MotorCycle Holdings

Annual Report

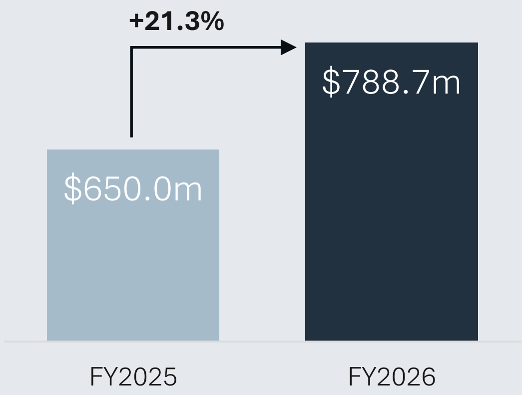
For the year ended 30 June 2026

Contents

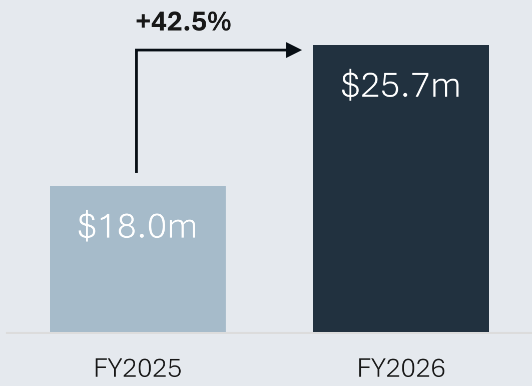
Key Highlights

MotorCycle Holdings Limited (ASX:MTO) has performed strongly across all key metrics in 2026:

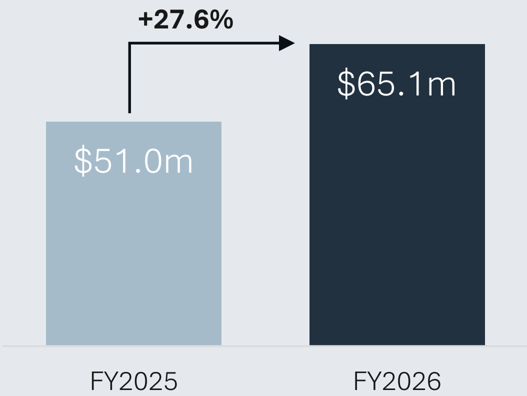
Sales Revenue



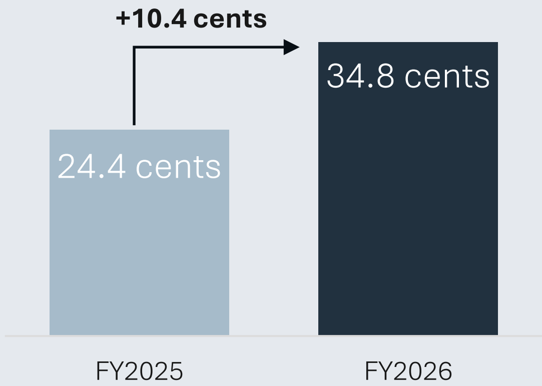
Underlying Net Profit After Tax



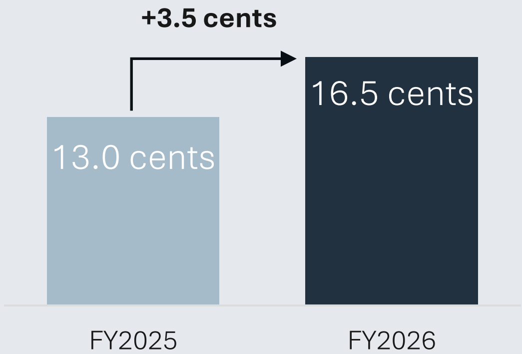
Underlying EBITDA



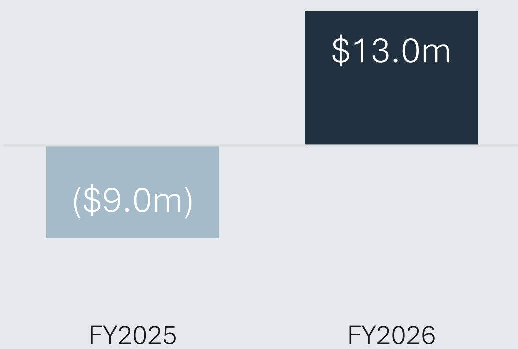
Underlying Earnings Per Share



Full Year Dividend



Net Debt / Net Cash



About Us

MotorCycle Holdings Limited (the Company or MCH) is building the largest wholesale and retail multi-vehicle, multi-category platform in Australia and New Zealand.

Our wholesale and distribution operations import a wide range of motorcycles, ATVs, scooters (including electric models), as well as motorcycle and bicycle parts, accessories, and apparel. Our wholesale division supports our retail dealerships, ensuring seamless distribution and operational efficiency.

Our retail operations offer new and used motorcycles, genuine spare parts, accessories, apparel, servicing, repairs, and financing and insurance solutions. We represent all major motorcycle and accessory brands, providing customers with a diverse and comprehensive portfolio.

Wholesale and distribution

MOJO Motorcycles

Forbes & Davies (NZ) Ltd

CASSONS

Retail brand network

team moto

Peter Stevens Motorcycles

Harley-Heaven

MCAS.com.au

Morgan & Wacker Motorcycles

One Company. One Platform. Four Pillars

We are investing across four areas — Digital & Technology, Data, People and Property — to simplify the business, unlock the benefits of our scale and create stronger foundations for future growth.

01 Omni-channel Experience	02 Data Foundations	03 Amazing People	04 Property Reform
A connected customer journey across showroom, service, digital and partner channels — one MCH wherever the customer chooses to engage.	Trusted, accessible data enabled by platforms that power decisions, customer engagement and AI use cases across brands.	Support our people with strong leadership, capability and culture to drive growth across motorcycling and adjacent categories	Disciplined property strategy that maximises return per square metre across distribution and dealership network, formats and locations.
MCH is easy to do business with	Real time insights for timely decision making	High performing teams delivering exceptional results, consistently	Operationally efficient sites that improve physical experience

A customer-first approach

Chair’s Message

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the FY2026 Annual Report. This has been a year of substantial growth. We delivered record sales revenue of $788.7 million (up 21.3%), with underlying net profit after tax of $25.7 million (up 42.5%), and underlying earnings per share of 34.8 cents (up 10.4 cents).

Growth Strategy

The year also brought greater clarity and transparency in how the Board and management view the business. MotorCycle Holdings is primarily a wholesale distributor with retail operations. Presenting wholesale and retail separately gives shareholders a clearer view of the performance, economics and priorities of each business.

Our wholesale distribution platform, anchored by Mojo, Cassons and Forbes & Davies continued to grow and sits at the centre of the Company strategy. Distribution provides scale, margin and a route to market that extends well beyond our own dealerships, and it is the primary reason we are able to expand into adjacent vehicle and accessory categories without a proportionate increase in retail capital but working hand-in-hand with our now national retail footprint coverage.

The Company is progressively becoming a multi-vehicle, multi-category business. The Board sees this as the natural evolution of the platform we have built, and shareholders should expect to hear more about it over the coming year.

Dividends

The Board has declared a fully franked dividend of 16.5 cents per ordinary share for FY2026, up 3.5 cents from the prior year. This dividend reflects our commitment to delivering returns to shareholders while maintaining the financial flexibility to pursue strategic growth opportunities.

