

# RMB MS Off Piste Conference

Reset and growth in a sustainable  
manner with a focus on Africa

**17 September 2025**



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# 1. Metair at a glance



# Metair at a glance

**Metair is a R1.3bn market capitalisation** company listed on the JSE and A2X exchanges  
It manufactures and retails a broad range of automotive parts in two primary segments

## Automotive Direct Component Manufacturing (OEM) **63% of revenue**

Original equipment components used in the assembly of new vehicles in the South African automotive market

Products include; wiring harnesses, headlights/taillights, shock absorbers, radiators, air-conditioners, mouldings, etc

## Aftermarket Parts and Retail (AFM) **37% of revenue**

Components used in the fast-growing aftermarket spare parts market

Products include: batteries, disk brakes and an extensive range of parts for aftermarket repairs and service

### Subsidiaries and brands



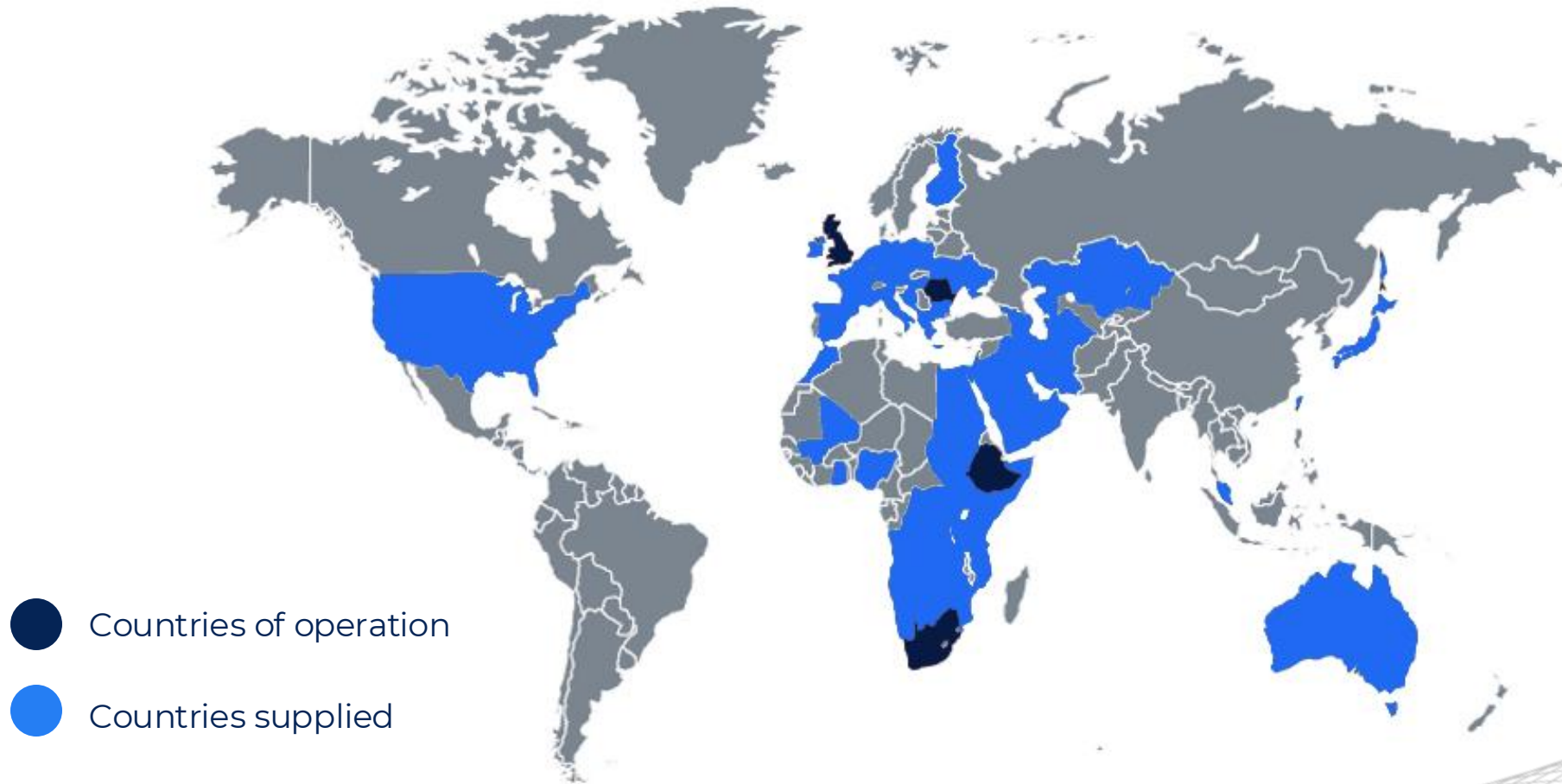
14 000 employees



B-BBEE rating 1

South Africa, Romania, UK

# Broad geographic presence



# DIVERSIFIED OPERATIONS

## AUTOMOTIVE COMPONENTS MANUFACTURING

**HESTO**

### Products

Wiring harnesses, instrument cluster / combination meters, moulded parts

