	**13 712**	5 036	**4 692**	903
– South Africa	**12 315**	4 706	**4 692**	903
– International	**1 397**	330	**–**	–
Net capital expenditure	**(1 849)**	(2 866)	**(224)**	(651)
– South Africa	**(1 535)**	(2 719)	**(224)**	(651)
– International	**(314)**	(147)	**–**	–
Non-current assets (including equity investment in associates and joint ventures, excluding investments, deferred tax and other financial instruments)	**18 525**	11 560	**776**	796
– South Africa	**8 035**	6 825	**776**	796
– International	**10 490**	4 735	**–**	–
United Kingdom	**8 848**	3 180	**–**	–
Other regions (Australia and South East Asia)[4]	**1 642**	1 555	**–**	–

[1] *Includes amounts pertaining to derivative financial instruments.*
[2] *Relates to service and maintenance contracts.*
[3] *Core debt has been included to enhance disclosure. The comparative amounts have been amended to align with that of the current financial year.*
[4] *Retail and Rental operates in Australia and Aftermarket Parts operates in South East Asia.*

Retail and Rental		Mobility Solutions		Aftermarket Parts		Head Office and Eliminations	
2023 Rm	2022 Rm	**2023 Rm**	2022 Rm	**2023 Rm**	2022 Rm	**2023 Rm**	2022 Rm
1 546	1 074	**12**	19	**4 993**	859	**17**	4
32	29	**55**	4	**113**	120	**4**	4
6 822	6 088	**160**	136	**518**	322	**60**	48
–	–	**–**	–	**–**	–	**–**	–
2 058	1 720	**1**	1	**1 328**	306	**–**	–
–	–	**252**	315	**6**	5	**(4)**	(4)
2 988	2 591	**1 000**	1 143	**–**	–	**(999)**	(1 129)
21 094	12 389	**417**	349	**3 897**	2 630	**(66)**	(50)
4 112	3 090	**366**	441	**2 065**	940	**(1 633)**	(1 609)
38 652	26 981	**2 263**	2 408	**12 920**	5 182	**(2 621)**	(2 736)
19 797	15 436	**2 263**	2 408	**4 175**	3 598	**(2 589)**	(2 741)
18 855	11 545	**–**	–	**8 745**	1 584	**(32)**	5
110	86	**2 976**	2 935	**–**	–	**–**	–
2 339	1 988	**–**	1	**1 404**	335	**–**	–
410	291	**253**	236	**82**	4	**78**	184
19 851	11 811	**571**	706	**2 358**	1 524	**(1 955)**	(2 473)
33	47	**–**	–	**–**	11	**4**	4
22 743	14 223	**3 800**	3 878	**3 844**	1 874	**(1 873)**	(2 285)
7 709	6 156	**3 800**	3 878	**1 428**	1 355	**(1 849)**	(2 289)
15 034	8 067	**–**	–	**2 416**	519	**(24)**	4
4 945	3 377	**(41)**	(152)	**3 522**	2 042	**178**	630
4 464	2 609	**(41)**	(152)	**1 880**	1 475	**185**	630
481	768	**–**	–	**1 642**	567	**(7)**	–
4 252	2 504	**(4 270)**	(4 148)	**4 564**	1 587	**2 804**	3 323
5 016	2 431	**(4 270)**	(4 212)	**1 857**	1 203	**4 259**	4 134
(764)	73	**–**	64	**2 707**	384	**(1 455)**	(811)
5 412	3 181	**(3 760)**	(3 958)	**4 564**	1 587	**2 804**	3 323
5 267	2 488	**(3 760)**	(4 022)	**1 857**	1 203	**4 259**	4 134
145	693	**–**	64	**2 707**	384	**(1 455)**	(811)
(1 640)	(2 086)	**(64)**	(434)	**(140)**	(101)	**219**	406
(1 392)	(1 942)	**(64)**	(434)	**(74)**	(98)	**219**	406
(248)	(144)	**–**	–	**(66)**	(3)	**–**	–
10 458	8 911	**228**	160	**6 952**	1 607	**111**	86
5 558	4 759	**228**	160	**1 362**	1 024	**111**	86
4 900	4 152	**–**	–	**5 590**	583	**–**	–
3 372	2 705	**–**	–	**5 476**	475	**–**	–
1 528	1 447	**–**	–	**114**	108	**–**	–

Extracts of summarised financial information
(continued)

Summarised segment profit or loss

for the year ended 30 June 2023	Group 2023 Rm	Group 2022 Rm	Import and Distribution 2023 Rm	Import and Distribution 2022 Rm
Profit or loss				
Revenue	**106 321**	91 978	**24 596**	23 883
– South Africa	**65 650**	61 493	**24 596**	23 883
– International	**41 555**	31 381	**–**	–
United Kingdom	**31 851**	23 188	**–**	–
Other regions (Australia and South East Asia)[1]	**9 704**	8 193	**–**	–
– Eliminations between geographic regions	**(884)**	(896)	**–**	–
Earnings before interest, taxation, depreciation and amortisation	**8 083**	6 785	**1 768**	1 798
– South Africa	**5 887**	5 410	**1 768**	1 798
– International	**2 218**	1 398	**–**	–
– Eliminations between geographic regions	**(22)**	(23)	**–**	–
Depreciation, amortisation and impairments net of recoupments	**(2 383)**	(1 886)	**(353)**	(296)
– South Africa	**(1 667)**	(1 467)	**(353)**	(296)
– International	**(716)**	(419)	**–**	–
Operating profit before capital items and net foreign exchange gains	**5 723**	5 029	**1 416**	1 508
– South Africa	**4 250**	4 074	**1 416**	1 508
– International	**1 495**	978	**–**	–
– Eliminations between geographic regions	**(22)**	(23)	**–**	–
Finance costs	**(1 399)**	(561)	**(515)**	(195)
– South Africa	**(1 035)**	(430)	**(515)**	(195)
– International	**(364)**	(131)	**–**	–
Finance income	**47**	65	**127**	76
– South Africa	**25**	64	**127**	76
– International	**22**	1	**–**	–
Other capital costs	**(51)**	(104)	**–**	–
– South Africa	**(52)**	(41)	**–**	–
– International	**1**	(63)	**–**	–
Profit/(loss) before tax	**4 357**	4 473	**1 142**	1 507
– South Africa	**3 293**	3 681	**1 142**	1 507
– International	**1 086**	815	**–**	–
– Eliminations between geographic regions	**(22)**	(23)	**–**	–
Income tax expense	**(947)**	(1 135)	**(200)**	(300)

