

# Results presentation

for the year ended  
31 December

# 2025



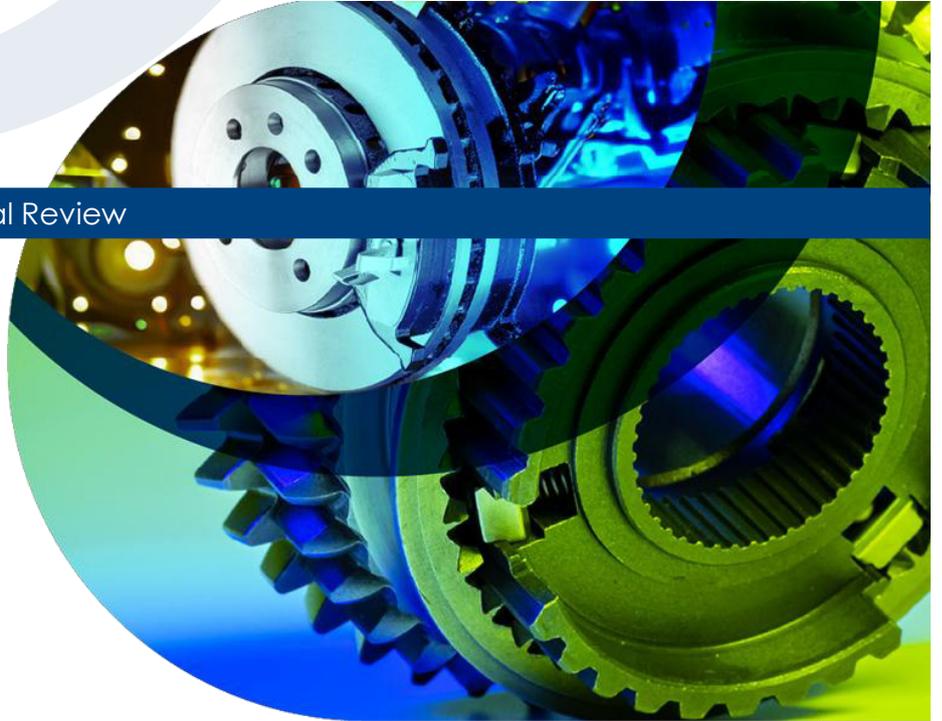
## Agenda

- 01 CEO UPDATE & OPERATIONAL REVIEW
- 02 FINANCIAL REVIEW
- 03 OUTLOOK AND PROSPECTS
- 04 Q & A

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## CEO Update & Operational Review

Paul O'Flaherty



### Metair at a glance

**METAIR**  
INVESTMENTS LIMITED  
automotive | retail

#### Automotive Component Manufacturing (OEM)



Original equipment components used in the assembly of new vehicles  
Key products: wiring harnesses, headlights/taillights, shock absorbers, radiators, air-conditioners, mouldings, etc

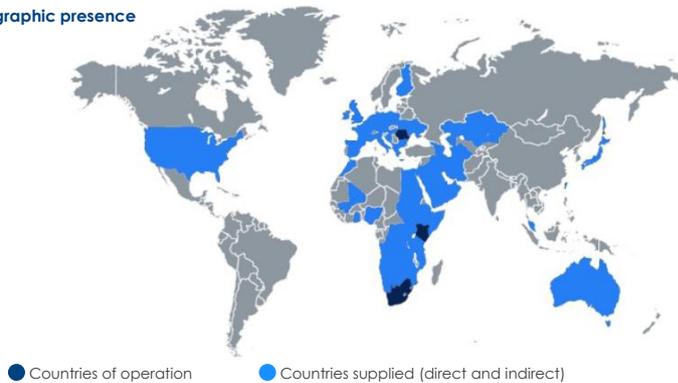


#### Aftermarket Parts and Retail (AFM)



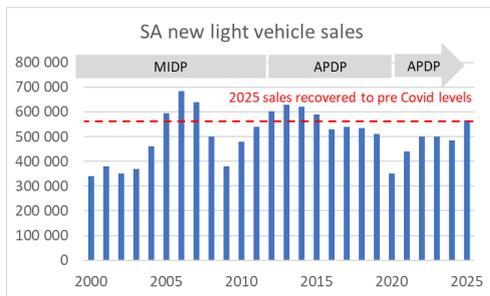
Components used in the fast-growing aftermarket spare parts market  
Key products: batteries, disk brakes and an extensive range of parts for aftermarket repairs and service