### REVENUE

**R3.1bn<sup>(1)</sup> up 7%**

### EBIT

**R212m<sup>(1)</sup> up 88%**

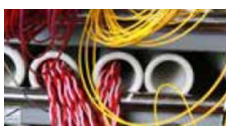
### EBIT margin

**6.9% (H1'24: 3.9%)**

GROUP  
REVENUE  
CONTRIBUTION

**24%<sup>(2)</sup>**

(1) Results for the company H1 2025 compared to H1 2024  
(2) Based on the contribution for 3 months of current period



**SMITHS**  
MANUFACTURING (PTY) LTD

### Products

Heating, ventilation and air conditioning (HVAC) and climate control systems, other products, etc

**LUMOTECH** **L7**  
lighting your way

Headlights, taillights, reflectors and plastic injection mouldings

**AUTOMOULD**

Plastic injection moulding, chrome plating, body colour painting and assemblies, etc

**SUPREME  
SPRING**

Coil springs, leaf springs, stabiliser bars, torsion bars

**UNITRADE**  
wired for success 745

Automotive wire, PVC insulated copper

### REVENUE

**R3.6bn up 9%**

### EBIT

**R228m up 16%**

### EBIT margin

**6.4% (H1'24: 6.0%)**

GROUP  
REVENUE  
CONTRIBUTION

**40%**

## AFTERMARKET PARTS AND RETAIL

**FIRST  
BATTERY**

### Products

Automotive batteries, solar systems, back-up systems, standby systems, charging systems, battery distribution networks, & Battery Centre franchise