[1] *Retail and Rental operates in Australia and Aftermarket Parts operates in South East Asia.*

	Retail and Rental		Mobility Solutions		Aftermarket Parts		Head Office and Eliminations	
	2023 Rm	2022 Rm	**2023 Rm**	2022 Rm	**2023 Rm**	2022 Rm	**2023 Rm**	2022 Rm
	84 404	74 209	**2 291**	2 107	**12 406**	8 163	**(17 376)**	(16 384)
	48 506	44 583	**2 291**	2 107	**7 605**	7 304	**(17 348)**	(16 384)
	35 898	29 626	**–**	–	**5 685**	1 755	**(28)**	–
	27 513	22 693	**–**	–	**4 366**	495	**(28)**	–
	8 385	6 933	**–**	–	**1 319**	1 260	**–**	–
	–	–	**–**	–	**(884)**	(896)	**–**	–
	4 078	3 455	**1 310**	1 165	**1 493**	802	**(566)**	(435)
	2 727	2 294	**1 310**	1 165	**644**	580	**(562)**	(427)
	1 351	1 161	**–**	–	**871**	245	**(4)**	(8)
	–	–	**–**	–	**(22)**	(23)	**–**	–
	(1 542)	(1 344)	**(190)**	(164)	**(462)**	(176)	**164**	94
	(1 102)	(969)	**(190)**	(164)	**(186)**	(132)	**164**	94
	(440)	(375)	**–**	–	**(276)**	(44)	**–**	–
	2 550	2 206	**1 141**	1 004	**1 043**	644	**(427)**	(333)
	1 643	1 420	**1 141**	1 004	**473**	466	**(423)**	(324)
	907	786	**–**	–	**592**	201	**(4)**	(9)
	–	–	**–**	–	**(22)**	(23)	**–**	–
	(1 110)	(525)	**(77)**	(60)	**(369)**	(108)	**672**	327
	(709)	(386)	**(75)**	(60)	**(206)**	(97)	**470**	308
	(401)	(139)	**(2)**	–	**(163)**	(11)	**202**	19
	150	21	**–**	–	**3**	3	**(233)**	(35)
	9	14	**–**	–	**1**	2	**(112)**	(28)
	141	7	**–**	–	**2**	1	**(121)**	(7)
	(28)	(65)	**–**	(39)	**(23)**	–	**–**	–
	(28)	(65)	**–**	24	**(24)**	–	**–**	–
	–	–	**–**	(63)	**1**	–	**–**	–
	1 552	1 540	**1 058**	904	**646**	543	**(41)**	(21)
	900	885	**1 060**	967	**243**	371	**(52)**	(49)
	652	655	**(2)**	(63)	**425**	195	**11**	28
	–	–	**–**	–	**(22)**	(23)	**–**	–
	(406)	(452)	**(202)**	(218)	**(160)**	(134)	**21**	(31)

Extracts of summarised financial information
(continued)

Summarised segment profit or loss (continued)

for the year ended 30 June 2023	Group 2023 Rm	Group 2022 Rm	Import and Distribution 2023 Rm	Import and Distribution 2022 Rm
Additional information				
Revenue by nature				
Sale of goods	**95 417**	82 339	**24 530**	23 809
– New motor vehicle sales	**49 472**	43 746	**20 864**	20 576
– Pre-owned vehicle sales	**23 327**	21 353	**1 281**	1 018
– Parts and other goods sales	**22 618**	17 240	**2 385**	2 215
Rendering of services	**10 904**	9 639	**66**	74
– Vehicle workshops, maintenance, service and warranty	**6 239**	5 617	**44**	49
– Motor vehicle rental	**2 636**	2 123	**–**	–
– Fees on vehicles, parts and services sold	**2 029**	1 899	**22**	25
Total revenue	**106 321**	91 978	**24 596**	23 883
Classified as follows[1]:				
– Revenue recognised at a point in time	**102 182**	88 581	**24 574**	23 861
– Revenue recognised over a period of time (maintenance, service and warranty revenue)	**1 481**	1 252	**–**	–
– Motor vehicle and property rental	**2 658**	2 145	**22**	22
Inter-group revenue	**–**	–	**(16 256)**	(15 482)
Total external revenue	**106 321**	91 978	**8 340**	8 401
Depreciation, amortisation and impairments net of recoupments	**(2 383)**	(1 886)	**(353)**	(296)
Depreciation and amortisation	**(2 400)**	(1 795)	**(352)**	(302)
Profit/(losses) on disposals and impairments	**17**	(91)	**(1)**	6
(Costs)/income included in profit before tax				
Fair value movements on preference share arrangements	**308**	294	**–**	–
Total employee costs	**(8 680)**	(7 307)	**(448)**	(452)
Operating lease charges	**(221)**	(237)	**(12)**	(11)
Movements in expected credit losses	**(46)**	(77)	**6**	(9)
Net foreign exchange gains/(losses)	**20**	135	**115**	113
Share of results from associates and joint ventures	**40**	39	**–**	12
Operating margin (%)	**5,4**	5,5	**5,8**	6,3

[1] *The revenue classification has been included in the current financial year to enhance disclosure. The comparative amounts have been amended to align with that of the current financial year.*

	Retail and Rental		Mobility Solutions		Aftermarket Parts		Head Office and Eliminations	
	2023 Rm	2022 Rm	2023 Rm	2022 Rm	2023 Rm	2022 Rm	2023 Rm	2022 Rm
	75 190	66 158	11	–	12 326	8 081	(16 640)	(15 709)
	42 199	36 378	–	–	–	–	(13 591)	(13 208)
	23 277	21 220	11	–	–	–	(1 242)	(885)
	9 714	8 560	–	–	12 326	8 081	(1 807)	(1 616)
	9 214	8 051	2 280	2 107	80	82	(736)	(675)
	4 871	4 316	1 583	1 490	–	–	(259)	(238)
	2 430	1 928	497	443	–	–	(291)	(248)
	1 913	1 807	200	174	80	82	(186)	(189)
	84 404	74 209	2 291	2 107	12 406	8 163	(17 376)	(16 384)
	81 853	72 281	434	412	12 406	8 163	(17 085)	(16 136)
	121	–	1 360	1 252	–	–	–	–
	2 430	1 928	497	443	–	–	(291)	(248)
	(597)	(452)	(476)	(424)	(47)	(33)	17 376	16 391
	83 807	73 757	1 815	1 683	12 359	8 130	–	7
	(1 542)	(1 344)	(190)	(164)	(462)	(176)	164	94
	(1 534)	(1 252)	(184)	(163)	(468)	(178)	138	100
	(8)	(92)	(6)	(1)	6	2	26	(6)
	–	–	308	294	–	–	–	–
	(5 699)	(5 155)	(568)	(540)	(1 787)	(957)	(178)	(203)
	(199)	(200)	–	(2)	(10)	(54)	–	30
	(48)	(16)	2	(8)	(7)	(11)	1	(33)
	(2)	(3)	–	–	(15)	2	(78)	23
	6	3	15	2	18	21	1	1
	3,0	3,0			8,4	7,9		