#### Geographic presence

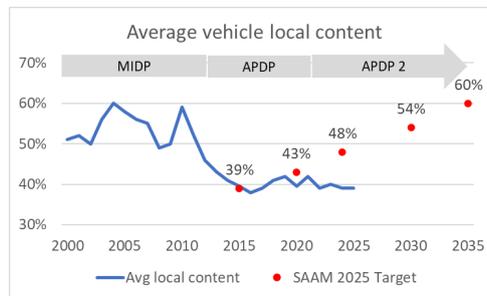


# State of the Manufacturing and Automotive Industry

- ❑ **Static SA OEM new vehicle sales** and **sharp rise in imports** of Chinese and Indian brands
  - ❑ Leading to **displacement** of locally manufactured vehicles and **declining local content**
  - ❑ Automotive industry is at a **crossroads**, with factories facing closure
  - ❑ **Wider manufacturing industry** also under threat, with multiple closures, cutbacks and job losses
  - ❑ **Urgent intervention required** by the government and all automotive industry stakeholders
- "We are prematurely de-industrialising as a country" - Toyota SA chief Andrew Kirby*

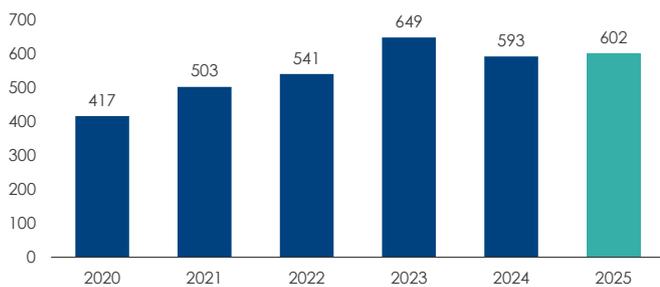


Source: NAAMSA and NAACAM



## Vehicle Volumes

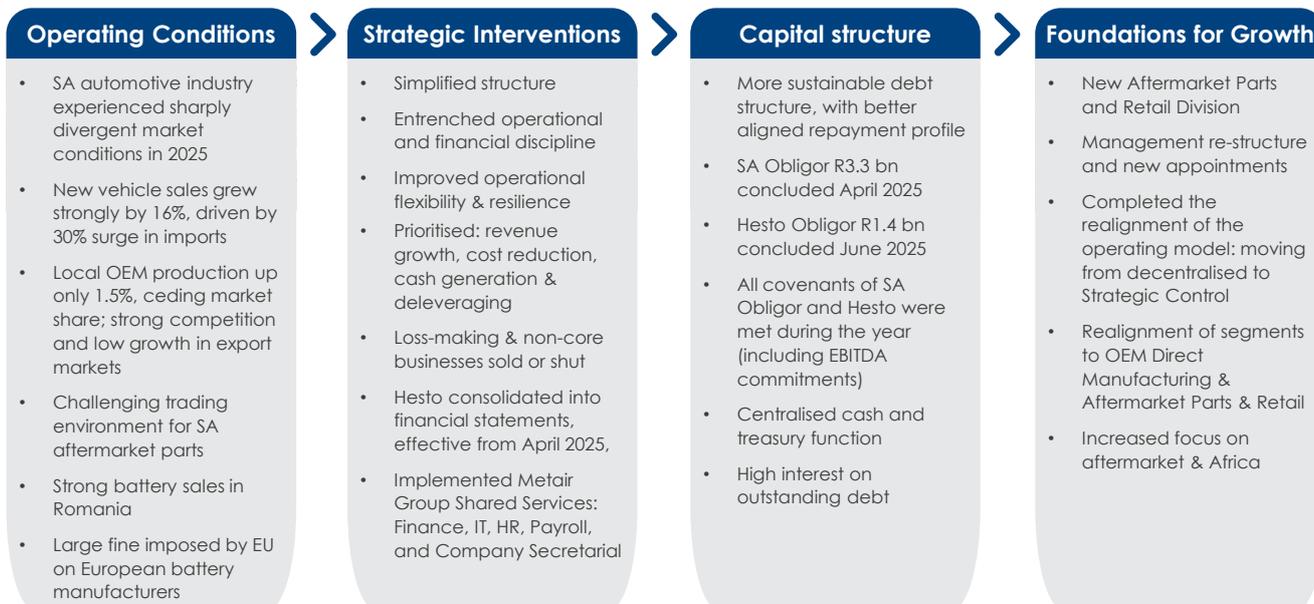
SA motor vehicle production – passenger cars and LCVs ('000)



