

Jaguar Land Rover South Africa (Pty) Ltd

(Registration Number 2001/027269/07)

Annual Financial Statements

for the year ended 31 March 2026

Audited Financial Statements

in compliance with the Companies Act of South Africa

Prepared by: Jacqueline Stoman

Professional designation: CA (SA)

Title: Financial manager

Reviewed by: Sybella van Niekerk

Professional designation: CA (SA)

Title: Finance Director

Jaguar Land Rover South Africa (Pty) Ltd

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Jaguar Land Rover South Africa (Pty) Ltd

(Registration Number 2001/027269/07)

Annual Financial Statements for the year ended 31 March 2026

General Information

Country of Incorporation and Domicile	South Africa
Registration Number	2001/027269/07
Registration Date	13 November 2001
Nature of Business and Principal Activities	The company is acting as principal in the sale and marketing of vehicles, parts and accessories and the provision of related services.
Directors	Sybella Winifred van Niekerk Richard Gouverneur Liaan Etienne Kretzschmar Carmen Slade Viola Rossouw
Holding Company	Jaguar Land Rover (South Africa) Holdings Limited
Registered Office	28 Victoria Link Route 21 Corporate Park Nellmapius Drive Irene X30 0184
Postal Address	Private Bag X2 Pierre van Ryneveld 0045
Bankers	Standard Bank of South Africa
Auditors	KPMG Inc. Registered Auditors

Jaguar Land Rover South Africa (Pty) Ltd

(Registration Number 2001/027269/07)

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Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. These annual financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) and it is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company and supported by reasonable and prudent judgements and estimates.

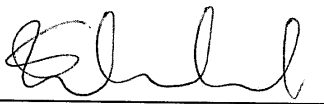
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

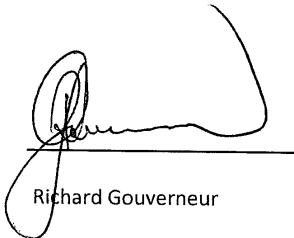
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the company.

The financial statements have been audited by the independent auditing firm, KPMG Inc., who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholder, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 6 to 8.

The financial statements set out on pages 9 to 44 which have been prepared on the going concern basis, were approved by the directors and were signed on 18 May 2026 on their behalf by:



Sybella Winifred van Niekerk



Richard Gouverneur

Jaguar Land Rover South Africa (Pty) Ltd

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Annual Financial Statements for the year ended 31 March 2026

Directors' Report

The directors present their report for the year ended 31 March 2026.

1. Review of activities

Main business and operations

The company is acting as principal in the sale and marketing of vehicles, parts and accessories and the provision of related services. There were no major changes herein during the year.

The operating results and statement of financial position of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after reporting date

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

4. Directors' interest in contracts

To our knowledge none of the directors had any interest in contracts entered into during the year under review.

5. Borrowing limitations

In terms of the Memorandum of Incorporation of the company, the directors may exercise all the powers of the company to borrow money, as they consider appropriate.

6. Dividend

No dividend was declared or paid to the shareholder during the current year. In the prior year a dividend of R500 000 000 was declared and paid.

7. Directors

The directors of the company during the year and up to the date of this report are as follows:

Sybella Winifred van Niekerk

Richard Gouverneur

Liaan Etienne Kretschmar

Carmen Slade

Viola Rossouw

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Directors' Report

8. Social and ethics committee

In line with the requirements of the Companies Act of South Africa, Jaguar Land Rover South Africa (Pty) Ltd has appointed a social and ethics committee who have presented their report at the Annual General Meeting. The members of the committee are:

Name	Appointment date
Richard Gouverneur	19 November 2020
Liaan Etienne Kretzschmar	19 November 2020
Sybella Winifred van Niekerk	27 July 2021
Carmen Slade	23 March 2026

9. Shareholder

There have been no changes in ownership during the current financial year.

The shareholder and its interest at the end of the year is:

	Holding
Jaguar Land Rover (South Africa) Holdings Limited	100.00%

10. Independent Auditors

KPMG Inc. were the independent auditors for the year under audit.



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Independent Auditor's Report

To the shareholder of Jaguar Land Rover South Africa (Pty) Ltd

Opinion

We have audited the financial statements of Jaguar Land Rover South Africa (Pty) Ltd (the Company) set out on pages 9 to 44, which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Jaguar Land Rover South Africa (Pty) Ltd as at 31 March 2026, and its financial performance and cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. 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)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Jaguar Land Rover South Africa (Pty) Ltd Annual Financial Statements for the year ended 31 March 2026", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.



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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Inc.

Signed by:
A blue ink signature that reads 'KPMG INC.' in a stylized, bold font.

BD586D3B03BC4A3...
Per Mxolisi Mthimkhulu
Chartered Accountant (SA)
Registered Auditor
Director
19 May 2026

Jaguar Land Rover South Africa (Pty) Ltd

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Financial Statements for the year ended 31 March 2026

Statement of Financial Position

Figures in R `000

	Notes	2026	2025
Assets			
Non-current assets			
Property, plant and equipment	5	35,351	41,609
Right-of-use assets	15	47,261	55,225
Deferred tax assets	8	200,147	247,463
Total non-current assets		282,759	344,297
Current assets			
Inventories	6	1,093,146	1,270,453
Trade and other receivables	7	261,148	263,764
Current tax assets	9	21,985	18,598
Related party receivables	25	160,855	87,417
Cash and cash equivalents	11	483,038	462,382
Total current assets		2,020,172	2,102,614
Total assets		2,302,931	2,446,911
Equity and liabilities			
Equity			
Issued capital	12	1	1
Retained income / (accumulated loss)		105,695	(82,144)
Total equity		105,696	(82,143)
Liabilities			
Non-current liabilities			
Provisions	13	265,713	253,472
Lease liabilities	15	78,644	83,804
Deferred income	16	435,296	364,925
Retirement benefit obligations	17	1,793	1,793
Total non-current liabilities		781,446	703,994
Current liabilities			
Provisions	13	427,032	411,411
Trade and other payables	14	228,973	311,653
Lease liabilities	15	5,160	3,314
Loan from group company	25	608,433	954,475
Deferred income	16	146,191	144,207
Total current liabilities		1,415,789	1,825,060
Total liabilities		2,197,235	2,529,054
Total equity and liabilities		2,302,931	2,446,911