Five-year review

	Financial definitions	2023 Rm	2022 Rm	2021 Rm	2020 Rm	2019 Rm
Extracts from the statement of profit and loss						
Revenue		**106 321**	91 978	87 205	73 417	79 711
Earnings before interest, taxation, depreciation and amortisation (EBITDA)		**8 083**	6 785	5 302	4 082	4 806
Operating profit		**5 723**	5 029	3 838	2 136	3 620
Net finance costs		**(1 352)**	(496)	(543)	(1 116)	(774)
Income tax expense		**(947)**	(1 135)	(718)	(356)	(714)
Tax rate (%)		**21,9**	25,6	25,5	68,6	27,6
Attributable profit		**3 410**	3 338	2 142	185	1 896
Headline earnings		**3 416**	3 504	2 145	550	1 977
Extracts from the statement of cash flows						
Cash generated from operations before interest, taxation paid and capital expenditure on vehicles for hire		**2 060**	6 289	7 113	4 121	4 183
Cash flow from investing activities (including capital expenditure on vehicles for hire)		**(6 456)**	(3 565)	(373)	(1 666)	(1 312)
(Increase)/decrease in debt		**(7 759)**	(1 100)	4 450	537	(190)
Extracts from the statement of financial position						
Total assets		**66 655**	42 940	38 457	43 678	38 872
Operating assets	1	**62 546**	39 823	34 516	39 969	36 389
Operating liabilities	2	**32 402**	22 560	20 942	21 448	19 138
Net working capital	3	**14 362**	7 166	5 165	8 515	7 580
Net debt	4	**13 712**	5 036	3 401	7 442	6 618
Motus owners' interest		**17 627**	13 924	12 052	12 508	11 875
Non-controlling interest		**135**	121	114	(56)	(37)
Ratios						
Efficiency						
Revenue to average net operating assets (times)	5	**4,5**	6,0	5,4	4,1	4,7
Revenue relating to sales of goods to average inventory (times)	6	**3,7**	4,6	4,3	3,3	4,0
Revenue to average net working capital (times)	7	**9,9**	14,9	12,7	9,1	11,1
Profitability						
Operating margin (%)	8	**5,4**	5,5	4,4	2,9	4,5
Return on invested capital (%)	9	**14,1**	17,8	14,8	6,4	13,5
Weighted average cost of capital (%)	10	**10,7**	10,9	9,5	9,8	10,7
Solvency						
Operating profit by net interest (times)		**4,2**	10,1	7,1	1,9	4,7
Net debt to EBITDA (times)		**1,7**	0,7	0,6	1,8	1,4
Adjusted EBITDA by Adjusted net interest (times)	11 – 13	**6,4**	17,9	10,9	3,6	6,2
Net debt to Adjusted EBITDA (times)	4, 11, 14	**1,8**	0,8	0,8	2,2	1,4
Total equity to total assets (%)		**26,6**	32,7	31,6	28,5	30,5
Net debt as a percentage of total equity (%)		**77,2**	35,9	28,0	60,0	55,9
Liquidity						
Unutilised borrowing facilities		**4 736**	7 910	9 963	7 555	7 525

	Financial definitions	2023	2022	2021	2020	2019
Investing in the future						
Cost of new acquisitions (Rm)		**4 693**	657	219	583	367
Net capital expenditure (excluding vehicles for hire) (Rm)		**572**	764	325	324	592
Capital expenditure commitments (Rm)		**518**	515	211	101	254
Statistics						
Total new and pre-owned vehicles sold (units)		**212 578**	225 317	228 633	208 778	215 279
Number of vehicles for hire (vehicle rental owned only) (units)		**12 523**	12 407	9 308	8 554	13 380
Number of employees		**19 817**	17 283	16 708	17 499	18 628
Total employee cost (Rm)		**8 680**	7 307	6 606	6 633	6 822
Wealth created per employee (R'000)		**846**	815	713	612	624
Total taxes and levies paid (Rm)	15	**1 450**	1 502	796	898	1 106
Share performance						
Basic HEPS (cents)		**2 046**	2 025	1 179	296	1 009
Dividends per share (cents)		**710**	710	415	–	490
Earnings yield (%)	16	**20,4**	18,9	12,6	9,7	13,8
Price earnings ratio (times)	17	**4,9**	5,3	7,9	10,3	7,2
Net asset value per share (cents)	18	**10 189**	8 143	6 586	6 653	6 185
Market prices (cents)						
– Closing		**10 018**	10 700	9 334	3 062	7 312
– High		**13 509**	11 866	9 950	8 468	10 238
– Low		**8 860**	8 346	2 700	2 380	7 152
Total market capitalisation at closing prices (Rm)	19	**17 862**	19 060	17 635	5 898	14 369
Value of shares traded (Rm)		**10 635**	13 195	9 036	11 901	10 120
Value traded as a percentage of market capitalisation (%)		**60**	69	76	107	110
Exchange rates used						
ZAR to US Dollar						
– Average		**17,76**	15,22	15,40	15,67	14,18
– Closing		**18,86**	16,39	14,27	17,37	14,10
ZAR to British Pound						
– Average		**21,41**	20,24	20,70	19,73	18,35
– Closing		**23,98**	19,90	19,72	21,46	17,95
ZAR to Australian Dollar						
– Average		**11,95**	11,03	11,48	10,49	10,14
– Closing		**12,55**	11,27	10,71	11,96	9,90
ZAR to Euro						
– Average		**18,62**	17,15	18,35	17,31	16,18
– Closing		**20,59**	17,13	16,93	19,51	16,06