OEM volumes	2022	2023	2024	2025	PY var (units)
Toyota	115 327	175 311	119 987	<b>133 633</b>	13 646
Ford	92 166	130 963	130 799	<b>124 849</b>	(5 950)
VW	134 864	140 324	167 085	<b>160 362</b>	(6 723)
MBSA	87 023	88 056	67 241	<b>57 541</b>	(9 700)
BMW	61 823	64 233	53 700	<b>79 520</b>	25 820
Nissan	24 800	22 207	13 592	<b>11 127</b>	(2 465)
Isuzu	21 884	25 348	22 882	<b>26 699</b>	3 817
Other	2 681	2 789	18 224	<b>8 571</b>	(9 653)
	<b>540 568</b>	<b>649 231</b>	<b>593 510</b>	<b>602 302</b>	<b>8 792</b>

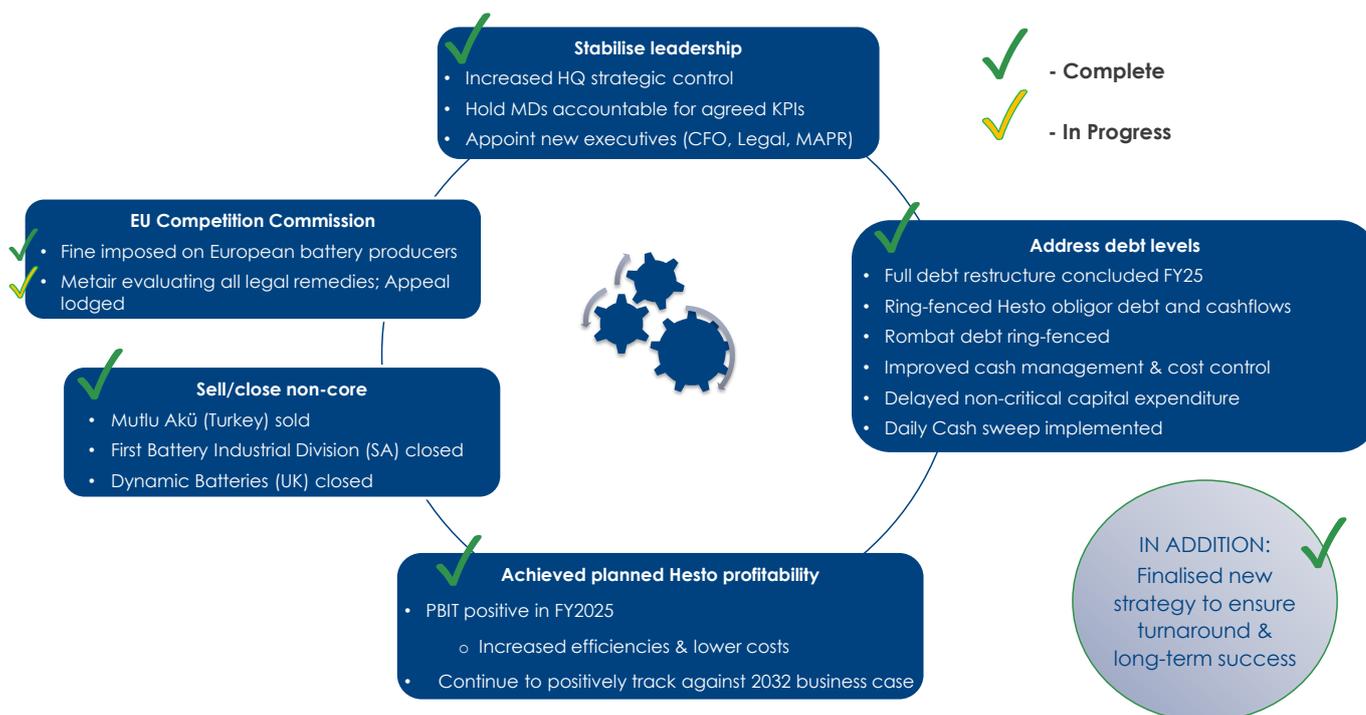
- SA automotive industry is the country's largest manufacturing sector, at 23% of output
- Auto industry exports account for 15% of SA export revenue
- Local vehicle production increased by only 1.5% in 2025
- Volumes depressed by large influx of Chinese and Indian brands
- OEM exports up only 5.9% for the year
- SA displaced by Morocco as Africa's largest vehicle producer