Our strong cash generation enabled us to go from net debt of $9 million last year to net cash of $13 million this year, rewarding shareholders through increased dividend payments, and acquiring revenue-generating assets. This demonstrates the robust cash-generating capability of our business model and our disciplined approach to capital allocation.

Board and Governance

During the year, we saw the retirement of Mr Dave Ahmet from the Board. I would like to thank Dave for his leadership and contributions to the Company over the past 14 years and wish him well in his retirement.

The Board remains committed to strong governance standards and ensuring the appropriate mix of skills for our next phase.

During the year the Company also completed its first year for climate-related financial disclosure under the Australian Sustainability Reporting Standards, with the Board overseeing the governance structures required to support that reporting. The Sustainability Report can be found in this year's Annual Report.

Stamp Duty underpayment and Payroll Remediation

During the year, the Group identified historical issues related to underpaid leave loading for some employees, and the calculation, collection and remittance of vehicle registration duty on certain equipment. These findings were disappointing and fell short of the standards we expect. We acted promptly to correct the relevant payroll, systems and processes, commenced remediation, and made voluntary disclosures to the Fair Work Ombudsman and the relevant State and Territory revenue authorities. We are committed to resolving both matters transparently and fairly, and embedding the lessons in stronger controls across the Group.

Outlook

The Board has approved a program of transformation investment for FY2027, directed at three channels: technology, people and property. It is an investment in the efficiency and durability of the business, and we look forward to the business reporting on this during the year.

We are well-positioned for continued profitable growth. The integration of our recent acquisitions, combined with organic growth initiatives and diversification into new and existing vehicle categories provides multiple avenues for sustainable value creation.

During the year, the Company took decisive action to address underperforming parts of its retail network and cleared aged inventory, to establish a stronger base for FY2027. We remain focused on cost management while investing in the digital capabilities that will drive our long-term competitive advantage.

Conclusion

On behalf of the Board, I thank our leadership team and our employees across Australia and New Zealand for their dedication through a demanding year. I also extend my appreciation to my fellow Directors for their guidance.

To our shareholders, thank you for your continued support. MotorCycle Holdings is a stronger, clearer and better-positioned business than it was twelve months ago, and we look forward to demonstrating that in the year ahead.

Rick Dennis
Chair, MotorCycle Holdings Limited

“We are a wholesale distributor with significant retail operations… We see further growth potential across the wholesale portfolio as we leverage our scale, relationships and distribution capability.

Letter from the CEO

Dear Shareholders,

I am pleased to present the FY2026 results for MotorCycle Holdings Limited (MCH). FY2026 was an important year for MCH. We delivered record revenue, strengthened our balance sheet and completed the integration of Peter Stevens and Harley-Heaven, creating a materially larger and more diversified business.

Importantly, we also enter FY2027 with greater clarity about what MCH is today, where our competitive strengths lie and where we see the next phase of growth.

A clearer view of MCH

Our retail network is the most visible part of MCH and has historically shaped how the Group is perceived. But behind that network sits a substantial wholesale and distribution platform that is increasingly central to our growth.

Put simply, **we are a wholesale distributor with significant retail operations.**

We import, warehouse and distribute vehicles, parts and accessories across Australia and New Zealand, supported by long-standing brand partnerships and an extensive dealer network. Alongside this, we operate one of the largest retail footprints in Australia.

This year we have separated our wholesale and retail segments to give shareholders greater visibility of the scale, performance and growth potential of each.

Record Revenue and Stronger Foundations

We delivered record sales revenue of $788.7 million, an increase of 21.3% on the prior year. Underlying net profit after tax was $25.7 million (up 42.5%) and underlying EBITDA $65.1 million (up 27.6%), with gross margin of 26.8%.

New vehicle retail sales of 18,875 units and used vehicle sales of 12,192 units were both records. Our national market share of new vehicles is at 19.6% - almost 1-in-5 new vehicles sold come from our company. eCommerce revenue grew 44% reinforcing digital as a core channel for the business.

Our balance sheet strengthened over the year, with net debt turning into net cash of $13 million and inventory levels managed through disciplined buying and the clearance of aged stock.

Wholesale

Our wholesale business had an excellent year. Wholesale revenue grew 17.0% for the year, led by our vehicle distribution businesses of Mojo in Australia and Forbes & Davies in New Zealand.

In particular, CFMOTO continued to gain share in both the off-highway vehicle and motorcycle segments and remains the key vehicle brand on the wholesale side of the Group. We see further growth potential across the wholesale portfolio as we leverage the scale, relationships and distribution capability already established across Australia and New Zealand.

Retail

Our retail portfolio is increasingly focused around two core businesses: Harley-Davidson and our Volume Brands.

Our Harley-Davidson retail business was a standout. We are proud to be the national leader with this iconic global brand. We now represent more than 50% of the national Harley-Davidson business by share and delivered strong year-on-year growth in both units and profitability. The discipline we have applied to inventory, used vehicle sourcing and finance and insurance penetration have translated directly into a stronger financial outcome from these stores.

Our Volume Brands business remains an area of significant focus. We are simplifying the network, consolidating sites where appropriate and improving operating processes to create a more efficient, productive and consistent retail business.

MCAS also took an important step forward during FY2026. We reset the strategy, relaunched the brand, opened new stores, improved the retail experience and point-of-sale systems, strengthened inventory management and expanded the product range. Accelerating MCAS growth is a priority for FY2027.

Investing in the MCH of the Future

As MCH has grown, the opportunity to operate as One MCH has become increasingly important.

Our objective is simple: to make MCH **easy to do business with for our customers and partners, and easier to work within for our people**.

We are investing across four areas — Data, Digital & Technology, People and Property — to simplify the business, unlock the benefits of our scale and create stronger foundations for future growth.

Our digital and data investments will improve how customers engage with us across both retail and wholesale and give our teams better information, systems and tools.

We are investing in our people and leadership capability to build the skills required for the next phase of MCH.

And across property, warehousing and logistics, we are optimising our footprint to improve efficiency, customer experience and speed to market. During FY2026 we exited underperforming Volume Brand locations and consolidated a number of operations into larger, more efficient sites.

We enter FY2027 with a better-optimised network and a stronger operating platform. Our transformation work has also increased the scrutiny we apply to our systems and processes. During the year this identified historical issues relating to underpaid leave loading for some employees and the calculation, collection and remittance of vehicle registration duty on certain equipment.

These matters fell short of the standards we expect. We acted promptly to correct the relevant systems and processes, commenced remediation and made voluntary disclosures to the Fair Work Ombudsman and relevant State and Territory revenue authorities.

We are committed to resolving both matters transparently and fairly and embedding the lessons through stronger controls across the Group.

Looking Ahead

The fundamentals of MCH are strong, but we know there is more work to do.

Our distribution platform is growing. We are the Australian leader in Harley-Davidson retail. Our balance sheet is stronger. And we are progressively simplifying and improving the performance of our broader retail network.

At the same time, our opportunity extends well beyond traditional motorcycles.

We are building a broader platform spanning motorcycles, all-terrain vehicles, watercraft and other mobility categories, supported by new and used vehicles, parts and accessories, apparel, service, finance and insurance.

Our wholesale and distribution capability gives us a powerful platform from which to pursue that growth.

We enter FY2027 as a larger business, with a clearer identity, stronger foundations and a sharper focus on where we can win.

To our customers, dealers and brand partners, thank you for your continued support.