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	**Revenue to average net working capital (times)**	Calculated by dividing revenue by average net working capital.
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 from 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 total equity plus debt.
10	**Weighted average cost of capital (%)**	The weighted average cost of capital is the 12-month average of the monthly calculated weighted average cost of capital. The monthly weighted average cost of capital 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 adjustments • Adjusted for the impact of share of results from associates and joint ventures • *Less* the profit attributable to non-controlling interests • *Add* 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 paid**	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 (cents)**	Net asset value per share is the equity attributable to the owners of Motus divided by the 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 2023	Note	2023 Rm	2023 %	2022 Rm	2022 %
Revenue		**106 321**		91 978	
Paid to suppliers for materials and services		**(89 558)**		(77 886)	
Total wealth created		**16 763**		14 092	
Wealth distribution					
Salaries, wages and other benefits	1	**8 597**	**51**	7 227	51
Providers of capital		**2 744**	**16**	2 811	20
Net finance costs		**1 352**	**8**	496	3
Dividends paid to equity holders of Motus		**1 239**	**7**	928	7
Dividends paid to non-controlling interest		**52**	**–**	36	–
Share repurchases and cancellations		**101**	**1**	1 351	10
Central and local government	2	**1 450**	**9**	1 502	11
Reinvested in the Group to maintain and develop operations		**3 972**	**24**	2 552	18
Depreciation, amortisation, impairment and recoupments		**2 383**		1 886	
Future expansion (including vehicles for hire)		**1 589**		666	
		16 763	**100**	14 092	100
Value-added ratios					
Number of employees		**19 817**		17 283	
Revenue per employee (R'000)		**5 365**		5 322	
Wealth created per employee (R'000)		**846**		815	

Notes

	2023 Rm	2022 Rm
1. Salaries, wages and other benefits		
Salaries, wages, overtime, commission, bonuses and allowances	**7 911**	6 778
Employer contributions	**769**	529
Less: Unemployment Insurance Fund and Skills Development Levy (included in note 2)	**(83)**	(80)
	8 597	7 227
2. Central and local government		
Income tax expense	**1 089**	1 242
Withholding and secondary tax on companies	**5**	4
Rates and taxes	**273**	176
Skills Development Levy	**56**	50
Unemployment Insurance Fund	**27**	30
	1 450	1 502

Motus

Shareholder information

Shareholder analysis

Shareholder information as at 30 June 2023

Top 10 shareholders[1]	Share class	Number of shares '000	% of issued listed share capital
Ordinary listed shares			
Public Investment Corporation (South Africa)	Ordinary	24 897	13,96
Coronation Fund Managers (South Africa)	Ordinary	21 552	12,09
Ukhamba Holdings Proprietary Limited (South Africa)[2]	Ordinary	19 213	10,78
M&G Investment Management (United Kingdom)	Ordinary	11 824	6,63
Lynch Family Holding (South Africa)	Ordinary	8 247	4,63
Wooddale Investments (De Canha Family Holding) (South Africa)	Ordinary	7 479	4,19
Visio Capital Management (South Africa)	Ordinary	6 504	3,65
M&G Investment Management (South Africa)	Ordinary	6 256	3,51
Vanguard Group (United States of America)	Ordinary	5 714	3,20
LSV Asset Management (United States of America)	Ordinary	4 034	2,26
Deferred ordinary unlisted shares			
Ukhamba Holdings Proprietary Limited (South Africa)[2]	Deferred	3 542	–

[1] *Excluding treasury shares held by Motus Group Limited.*
[2] *In total, Ukhamba Holdings Proprietary Limited owns 12,86% of the voting shares in the Group.*

Stock exchange performance	2023	2022
Number of shares in issue (million)	**178**	178
Number of shares traded (million)	**97**	127
Value of shares traded (Rand million)	**10 635**	13 195
Market price (Rand per share)		
– Closing price	**100,18**	107,00
– High	**135,09**	118,66
– Low	**88,60**	83,46
Earnings yield (%)[1]	**20,4**	18,9
Price-earnings ratio (%)[1]	**4,9**	5,3

[1] *Calculated using headline earnings per share.*

Distribution of shareholders (listed ordinary shares)	Number of shareholders	Number of shares '000	% of ordinary shares listed
Public shareholders	6 125	98 864	55,44
Non-public shareholders			
– Shareholder holding more than 10%	3	65 662	36,83
– Shareholder entitled to appoint a director	–	–	–
– Directors and prescribed officers	6	8 892	4,99
– Treasury shares	1	4 883	2,74
Total	**6 135**	**178 301**	**100,00**

Spread of listed holdings	Number of shareholders	%	Number of shares '000	%
1 – 1 000	4 786	78,01	832	0,47
1 001 – 10 000	786	12,81	2 804	1,57
10 001 – 100 000	389	6,34	13 320	7,47
Over 100 000	174	2,84	161 345	90,49
Total	**6 135**	**100,00**	**178 301**	**100,00**

Shareholder type	Number of shareholders	% of voting rights
Financial institutions, pensions and provident funds	118 380	66,90
Unit trusts	13 117	7,41
Individuals	4 634	2,62
Directors and prescribed officers	8 892	5,02
Corporate holdings	28 395	16,05
Listed ordinary shares (net of treasury shares)	173 418	98,00
Unlisted deferred ordinary shares	3 542	2,00
Total voting shares in issue net of treasury shares	176 960	100,00
Treasury shares	4 883	
Total shares in issue	**181 843**	

Directors' interests in shares	2023 Direct	2023 Indirect	2022 Direct	2022 Indirect
Executive directors				
OS Arbee	**132 645**	**131 393**	7 000	131 393
OJ Janse van Rensburg	**255 453**	**–**	140 911	–
KA Cassel	**98 557**	**–**	16 597	–
Non-executive directors				
GW Dempster[1]			99	–
A Tugendhaft	**25 000**	**–**	15 000	–
Prescribed officers				
R Gottschick[2]	**1 800**	**–**		
NW Lynch	**–**	**8 247 167**	–	8 158 865
C Venter[3]			9 440	–
Total	**513 455**	**8 378 560**	189 047	8 290 258

[1] *GW Dempster resigned on 7 June 2023.*
[2] *R Gottschick appointed as a prescribed officer on 25 May 2023.*
[3] *C Venter resigned during the year.*

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

Message from the Chairman of the board to shareholders

On behalf of the board of directors of Motus Holdings Limited, you are invited to attend the 2023 annual general meeting (AGM) of shareholders of the company to be held at 08:30 (CAT) on Wednesday, 8 November 2023, at Motus Mercedes Benz Sandton dealership, 90 Rivonia Road, Sandton, Gauteng and participation by way of a teleconference call (electronic participation).