## FY2025: Stabilising Metair & Laying the Foundation for Sustainable Growth



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## Metair's delivery against priorities (vs 24 months ago)



## Update on Rombat fine

### €20.2m (~R413m) fine imposed in Dec 2025 on Rombat by the European Commission,

- › €11.6m jointly and severally liable with Metair
- › Relates to **historic industry-wide conduct** (2004 – 2017)
  - Automotive battery pricing premiums, including multiple manufacturers and the EUROBAT industry association
- › Conduct **predates Metair's acquisition** of Rombat (2012)
- › Not identified in third-party due diligence at acquisition

### Metair and Rombat actively evaluating legal remedies

- › Joint and several portion based on presumption of knowledge by Metair which we refute
- › Gravity of the fine given Rombat's size vs other defendants
- › Inability to pay not considered by the EU
- › Appeal lodged

### Total fine fully provided for in Rombat balance sheet

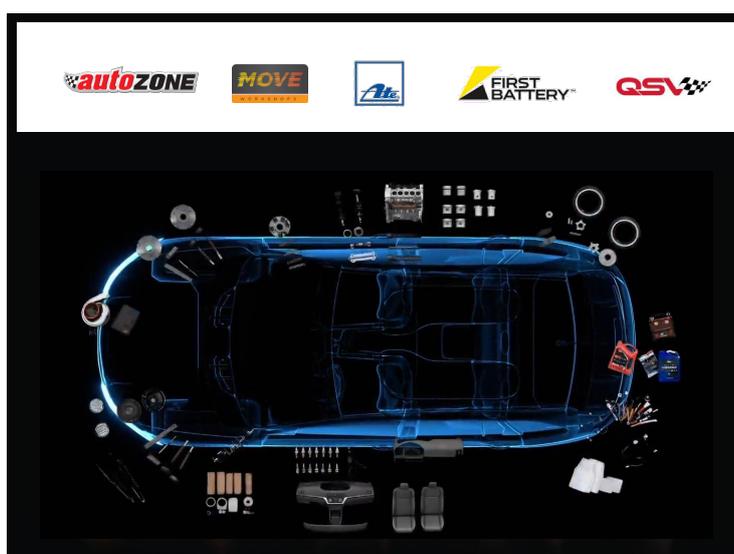
- › No additional P&L impact expected



## New Aftermarket Parts and Retail Division

Aligned to Group's **strategic focus on diversification** through dedicated business divisions

- Aftermarket Parts and Retail Division includes **five verticals**:
  - › AutoZone, MOVE, ATE, First Battery Retail and QSV.
- Identified as **a sizeable, fragmented market with higher margin growth prospects**
- **AutoZone** provides path for scale in distribution and retail channels
- Africa Growth Strategy showing promise for future growth
  - › Capitalise on the **ABM footprint in East Africa**
- Supported by recently implemented **Metair Group Shared Services**: Finance, IT, HR, Payroll, and Company Secretarial



## OPERATIONAL PERFORMANCE

### AUTOMOTIVE COMPONENTS MANUFACTURING

**HESTO** Products  
Wiring harnesses, instrument cluster / combination meters, moulded parts

**REVENUE**  
**R5.9bn<sup>(1)</sup> up 8%**

**EBIT**  
**R454m<sup>(1)</sup> up 79%**

**EBIT margin**  
**7.6%** (FY24: 4.6%)

(1) Hesto was consolidated from 1 April 2025; but these results reflect full year for Hesto

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

**REVENUE**  
**R7.3bn up 4%**

**EBIT**  
**R523m up 40%**

**EBIT margin**  
**7.1%** (FY24: 5.3%)

**LUMOTECH** Products  
Headlights, taillights, reflectors and plastic injection mouldings

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

**SUPREME SPRING** Products  
Coil springs, leaf springs, stabiliser bars, torsion bars

**UNITRADE** Products  
Automotive wire, PVC insulated copper

### AFTERMARKET PARTS AND RETAIL

**FIRST BATTERY** Products  
Automotive batteries, solar systems, back up systems, standby systems, charging systems, battery distribution networks, & battery Centre franchises