**ROMBAT**  
Member of Metair Group

**DYNAMIC**  
BATTERY SERVICES LTD



### REVENUE

**R2.3bn down 1%**

### EBIT

**R143m down 19%**

### EBIT margin

**6.1% (H1'24: 7.5%)**

GROUP  
REVENUE  
CONTRIBUTION

**27%**

**autoZONE**

### Products

Wholesale and retail distributor of automotive replacement components



Brake pads, brake discs, brake shoes, hydraulics and other braking components

### REVENUE

**R868m**

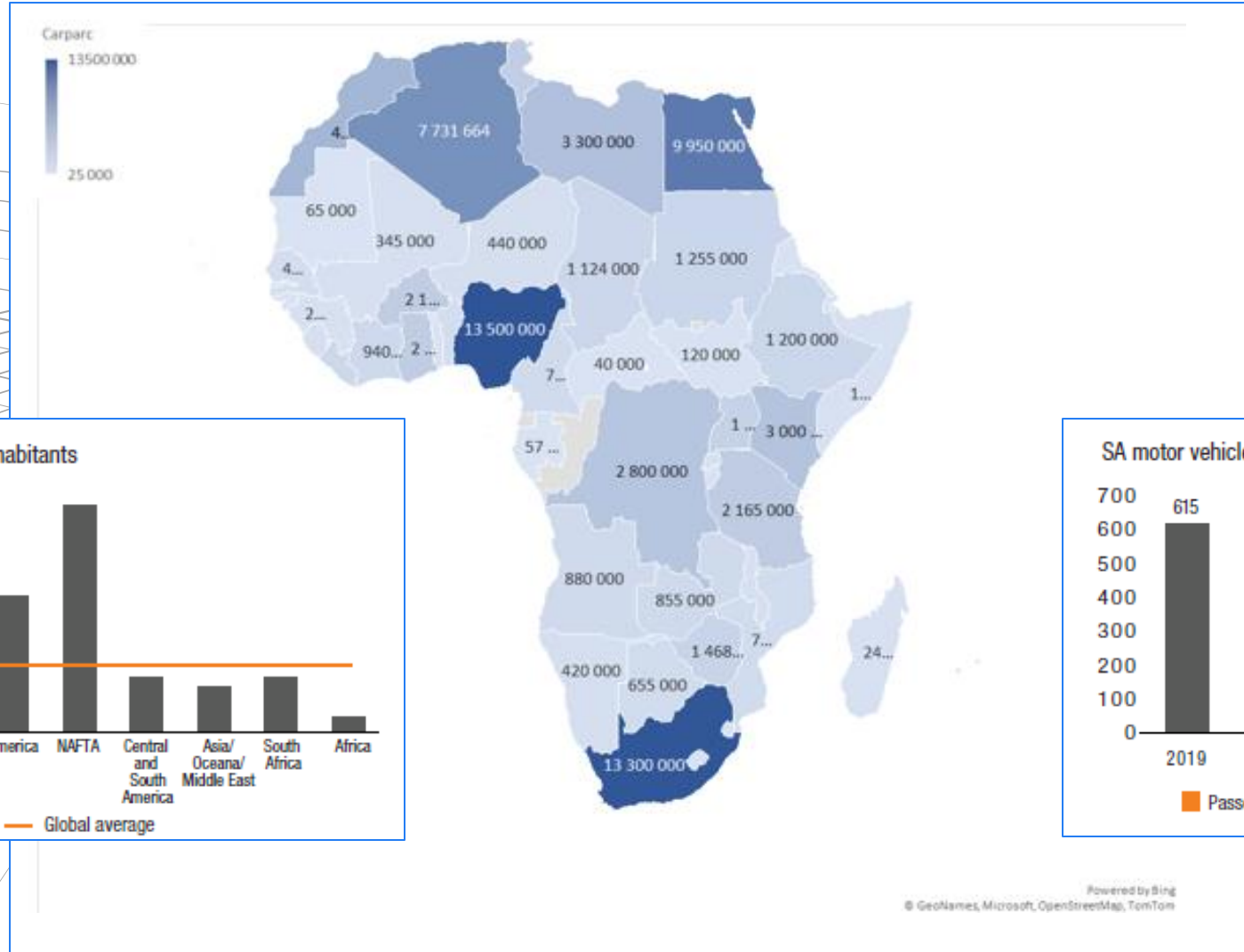
### EBIT loss

**R24m**

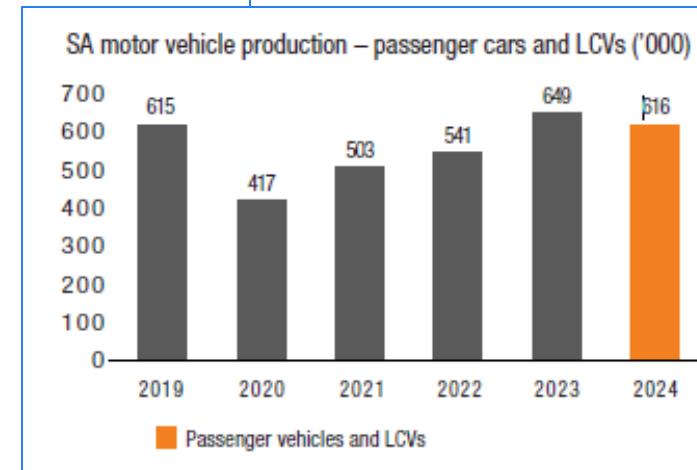
GROUP  
REVENUE  
CONTRIBUTION

**9%**

## Our Market - growing population, ageing car fleet



- SA car parc 13 million
- Total Africa car parc estimated at over 80 million
- Metair will focus on developing priorities and route to market strategies