Jaguar Land Rover South Africa (Pty) Ltd

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Financial Statements for the year ended 31 March 2026

Statement of Profit or Loss and Other Comprehensive Income

Figures in R `000

	Notes	2026	2025
Revenue	18	5,843,115	5,733,617
Cost of sales		(5,335,951)	(5,681,807)
Gross profit		507,164	51,810
Other gains / (losses)	19	72	12,168
Marketing expenses		(152,230)	(143,988)
Administrative expenses		(138,589)	(161,384)
Profit / (loss) from operating activities	20	216,417	(241,394)
Investment / interest income	21	39,818	41,794
Finance costs	22	(9,670)	(9,094)
Profit / (loss) before tax		246,565	(208,694)
Income tax (expense) / credit	23	(58,726)	46,630
Profit / (loss) for the year		187,839	(162,064)

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Statement of Changes in Equity

Figures in R `000	Issued capital	Retained income / (accumulated loss)	Total
Balance at 1 April 2024	1	579,920	579,921
Changes in equity			
Loss for the year	-	(162,064)	(162,064)
Total comprehensive income for the year	-	(162,064)	(162,064)
Dividend recognised as distributions to shareholder	-	(500,000)	(500,000)
Balance at 31 March 2025	1	(82,144)	(82,143)
Balance at 1 April 2025	1	(82,144)	(82,143)
Changes in equity			
Profit for the year	-	187,839	187,839
Total comprehensive income for the year	-	187,839	187,839
Balance at 31 March 2026	1	105,695	105,696

Notes **12**

Jaguar Land Rover South Africa (Pty) Ltd

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Financial Statements for the year ended 31 March 2026

Statement of Cash Flows

Figures in R `000

	Notes	2026	2025
Cash flows from operations			
Profit / (loss) for the year		187,839	(162,064)
Adjustments to reconcile profit / (loss):			
Income tax expense		58,726	(46,630)
Finance income		(39,818)	(41,794)
Finance costs		9,670	9,094
Decrease / (increase) in inventories		177,307	(205,546)
Increase in trade accounts receivable		800	11,447
Decrease in other operating receivables		46,480	127,855
Increase / (decrease) in trade accounts payable		38,355	(40,946)
(Decrease) / increase in other operating payables		(121,035)	46,747
Increase in deferred income		72,355	39,407
Depreciation and amortisation expense		14,479	14,260
Impairment losses and reversal of impairment losses recognised in profit or loss		(32)	(121)
Increase in provisions		27,862	140,633
Decrease in expected credit loss		(478)	(265)
Adjustments for gains and losses on disposal of non-current assets		194	-
(Decrease) / Increase in related party balances		(419,480)	629,635
Total adjustments to reconcile profit / (loss)		(134,615)	683,776
Net cash flows from operations		53,224	521,712
Interest paid		(12,381)	(12,337)
Interest received		39,818	41,794
Income taxes paid	27	(56,691)	(72,096)
Net cash flows from operating activities		23,970	479,073
Cash flows used in investing activities			
Proceeds from sales of property, plant and equipment		449	-
Additions to property, plant and equipment		(449)	(818)
Cash flows used in investing activities		-	(818)
Cash flows used in financing activities			
Repayment of lease liabilities		(3,314)	(18,509)
Dividend paid	26	-	(500,000)
Cash flows used in financing activities		(3,314)	(518,509)
Net increase / (decrease) in cash and cash equivalents		20,656	(40,254)
Cash and cash equivalents at beginning of the year		462,382	502,636
Cash and cash equivalents at end of the year	11	483,038	462,382

Jaguar Land Rover South Africa (Pty) Ltd

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Accounting Policies

1. General information

Jaguar Land Rover South Africa (Pty) Ltd ('the company') is acting as principal in the sale and marketing of vehicles, parts and accessories and the provision of related services.

The company is incorporated as a private company and domiciled in South Africa. The address of its registered office is 28 Victoria Link, Route 21 Corporate Park, Nellmapius Drive, Irene X30, 0184.

2. Basis of preparation and material accounting policy information

The financial statements of Jaguar Land Rover South Africa (Pty) Ltd have been prepared in accordance with IFRS[®] Accounting Standards as issued by the International Accounting Standards Board and the Companies Act of South Africa. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Property, plant and equipment

Recognition

Property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Initial measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost.

The cost of an item of property, plant and equipment includes:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Subsequent measurement - Cost model

After initial recognition, property, plant and equipment is measured at cost less any accumulated depreciation and any accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure incurred on items of property, plant and equipment is only capitalised to the extent that such expenditure enhances the value or previous capacity of those assets. Repairs and maintenance not deemed to enhance the economic benefit or service potential of items of property, plant and equipment are expensed as incurred.

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Financial Statements for the year ended 31 March 2026

Accounting Policies

Basis of preparation and material accounting policy information continued...

Where the entity replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Depreciation

Depreciation of an asset commences when it is available for use, and ceases at the earlier of the date that the asset is classified as held for sale, or the date that the asset is derecognised.

Residual values, useful lives and depreciation methods are reviewed at each financial year end. Where there are significant changes in the expected pattern of economic consumption of the benefits embodied in the asset, the relevant changes will be made to the residual values and depreciation rates, and the change will be accounted for as a change in accounting estimate.

The measurement base, useful life or depreciation rate as well as the depreciation method for all major classes of assets are as follows:

Asset class	Measurement base	Useful life / depreciation rate	Depreciation method
Leasehold improvements	Cost model	AS per lease term	Straight line
Office machinery	Cost model	12.5 years	Straight line
Motor vehicles	Cost model	5 years	Straight line
Office fixtures and fittings	Cost model	3 - 12.5 years	Straight line
Computer equipment	Cost model	10 years	Straight line
Computer software	Cost model	3 years	Straight line
Marketing equipment	Cost model	5 years	Straight line

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised when the asset is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. Gains are classified as other gains on the face of the statement of profit or loss and other comprehensive income.

2.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right to receive cash or another financial asset from another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include puttable financial instruments classified as equity instruments in accordance with paragraphs 16A and 16B, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments in accordance with paragraphs 16C and 16D, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

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Accounting Policies

Basis of preparation and material accounting policy information continued...