**REVENUE**  
**R4.3bn up 2%**

**EBIT**  
**R292m up 4%**

**EBIT margin**  
**6.8%** (FY24: 6.6%)

**ALC** Products  
Wholesale and retail distribution of automotive replacement components

**REVENUE**  
**R1.8bn**

**EBIT loss**  
**R46m**

**EBIT margin**  
**-2.5%**

**autoZONE** Products  
Brake pads, brake discs, brake shoes, hydraulics and other braking components

**MOVE**

**QSV**

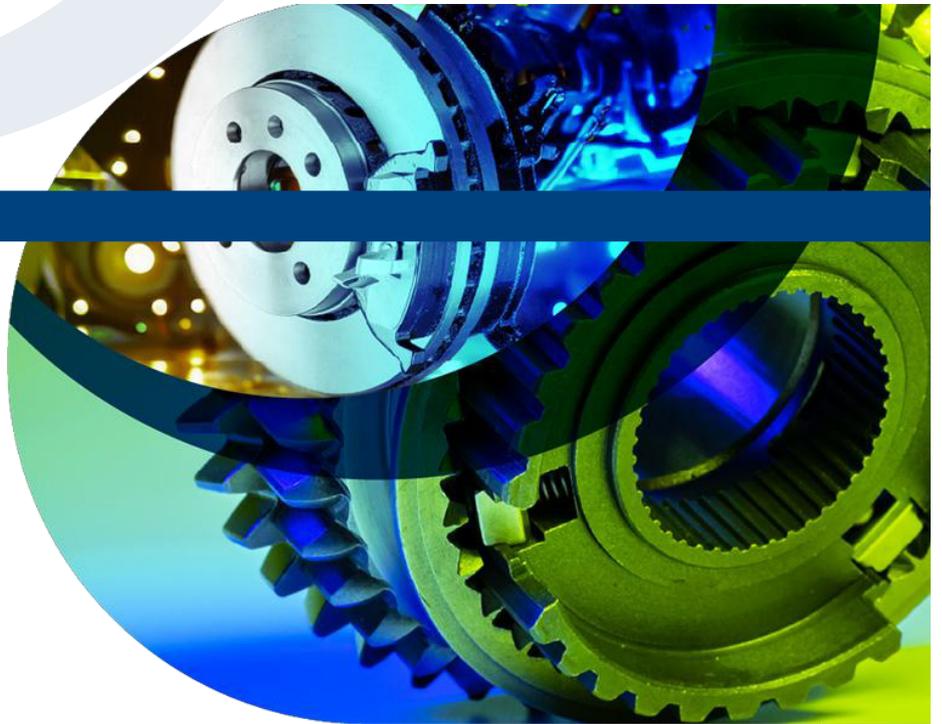
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## ESG

Significant progress made towards maturing sustainability strategy in support of the 'reset and growth' strategy in 2025

Climate and Energy	Health and Safety	Corporate and Social Investment	Water and Waste	Human Capital
<ul style="list-style-type: none"> <li>Negotiating sustainability-linked loans on the back of improved sustainability performance</li> <li>Scope 1 and 2 emissions per person hour worked down 6.9%</li> <li>Electricity consumption per person hour worked down 8.3%</li> <li>Progress towards rooftop solar power purchase agreements which will reduce energy costs and Scope 2 carbon emissions.</li> </ul>	<ul style="list-style-type: none"> <li>No work-related fatalities</li> <li>LTIFR increased to 0.34; remains below 1.0 benchmark</li> </ul>	<ul style="list-style-type: none"> <li>R8.1 million investment in 2025 (FY24: R11.3 million)</li> </ul>	<ul style="list-style-type: none"> <li>Average scrap as a percentage of raw materials purchased decreased to 2.5% (FY24: 3.5%)</li> <li>Total non-hazardous waste to landfill decreased to 2 182t (FY24: 2 528t)</li> <li>Water consumption per person hour worked increased by 10.5% vs 2% reduction target)</li> </ul>	<ul style="list-style-type: none"> <li>R48.7 million invested in skills development (FY24: R34.6 million)</li> <li>728 bursaries and 83 apprenticeships supported (FY24: 331 bursaries and 44 apprenticeships)</li> <li>Group's B-BBEE score remained at Level 1 (2024: Level 1)</li> </ul>

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## FY2025 results summary

<p><b>REVENUE</b> increased 57% to <b>R17.9bn</b> (F24: R11.4bn)</p>	<p><b>EBITDA<sup>#</sup></b> increased 99% to <b>R1 696m</b> (F24: R852m)</p>	<p><b>EBIT<sup>#</sup></b> increased 99% to <b>R1 087m</b> (F24: R546m)</p>
<p><b>GROUP NET DEBT</b> increased to <b>R3.9bn</b> (F24: R2.7bn)</p>	<p><b>HEPS (ex Fine)<sup>#</sup></b> from continuing operations increased by 86 cents to <b>191cps</b> (F24: 105 cps)</p>	<p><b>ROIC</b> Increased to <b>11.1%</b> From 7.2%</p>