To our people across Australia and New Zealand, thank you for your commitment during a period of significant change. Performing while transforming is not easy, and your contribution has been critical.

I also thank the Board for its continued support and our shareholders for their confidence in MCH.

Matthew Wiesner
Chief Executive Officer, MotorCycle Holdings Limited

“We enter FY2027 as a larger business, with a clearer identity, stronger foundations and a sharper focus on where we can win.

Sustainability

This year a key focus of the Group's sustainability program was preparing for our first mandatory climate-related financial disclosures in accordance with AASB S2 Climate-related Disclosures, the Australian Sustainability Reporting Standards (ASRS) issued by the Australian Accounting Standards Board (AASB) (Sustainability Report), which can be found within the Group's 2026 Financial Report.

The Group had previously identified material Environmental, Social and Governance (ESG) risks and opportunities. This process included engagement with key stakeholders and resulted in the identification of five material topics for future measurement and disclosure:

- Regulatory risk
- Energy use
- Electric Vehicle (EV) diversification
- Modern slavery and human rights
- Supply chain risk

The new Climate-related disclosures contained in the Group's 2026 Financial Report address the issues of Energy use and Electric Vehicle diversification.

Compliance with AASB S2 has been the key regulatory focus for FY2026. That same regulatory focus will continue into FY2027 as the Group begins reporting Scope 3 emissions. The Group currently intends to leverage its increasing regulatory obligations in relation to Scope 3 emissions, which requires outreach to the Group's suppliers, to progress its work and understanding of suppliers in the context of modern slavery and supply chain risk.

MotorCycle Holdings' executive team continues to advance the prioritisation of material topics identified in the Materiality Assessment and the development of appropriate metrics to support future ESG disclosures. These efforts are informing the Company's ESG strategy and framework.

Directors	Rick Dennis - Chair Peter Henley - Non-Executive Director Rob Cassen - Non-Executive Director Michael Poynton - Executive Director Nikki Thomas - Non-Executive Director
Company secretary	Stephanie So
Notice of annual general meeting	The details of the annual general meeting of MotorCycle Holdings Limited are: 25 November 2026 9:30am Source Governance Level 37, 180 George Street, Sydney NSW 2000
Registered office	MotorCycle Holdings Limited C/- Source Governance Level 35, One Eagle 1 Eagle Street Brisbane QLD 4000
Principal place of business	68 Moss Street Slacks Creek QLD 4127 Tel: +61 7 3380 2290 Email: cosec@mcholdings.com.au
Share register	Computershare Investor Services Pty Ltd Level 1 200 Mary Street Brisbane QLD 4000 Tel (within Australia): 1300 850 505 Tel (outside Australia): +61 3 9415 4000
Auditor	KPMG Heritage Lanes Level 11, 80 Ann Street Brisbane QLD 4000
Stock exchange listing	MotorCycle Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: MTO)
Website	mcholdings.com.au
Corporate Governance Statement	The Directors and management are committed to conducting the business of MotorCycle Holdings Limited in an ethical manner and in accordance with the highest standards of corporate governance. MotorCycle Holdings Limited has adopted and substantially complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations. The Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed, was approved by the Board of Directors at the same time as the Annual Report and can be found on the Investor Centre page at https://www.mcholdings.com.au/corporate-governance/.

Directors’ Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of MotorCycle Holdings Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

Rick Dennis	Chair
Peter Henley	Non-Executive Director
Rob Cassen	Non-Executive Director
Michael Poynton	Executive Director
Nikki Thomas	Non-Executive Director
David Ahmet	Non-Executive Director (resigned on 23 September 2025)

Principal activities

The principal activities of the Group during the year were the ownership and operation of retail motorcycle dealerships, and businesses engaging in the importing and wholesaling of motorcycles, ATVs, scooters, and motorcycle and bicycle spare parts and accessories.

Dividends

Dividends paid during the financial year were as follows:

	Consolidated 2026 $'000	2025 $'000
Fully franked final dividend for the year ended 30 June 2025 of 5 cents per ordinary share paid on 24 September 2025	3,690	-
Fully franked interim dividend for the year ended 30 June 2026 of 9.5 cents per ordinary share paid on 27 March 2026	7,017	-
Fully franked final dividend for the year ended 30 June 2024 of 7 cents per ordinary share paid on 4 October 2024	-	5,166
Fully franked interim dividend for the year ended 30 June 2025 of 8 cents per ordinary share paid on 27 March 2025	-	5,905
	10,707	11,071

Declared after the end of the financial year

On 26 August 2026, the Directors have declared a fully franked final dividend of 7 cents per ordinary share payable on 23 September 2026 with a record date of 9 September 2026.

There is no dividend re-investment plan in operation.

Review of operations

The profit for the Group after providing for income tax amounted to $24,156,000 (30 June 2025: $18,022,000). This increase is attributable to organic growth and the contribution of the Peter Stevens and Harley Heaven (PSHH) businesses. Sales revenue from ordinary activities for the financial year increased 21% in comparison to the financial year ended 30 June 2025 (FY25) to $788,680,000 (FY25: $649,993,000). Organic growth was 5.1%.

The Company achieved an operating gross profit margin of 26.8% up 1.7% from 25.1% in FY25. This was assisted by the introduction of the PSHH business at a higher comparative margin of 26.6%.

The increase in total operating expenses on FY25 reflects the acquisition of PSHH impacting all expense categories. The pre-existing business saw an increase in employee benefits expense from further investment in corporate functions, and occupancy costs - rates, taxes, and electricity.

Net profit after tax (NPAT) increased 34.0% to $24,156,000 (FY25: $18,022,000) with a corresponding increase in basic earnings per share to 32.7 cents per share from 24.4 cents in FY25.

New retail motorcycle unit sales increased 20.7% to 18,875 units (FY25: 15,637 units). The Company achieved a market share[(1)] of 19.6% for the year. Used retail motorcycle unit sales increased 15.4% to 12,192 units (FY25: 10,565 units).

(1) Based on sales data for new motorcycles and off-highway vehicles (OHV) as reported by the Federal Chamber of Automotive Industries (FCAI).

The Company's share of NPAT from the MotorCycle Finance Pty Ltd joint venture was $491,000, an increase of 32.3% from the FY25 (FY25: $371,000).

On 31 July 2025, MotorCycle Accessories Supermarket Pty Ltd (a subsidiary of MotorCycle Holdings Limited) completed the acquisition of select business assets and operations of Peter Stevens Motorcycles Pty Limited and Harley Heaven Pty Limited (both in administration) for $9,909,000. The acquisition, completed under an Asset Purchase Agreement, has been accounted for as a business combination in accordance with AASB 3 Business Combinations, as the acquired assets and activities meet the definition of a business. The acquired business contributed $105,800,000 in revenue and $587,000 in profit before tax for the period since ownership.

During the year, the Group identified historical issues in relation to employee and vehicle registration duty underpayments:

Vehicle registration duty underpayment
As noted in the half-year accounts, the Company announced it had identified an underpayment of vehicle registration duty in relation to the value of certain optional equipment fitted to vehicles when sold. An amount of $5.0m is provided for on the balance sheet ($3.5million in duty and $1.5m in related interest) representing management's best estimate of the liability. Under AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, as the majority of the liability relates to transactions prior to the current financial period, $4.85m of the provision has been recognised at 1 July 2024, with an accompanying recognition of a deferred tax asset of $1.45m. The net position of $3.4m has been reflected in opening retained earnings at that date.