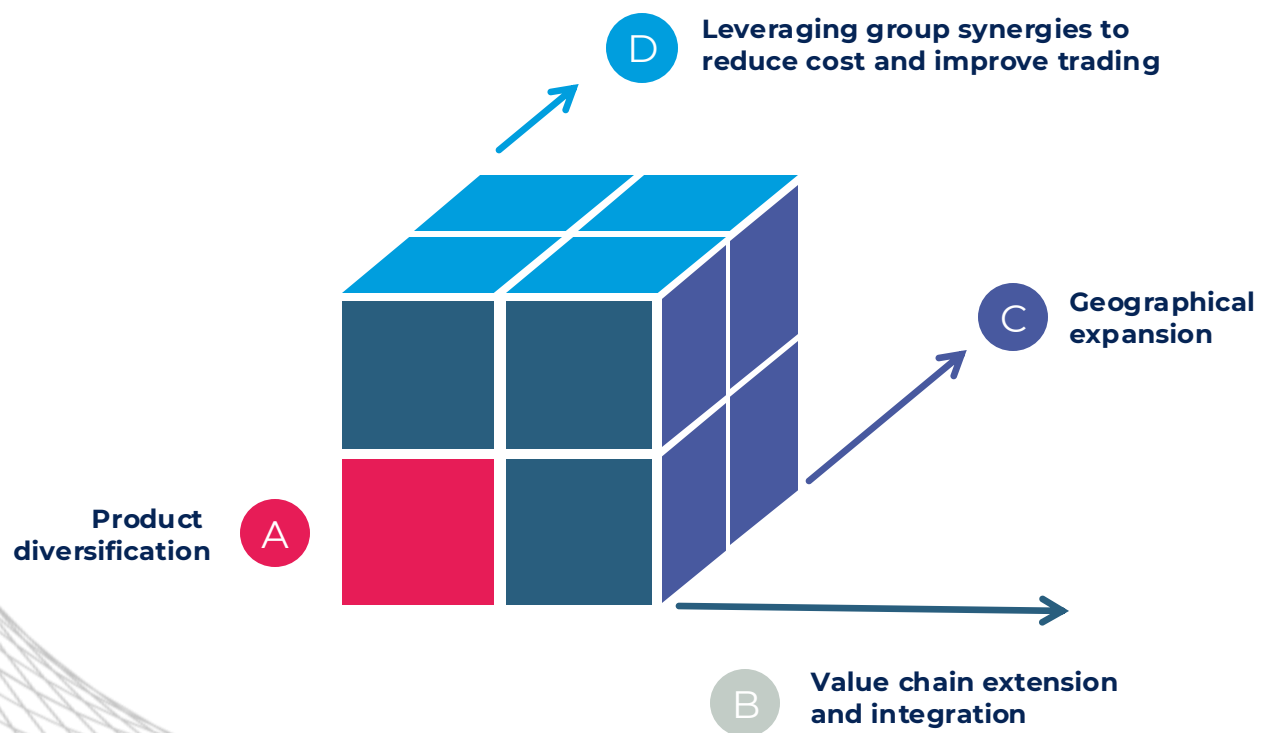


## 2. Restructuring the company



# Key Growth & Optimisation Levers

**Our vision:** Generating value for our stakeholders by contributing to a sustainable future of mobility in Africa



- Increase our relevance to vehicle owners through expanding our offering
- Create better solutions for the vehicle owners maintenance and mobility needs through integrated solutions across the value chain
- Reach more vehicle owners through expanding our African footprint