#:- Results are shown Excluding the Rombat Fine and capital items.  
(Metair believes that these earnings numbers represent the most appropriate reflection of the underlying performance of the business during the period)

## Group results

Turnover increases from R11.4bn to R17.9bn and EBITDA increases from R852m to R1 696m

### Income statement (select items)

	FY25 Continuing operations as reported <sup>1</sup>	FY24 Continuing operations – represented <sup>1</sup>
Revenue	17 868	11 376
EBITDA before exceptional items	1 696	852
EBITDA margin before exceptional Items	9.5%	7.5%
EBIT before exceptional items	1 087	546
EBIT margin before exceptional Items	6.1%	4.8%
Exceptional Item – Rombat Fine	(413)	
Capital items	(312)	99
Operating profit	362	645
Net interest	(532)	(222)
Loss/ profit for the period	(294)	312
<b>Cents per Share: Pre Rombat Fine</b>		
HEPS (cps)	191	105
EPS (cps)	31	155

### Balance sheet

	FY25 As reported <sup>1</sup>	FY24 As reported <sup>2</sup>
Non-current assets	5 535	4 112
Current assets	7 046	5 567
<b>Total assets</b>	<b>12 581</b>	<b>9 679</b>
<b>Total equity</b>	<b>2 261</b>	<b>2 797</b>
Non-current liabilities	6 449	644
Current liabilities	3 871	6 238
<b>Total liabilities</b>	<b>10 320</b>	<b>6 882</b>
<b>Total equity and liabilities</b>	<b>12 581</b>	<b>9 679</b>
Net cash	1 212	808
Gross borrowings	5 117	3 536
Net debt	3 905	2 706
Networking capital	2 711	1 955
Net asset value per share (cps)	1 135	1 388

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## Segmental summary

On IFRS Basis <sup>1</sup>	OEM			AFM			GROUP <sup>2</sup>		
R'million	FY2025	FY2024	Var.	FY2025	FY2024	Var.	FY2025	FY2024	Var.
Reported revenue	11 777	7 081	66%	6 091	4 295	42%	17 868	11 376	57%
EBITDA	1 291	543	138%	372	398	-7%	1 696	852	99%
EBIT	923	373	147%	246	267	-8%	1 087	546	99%
EBIT %	7.8%	5.3%		4.0%	6.2%		6.1%	4.8%	

### OEM segment

- SA OEM volumes up by 1.5% to 602 000 units
- EBIT increased to R923 million and EBIT margin increased by 250bps to 7.8%
- Hesto consolidated from 1 April 2025
- Including Hesto for 12 months in both comparative periods:
  - Revenue R12 711m (+56% on 2024: R12 129m)
  - EBIT R976m (+56% on 2024: R626m)

### AFM segment

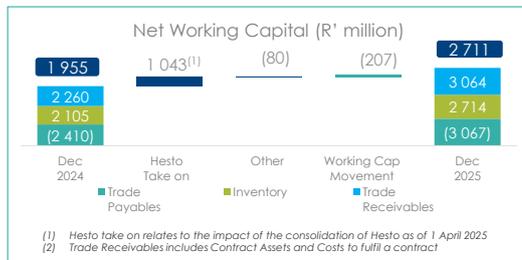
- Overall battery volumes increased from 4.3 million to 4.5 million units, supported by Rombat volumes up 2.6% to 2.9 million units
- First Battery's EBIT R168m at 9.2% margin (2024: R236m at 13.1% margin) due to a return to normalised margins as noted at the interims
- Rombat's EBIT of R124m at 5.0% margin (2024: R45m at 1.8% margin)
- AutoZone EBIT loss of R46m; 6-9 months behind its recovery plan
- Overall EBIT R246m at 4.0% margin (2024: R267m at 6.1% margin)

(1) Hesto for 9 months from 1 April 2025

(2) Group is after Head Office costs and IFRS16

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## Cash flow



	Cash generated from working capital R'million	Cash utilised in investing activities R'million	Cash utilised in financing activities R'million
Inventory	573	Capex (490)	Total debt raised 4 860
Trade and other receivables	(27)	Loans to related parties (185)	Total debt repaid (4 819)
Trade and other payables	(339)	Other investing activities 87	Leases & other (220)
Net cash inflow from working capital	207	Net cash outflow from investing activities (588)	Net cash outflow from financing activities (179)