A financial liability is any liability that is:

- a contractual obligation to deliver cash or another financial asset to another entity to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity.
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Also, for these purposes the entity's own equity instruments do not include puttable financial instruments that are classified as equity instruments in accordance with paragraphs 16A and 16B, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments in accordance with paragraphs 16C and 16D, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

As an exception, an instrument that meets the definition of a financial liability is classified as an equity instrument if it has all the features and meets the conditions in paragraphs 16A and 16B or paragraphs 16C and 16D of IAS32.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying');
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- it is settled at a future date.

A financial liability at fair value through profit or loss is a financial liability that meets one of the following conditions:

- It meets the definition of held for trading. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term, on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument);
- upon initial recognition it is designated by the entity as at fair value through profit or loss in accordance with paragraph 4.2.2 or 4.3.5
- it is designated either upon initial recognition or subsequently as at fair value through profit or loss in accordance with paragraph 6.7.1

Classification and recognition

Classification of a financial instrument, or its component parts takes place on initial recognition. Each instrument is classified as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

Financial assets classification

The company classifies financial assets into the following categories:

- Financial assets subsequently measured at fair value through profit or loss
- Financial assets subsequently measured at fair value through other comprehensive income (OCI)
- Financial assets subsequently measured at amortised cost

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Financial Statements for the year ended 31 March 2026

Accounting Policies

Basis of preparation and material accounting policy information continued...

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

Financial liabilities classification

The company classifies financial liabilities into the following categories:

- Financial liabilities subsequently measured at amortised cost
- Financial liabilities subsequently measured at fair value through profit or loss

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Recognition

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the company commits to purchase or sell the asset.

Initial measurement

Financial assets

When a financial asset is recognised initially, it is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial liabilities

Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Impairment of financial assets

A forward looking allowance for expected credit losses is recognised for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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Basis of preparation and material accounting policy information continued...

The impairment methodology applied depends on whether there has been a significant increase in credit risk:

- For credit exposures with no significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month expected credit loss).
- For credit exposures with significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime expected credit loss).

For trade receivables and contract assets, a simplified approach is applied in calculating expected credit losses. Instead of tracking changes in credit risk, a loss allowance is recognised based on lifetime expected credit losses at each reporting date. A provision matrix was established that is based on the company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the low credit risk simplification is applied. At every reporting date, the company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. The internal credit rating of the debt instrument is reassessed during this evaluation. It is also considered whether there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The company's debt instruments at fair value through OCI comprise solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the XXX Credit Rating Agency and, therefore, are considered to be low credit risk investments. It is the company's policy to measure expected credit losses on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit loss. The company uses the ratings from the XXX Credit Rating Agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate expected credit losses.

The company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Trade and other receivables

The Company has undertaken an assessment of the expected credit losses with regards to trade receivables and has applied the simplified approach under the standard. For all principal customers, the Company operates with major financial institutions who take on the principal risks of the majority of sales to customers and consequently the Company receive full payment for these receivables between 0–30 days. Trade and other receivables and related party receivables are initially measured at fair value and subsequently, at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially recorded at fair value and subsequently carried at amortised cost.

None of the Company's cash equivalents, including term deposits with banks, are past due or impaired.

Trade and other payables

Trade payables are initially measured at fair value plus direct transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

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Accounting Policies

Basis of preparation and material accounting policy information continued...

2.3 Inventories

Recognition

Inventories are recognised as an asset when

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the inventories can be measured reliably.

Measurement

Inventories are measured at the lower of cost and net realisable value using either the first-in-first-out or weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Recognition as an expense

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised, and the inventory is derecognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2.4 Tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

- deductible temporary differences;
- the carry forward of unused tax losses; and
- the carry forward of unused tax credits.

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. The amount already paid in respect of current and prior periods which exceeds the amount due for those periods, is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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Accounting Policies

Basis of preparation and material accounting policy information continued...

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill; or
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination; and
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

2.5 Leases as lessee

Identification of a lease

At inception of a contract, it is assessed to determine whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the terms and conditions of a contract are changed, it is reassessed to once again determine if the contract is still or now contains a lease.

Where a contract contains a lease, each lease component with the contract is accounted for separately from the non-lease components. The consideration is then allocated to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components are determined on the basis of the price the lessor, or a similar supplier, would charge an entity for that component, or a similar component, separately. If an observable stand-alone price is not readily available, an estimate of the stand-alone price is made, maximising the use of observable information in each case. All non-lease components are accounted for in accordance with whatever other policy is applicable to them.

Lease term

The lease term of a lease is determined as the non-cancellable period of the lease, together with the periods covered by an option to extend the lease where there is reasonable certainty that the option will be exercised, and periods covered by an option to terminate the lease if there is reasonable certainty that the option will not be exercised.

The assessment of the reasonable certainty of the exercising of options to extend the lease or not exercising of options to terminate the lease is reassessed upon the occurrence of either a significant event or a significant change in circumstances that is within the company's control and it affects the reasonable certainty assumptions.

The assessment of the lease term is revised if there is a change in the non-cancellable lease period.

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Basis of preparation and material accounting policy information continued...

Recognition

At inception, a right-of-use asset and a lease liability is recognised. Right-of-use assets are included in the statement of financial performance within a classification relevant to the underlying asset, and not as a separate line item.

Measurement

Right-of-use assets are initially measured at cost, comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred; and
- an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The obligation for those costs are incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Where a lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects a purchase option will be exercised, the right-of-use asset is depreciated from the commencement date to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not yet paid at the commencement date. Lease payments are discounted using the interest rate implicit in the lease, if the rate can be readily determined, else it is based on the company's incremental borrowing rate. The following lease payments are included where they are not paid at the commencement date:

- fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option if there is reasonably certainty that the option will be exercised; and
- payments of penalties for terminating the lease, if the lease term reflects the exercising an option to terminate the lease.

Subsequently, the lease liability is measured by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Profit or loss for the year will include the interest expense on the lease liability, and the variable costs not included in the measurement of the lease liability are included in the year in which the event of condition that triggers the payment of the variable costs occurs.

2.6 Post-employment benefits and short-term employee benefits

Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service on an undiscounted basis.

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Basis of preparation and material accounting policy information continued...

Accruals for employee entitlement to annual leave represents the present obligation, which the company has to pay as a result of employees' services, provided to the reporting date. The accruals have been calculated at undiscounted amounts based on current salary rates.

Defined contribution plans

The company pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. The company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

Post-employment benefit plan

The company provides post-employment benefits through a defined contribution plan.