# Reset is done, growth is underway

Repositioning the group has set Metair on a sustainable growth path

## Organisational enhancements

- July 2025 – appointment of new CFO
- New verticals in place:
  - › OEM (OEM Direct Component Manufacturing)
  - › AFM (Aftermarket Parts and Retail)

## OEM focus:

- Manufacturing excellence
- Concentrate on areas within control
  - › operational execution
  - › customer support
- Restructure and right-size operations
- Dynamically adapt to market and volume shifts
- Flexible and agile operating models

## Diversification strategy

- AutoZone to grow aftermarket sales channel
- Strategy to diversify into new markets and regions
  - › Expand customer base and partners
  - › African opportunities and expansion

## Aftermarket Parts and Services focus:

- Integrate and identify synergies with AutoZone
- Reposition ATE as purely aftermarket
- Capitalise on ABM as a footprint into Africa
- Expand partner aftermarket offerings

# Autozone path to recovery

## Integral to unlocking the strategy

### 2025



- Stabilisation period
- H1 expected to be weak
- Revenue to recover to R2bn level for full year

### 2026 & 2027

- Recovery period
- Revenue targeted to return to R2.4bn
- Returns in line with peers

### Benefits of AutoZone acquisition

- Strategic step-change in Metair's presence and positioning in the aftermarket sector
- Robust platform for future growth
- Back-office and distribution cost reduction

### Forward

- Leverage unique positioning to deliver sustainable growth with class-leading returns

## The aftermarket opportunity

- There are over **13 million** registered vehicles in South Africa\*
- ...and an estimated **30 million** vehicles in the rest of sub-Saharan Africa
- The vehicles are aging, requiring more regular replacement of parts
- AutoZone has 213 retail branches, stocking a range of over 12 000 parts
- AutoZone also has franchises in Namibia, Swaziland and Botswana
- It is an ideal retail platform from which to drive Metair's aftermarket aspirations

### 3. Financial review



# 1H 2025 results summary

## REVENUE<sup>(1)</sup>

increased 53% to

**R8.7bn**

(H1'24: R5.7bn)

## EBITDA<sup>(1)(3)</sup>

increased 40% to

**R716m**

(H1'24: R513m)

## EBIT<sup>(1)(2)</sup>

increased 27% to

**R450m**

(H1'24: R354m)

## GROUP NET<sup>(4)</sup>

**DEBT**

increased to

**R5.1bn\*\*\***

(Dec'24: R2.7bn)

## HEPS<sup>(1)</sup>

From continuing operations,  
decreased by 6 cents to

**71cps**

(H1'24: 77cps)

## Total HEPS

Increased by 68 cents to

**65 cps**

(H1'24: -3cps)

## Total EPS

decreased by 90 cents to

**-93 cps**

(H1'24: -3 cps)

## ROIC

reduced to

**5.2%**

From 7.1% (Dec'2024)

(1) Figures reported on a continuing basis

(2) EBIT is calculated as earnings before interest and taxes and excludes capital items

(3) EBITDA is calculated as earnings before interest, taxes, depreciation and amortisation, and excludes capital items

(4) Includes Hesto net debt

# Segmental summary analysis

	OEM SEGMENT			AFM SEGMENT			Group		
R'million	H1'2025	H1'2024	Var.	H1'2025	H1'2024	Var.	H1'2025	H1'2024	Var.
Reported revenue	5 491	3 287	67%	3 166	2 385	33%	8 657	5 672	53%
EBITDA*	535	285	88%	235	242	(3%)	716	513	40%
EBIT** pre capital items	387	197	96%	118	174	(32%)	450	354	27%
EBIT pre capital items %	7.0%	6.0%	1.Ppt	3.7%	7.3%	(3.6ppt)	5.2%	6.2%	(1ppt)
ROIC	17.5%	15.4%	2.1ppt	6.2%	14.4%	(8.2ppt)	5.2%	11.9%	(6.7ppt)