Shareholders wishing to participate in the AGM will need to register by the latest at 08:30 (CAT) on Tuesday, 7 November 2023. A teleconference call meeting guide for participants or shareholders who wish to exercise this option is included in the notice of AGM.

The AGM provides the board with the opportunity to present the Group's performance for the year ended 30 June 2023 to the company's shareholders. The Chairs of the various board subcommittees, certain senior members of management, the Sponsor 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 2023 Motus Holdings integrated report, ESG report, audited consolidated and separate annual financial statements, and separate shareholders report and notice of 2023 AGM are available on the Motus website at **https://www.motus.co.za/investors/integrated-reports/** as of 29 September 2023. Should you wish to receive a printed copy of our 2023 integrated report, ESG report, the audited consolidated and separate annual financial statements or the separate shareholders report and notice of 2023 AGM, 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, 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, 7 November 2023, 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 221 and in the notes to the form of proxy on page 223. I look forward to your attendance and participation in the meeting.

Yours sincerely,

JJ Njeke
Chairman

27 September 2023

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): MJN Njeke (Chairman), A Tugendhaft (Deputy Chairman), OS Arbee (CEO), OJ Janse van Rensburg (CFO), KA Cassel, S Mayet, MG Mokoka, JN Potgieter, F Roji and R van Wyk.

Notice is hereby given to the shareholders of Motus that the 5th AGM will be held on Wednesday, 8 November 2023 at 08:30 (CAT) at the Motus Mercedes Benz Sandton dealership, 90 Rivonia Road, Sandton, Gauteng and through teleconference call 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 215, 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 advisors. 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, 22 September 2023; and
- participate in and vote at the AGM as being Friday, 3 November 2023.

The last day to trade in the company's shares to participate in and vote at the AGM is Tuesday, 31 October 2023.

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

Please see the explanatory notes commencing on page 215 or the explanations which accompany the ordinary and special resolutions below.

Electronic participation in the annual general meeting

Shareholders and/or their proxies, as the case may be, may participate in the AGM by way of a teleconference call and, if they wish to do so:

- must contact the Company Secretary at **nsimelane@motus.co.za** or +27 10 493 4443 during business hours (08:00 (CAT) to 17:00 (CAT) on week days) by no later than 16:00 (CAT) on Tuesday, 7 November 2023 in order to obtain a pin number and dial-in details for such conference call;
- will be required to provide reasonably satisfactory identification; and
- will be billed separately by their own telephone service providers for their telephone call to participate in the meeting.

Please note that shareholders or their proxies participating via teleconference will not be able to cast their votes during the AGM and are encouraged to submit their votes via proxy to TMS on **proxy@tmsmeetings.co.za** as indicated above. However, shareholders attending in person will be able to cast their votes during the meeting.

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 2023.

2. Presentation of the social, ethics and sustainability report

To present the report of the SES Committee for the financial year ended 30 June 2023, 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 Ms. MG Mokoka, who is retiring by rotation in accordance with clause 23.4.1.1 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 herself for election.

1.2 Mr. JN Potgieter, who is retiring by rotation in accordance with clause 23.4.1.1 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.

1.3 Mr. R van Wyk, who is retiring by rotation in accordance with clause 23.4.1.1 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/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(2) of the Companies Act:

2.1 Mr. S Mayet, be and is hereby elected as a member of the company's ARC.

2.2. Ms. MG Mokoka be and is hereby elected as a member of the company's ARC (subject to being elected in accordance with resolution 1.1 above).

2.3. Mr. JN Potgieter be and is hereby elected as a member of the company's ARC (subject to being elected in accordance with resolution 1.2 above).

2.4. Ms. F Roji be and is hereby elected as a member of the company's ARC.

5. Appointment of external auditor

Ordinary resolution 3

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 company for the ensuing year.

6. Authority to issue ordinary shares

Ordinary resolution 4

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 2023.

Part C – non-binding advisory votes

7. Confirmation of the Group's remuneration policy

Ordinary resolution 5

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 215.

8. Confirmation of the Group's remuneration implementation report

Ordinary resolution 6

To endorse, by way of a non-binding advisory vote, the Group's remuneration implementation report, as set out on pages 174 to 187 of the integrated report.

9. Delegation of authority

Ordinary resolution 7

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

10. 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.

11. 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 legal entity 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.

12. 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.

13. General authority to repurchase company's 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 counterparty (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 the 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 in the integrated report:

- Major shareholders – page 206.
- Share capital of the company– page 206.

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:

- 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
- 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 36 and 37 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 in the integrated report, there are no material changes in the financial position of the Group since the financial year end of 30 June 2023 and the date of this notice.

14. 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.

15. Electronic participation

Shareholders and/or their proxies, as the case may be, may participate in the AGM by way of a teleconference call and, if they wish to do so, must contact the Company Secretary at **nsimelane@motus.co.za** or +27 10 493 4443 during business hours (08:00 (CAT) to 17:00 (CAT) on week days) by no later than 16:00 (CAT) on Tuesday, 7 November 2023 in order to obtain a pin number and dial-in details for such conference call.

In terms of section 61(10) of the Companies Act, the company has retained the services of TMS to host the AGM 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.

Certificated shareholders and "own name" dematerialised shareholders who intend participating through a teleconference and who wish to vote are required to contact TMS at **proxy@tmsmeetings.co.za** to submit their votes via proxy as soon as possible, but no later than 08:30 (CAT) on Tuesday, 7 November 2023. Dematerialised shareholders without "own name" registration who wish to attend the meeting through a teleconference 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.

Please note that shareholders or their proxies will not be entitled to exercise voting rights at the meeting by way of teleconference call. 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 participating in the 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, 7 November 2023, 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

27 September 2023

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 2023 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.

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 at
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 Ms. MG Mokoka retires by rotation in terms of paragraph 23.4.1.1 of the MOI;
1.2 Mr. JN Potgieter retires by rotation in terms of paragraph 23.4.1.1 of the MOI; and
1.3 Mr. R van Wyk retires by rotation in terms of paragraph 23.4.1.1 of the MOI.