Bonus plans

The company recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

A liability is recognised for the amount expected to be paid under short term bonuses in the company as the company has a present legal constructive obligation to pay the amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The company's management makes assumptions, estimates and judgements in the process of applying the company's accounting policies that affect the assets, liabilities, income and expenses in the financial statements prepared in accordance with IFRSs. The assumptions, estimates and judgements are based on historical experience and other factors that are believed to be reasonable under the circumstances. While the management reviews their judgements, estimates and assumptions continuously, the actual results will seldom equal to the estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3.1.1 Revenue recognition

Revenue comprises the consideration earned by the Company in respect of the output of its ordinary activities. It is measured based on the consideration specified in the contract with the customer and excludes amounts collected on behalf of third parties, and net of settlement discounts, bonuses, rebates, and sales incentives. The Company considers its primary customers from the sale of vehicles, parts and accessories (its primary revenue-generating streams) are generally private customers, fleet and corporate customers, retailers and other third-party distributors. The Company recognises revenue when it transfers control of a good or service to a customer, thus evidencing the satisfaction of the associated performance obligation under that contract.

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Accounting Policies

Critical accounting estimates and judgements continued...

The sale of vehicles also can include additional services provided to the customer at the point of sale, for which the individual vehicle and services are accounted for as separate performance obligations, as they are considered separately identifiable. The contract transaction price is allocated among the identified performance obligations based on their stand-alone selling prices. Where the stand-alone selling price is not readily available and observable, it is estimated using an appropriate alternative approach.

Vehicles, parts and accessories (and other goods)

The Company recognises revenue on the sale of vehicles, parts, and accessories at the point of 'wholesale' or at the point of 'Retail' depending on the type of sale. The point of wholesale and retail is determined by the underlying terms and conditions of the contract with the customer as to when control transfers to them. The overall principle of control under IFRS 15 considers which party has the ability to direct the use of an asset and to obtain substantially all of the remaining economic benefits.

Determining the transfer of control with regards to the sale of goods is driven by a consideration of a number of factors, including:

- The point at which the risks and rewards of ownership pass to the customer;
- The point at which the customer takes physical possession of the good or product;
- The point at which the customer accepts the good or product;
- The point at which the Company has a present right to payment for the sale of the good or product, and;
- The point at which legal title to the good or product transfers to the customer.

In the vast majority of cases, the sale of the relevant good is recognised at the point of handover to the customer or the point of delivery to the customer, which coincides with the invoicing point. In some instances, revenue may be recognised on a bill-and-hold basis where vehicles, for example, are sold to the customer but are retained in the Company's possession at a vehicle holding compound on behalf of the customer ahead of being physically transferred to them at a future time. Such arrangements meet the criteria for bill-and-hold arrangements under IFRS 15 to ensure that the customer has obtained the ultimate control of the product when revenue is recognised.

Under the previous operating model, the Company operated with financing partners who provided wholesale financing arrangements to the retail network for vehicle sales, which enabled cash settlement to occur immediately (usually within 2 working days) for purchases from the Company. For the sale of parts and accessories, the Company typically receives payment in line with the invoice payment terms stipulated and agreed with its customers, which are usually 30 days.

Sales incentives

In accordance with IFRS 15, the costs associated with providing sales support and incentives are considered to be variable components of consideration, thus reducing the amount of revenue recognised by the Company. Under IFRS 15, the Company ensures that variable consideration is recognised to the extent of the amount of consideration to which it ultimately expects to be entitled.

To meet this principle, the Company constrains its estimate of variable consideration to include amounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with such variability is subsequently resolved.

The Company considers that the variable consideration received for contracts with multiple performance obligations is allocated to all such obligations only when applicable. In the vast majority of instances, the Company considers that variable components of consideration are allocated only to the relevant and applicable performance obligations. For example, with the sale of a vehicle, the cost of the incentive provided is allocated entirely to the vehicle as its purpose is to incentivise the sale of the vehicle.

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Accounting Policies

Critical accounting estimates and judgements continued...

Scheduled maintenance contracts

Scheduled maintenance contracts sold with a vehicle provide the end customer with the benefit of bringing their vehicle to a dealership for the routine servicing and maintenance required to ensure the safe and uninterrupted operation of the vehicle at all times.

The Company typically receives payment relating to the scheduled maintenance contract at the same time as the proceeds from the vehicle sale, at which point the amount related to the maintenance contract is separately recognised as a contract liability on the stand alone selling price.

Revenue for scheduled maintenance contracts is recognised over the period which the performance of services is expected to occur, starting from the point of a vehicle being retailed to an end customer. The amount of revenue so recognised is aligned to the costs expected to be incurred to fulfil these services.

Warranty considerations as a service

Vehicles and parts sold by the Company include a standard warranty to guarantee the vehicle complies with agreed-upon specifications for a defined period of time.

Where the warranty offering to the customer exceeds the standard market expectation for similar products, or is considered to provide a service to the customer in excess of simply providing assurance that the agreed-upon specification is met, the Company considers the additional warranty to constitute a service to the customer and therefore a separate performance obligation.

Revenue is only recognised in the period to which the warranty service relates, up to which point it is recognised as a contract liability.

3.1.2 Interest income

Interest income is accrued on a time apportionment basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3.1.3 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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Critical accounting estimates and judgements continued...

When some or all of the economic benefits required to settle an obligation are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.1.4 Warranty

The company offers warranty cover in respect of manufacturing defects, which become apparent within one to five years after purchase. The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on actions on product failures. The discount on the warranty provision is calculated using a risk-free discount rate as the risks specific to the liability, such as inflation, are included in the base calculation. The timing of outflows will vary as and when a warranty claim will arise, being typically up to a maximum of five years from retail sale of the product.

The provisions are presented at the present value, using the risk-free rate and the related interest is eliminated in the statement of profit and loss.

3.2 Critical judgements in applying the entity's accounting policies

4. Changes in accounting policies and disclosures

4.1 Standards and Interpretations effective and adopted in the current year

In the current year, the company has adopted all new and revised IFRSs that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2014.

At the date of authorisation of these financial statements for the year ended 31 March 2026, the following IFRSs were adopted:

Lack of Exchangeability (Amendments to IAS 21)

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments.

Application of the above standards did not impact these financial statements.