## OEM segment

- SA OEM volumes up by 4% to 282k units
- EBIT pre capital items increased to R387m
- Hesto consolidated from 1 April 2025
- Including Hesto for 6 months in both comparative periods :
- Revenue R6 661m (+8% on H1 2024)
- EBIT pre capital items R440m (H1 2024: R309m)
- EBIT margin for Hesto for the 6 months 6.9% (H1 2024: 3.9%)
- EBIT margin for the other entities 6.4% (H1 2024: 6.0%)
- ROIC increased to 17.5% (H1 2024: 15.4%) supported by performance of Hesto

## AFM segment

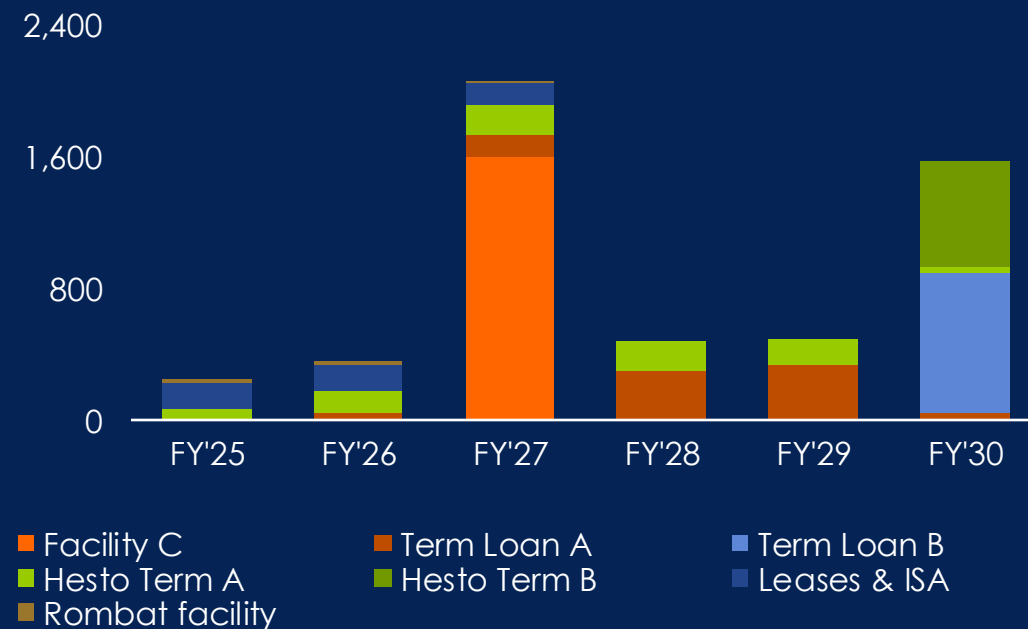
- Battery volumes from 2.1 million to 2.2 million units , supported by Rombat volumes up 6%
- FB's EBIT decreased to R93m at 8.6% margin(H1 2024: R152m at 14.0% margin) due to competitive market conditions
- Rombat volumes increased to 1.4 million units – EBIT of R53m at 4.3% margin (H1 2024: R19m at 1.7%)
- Overall EBIT decreased 32% to R118m at 3.7% margin from R174m
- AutoZone & ATE EBIT per capital items loss of R24m in line with business recovery plan
- ROIC decreased to 6.2% impacted by AutoZone losses for H1 2025

# Capital restructuring

## More sustainable debt structure and terms

- Capital restructuring plan approved 10 March 2025
- Repayment profile matches expected earnings growth and cash flows over five years
- Focused strategies to enhance cash generation
- All SA Obligor debt covenants met
- Hesto refinance on 30 June with covenants being first measured in September 2025
- New leases comprise R114m new IFRS 16 leases