Payroll remediation
On 17 July 2026, the Company announced that it had identified certain issues relating to the application of the Modern Awards that apply to the Company's employees.

The most substantive finding being the underpayment of leave loading for employees receiving over-Award payments. At the time of the ASX announcement, the Company estimated for current employees, at current wage rates, the remediation cost for unpaid leave loading for the period 1 July 2020 to 30 June 2026 was between $1.1m - 1.3m (pre-tax), with $0.4m to be accounted for in FY26. After refinement of the estimation process for current employees, a further $350k provision will be booked in opening retained earnings.

Further, the amount for terminated employees over the relevant period has now been estimated at $1.5m (pre-tax) with $0.25m to be accounted for in FY26. The remainder will be booked as an adjustment to the opening retained earnings as at 1 July 2024 in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

In summary, the net impact of adjustments for payroll remediation since the initial ASX announcement on 17 July 2026 has been a further provision of $1.85m, however, only $250k of this relates to, and has been booked in, FY26.

These issues were disappointing to identify and fall short of the standards the Company intends to operate under. MTO acted promptly to investigate and commence correcting the issues and has made voluntary disclosures to the relevant authorities. We are committed to resolving both matters transparently and fairly and embedding the lessons in stronger controls across the Group.

Reconciliation of Statutory to Underlying Earnings:

The following table presents the financial performance on an underlying basis. It includes Underlying EBITDA, a measure used by the Directors and management in assessing the ongoing financial performance of the Group. Underlying EBITDA is a non-IFRS measure and has not been audited or reviewed. Underlying measures assist Directors and management in assessing the performance of the Group as they provide information on the Group's profitability and cash flow generation excluding significant transactions and non-cash items which are not representative of the Group's ongoing operations.

($ millions)	FY2026 Statutory	Adjustments[2]	FY2026 Underlying	FY2025 Underlying	Gross change %
Sales revenue	788.7	-	788.7	650.0	21.3%
Cost of sales	(577.5)	-	(577.5)	(487.1)	
Gross profit	**211.2**	**-**	**211.2**	**162.9**	**29.7%**
% margin	26.8%		26.8%	25.1%	6.8%
Other income	0.8	-	0.8	1.3	
Operating costs	(149.1)	2.2	(146.9)	(113.2)	29.8%
EBITDA[1]	**62.9**	**2.2**	**65.1**	**51.0**	**27.6%**
% margin	8.0%		8.3%	7.8%	
Depreciation and amortisation	(22.7)	-	(22.7)	(20.0)	13.5%
EBIT[1]	**40.2**	**2.2**	**42.4**	**31.0**	**36.8%**
Net finance costs excluding bailment	(5.9)	-	(5.9)	(5.3)	11.1%
Net profit before tax	**34.3**	**2.2**	**36.5**	**25.7**	**42.1%**
% margin	4.4%		4.6%	4.0%	
Income tax expense	(10.2)	(0.6)	(10.8)	(7.7)	
Net profit after tax	**24.1**	**1.6**	**25.7**	**18.0**	**42.5%**
% margin	3.1%		3.3%	2.8%	

(1) Underlying EBITDA, underlying EBIT and underlying NPAT are non-IFRS measures, not subject to audit or review. These measures represent the Group's underlying earnings from its operations and is determined by adjusting the statutory net profit after tax for items that are non-cash or non-operating in nature. The directors consider underlying EBITDA to represent the core earnings of the Group.

(2) Adjustments to statutory earnings are acquisition costs related to 'Peter Stevens / Harley-Heaven' ($1.4m) as well as the current year impact of the stamp duty underpayment ($150k) and payroll remediation ($650k) issues referred to above.

Material business risks

There are a number of material business risks of a general and specific nature which may adversely affect the future operating and financial performance of the Group. These risks include:

Supply chain constraints

The Group is reliant on manufacturers and distributors to supply inventory for sale. Circumstances may arise where the quantity of inventory available for sale is restricted (for example, because of supply chain disruptions caused by conflict in the Middle East or Ukraine, or fuel supply issues) or may be limited at the manufacturers' or distributors' discretion. If the Group is not able to meet demand for products due to interruption of supply from manufacturers or distributors, financial performance may be adversely affected.

Key supplier dependencies

A significant component of the value of the Group resides in the arrangements with key suppliers, some of which are in overseas jurisdictions. Orders placed with key suppliers are not binding unless and until accepted by the suppliers. Accordingly, this exposes the Group to the risk that suppliers may withdraw or limit supply. If this risk materialised, this would result in loss of earnings and a deterioration in profits. It may also be difficult for the Group to enforce contractual rights in either Australia or overseas jurisdictions against suppliers.

Access to capital and liquidity
Although the Group has demonstrated strong cash generation and reduced net debt, continued growth and integration of post-balance date acquisitions require disciplined capital allocation. If future cash flow is not sufficient to support continued growth, financial performance may be negatively affected.

Regulatory compliance and product liability
The Group is an importer and distributor of vehicles and other goods and is responsible for ensuring the products it imports and distributes comply with Australian regulations, including mandatory safety standards. The Group is considered the manufacturer of the products it imports and distributes and may be strictly liable to consumers for injury to persons or property damage suffered because of defective goods, directly liable to customers for breaches of certain statutory guarantees or may face penalties for non-compliance.

Key personnel and succession
Retention of senior leadership and technical talent remains critical. The Group's success is dependent to a significant degree upon the efforts of key members of management. The Group relies on a high-quality management team with significant experience in their relevant field. The loss of key members of management of the Group, or the failure to attract additional key individuals to key management roles, could have a material adverse effect on operations, including its relationships with manufacturers and distributors.

Foreign exchange volatility
The Group remains exposed to foreign currency fluctuations, particularly in the US Dollar, which impacts landed costs of inventory. Hedging strategies are in place but may not fully offset volatility driven by macro-economic factors such as geopolitical tensions and monetary policy divergence. As an importer of goods, the Group is exposed to the risk that its financial performance or position will be affected by these fluctuations.

Macroeconomic and consumer demand risk
As the products sold by the Group are discretionary items for many customers, the Group is particularly exposed to a deterioration in general economic and business conditions, including levels of consumer spending, inflation, interest rates and exchange rates, access to consumer credit, government fiscal, monetary and regulatory policies, and oil prices. A prolonged deterioration in general economic and business conditions could be expected to have an adverse impact on the Group's financial performance.

Cyber risk and data privacy
The Group continues to invest in cybersecurity infrastructure and employee training. However, the risk of data breaches, ransomware, or system outages remains elevated. A breach could result in significant reputational damage for the Group, disruption of operations impeding financial performance, and exposure to substantial expense for damage mitigation and restoration of business information systems.

Consumer shift from combustion engine to electric motorcycles
Through its retail motorcycle dealerships, the Group sells motorcycles with internal combustion engines. If consumer preferences shift towards electric vehicles (EVs) the demand for motorcycles with internal combustion engines may decline. This could lead to reduced sales and revenue, if the Group does not revise its product mix towards EVs. Further information on this risk and other climate-related risks can be found in the AASB S2 Climate-related Disclosures.

Franchise model and OEM relationships
The Group's retail motorcycle dealerships operate under franchise agreements with original equipment manufacturers that are renewed on a periodic basis. The loss or non-renewal of key franchise agreements, or a change to the agency franchise model in the motorcycle industry could result in significant loss of market share, and financial performance may be negatively affected.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the Group and the expected results of operations in subsequent financial years have been discussed where appropriate in the operating and financial review.