4.2 New standards and interpretations not yet adopted

The company has not applied the following new, revised or amended pronouncements that have been issued by the IASB as they are not yet effective for the annual financial year beginning 1 April 2025 (the list does not include information about new requirements that affect interim financial reporting or first-time adopters of IFRS since they are not relevant to the company). The directors anticipate that the new standards, amendments and interpretations will be adopted in the company's financial statements when they become effective. The company has assessed, where practicable, the potential impact of all these new standards, amendments and interpretations that will be effective in future periods.

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Accounting Policies

Changes in accounting policies and disclosures continued...

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.

IFRS 18 does not change recognition or measurement, but it significantly changes presentation and disclosure, requiring reformatting of the income statement, more structured disclosures, and greater transparency around management performance metrics.

The mandatory implementation required by the standard is for years beginning on or after 1 January 2027. This change in accounting policy will be implemented for the first time for the financial year ending 31 March 2028.

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5. Property, plant and equipment

Balances at year end and movements for the year

Reconciliation for the year ended 31 March

	Motor vehicles	Office fixtures and fittings	Office equipment	Computer equipment	Computer software	Marketing equipment	Leasehold improvements	Total
Balance at 1 April 2025								
At cost	299	8,486	13,544	4,803	23,015	7,719	31,353	89,219
Accumulated depreciation	(17)	(5,711)	(9,571)	(2,522)	(6,230)	(7,719)	(15,840)	(47,610)
Net book value	282	2,775	3,973	2,281	16,785	-	15,513	41,609

Movements for the year ended 31 March

	Motor vehicles	Office fixtures and fittings	Office equipment	Computer equipment	Computer software	Marketing equipment	Leasehold improvements	Total
2026								
Additions	-	-	383	66	-	-	-	449
Depreciation	(100)	(380)	(767)	(186)	(2,205)	-	(2,876)	(6,514)
Disposals	-	(11)	(146)	(36)	-	-	-	(193)
Property, plant and equipment at the end of the year	182	2,384	3,443	2,125	14,580	-	12,637	35,351

Closing balance at 31 March 2026

At cost	299	5,446	12,929	4,241	21,974	-	31,353	76,242
Accumulated depreciation	(117)	(3,062)	(9,486)	(2,116)	(7,394)	-	(18,716)	(40,891)
Net book value	182	2,384	3,443	2,125	14,580	-	12,637	35,351

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Property, plant and equipment continued...

Reconciliation for the year ended 31 March 2025

	Motor vehicles	Office fixtures and fittings	Office equipment	Computer equipment	Computer software	Marketing equipment	Leasehold improvements	Total
Balance at 1 April 2024								
At cost	582	8,486	13,544	4,501	23,015	7,719	31,137	88,984
Accumulated depreciation	(582)	(5,281)	(8,874)	(2,403)	(4,033)	(7,719)	(12,988)	(41,880)
Net book value	-	3,205	4,670	2,098	18,982	-	18,149	47,104

Movements for the year ended 31 March 2025

Additions	299	-	-	302	-	-	217	818
Depreciation	(17)	(430)	(697)	(119)	(2,197)	-	(2,853)	(6,313)
Property, plant and equipment at the end of the year	282	2,775	3,973	2,281	16,785	-	15,513	41,609

Closing balance at 31 March 2025

At cost	299	8,486	13,544	4,803	23,015	7,719	31,353	89,219
Accumulated depreciation	(17)	(5,711)	(9,571)	(2,522)	(6,230)	(7,719)	(15,840)	(47,610)
Net book value	282	2,775	3,973	2,281	16,785	-	15,513	41,609

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6. Inventories

Inventories comprise:

Finished goods - Vehicles	683,652	623,480
Finished goods - Parts & accessories	211,615	275,737
Goods in transit - Vehicles	158,565	341,657
Goods in transit - Parts & accessories	63,062	55,247
Provision for impairment and obsolescence of vehicles, parts & accessories	(23,748)	(25,668)
	<u>1,093,146</u>	<u>1,270,453</u>

Inventories are held at the lower of cost or net realisable value.

In 2026, inventories of R 4,343,695 (2025: R 4,378,625) were recognized as an expense during the year and included in Cost of Sales. In 2025, the amount of inventory expense was not disclosed, however, it is now being disclosed.

7. Trade and other receivables

7.1 Trade and other receivables comprise:

Trade receivables	246,635	247,881
Expected credit loss	(45)	(523)
Trade receivables - net	<u>246,590</u>	<u>247,358</u>
Sundry debtors	7,964	10,250
Deposits	6,594	6,156
	<u>261,148</u>	<u>263,764</u>

The carrying amount of trade and other receivables approximates their fair value.

The following are the major debtors included in the trade receivables at year end:

Wesbank, a division of First Rand Limited	14,953	11,320
ABSA Bank	5,633	12,418
SMH Car Hire	20,639	-
Land Rover Gaborone	32	31,035
	<u>41,257</u>	<u>54,773</u>

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Trade and other receivables continued...

7.2 Movements in impairment of trade and other receivables are as follows:

At the beginning of the year	523	788
Impairment raised	(40)	(265)
Written off during the year	(438)	-
At the end of the year	45	523

Analysis of expected credit loss stages is set out below:

As at 31 March 2026

		Expected Credit Loss	Total Receivables
Stage 1	expected loss rate of 0%	-	247,613
Stage 2	expected loss rate of 0.0%	-	13,535
Stage 3	expected loss rate of 100%	(45)	45
Total		(45)	261,193

As at 31 March 2025

		Expected Credit Loss	Total Receivables
Stage 1	expected loss rate of 0%	-	261,913
Stage 2	expected loss rate of 0.0%	-	1,047
Stage 3	expected loss rate of 33%	(523)	1,327
Total		(523)	264,287

The expected credit loss for Stage 1 and 2 is very low due to the nature of the business and processes to collect receivables as well as historical collections and credit losses, therefore the expected credit loss rate for Stage 1 and 2 is 0% and Stage 3 is 33%.

Trade and other receivables past due but not impaired

The ageing of amounts past due but not impaired is as follows:

1 month past due	-	5,177
2 months past due	15,471	1,192
3 months past due	145	1,538

8. Deferred tax Assets/(Liabilities)

8.1 The analysis of deferred tax assets and deferred tax liabilities is as follows:

Deferred tax assets:

- Deferred tax assets to be recovered after more than 12 months

	200,147	247,463
	200,147	247,463
Net deferred tax assets	200,147	247,463

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Deferred tax Assets/(Liabilities) continued...