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## Debt structure

Debt is housed within 3 separate, ringfenced structures:

- SA Obligor (comprising all SA based companies, excl Hesto)
- Hesto (as a standalone obligor)
- Rombat

### SA Obligor (R'm)

As at 31 Dec 2025	Type	Facilities	Maturity
Term Loan B	Bullet	850	Apr-30
Facility C	Bullet	1 600	Jun-27
Term Loan D	Amortising	850	Apr-30
<b>Total term debt</b>		<b>3 300</b>	
WCF		600	
<b>Total Facilities</b>		<b>3 900</b>	

### Hesto (R'm)

As at 31 Dec 2025	Type	Facilities	Maturity
Term Loan A	Amortising	675	Jun-30
Term Loan B	Bullet	651	Jun-30
<b>Total term debt</b>		<b>1 326</b>	
WCF		200	
<b>Total Facilities</b>		<b>1 526</b>	

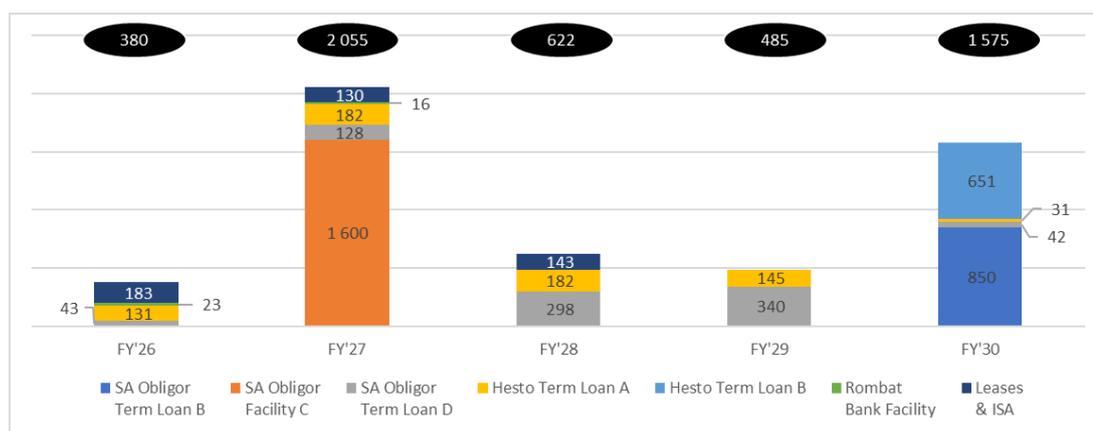
Covenants		Met
Senior Net Debt to EBITDA	Not more than 2.65 x	1.53x Y
Senior Interest Cover Ratio	Greater than 3.00 x	3.55x Y
Total Interest Cover Ratio	Greater than 1.80 x	2.19x Y
Total Net Debt to EBITDA	Not more than 4.75 x	3.37x Y

Covenants		Met
Total Interest Cover Ratio	Greater than 3.00 x	7.00x Y
Debt Service Cover Ratio	Greater than 1.20 x	1.86x Y
Total Net Debt to EBITDA	Not more than 2.50 x	1.45x Y

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## Funding structure

Debt maturity (Rmn)

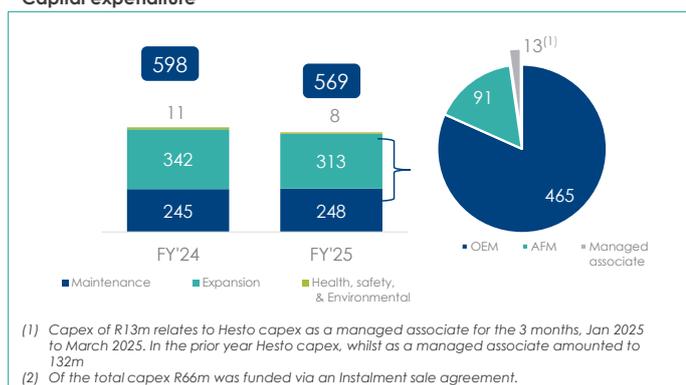


- Capital restructuring plan was approved 10 March 2025
- Repayment plan matches expected earnings growth and cash flows over 5 years
- Focused strategies to enhance cash generation
- All SA Obligor & Hesto covenants met