Environmental regulation
The Group is subject to various environmental regulations under both Federal and State legislation.

Information on Directors

Name:	**Rick Dennis**
Title:	Chair and Independent Non-Executive Director
Qualifications:	BCom, LLB, CA
Experience and expertise:	Rick joined the Company after a 34-year career with Ernst & Young (EY) in Australia and Asia-Pacific. He was Queensland Managing Partner from 2001 to 2007 and again for 2014. Rick established and led EY Australia's China Business Group in 2005 and was Chief Financial Officer (CFO) and Deputy Chief Operating Officer (COO) in Asia-Pacific from 2010 to 2013. Rick was a member of the firm's inaugural Asia-Pacific executive committee and a number of EY global boards and committees. Rick has expertise in corporate finance, mergers and acquisitions, and capital raising, and is dual qualified in law and commerce.
Other current directorships:	Non-Executive Director of Step One Clothing Ltd (ASX:STP), and Non-Executive Chair of AF Legal Group Limited (ASX:AFL), and Energy Resources of Australia Limited (ASX:ERA).
Former directorships (last 3 years):	Apiam Animal Health Limited (ASX:AHX), Cettire Limited (ASX:CTT)
Special responsibilities:	Member of the Audit and Risk Committee Member of the People and Remuneration Committee
Interests in shares:	None
Interests in options:	None
Interests in rights:	None

Name:	**Peter Henley**
Title:	Independent Non-Executive Director
Experience and expertise:	Peter has a long and distinguished career in financial services and in particular consumer and commercial finance. Peter previously held senior management positions at AGC Limited and was the Chief Executive Officer (CEO) of Nissan Finance Corp Ltd and of GE Money in Australia and in Southeast Asia. Since retiring from executive roles in October 2006, Peter has been an Independent Non-Executive Director of Adtrans Group, MTA Insurance Ltd, Thorn Group Limited, and more recently Eagers Automotive Limited. Fellow of the Australian Institute of Management and a member of the Australian Institute of Company Directors.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Company's Representative on the Board of MotorCycle Finance Pty Ltd Member of the Audit and Risk Committee Chair of the People and Remuneration Committee
Interests in shares:	94,395 ordinary shares
Interests in options:	None
Interests in rights:	None

Name:	**Rob Cassen**
Title:	Independent Non-Executive Director
Experience and expertise:	Rob has over 35 years' experience in the motorcycle and bicycle industry. Rob joined the Board as part of the Company's acquisition of the Cassons Group, one of Australia's largest motorcycle and bicycle clothing and accessory distribution and retail companies. Rob has developed strong supplier relationships with major international and world leading brands and manufacturers and has created one of the market-leading private label brands in Australia.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee Member of the People and Remuneration Committee
Interests in shares:	3,638,833 ordinary shares
Interests in options:	None
Interests in rights:	None

Name:	**Michael Poynton**
Title:	Non-Independent Executive Director and Chief Operating Officer
Experience and expertise:	Bringing with him 20 years' experience in the motorcycle industry, Michael is the co-founder and former-CEO of Mojo Motorcycles. Michael joined the Board as Executive Director following the acquisition of Mojo Motorcycles in late 2022. Michael has developed strong supplier relationships over the years with major global motorcycle brands. This has contributed to him being a key driver in making Mojo Motorcycles one of Australia's largest wholesale distributors, with an impressive annual growth rate recorded since its 2003 inception.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	2,619,500 ordinary shares
Interests in options:	None
Interests in rights:	160,408 rights over ordinary shares

Name:	**Nikki Thomas**
Title:	Non-Executive Director
Qualifications:	B Com from UNSW, CA and CFA
Experience and expertise:	Nikki is an accomplished Global Equities Portfolio Manager with over 30 years' experience in the financial services industry. As a Chartered Financial Analyst (CFA), Nikki brings a rigorous analytical approach to asset allocation and portfolio management and has a deep understanding of global equities markets and corporate strategy. Nikki's focus in Global Equities began in 2007 as a founding team member at Magellan Financial Group and helped grow the company to over $60 billion of assets under management. In 2018 she joined Alphinity Global and helped it establish and grow its presence in the Australian retail market. Nikki rejoined Magellan in 2022 and managed the Magellan Global Equities Fund and Magellan High Conviction Fund before leaving in late 2025.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the Audit and Risk Committee
Interests in shares:	48,500 ordinary shares
Interests in options:	None
Interests in rights:	None

Name:	**David Ahmet**
Title:	Former Non-Executive Director (resigned on 23 September 2025)
Experience and expertise:	David Ahmet is the Founder and a Non-Independent Non-Executive Director of MotorCycle Holdings Limited. Since establishing the business in 1989, David has overseen its growth from a single location to a network of 45 sites across Australia. With more than 35 years' experience in motorcycle dealerships, David has played a pivotal role in shaping the Company's strategic direction, leading its management team, and fostering strong relationships with key suppliers and manufacturers. David served as Managing Director and Chief Executive Officer until 2 December 2024, when he stepped down from the role. He resigned as Non-Executive Director on 23 September 2025.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	Not applicable as no longer a director
Interests in options:	Not applicable as no longer a director
Interests in rights:	Not applicable as no longer a director

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Joint company secretaries

Nicole Spink
Nicole resigned on 31 May 2026. Nicole has held CFO and other senior finance roles in the retail and automotive industries. She holds a Bachelor of Business Management, a Graduate Certificate in Business Law, and a Graduate Diploma in Applied Corporate Governance.

Nicole is a Fellow of CPA Australia, a Fellow of the Governance Institute of Australia, and a member of the Australian Institute of Company Directors.

Stephanie So
Stephanie has over 13 years of governance experience working with private, public and listed companies across a number of industries, and has significant expertise in company secretarial, board and corporate governance matters. Stephanie was previously a principal listings adviser at the ASX where she had extensive involvement in the oversight of listed entities and specialised in ASX Listing Rules compliance including policy and development, initial public offerings, capital raisings and other corporate transactions.

Stephanie is dual qualified in law and commerce and is a Fellow of the Governance Institute of Australia.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2026, and the number of meetings attended by each Director were:

	Full Board		People and Remuneration Committee		Audit and Risk Committee	
	Attended	Required to attend	Attended	Required to attend	Attended	Required to attend
Rick Dennis	16	16	4	4	3	3
Peter Henley	16	16	4	4	3	3
Rob Cassen	16	16	4	4	3	3
Michael Poynton	16	16	-	-	-	-
Nikki Thomas	15	16	-	-	3	3
David Ahmet[1]	3	3	-	-	1	1

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

(1) Resigned from the Board on 23 September 2025

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

The table below summarises details of KMP of the Group for the year ended 30 June 2026, their roles, and appointment and cessation dates:

Name	Role	Appointment date	Cessation date
Non-Executive Directors			
Rick Dennis	Chair and Independent Non-Executive Director	01/09/2016	
Peter Henley	Independent Non-Executive Director	01/03/2017	
Rob Cassen	Independent Non-Executive Director	21/12/2018	
Nikki Thomas	Non-Executive Director	03/04/2025	
David Ahmet	Non-Executive Director	02/12/2024	23/09/2025
Executive Directors			
Michael Poynton	Executive Director and Chief Operating Officer	17/11/2022	
Senior Executives			
Matthew Wiesner	Chief Executive Officer	02/12/2024	
Nicole Spink	Chief Financial Officer	01/04/2024	31/05/2026
John Wadley	Chief Financial Officer	01/06/2026	

Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The remuneration governance that the Board has in place to establish and review remuneration for key management personnel (KMP) and employees of the Group are/include:
- management provides information relevant to remuneration decisions and recommendations to the People and Remuneration Committee (PRC);
- the PRC is delegated to review and make recommendations to the Board on remuneration policies for Non-Executive Directors, Senior Executives, and all employees including incentive arrangements and awards. The PRC can appoint remuneration consultants and other external advisors to provide independent advice;
- the Board approves the overall remuneration framework and policy ensuring it is fair, transparent, and aligned with long-term outcomes;
- the Board also approves incentive arrangements and awards for Executive Directors and Senior Executives; and
- the Board approves remuneration of Non-Executive Directors within the Shareholder approved fee cap.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with ASX Corporate Governance principles, the structure of Non-Executive Director and Executive Director remuneration is separate.