8.2 Reconciliation of deferred tax movements

	Deferred tax	Total
Opening balance at 1 April 2025	247,463	247,463
Movements consisting of:		
Temporary differences	(48,080)	(48,080)
Balance at the end of the year	199,383	199,383
<i>Deferred taxation assets arises from the following temporary differences :</i>		
Property, plant & equipment	(5,952)	(5,952)
Provisions	160,212	160,212
Deferred revenue	157,001	157,001
Allowance for future expenditure	(123,507)	(123,507)
Leases	9,867	9,867
Income received in advance	2,526	2,526
Closing balance at 31 March 2026	200,147	200,147
Opening balance at 1 April 2024	192,772	192,772
Movements consisting of:		
Temporary differences	54,691	54,691
Balance at the end of the year	247,463	247,463
<i>Deferred taxation assets arises from the following temporary differences :</i>		
Property, plant & equipment	(6,771)	(6,771)
Provisions	159,552	159,552
Deferred revenue	137,465	137,465
Allowance for future expenditure	(112,278)	(112,278)
Leases	8,611	8,611
Income received in advance	19,657	19,657
Prepayments	(278)	(278)
Tax loss	41,505	41,505
Closing balance at 31 March 2025	247,463	247,463

A deferred taxation asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. At each balance sheet date, the company reviews and assesses the recognised and unrecognised deferred taxation assets as well as the projections of future taxable profit to determine whether any recognised deferred taxation assets should be derecognised and any unrecognised deferred taxation assets should be recognised.

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9. Current tax assets

Current tax assets comprise the following balances

Net current tax asset from all items being set off	21,985	18,598
Total current tax asset per the statement of financial position	21,985	18,598

10. Loans and guarantees to officers

Particulars of loans and guarantee to the officers, all being directors, disclosed pursuant to the Companies Act of South Africa are as follows:

Loans and guarantees to officers comprise the following balances

S van Niekerk	1,554	1,563
L Kretzschmar	1,624	1,661
R Gouverneur	3,039	2,876
V Rossouw	1,045	1,675
C Slade	2,724	2,679
	<u>9,986</u>	<u>10,454</u>

The loans to officers are secured, interest bearing at the official rate of interest.

Interest to the value of R378 066 (2025: R 345,853) was charged during the year.

These amounts pertain to vehicles provided where ownership is retained by the Company. As such vehicles remain available for sale, they are recognised as inventory.

11. Cash and cash equivalents

11.1 Cash and cash equivalents included in current assets:

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand and in bank and investments in money market instruments. Cash and cash equivalents at the end of the reporting period as shown in the statement of cashflows can be reconciled to the related items in the statement of financial position as follows:

Cash

Cash and bank balances	483,038	462,382
------------------------	---------	---------

11.2 Guarantees provided

Guarantees exist as follows:

Performance guarantee - given	6,755	6,755
Open trading facility	1,400	1,400
Fleet management facility	550	550
Credit card facility	550	550
Vehicle and asset finance facility	380	380
	<u>9,635</u>	<u>9,635</u>

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12. Issued capital

Authorised and issued share capital

Authorised

1,000 Ordinary shares of R1 each

1

1

Issued

2 Ordinary shares of R1 each

1

1

Any modification to the Company's share capital requires the prior approval of the Shareholders by means of a Special Resolution. No changes were approved or made to the authorised or issued share capital of the company during the year under review.

13. Provisions

13.1 Provisions comprise:

Total provisions	692,745	664,883
Non-current provisions	265,713	253,472
Non-current portion	265,713	253,472
Current provisions	427,032	411,411
Current portion	427,032	411,411
	692,745	664,883

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Provisions continued...

13.2 Analysis of total provisions

	Warranties	Legal fees	Other provisions	Total
Balance at 1 April 2025	391,456	5,412	268,015	664,883
Additional provisions	281,301	8,125	372,334	661,760
Reduction arising from payments	(279,015)	-	(351,790)	(630,805)
Interest expense	(3,093)	-	-	(3,093)
Total changes	(807)	8,125	20,544	27,862
Balance at 31 March 2026	390,649	13,537	288,559	692,745

The provision for legal fees relates to the estimated cost of legal fees for litigation cases identified prior to year end.

The company offers warranty cover in respect of manufacturing defects, which become apparent within one to five years after purchase. The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on product failures. The discount on the warranty provision is calculated using a risk-free discount rate as the risks specific to the liability, such as inflation, are included in the base calculation as follows:

2025 - 5.30%

2026 - 5.30%

The timing of outflows will vary as and when a warranty claim will arise, being typically up to five years.

Included in Other Provisions are liabilities of uncertain timing or amount. These include:

Roadside Assistance provisions. Roadside Assistance is offered as part of the warranty on the vehicle to customers. This is a provision raised for possible expenses to be incurred on Roadside Assistance claims.

Dealer back-end provisions. Dealer back-end provisions assist retailers to retain technicians and to support the rollout of electrification.

Agent Performance Commissions. Agent Performance commissions are based the agents meeting predefined targets for the month and quarter.

The timing of the outflows vary depending on the type of provision.

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14. Trade and other payables

Trade and other payables comprise:

Trade creditors	127,693	89,338
Accrued liabilities	77,626	124,252
Sundry creditors	1,871	1,869
Other payables	9,359	72,806
Value added tax	12,424	23,388
Total trade and other payables	228,973	311,653

Creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken is less than 60 days and no interest is charged on balances exceeding 60 days. The carrying amounts approximate fair value.

All amounts are short term.

The carrying amount of these assets approximates their fair value.

15. Lease liabilities and Right of Use Assets

15.1 Lease liabilities comprise:

Lease obligations	83,804	87,118
Non-current liabilities	78,644	83,804
Current liabilities	5,160	3,314
	83,804	87,118

15.2 Amounts recognised in the statement of financial position

Right-of-use assets

Land and buildings	47,261	55,225
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15.3 Amounts recognised in the statement of profit or loss and other comprehensive income

Depreciation

Land and buildings	7,965	7,948
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Other expenses and gains

Interest expense	11,974	11,896
Short term lease expenses	858	7,900
	20,797	27,744

15.4 Amounts recognised in the statement of cash flows

Total cash outflow for leases	(3,314)	(18,509)
Additions to right of use assets	-	23,044

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Lease liabilities and Right of Use Assets continued...