## Debt maturity (Rand million)



# Disciplined capital allocation

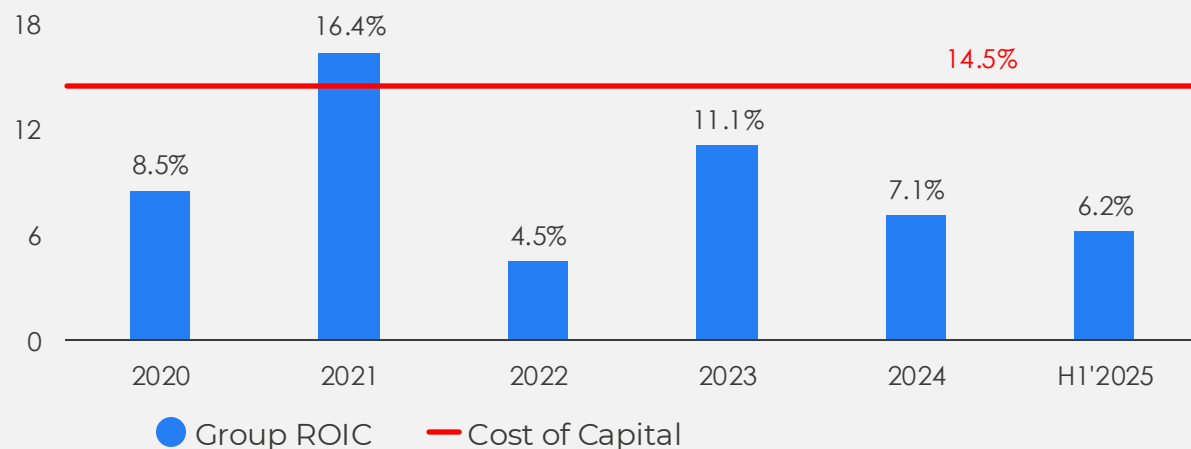
## Optimising return on capital

### Metair financial return criteria:

- Return on invested capital (ROIC)
- Return on assets
- Internal rate of return
- Cash generation

Component of executive remuneration to strengthen alignment with shareholder needs

### Return on Invested Capital (ROIC) vs Cost of Capital



## 4. Outlook



## Progress to stabilise and reset our businesses on a growth path

- **Good progress made in turnaround strategy**
  - › Continuation of initiatives commenced in 2024 to restructure and right-size operations, with stringent focus on efficient project management to ensure a more agile, dynamic business
    - New model introduction at a major vehicle customer in FY2026
    - Key customer is right-sizing manufacturing operations
  - › Restructured debt package provided Group with sustainable platform
- **Focus on areas within Group's control**
  - › Building on foundations of continuous operational improvement
  - › Implement and drive shared services
  - › Efficient project management established over the past 18 months
  - › Enhance margins and improve returns on invested capital
- **Stabilise and turn around AutoZone**
  - › Return to profitability
  - › Open new aftermarket sales channels
  - › Diversify dependence on local OEMs
- **Assess opportunities and expand partnerships**
  - › Broaden customer base and product set
  - › Sub-Saharan Africa's mobility sectors offer significant potential

# Metair's value proposition



## Diverse and independent operations

Independently operated businesses supplying a broad range of automotive parts across the vehicle parts spectrum and down the value chain through the recent AutoZone acquisition.



## Supportive industry tailwinds

Favourable industry dynamics in South Africa, reinforced by government incentives. SA's automotive sector continues to support SA GDP. AMSA closure risk being addressed.



## Trusted by blue-chip clients

Reliable supplier to a diversified portfolio of long-standing, blue-chip customers. Partners have demonstrated commitment to Metair over the years through: Ford ramp-up complexities, TSAM KZN floods, KZN riots and TSAM EU engine issues.



## Optimised operational footprint

Enhanced risk profile (Mutlu exit), strong competitive positioning and business right-sizing.



## Strong financial performance

Stable margin business with robust cash generation capabilities, with volatility of Türkiye removed. Performance recovery and consolidation at Hesto and AutoZone bringing higher margin earnings downstream.



## Proven leadership team

Led by an experienced, knowledgeable, and highly respected management team. Team capacitated at head office, driving operational best-practice with KPI alignment.



## Leadership in the Aftermarket sector and Metair's 'Right-to-Win'

Enhancing Metair's market position within the automotive aftermarket industry by playing throughout the value chain. This enables the African Mobility growth vector.

## 5. Q&A