Non-Executive Directors' remuneration
The Board's Non-Executive Director remuneration policy is to:
- provide a clear fee arrangement that avoids potential conflicts of interest associated with performance incentives;
- remunerate Directors at market rates for their commitment and responsibilities; and
- obtain independent external remuneration advice when required.

Non-Executive Directors receive remuneration for undertaking their role. They do not participate in the Company's incentive plans or receive any variable remuneration. Non-Executive Directors are not entitled to retirement payments, other than compulsory superannuation contributions.

The Chair's fees are determined independently to the fees of other Non-Executive Directors based on comparative roles in the external market. The Chair is not present at any discussions relating to the determination of their own remuneration. Non-Executive Directors do not receive share options or other incentives.

ASX listing rules require the aggregate Non-Executive Directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 27 November 2024, where the shareholders approved a maximum annual aggregate remuneration of $700,000 (including superannuation).

The following table sets out the annual Board and Committee fees (inclusive of superannuation) as at the date of this Report:

Director	Board Member $	Board Chair $	Audit and Risk Committee $	People and Remuneration Committee $	Motorcycle Finance JV Committee $	Total Fees $
Rick Dennis	-	175,000	5,000	5,000	-	185,000
Peter Henley	77,000	-	5,000	15,000	10,000	107,000
Rob Cassen	77,000	-	5,000	5,000	-	87,000
Nikki Thomas	77,000	-	15,000	-	-	92,000
Total	**231,000**	**175,000**	**30,000**	**25,000**	**10,000**	**471,000**

Executive Director and Senior Executive remuneration
The Board's policy for determining the nature and amount of remuneration for the Executive Director and Senior Executives is to:
- provide for both fixed and performance-based remuneration;
- provide a remuneration package based on an annual review of employment market conditions, the Group's performance, and individual performance; and
- obtain independent external remuneration advice when required.

Remuneration and other terms of employment for Senior Executives are formalised in agreements which have a provision for bonuses and other benefits which may be granted from time to time by the Board of Directors. Contracts with Executives may be terminated by either party with six-months' notice.

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

Fixed remuneration is a function of size and complexity of the role, individual responsibilities, experiences, skills, and market pay levels. This consists of cash salary, salary sacrifice items, and employer superannuation at the statutory contribution rate.

The Board determines an appropriate level of fixed remuneration for the Senior Executives with recommendations from the PRC. Fixed remuneration is reviewed annually following performance reviews at the end of the financial year and takes into account the role and responsibilities, relevant market benchmarks and attraction, retention, and motivation of executives in the context of the talent market.

Short-term Incentive Plan
The short-term incentive plan ('STIP') is designed to align the targets of the business units with the performance hurdles of executives. STIP payments are granted to executives based on specific annual targets and key performance indicators ('KPIs') being achieved. KPIs include profit contribution, customer satisfaction, leadership contribution and product management.

The Chief Executive Officer ('CEO'), Chief Operating Officer ('COO') and former Chief Financial Officer ('CFO') were eligible to participate in the Group's STIP during the financial year. Under the plan, participants have an opportunity to receive an annual cash bonus calculated as a percentage of their total fixed remuneration ('TFR') (salary including superannuation) conditional upon the achievement of short-term financial and non-financial performance measures at a corporate and individual level.

The short-term financial measures represent 70% of the maximum bonus payable. The measure is based on the profitability of the Group compared to the annual budget as approved by the Board. If actual profitability for the year is less than 85% of the approved budget, no short-term incentive is paid. The bonus is payable on a pro-rata basis where profitability is between 85% to 100% of the approved budget.

The non-financial measures represent the remaining 30% of the maximum bonus payable. The Board considers the participant's individual contribution towards the achievement of strategic initiatives of the Group, which include acquisitions and their integration into the business, employee engagement and management of invested capital when determining whether such bonuses will be awarded.

Payments made under the plan are assessed by the PRC and approved by the Board. The Board retains absolute discretion on whether to pay all, a portion of, or no annual cash bonus. As the short-term financial performance measures for the financial year were achieved, the Board awarded the following short-term incentive payment to participants in the STIP.

Name	Role	Max potential bonus % of salary	Actual amount of bonuses included in 2026 remuneration $	% of max bonus
Matthew Wiesner	Chief Executive Officer	50%	314,468	100%
Michael Poynton	Chief Operating Officer	50%	192,969	90%
Nicole Spink[1]	Chief Financial Officer	50%	182,784	100%
John Wadley[2]	Chief Financial Officer	-	-	-

(1) Resigned 31 May 2026. The Board exercised their discretion and awarded an STI of $182,784.
(2) Appointed 1 June 2026. Mr Wadley was not eligible for the STIP in FY26.

Long-term Incentive Plan
The long-term incentives plan ('LTIP') includes share-based payments which are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders value relative to the entire market and the increase compared to the Group's direct competitors. The PRC reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2026.

The LTIP was approved by shareholders at the Company's Annual General Meeting in 2023 and its purpose is to:
- align employee incentives with shareholders' interests;
- encourage broad based share ownership by employees; and
- assist employee attraction and retention.

Through the LTIP, Senior Executives are incentivised to improve the Company's financial performance and generate shareholder returns through the granting of performance rights. Performance rights constitute a right to receive ordinary shares in the capital of the Company upon the achievement of certain performance hurdles.

Performance criteria
The performance rights are subject to certain performance hurdles being met over the relevant performance period. These performance hurdles include:

Relative total shareholder return (TSR)
50% of the performance rights issued are subject to a relative TSR assessment against a peer group of 12 ASX-listed companies over the performance period (1 July 2025 to 30 June 2028). This performance hurdle is designed to focus Executives on delivering long-term shareholder returns.

Peer companies	
AMA Group Limited	National Tyre & Wheel Limited
Eagers Automotive Limited	Peter Warren Automotive Holdings Limited
ARB Corporation Limited	RPM Automotive Group Limited
Autosports Group Limited	Super Retail Group Limited
Bapcor Limited	Turners Automotive Group Limited
Amotiv Limited	Vmoto Limited

TSR ranking	**Proportion of the Tranche 1 awards that satisfy the TSR vesting condition**
Less than 50%	0%
50% - 75%	Between 50% and 100% (as determined on a straight-line basis)
75% or above	100%

Earnings per share (EPS)
50% of the Performance Rights are subject to growth in the Company's EPS assessed over a 3-year performance period commencing 1 July 2025 and ending 30 June 2028, on a compound annual growth rate (CAGR) basis.