15.5 Capitalisation of right-of-use assets

	Land and buildings
Opening balance at 31 March 2025	
At cost	86,797
Accumulated depreciation	(31,572)
Net book value	55,225
Movement for the year ended 31 March 2026	
Additions	-
Remeasurements	1
Depreciation	(7,965)
Net movement	(7,964)
At cost	86,797
Accumulated depreciation	(39,536)
Closing balance as at 31 March 2026	47,261

16. Deferred income

Deferred income comprise:

Deferred revenue	581,487	509,132
Non-current portion	435,296	364,925
Current portion	146,191	144,207
	581,487	509,132

Deferred revenue movement:

Balance at 1 April	(509,132)	(469,725)
Revenue deferred during the period	(100,047)	(113,413)
Revenue released during the period	27,692	74,006
Balance at 31 March	(581,487)	(509,132)

Deferred revenue arises from the advance receipt of service revenue related to Care Plan sales. This revenue is deferred at point of receipt and then recognised as revenue over the life of the service period, with reference to the pattern of the related expenditure incurred.

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17. Long-term employee benefit obligations

The liabilities recognised for pensions and other employee remuneration in the statement of financial position consist of the following amounts:

Non-current:	1,793	1,793
Defined contribution plans	1,793	1,793

The Company operates a post-employment health care benefit scheme. Only members of the designated scheme who joined the Group on or before 1 January 1996 are eligible for a post-employment health care subsidy, there are currently 3 qualifying employees. The liability is actuarially valued using a projected unit credit method.

The most recent valuation of plan assets and the present value of the defined benefit obligation were carried out at 31 July 2018 by NMG Consultants and Actuaries. The Present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

There has been no change in the post-employment health care benefit scheme since inception. As a result management agreed that no re-evaluation is needed this year.

The defined benefit obligation for the reporting periods under review are as follows:

Opening defined benefit obligation	1,793	1,793
Actuarial (gains) / losses	-	-
Defined benefit obligation at the end of the period	1,793	1,793

For determination of the pension obligation, the following actuarial assumptions were used:

Discount rate	9 %	9 %
Consumer price inflation	7 %	7 %
Real discount rate	1 %	1 %
Medical cost trend rates	8 %	8 %
Fully-accrued age	60 years	60 years
Spouse age difference	Actual	Actual
Continuation at retirement	100 %	100 %
Proportion married at retirement	Actual	Actual

These assumptions were developed by management under consideration of expert advice provided by independent actuarial appraisers. These assumptions have led to the amounts determined as the Company's defined benefit obligations for the reporting periods under review and should be regarded as management's best estimate. However, the actual outcome may vary. Estimation uncertainties exist especially in regards to medical cost trends, which may vary significantly in future appraisals of the Company's defined benefit obligations.

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18. Revenue

Revenue comprises:

Vehicle sales	4,987,628	4,870,782
Care Plan sales	136,933	130,762
Vehicle parts and accessory sales	718,554	732,073
Total revenue	5,843,115	5,733,617

The sale of vehicles includes a determinable amount for subsequent services (multiple-component contracts). The related revenues are deferred at receipt and recognised as revenue over the relevant service period. Revenue from the sale of vehicles and parts is recognised at the point of sale. Care plan sales are recognised as income by reference to the pattern of related expenditure together with a reasonable profit on those services.

The fair value of revenue received in relation to care plan sales is estimated by management. These cost estimates are established using historical information on the nature, frequency and average cost of servicing claims and management estimates regarding possible future incidences based on service schedules. These cost estimates are then inflated by a risk factor, to represent the risk that actual service costs may vary from planned service costs, as well as a reasonable profit margin and then discounted to present value using a risk-free discount rate in order to determine the fair value of the revenue to be deferred.

The fair value of the revenue deferred is recognised as deferred revenue on the statement of financial position (refer to note 18) and is recognised as revenue by reference to the pattern of the related expenditure incurred over the life of the service period which is a five year period at present.

19. Other gains / (losses)

Other gains / (losses) comprises:

Other non-turnover items	169	12,231
Sale of property, plant & equipment	(194)	-
Profit / (loss) of foreign exchange	97	(63)
Total other gains / (losses)	72	12,168

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20. Profit / (loss) from operating activities

Profit / (loss) from operating activities includes the following separately disclosable items:

Other operating expenses

Property plant and equipment

- depreciation	6,514	6,313
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Right of use asset

- depreciation	7,965	7,948
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Inventory

- movement in impairment provision	(1,920)	8,698
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Employment benefits & contributions

- Employee & employer contributions	10,147	9,618
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- Employment cost	52,693	54,940
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Audit fees

Auditors remuneration - Fees	880	765
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21. Investment / interest income

Investment / interest income comprises:

SARS	812	504
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Bank deposits	36,739	39,218
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Staff loans	2,267	2,072
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Total investment / interest income	39,818	41,794
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22. Finance costs

Finance costs included in profit or loss:

Warranty provision	(2,711)	(3,243)
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Lease obligations	11,974	11,896
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Other interest expense	407	441
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Total finance costs	9,670	9,094
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23. Income tax expense / (credit)

23.1 Income tax recognised in profit or loss:

Current tax

Current year	19,910	-
Under provision/(over provision) prior year	(8,500)	8,062
Total current tax	11,410	8,062

Deferred tax

Originating and reversing temporary differences	40,942	(55,861)
Arising from prior period adjustments	6,374	1,169
Total deferred tax	47,316	(54,692)

Total income tax expense / (credit)

58,726	(46,630)
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23.2 The income tax for the year can be reconciled to the accounting profit / (loss) as follows:

Profit / (loss) before tax from operations	246,565	(208,694)
Income tax calculated at 27.0%	66,573	(56,347)
<i>Adjusted for:</i>		
Permanent differences	-	486
Prior year adjustments	(7,093)	9,231
Tax charge in profit or loss	59,480	(46,630)

24. Contingent liabilities

Contingent liability

Estimated financial effect	169,100	180,608
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The company is involved in legal dispute resulting in a claim against it, jointly and severally with three further defendants, for punitive related civil damages in the Superior Court of Ghana, High Court, Commercial Court Division, to the value of USD \$ 10 000 000.

There was a court ruling against the company on 30 January 2025, that the company appealed on several grounds and the company applied for a stay of execution of the judgement. The stay was not granted and the company started another application to the High Court. The outcome is subject to various further legal proceedings and a final appeal court decision. The nature, timing and final value of the outcome is uncertain at this stage.