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## Capital Allocation/Commitment

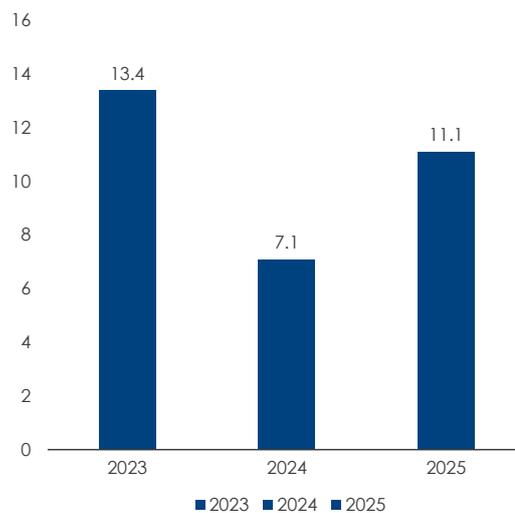
Capital expenditure



Capital Commitments

Capital commitments by vertical R'million	Maintenance & general	Expansion & Efficiency	Total
OEM	237	452	689
AFM	51	97	148
<b>Total</b>	<b>288</b>	<b>549</b>	<b>837</b>

Return on invested capital (ROIC)



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## Financial Priorities

### Key FY26 focus areas from a finance perspective

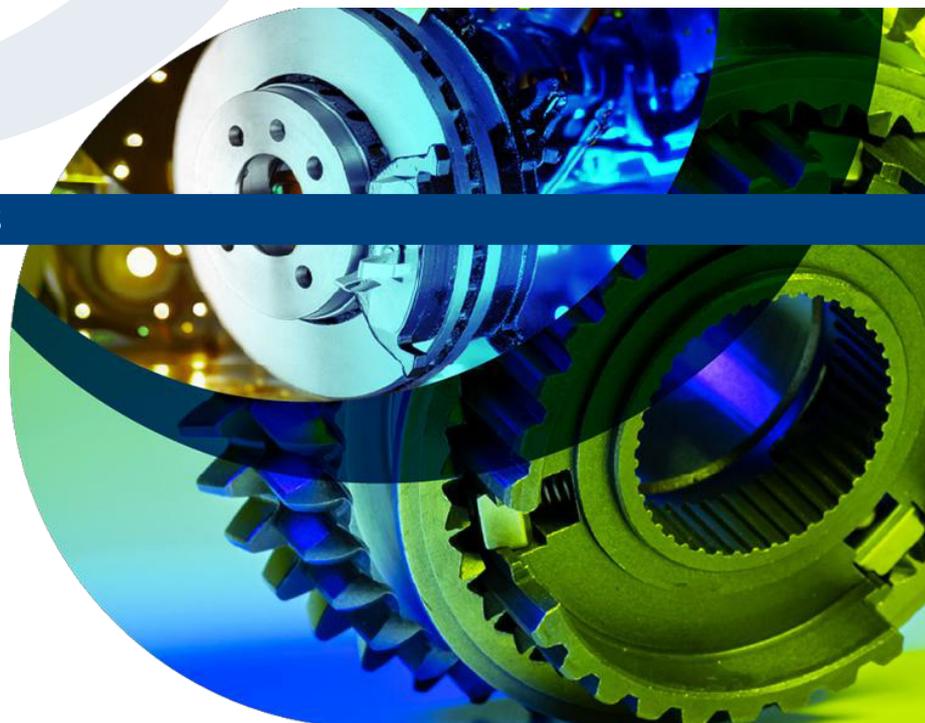
- **Capital structure**
  - › Focus on reducing leverage to improve Net debt / EBITDA
  - › Ensure covenant compliance
- **Focus on Free Cash Flow**
  - › Centralised Treasury – daily cash management
  - › Net Working Capital – manage cyclicality
  - › FY26: limited de-gearing anticipated – due to elevated capex for Hilux changeover
- **Rigorous capital allocation**
  - › ROIC is paramount when assessing capex and opex
  - › Supported by NPV, IRR and Payback
- **Operating margin**
  - › Fixed vs Variable cost assessment
  - › Continued reduction of indirect costs
    - Targeted reductions in costs/revenue
  - › Finance, IT & HR Shared Services to drive cost savings

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## OUTLOOK AND PROSPECTS

Paul O'Flaherty



## Outlook

Positioning our businesses on a growth path