Vesting will occur based on the following performance:

The Company's EPS CAGR over the performance period	**Proportion of the Tranche 2 awards that satisfy the EPS vesting condition**
Less than or equal to 7.5%	0%
Greater than 7.5% and less than or equal to 10%	Between 50% and 100% (as determined, on a straight-line basis)
Equal to or greater than 10%	100%

KMP participation in the LTIP during the financial year
The Managing Director, Chief Operating Officer and Chief Financial Officer were eligible to participate in the LTIP during the year, comprising grants of performance rights over the Company's ordinary shares.

FY24 LTI outcome
The performance period for the LTI plan vesting in FY26 commenced on 1 July 2023 and concluded on 30 June 2026 (FY24 Plan). The LTI performance measure was Underlying EPS CAGR and relative total shareholder return.

Performance was assessed at the end of the FY26. A relative TSR of 85% was achieved resulting in 100% of Tranche 1 vesting. An underlying EPS CAGR of 1.5% was achieved for the performance period resulting in none of Tranche 2 vesting.

Group performance and link to remuneration
Remuneration for certain individuals is directly linked to the performance of the Group. A portion of cash bonus and incentive payments are dependent on profit compared to budget. The Board retains absolute discretion to award an annual bonus. In exercising that discretion, they have regard to the remuneration policy, market conditions, Group financial performance and affordability. Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

The PRC is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Resignation of Chief Financial Officer
Nicole Spink resigned from her role as Chief Financial Officer effective 31 May 2026. The Board exercised its discretion with regard to awarding her Short-Term Incentive for FY26. Ms Spink retained her unvested FY24 LTIP rights and forfeited her FY25 and FY26 rights.

Use of remuneration consultants
The Group did not obtain any external advice from a remuneration consultant during this reporting period.

Voting and comments made at the Company's 2025 Annual General Meeting ('AGM')
At the 2025 AGM, 99.68% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the Directors of MotorCycle Holdings Limited and the following persons:
- Matthew Wiesner - Chief Executive Officer
- Nicole Spink - Joint Company Secretary and Chief Financial Officer (resigned 31 May 2026)
- John Wadley - Chief Financial Officer (appointed 1 June 2026)

	Short-term benefits			Post-employment benefits	Long-term benefits		Share-based payments	
2026	**Cash salary and fees $**	**Cash bonus $**	**Non-monetary[1] $**	**Super-annuation $**	**Termination benefits $**	**Long service leave $**	**Equity-settled $**	**Total $**
Non-Executive Directors:								
Rick Dennis	165,179	-	-	19,821	-	-	-	185,000
Peter Henley	95,536	-	-	11,464	-	-	-	107,000
Rob Cassen	77,678	-	-	9,322	-	-	-	87,000
Nikki Thomas	82,143	-	-	9,857	-	-	-	92,000
David Ahmet[2]	17,850	-	-	2,142	-	-	-	19,992
Executive Directors:								
Michael Poynton	370,498	192,969	65,107	30,929	-	6,847	75,532	741,882
Other Key Management Personnel:								
Matthew Wiesner	560,325	314,468	43,297	63,499	-	9,616	111,409	1,102,614
Nicole Spink[3]	296,025	182,784	30,159	27,597	54,933	6,782	(36,304)	561,976
John Wadley[4]	15,453	-	2,615	4,334	-	1,114	17,968	41,484
	1,680,687	690,221	141,178	178,965	54,933	24,359	168,605	2,938,948

(1) Non-monetary benefits include annual leave accruals and in some instances, reportable fringe benefits of motor vehicle.

(2) Represents remuneration from 1 July 2025 to 23 September 2025.

(3) Represents remuneration from 1 July 2025 to 31 May 2026.

(4) Represents remuneration from 1 June 2026.

2025	Cash salary and fees $	Short-term benefits: Cash bonus $	Short-term benefits: Non-monetary[6] $	Post-employment benefits: Super-annuation $	Long-term benefits: Termination Benefits $	Long-term benefits: Long service leave $	Share-based payments: Equity-settled $	Total $
Non-Executive Directors:								
Rick Dennis	170,289	-	-	19,615	-	-	-	189,904
Peter Henley	90,507	-	-	10,427	-	-	-	100,934
Rob Cassen	71,440	-	-	8,231	-	-	-	79,671
David Ahmet [1]	44,485	-	-	5,131	-	-	-	49,616
Katie McNamara [3]	2,760	-	-	317	-	-	-	3,077
Martin Ward [4]	49,672	-	-	5,712	-	-	-	55,384
Nikki Thomas [2]	19,934	-	-	2,308	-	-	-	22,242
Executive Directors:								
Michael Poynton	357,385	200,861	76,713	30,115	-	7,833	59,272	732,179
David Ahmet [1]	764,953	-	-	13,512	-	3,296	8,596	790,357
Other Key Management Personnel:								
Nicole Spink	264,595	151,640	21,186	30,115	-	4,585	39,883	512,004
Matthew Wiesner [5]	295,866	233,028	24,571	41,784	-	5,324	-	600,573
	2,131,886	585,529	122,470	167,267	-	21,038	107,751	3,135,941

(1) Represents remuneration as Managing Director (Executive Director) until 2 December 2024 and 3 December 2024 onwards as Non-Executive Director. Included in the salary is a payment of accrued annual leave on retirement.
(2) Represents remuneration from 3 April 2025 to 30 June 2025
(3) Represents remuneration from 1 July 2024 to 12 July 2024
(4) Represents remuneration from 1 July 2024 to 28 February 2025
(5) Represents remuneration from 2 December 2024 to 30 June 2025. Included in the cash bonus is a sign-on bonus of $54,950 excluding superannuation.
(6) Non-monetary benefits include annual leave accruals and in some instances, reportable fringe benefits of motor vehicle.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration 2026	Fixed remuneration 2025	At risk - STI 2026	At risk - STI 2025	At risk - LTI 2026	At risk - LTI 2025
Executive Directors:						
David Ahmet	-	99%	-	-	-	1%
Michael Poynton	64%	65%	26%	27%	10%	8%
Other Key Management Personnel:						
Matthew Wiesner	61%	61%	29%	39%	10%	-
Nicole Spink	73%	62%	33%	30%	(6%)	8%
John Wadley	57%	-	-	-	43%	-

The proportion of the cash bonus paid/payable or forfeited is as follows:

Name	Cash bonus paid/payable 2026	Cash bonus paid/payable 2025	Cash bonus forfeited 2026	Cash bonus forfeited 2025
Executive Directors:				
Michael Poynton	90%	100%	10%	-
Other Key Management Personnel:				
David Ahmet	-	-	-	100%
Matthew Wiesner	100%	100%	-	-
Nicole Spink	100%	100%	-	-
John Wadley	-	-	-	-

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	**Michael Poynton**
Title:	Executive Director and Chief Operating Officer
Agreement commenced:	28 August 2024
Term of agreement:	Ongoing
Details:	Fixed remuneration for the year ended 30 June 2026 of $428,820 inclusive of statutory superannuation, to be reviewed annually by the People and Remuneration Committee. Termination with notice may be initiated by either party. The contracts contain customary clauses dealing with immediate termination for gross misconduct and confidentiality, and post-employment restraint of trade provisions.

Name:	**Matthew Wiesner**
Title:	Chief Executive Officer
Agreement commenced:	2 December 2024
Term of agreement:	Ongoing
Details:	Fixed remuneration for the year ended 30 June 2026 of $628,936 inclusive of statutory superannuation, to be reviewed annually by the People and Remuneration Committee. Termination with notice may be initiated by either party. The contracts contain customary clauses dealing with immediate termination for gross misconduct and confidentiality, and post-employment restraint of trade provisions.