25. Related parties

The holding company of Jaguar Land Rover (South Africa) (Pty) Ltd is Jaguar Land Rover (South Africa) Holdings Limited, which in turn is a subsidiary of Jaguar Land Rover Limited (UK). During the year the company entered into the following trading transactions with related parties and Note 31 contains details on the Directors' emoluments.

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Related parties continued...

Related party transactions and balances

	Jaguar Land Rover Limited	Jaguar Land Rover (South Africa) Holdings (Pty) Ltd	Total
Year ended 31 March 2026			
Related party transactions			
Purchases of goods	3,052,272	-	3,052,272
Services received	42,432	-	42,432
Trade Mark fees	185,080	-	185,080
Related party balances			
Amounts payable	(608,433)	-	(608,433)
Amounts receivable	-	160,855	160,855

Purchases were made at the approved transfer prices between the related parties.

Year ended 31 March 2025

Related party transactions

Purchases of goods	3,049,701	-	3,049,701
Services received	46,411	-	46,411
Trade Mark fees	408,838	-	408,838
Dividend declared	-	500,000	500,000

Related party balances

Amounts payable	(954,475)	-	(954,475)
Amounts receivable	-	87,417	87,417

The payable amounts outstanding are unsecured, with fixed 60 days repayment terms and will be settled in cash. No guarantees have been given or received. No expenses have been recognised in the current or prior periods as an expected credit loss in respect of amounts owed by related parties. No interest is charged on these balances. The receivable amounts are unsecured with no fixed repayment terms. Management expect these amounts to be recovered in cash within the next 12 months.

All amounts are short term. The carrying amount is considered by management to approximate their fair values.

26. Dividend paid

Dividends attributable to the current year:

Dividend declared and paid	-	(500,000)
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27. Income tax paid

South African Receiver of Revenue

Amounts receivable / (payable) at the beginning of the year	18,598	(19,889)
Amounts (receivable) / payable at the end of the year	(21,985)	(18,598)
Current taxation expense (credit)	(58,726)	46,630
Provisional payments made	(41,894)	(25,547)
Less deferred tax included in taxation expense	47,316	(54,692)
	<u>(56,691)</u>	<u>(72,096)</u>

28. Financial Instruments

The company has classified its financial assets in the following categories:

Amortised Cost (IFRS 9):

Intra-group loans (note 25)	160,855	87,417
Trade and other receivables (note 7)	261,148	263,764
Cash and cash equivalents (note 11)	483,038	462,382

The company has classified its financial liabilities in the following categories:

Financial liabilities amortised cost:

Trade and other payables (note 14)	216,549	288,265
Intra-group loans (note 25)	608,433	954,475

The company is exposed to credit risk and liquidity risk arising in the normal course of its business and financial instruments. The company's risk management objectives, policies and processes mainly focus on minimising the potential adverse effects of these risks on its financial performance and position by closely monitoring the individual exposure.

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Financial Instruments continued...

28.1 Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The majority of the Company's credit risk pertains to the risk of financial loss arising from counterparty default on cash investments and trade accounts receivable.

The carrying amount of financial assets represents the maximum credit exposure. None of the financial instruments of the Company result in material concentrations of credit risks.

To a lesser extent the Company has an exposure to counterparties on trade receivables and other financial assets. The Company will seek to mitigate credit risk on sales to third parties through the use of payment at the point of delivery and credit limits.

Summary quantitative data

Trade and other receivables (note 7)	261,148	263,764
Deposits with banks (note 11)	483,038	462,382

At 31 March 2026, the company has no concentration of risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

28.2 Liquidity risk

The company is exposed to liquidity risk on financial liabilities. It manages its funds conservatively by maintaining an adequate level of cash and cash equivalents required to meet its continuous operational needs. In addition to the day-to-day cash requirements of the business, the company also holds an additional amount of cash and cash equivalents to make allowance for unexpected cash requirements arising in the normal course of business. Various banking facilities and credit lines have also been arranged with different banks in order to fund any emergency liquidity requirements.

Summary quantitative data

	Less than 1 year	Between 1 and 5 years	Over 5 years	Undated
2026				
Trade and other payables (note 14)	216,549	0	0	0
Long term portion of Lease liability (note 15)	5,160	32,218	46,425	0
Inter-group loans (note 25)	608,433	0	0	0
2025				
Trade and other payables (note 14)	288,265	0	0	0
Long term portion of Lease liability (note 15)	13,496	66,993	74,373	0
Inter-group loans (note 25)	954,475	0	0	0

28.3 Fair value of financial instruments

The fair value of financial instruments approximates their carrying value because of the short term nature and normal trade terms thereof.

28.4 Interest rate risk

The company's exposure on interest rate risk mainly arises from its cash & cash equivalents.

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Financial Instruments continued...

28.5 Sensitivity analysis

Should the interest rate for cash and cash equivalents increase by 1% then the following movements can be expected on the interest income (The opposite would apply if the rate decreases.):

Cash and cash equivalents (note 11) - decrease / (increase)	4,830	4,624
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The sensitivity analysis has been prepared with the assumption that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for the relevant financial instruments in existence at that date. The changes in interest rate represent management's assessment of a reasonably possible change in interest rates at that date over the period until the next annual balance sheet date.

The analysis presented for the comparative period was prepared on the same basis at the time of preparation of the comparative period financial statements.

28.6 Currency risk

The group is exposed to the risk of fluctuations in foreign currencies, as a result of anticipated future transactions in foreign currencies and with foreign companies. The group makes use of forward exchange contracts to manage this risk at a group level and the company does not hedge the risk locally.

The risk of foreign currency rate fluctuations is carried on an aggregate basis by the Group parent company to which the company belongs. Therefore, there are no significant transactions and balances denominated in a foreign currency. In the event of any significant fluctuation - expected or unexpected - the minimal foreign currency transactions and balances which the company carries would be monitored and controlled.

In respect of sales and receivables, the company only transacts in South African Rand.

29. Going concern

The directors have reviewed the Company's cash flow forecasts for the year after the approval of these financial statements and, in the light of this review and the current financial position, they are satisfied that the Company have or have access to adequate resources to continue in operational existence for the foreseeable future.

The Company financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

30. Events after the reporting period

There were no events that took place after the reporting period which required an adjustment to the assessments, estimations and/or carrying value of amounts presented in these financial statements.