Ms. M Mokoka and Messrs J Potgieter and R van Wyk retire in accordance with clause 23.4.1.1 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). The MOI requires directors who were appointed by the board before the AGM to retire and offer themselves for election by shareholders.

Brief curriculum vitae in respect of the retiring directors who have offered themselves for election are set out on page 36.

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, 1.2 and 1.3 are approved, the effect would be to elect the retiring directors who had been appointed by the board between the AGMs and 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) non-executive directors of the board at each AGM. Principle 14 (56) of King IV requires that all members of the ARC should be independent non-executive members of the board. 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 re-elected/elected as members of the ARC:

2.1 Mr. S Mayet as a member of the ARC.
2.2 Ms. MG Mokoka as a member of the ARC (subject to being appointed in accordance with resolution 1.1 above).
2.3 Mr. JN Potgieter as a member of the ARC (subject to being appointed in accordance with resolution 1.2 above).
2.4 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/election as members of the ARC is set out on page 36.

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 – 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 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.

PwC 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, Mr. Thomas Howatt, forms part of the resolution.

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 PwC would be the independent external auditor of the company, with Mr. Thomas Howatt as a designated auditor until the next AGM.

Ordinary resolution 4 – 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 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 4 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.

Part C

Ordinary resolution 5 – Confirmation of the Group's remuneration policy

Principle 14 of King IV requires companies to ensure that they remunerate fairly, responsibly and transparently 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 162 to 187 of the integrated report.

Ordinary resolution 5 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 of 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 5 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 6 – 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 6 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 7 – Delegation of authority

The reason for ordinary resolution 7 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 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.

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 175 of the integrated report. In terms of sections 65(11), 66(8) and (9) of the Companies Act, 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 2023 to 30 June 2024	Proposed fee from 1 July 2024 to 30 June 2025
Chairman*	**R1 172 805**	R1 243 173
Deputy Chairman*	**R586 408**	R621 592
Board member	**R335 395**	R355 519
Assets and Liabilities Committee Chairman*	**R213 776**	R226 603
Assets and Liabilities Committee member	**R142 321**	R150 860
Audit and Risk Committee Chairman*	**R442 910**	R469 485
Audit and Risk Committee member	**R221 455**	R234 742
Remuneration Committee Chairman*	**R160 039**	R169 641
Remuneration Committee member	**R106 302**	R112 680
Nomination Committee Chairman*	**R120 024**	R127 225
Nomination Committee member	**R79 723**	R84 506
Social, Ethics and Sustainability Committee Chairman*	**R214 364**	R227 226
Social, Ethics and Sustainability Committee member	**R142 321**	R150 860

* *Fee paid in addition to a member's fee.*

The NomCo only has three scheduled meetings, and as and when it is necessary. The proposed increase in fees for the 2024 financial year is 6% (six percent), and the 2025 financial year is 6% (six percent) for the board and all its sub-committees.

Executive directors receive no directors' or committee fees for their services as directors in addition to their normal remuneration as employees.

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.

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. The financial assistance contemplated under this resolution shall not be extended to natural persons.

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. The financial assistance contemplated under this resolution shall not be extended to natural persons.

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.

Notice of annual general meeting (continued)

Guidance to participate through teleconference in the annual general meeting

Shareholders and/or their proxies, as the case may be, may participate in the AGM by way of a teleconference call and, if they wish to do so:

- must contact the Company Secretary at **nsimelane@motus.co.za** or +27 10 493 4443 during business hours (08:00 (CAT) to 17:00 (CAT) on week days) by no later than 16:00 (CAT) on Tuesday, 7 November 2023 in order to obtain a pin number and dial-in details for such conference call;
- will be required to provide reasonably satisfactory identification; and
- will be billed separately by their own telephone service providers for their telephone call to participate in the meeting.

Certificated shareholders and "own name" dematerialised shareholders who wish to participate in the AGM via teleconference (Participants) and who wish to vote thereat must submit their form of proxy, as the case may be, to TMS at **proxy@tmsmeetings.co.za** as soon as possible but by no later than 08:30 (CAT) on Tuesday, 7 November 2023.

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.

The cost of dialling in using a telecommunication line to participate in the AGM 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 are provided by a third party and indemnifies Motus, the JSE Limited (JSE), TMS 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, 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 or any defect in it or from the total or partial failure of the telecommunication lines and connections linking the telecommunication lines to the AGM.

The company collects and uses personal information mainly to identify shareholders who must participate and vote during the AGM and to comply with the legal obligations of the Companies Act (No 71 of 2008) as amended and the 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 dialling into the AGM, the Participant agrees and consents to the processing of his/her personal information for the purpose of participation in the AGM.

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 5th annual general meeting (AGM) to be held on Wednesday, 8 November 2023 at 08:30 (CAT) in respect of the AGM of shareholders to be held at the Motus Mercedes Benz Sandton dealership, 90 Rivonia Road, Sandton, Gauteng and through teleconference 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 certificated ordinary shareholders and dematerialised shareholders with "own name" registrations only.

A shareholder is entitled to attend and vote at the AGM and/or is also entitled, at any time, to appoint one or more proxies (who need not be shareholders of the company) to attend, speak and/or for vote in their stead.

Dematerialised ordinary shareholders who do not have "own name" registration and 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 Ms. MG Mokoka, who is retiring by rotation in accordance with clause 23.4.1.1 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. JN Potgieter, who is retiring by rotation in accordance with clause 23.4.1.1 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.			
	Ordinary resolution 1.3: To elect Mr. R van Wyk, who is retiring by rotation in accordance with clause 23.4.1.1 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/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			
	Ordinary resolution 2.2 – Ms. MG Mokoka (subject to being appointed in accordance with resolution 1.1 above)			
	Ordinary resolution 2.3 – Mr JN Potgieter (subject to being appointed in accordance with resolution 1.2 above)			
	Ordinary resolution 2.4 – Ms. F Roji			
3.	**Ordinary resolution 3 – Appointment of external auditors:** To appoint PricewaterhouseCoopers Inc. (PwC), as the Group's independent external auditors, with Mr. Thomas Howatt (IRBA number: 721751) as designated audit partner.			
4.	**Ordinary resolution 4 – 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.			
5.	**Ordinary resolution 5 – 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).			

Form of proxy (continued)

				For	Against	Abstain
				Number of votes (one per share)		
6.	**Ordinary resolution 6 – 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.					
7.	**Ordinary resolution 7 – 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.					
8.	**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 2023 to 30 June 2024	**Fees from 1 July 2024 to 30 June 2025**			
8.1	Chairman*	**R1 172 805**	**R1 243 173**			
8.2	Deputy Chairman*	**R586 408**	**R621 592**			
8.3	Board member	**R335 395**	**R355 519**			
8.4	Assets and Liabilities Committee Chairman*	**R213 776**	**R226 603**			
8.5	Assets and Liabilities Committee member	**R142 321**	**R150 860**			
8.6	Audit and Risk Committee Chairman*	**R442 910**	**R469 485**			
8.7	Audit and Risk Committee member	**R221 455**	**R234 742**			
8.8	Remuneration Committee Chairman*	**R160 039**	**R169 641**			
8.9	Remuneration Committee member	**R106 302**	**R112 680**			
8.10	Nomination Committee Chairman*	**R120 024**	**R127 225**			
8.11	Nomination Committee member	**R79 723**	**R84 506**			
8.12	Social, Ethics and Sustainability Committee Chairman*	**R214 364**	**R227 226**			
8.13	Social, Ethics and Sustainability Committee member	**R142 321**	**R150 860**			
	** Fee paid in addition to a member's fee.*					
9.	**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.					
10.	**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.					
11.	**Special resolution 4 – General authority to repurchase company's 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 2023

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 shareholder's 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 a 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 Tuesday, 7 November 2023. 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 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

Independent Assurance Practitioner's Limited Assurance Report on Selected Key Performance Indicators

We have undertaken a limited assurance engagement on selected key performance indicators (KPIs), as described below, and presented in Motus Holdings Limited's ("Motus") Integrated report for the year ended 30 June 2023 (the Report). This engagement was conducted by a multidisciplinary team including environmental and assurance specialists with relevant experience in sustainability reporting.

Subject Matter

We have been engaged to provide a limited assurance conclusion in our report on the following selected KPIs, as disclosed in the Key Indicator summary on page 139 of the Report. The selected KPIs described below have been prepared in accordance with Motus' internally defined criteria, supported by the Global Reporting Initiatives (GRI) Standards ("reporting criteria"). The reporting criteria is available on the client's website at https://www.motus.co.za/environmental-social-governance/governance/.

Road Key Performance Indicators	Unit of measurement
Road accidents (includes any fatalities)	Number
Road accidents per million kilometres	Ratio
Environmental Key Performance Indicators	
Road fuel usage (includes petrol and diesel)	L
Electricity purchased	MWh
Water purchased from municipalities	Kl
Scope 1 emissions	tCO_2e
Scope 2 emissions	tCO_2e
Scope 3 emissions – Air travel	tCO_2e
Social Key Performance Indicators	
Training spend – South Africa	Rm
Total Group CSI spend	Rm

Directors' Responsibilities

The Directors are responsible for the selection, preparation and presentation of the selected KPIs in accordance with the reporting criteria. This responsibility includes the identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance and design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error. The Directors are also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected KPIs and for ensuring that those criteria are publicly available to the Report users.

Inherent Limitations

The Greenhouse Gas (GHG) emission quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

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)*.

Deloitte applies the International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Assurance Practitioner's Responsibility

Our responsibility is to express a limited assurance conclusion on the selected KPIs based on the procedures we have performed and the evidence we have obtained. 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 Historical Financial Information* and, in respect of greenhouse gas emissions, in accordance with the International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board. These Standards requires that we plan and perform our engagement to obtain limited assurance about whether the selected KPIs are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) and ISAE 3410 involves assessing the suitability in the circumstances of Motus' use of its reporting criteria as the basis of preparation for the selected KPIs, assessing the risks of material misstatement of the selected KPIs whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected KPIs. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Interviewed 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;
- Inspected documentation to corroborate the statements of management and senior executives in our interviews;
- Tested the processes and systems to generate, collate, aggregate, monitor and report the selected KPIs;
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria;
- Evaluated whether the selected KPIs presented in the Report are consistent with our overall knowledge and experience of sustainability management and performance at Motus.

The procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent than for a reasonable assurance engagement. As a result, 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 Motus' selected KPIs have been prepared, in all material respects, in accordance with the accompanying Motus' reporting criteria.

Limited Assurance Conclusion

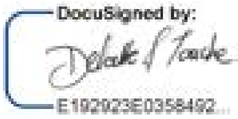
Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected KPIs as set out in the Subject Matter paragraph above for the year ended 30 June 2023 are not prepared, in all material respects, in accordance with the reporting criteria.

Other Matters

The maintenance and integrity of Motus' website is the responsibility of Motus' management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Report or our independent limited assurance report that may have occurred since the initial date of its presentation on Motus' website.

Restriction of Liability

Our work has been undertaken to enable us to express a limited assurance conclusion on the selected KPIs to the Directors of Motus' in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than Motus', for our work, for this report, or for the conclusion we have reached.



Deloitte & Touche
Registered Auditor

Per: Jyoti Vallabh
Chartered Accountant (SA)
Partner

27 September 2023

5 Magwa Crescent
Waterfall City
Waterfall
2090

Pro forma financial information accountants report

To the Directors of Motus Holdings Limited
1 Van Buuren Road
Corner Geldenhuis and Van Dort Streets
Bedfordview
2008

Dear Sirs/Mesdames

Report of the Assurance Engagement on the Compilation of Pro Forma Financial Information included in the "Divisional Performance Reviews Section of the Motus Integrated Report for the year ended 30 June 2023"

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 *"Divisional Performance Reviews Section of the Motus Holdings Integrated Report for the year ended 30 June 2023"*, to be dated on 29 September 2023, consists of pro forma information included in the following tables under the divisional performance section:

- Divisional Performance: Import and Distribution;
- Divisional Performance: Retail and Rental;
- Divisional Performance: Mobility Solutions; and
- Divisional Performance: Aftermarket Parts.

The pro forma financial information has been compiled on the basis of the applicable criteria specified in the JSE Limited (JSE) Listings Requirements.

The pro forma financial information has been compiled by the directors to illustrate the Group's Divisional performance for Half Year 1 (period 1 July 2022 to 31 December 2022), and for Half Year 2 (period 1 January 2023 to 30 June 2023) as well as the comparatives for the same period in the prior year.

As part of this process, information about the Group's financial performance has been extracted by the directors from the consolidated financial statements for the year ended 30 June 2023, on which an auditor's report was issued on 29 August 2023 and contained an unmodified opinion.

The purpose of pro forma financial information, included in the specified tables in the *Divisional Performance Reviews Section of the Motus Holdings Integrated Report for the year ended 30 June 2023*, 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 Motus Integrated Report for the year ended 30 June 2023.

Our Independence and Quality Management

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 Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's 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 the Motus Integrated Report* for the year ended 30 June 2023 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 Divisional Performance Reviews Section of the Motus Holdings Integrated Report for the year ended 30 June 2023 is solely to illustrate the impact of the Group's Divisional performance for Half Year 1 (period 1 July 2022 to 31 December 2022), and for Half Year 2 (period 1 January 2023 to 30 June 2023).

We do not provide any assurance that the actual results for the period of Half Year 1 (period 1 July 2022 to 31 December 2022), and for Half Year 2 (period 1 January 2023 to 30 June 2023) 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.

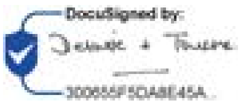
Our procedures selected depend on our judgment, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

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 Motus Integrated Report for the year ended 30 June 2023.



Deloitte & Touche
Registered Auditor
Per: Shelly Nelson
Partner

27 September 2023

5 Magwa Crescent
Waterfall City
Waterfall
2090

Glossary

A	
AGM	Annual general meeting
AI	Artificial intelligence
ALCO	Assets and Liabilities Committee
ARC	Audit and Risk Committee
ARCO	ARCO Motor Industry Company Limited
B	
B-BBEE	Broad-based black economic empowerment
BEV	Battery-powered electric vehicles
BLSA	Business Leadership South Africa
C	
CEO	Chief Executive Officer
CFC	Customer foreign currency
CFO	Chief Financial Officer
Companies Act	South African Companies Act 71 of 2008, as amended
COO	Chief Operating Officer
CSDP	Central securities depository participant
CSI	Corporate social investment
CSPs	Conditional Share Plans
CY	Calendar year
D	
DEI	Diversity, equity and inclusion
DIY	Do it yourself
DoEL	Department of Employment and Labour
dtic	Department of Trade, Industry and Competition
E	
EBITDA	Earnings before interest, taxation, depreciation and amortisation
ERP	Enterprise resource planning
ESD	Enterprise and supplier development
ESD	Ethics Self Declaration
ESG	Environmental, social and governance
EVP	Employee value proposition

F	
F&I	Finance and Insurance
FAI	FAI Automotive plc
FICA	Financial Intelligence Centre Act
fintech	Financial technology
FRRC	Finance and Risk Review Committee
FRSC	Financial Reporting Standards Council
FY	Financial year
G	
GCP	Global CEO Program
GDP	Gross domestic product
GHG	Greenhouse gas
GRI	Global Reporting Initiative
GVB	Gender-based violence
H	
HEPS	Headline earnings per share
I	
IAAF	Independent Automotive Aftermarket Federation Council
IASB	International Accounting Standards Board
ICE	Internal combustion engine
IFRS	International Financial Reporting Standards
IIASA	Institute of Internal Auditors
IMF	International Monetary Fund
Imperial	Imperial Holdings Limited
IoT	Internet of Things
IRENA	International Renewable Energy Agency
IRMSA	Institute of Risk Management of South Africa
IT	Information technology
J	
JSE Listings Requirements	Listings Requirements of the JSE Limited

K

King IV	King Report on Corporate Governance for South Africa (2016)
KPIs	Key performance indicators
KYC	Know Your Customer

L

LCVs	Light commercial vehicles
LTI	Long-term incentive

M

MB retail dealerships	Mercedes Benz retail dealerships
MHEV	Mild hybrid electric vehicles
MOI	Memorandum of incorporation
Motus, the Group	Motus Holdings Limited
MPD	Motor Parts Direct Holdings Limited
MSR	Minimum shareholding requirements
MTS	Motus Trading Shanghai Company Limited
m^x	Motus Xponential

N

naamsa	naamsa | The Automotive Business Council
NADA	National Automobile Dealers Association
NBI	National Business Institute
NEV	New energy vehicles
NGO	Non-governmental organisations
NomCo	Nominations Committee

O

OEMs	Original equipment manufacturers
OES	Aftermarket parts distributed by the OEM
OHS	Operational health and safety

P

PBT	Profit before tax
PHEV	Plug-in hybrids
POPIA	Protection of Personal Information Act
PV	Photovoltaic
PwC	PricewaterhouseCoopers Inc.

R

RemCo	Remuneration Committee
ROIC	Return on invested capital

S

SAICA	South African Institute of Chartered Accountants
SARs	Share Appreciation Rights
SAVRALA	Southern African Vehicle Retail and Leasing Association
SDGs	Sustainable Development Goals
SES	Social, Ethics and Sustainability
SME	Small and medium enterprises
STI	Short-term incentive
SUV	Sports utility vehicles

T

TCFD	Task Force on Climate-related Financial Disclosures
tCO_2e	Tonnes of carbon dioxide equivalent.
TGP	Total guaranteed package
the board	The board of directors of Motus Holdings Limited
the Trust	Imperial and Motus Community Trust
TMS	The Meeting Specialists (Pty) Ltd
TWB	Tugendhaft Wapnick Banchetti & Partners

U

Ukhamba	Ukhamba Holdings Proprietary Limited
UN	United Nations
US	United States

V

VAPS	Value-added products and services

W

WACC	Weighted average cost of capital
Wits	University of the Witwatersrand

Y

YES	YES4Youth programme

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
MJN Njeke (Chairman)*
A Tugendhaft (Deputy Chairman)**
OS Arbee (CEO)#
OJ Janse van Rensburg (CFO)#
KA Cassel#
S Mayet*
MG Mokoka*
JN Potgieter*
F Roji*
R van Wyk*

* *Independent non-executive*
** *Non-executive*
\# *Executive*

Company Secretary
NE Simelane
nsimelane@motus.co.za

Group Investor Relations Manager
J Oosthuizen
motusIR@motus.co.za

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Share transfer secretaries
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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
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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. The forward-looking statements in this document are not reviewed and reported on by the Group's external assurance providers. 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.

Bastion

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