Name:	**Nicole Spink**
Title:	Joint Company Secretary and Chief Financial Officer
Agreement commenced:	1 April 2024
Term of agreement:	until resignation on 31 May 2026
Details:	Fixed remuneration for the year ended 30 June 2026 of $365,568 inclusive of statutory superannuation, to be reviewed annually by the People and Remuneration Committee. Termination with notice may be initiated by either party. The contracts contain customary clauses dealing with immediate termination for gross misconduct and confidentiality, and post-employment restraint of trade provisions.

Name:	**John Wadley**
Title:	Chief Financial Officer
Agreement commenced:	1 June 2026
Term of agreement:	Ongoing
Details:	Fixed remuneration for the year ended 30 June 2026 of $450,000 inclusive of statutory superannuation, to be reviewed annually by the People and Remuneration Committee. Termination with notice may be initiated by either party. The contracts contain customary clauses dealing with immediate termination for gross misconduct and confidentiality, and post-employment restraint of trade provisions.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Shares
33,977 shares were issued to key management personnel as part of compensation during the year ended 30 June 2026.

Options
There were no options over ordinary shares issued to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2026.

There were no options over ordinary shares granted to or vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2026.

Performance rights
The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

		FV at grant date				2026				
Plan	Grant date	TSR tranche	EPS tranche	Performance period	Remuneration %	Opening balance	Granted	Exercised	Forfeited	Closing balance
David Ahmet										
FY23	30/03/2023	$0.50	$1.24	1 Jul 22 - 30 Jun 25	-	91,484	-	(27,445)	(64,039)	-
FY24	20/12/2023	$1.33	$1.63	1 Jul 23 - 30 Jun 26	29%	70,177	-	(35,089)	(35,088)	-
FY25	02/12/2024	$1.34	$1.51	1 Jul 24 - 30 Jun 27	1%	1,175	-	-	-	1,175
						162,836	-	(62,534)	(99,127)	1,175
Michael Poynton										
FY24	20/12/2023	$1.33	$1.63	1 Jul 23 - 30 Jun 26	(2%)	36,732	-	(18,366)	(18,366)	-
FY25	02/12/2024	$1.11	$1.32	1 Jul 24 - 30 Jun 27	6%	109,760	-	-	-	109,760
FY26	26/11/2025	$2.33	$3.25	1 Jul 25 - 30 Jun 28	6%	-	50,648	-	-	50,648
						146,492	50,648	(18,366)	(18,366)	160,408
Matthew Wiesner										
FY26	04/11/2025	$2.39	$3.31	1 Jul 25 - 30 Jun 28	10%	-	123,806	-	-	123,806
						-	123,806	-	-	123,806

Plan	Grant date	FV at grant date TSR tranche	EPS tranche	Performance period	Remuneration %	Opening balance	Granted	Exercised	Forfeited	2026 Closing balance
Nicole Spink										
FY23	30/03/2023	$0.50	$1.24	1 Jul 22 - 30 Jun 25	-	21,773	-	(6,532)	(15,241)	-
FY24	20/12/2023	$1.33	$1.63	1 Jul 23 - 30 Jun 26	(3%)	33,792	-	(13,782)	(20,010)	-
FY25	02/12/2024	$1.11	$1.32	1 Jul 24 - 30 Jun 27	(4%)	58,324	-	-	(58,324)	-
FY26	04/11/2025	$2.39	$3.31	1 Jul 25 - 30 Jun 28	-	-	28,784	-	(28,784)	-
						113,889	28,784	(20,314)	(122,359)	-
John Wadley										
FY26	10/06/2026	$1.00	$2.36	1 Jul 25 - 30 Jun 28	43%	-	38,532	-	-	38,532
						-	38,532	-	-	38,532

TSR Rights under the FY24 Plan have vested but have not been exercised at 30 June 2026. EPS Rights under the FY24 Plan have been forfeited.

Additional information

The various components of the way the Group remunerates KMP have been structured to support the Group's strategy and business objectives which in turn are designed to generate shareholder wealth.

When setting targets and determining the quantum of the remuneration increases and the proportion of fixed and performance linked remuneration components, the Board refers to remuneration benchmarking reports provided by independent sources and remuneration consultants from time to time.

The at-risk component of the remuneration structure intends to reward achievement against Company and individual performance measures over a one-year timeframe. An overview of the measures is set out above.

The earnings of the Group for the 5 years to 30 June 2026 are summarised below:

	2026 $'000	2025 $'000	2024 $'000	2023 $'000	2022 $'000
Sales revenue	788,680	649,993	582,318	577,403	457,316
Profit after income tax	24,156	18,022	14,131	23,014	23,115
KMP Remuneration ($)	2,938,948	3,135,941	1,731,982	1,931,038	2,358,066

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2026	2025	2024	2023	2022
Share price at financial year end ($)	2.56	2.81	1.00	1.45	2.10
Total dividends paid ($)	10,707	11,071	11,071	10,831	13,575
Basic earnings per share (cents per share)	32.7	24.4	19.2	33.1	37.5

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Rick Dennis	-	-	-	-	-
Peter Henley	101,264	-	-	(6,869)	94,395
Rob Cassen	3,413,833	-	225,000	-	3,638,833
Michael Poynton	5,769,500	-	850,000	(4,000,000)	2,619,500
David Ahmet[3,4]	11,561,530	27,445	-	(11,588,975)	-
Nikki Thomas	27,000	-	21,500	-	48,500
Matthew Wiesner	5,000	-	3,333	-	8,333
Nicole Spink[1,4]	30,000	6,532	-	(36,532)	-
John Wadley[2]	-	-	-	-	-
	20,908,127	33,977	1,099,833	(15,632,376)	6,409,561

(1) Resigned 31 May 2026.
(2) Appointed 1 June 2026.
(3) Resigned 23 September 2025.
(4) The reduction to a nil closing balance reflects the individual's cessation as a KMP during the period and not necessarily a disposal of shares held.

Performance rights holding
The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
David Ahmet[1]	162,836	-	(62,534)	(99,128)	1,174
Michael Poynton	146,492	50,648	(18,366)	(18,366)	160,408
Matthew Wiesner	-	123,806	-	-	123,806
Nicole Spink[2]	113,889	-	(20,314)	(93,575)	-
John Wadley[3]	-	38,532	-	-	38,532
	423,217	212,986	(101,214)	(211,069)	323,920

(1) Closing balance as at retirement date of 23 September 2025.
(2) Resigned 31 May 2026.
(3) Appointed 1 June 2026.

TSR Rights under the FY24 Plan have vested but have not been exercised at 30 June 2026. EPS Rights under the FY24 Plan have been forfeited.

Other transactions with key management personnel and their related parties

Leases with related parties
Subsidiaries of the Group have entered into property leases for business premises with David Ahmet, Rob Cassen and Michael Poynton, including with entities associated with them. The details and aggregate amounts of these transactions are as follows:

(i) The Group has entered into nine leases for properties that are partly owned by David Ahmet, Non-Executive Director, or that are partly owned by an entity controlled by David. The terms of these leases were negotiated on commercial arms' length basis in 2011 and contain customary terms and conditions including an initial lease term of 5 years, with options to renew for a further 15 years (comprising 3 options for 5-year periods). The leases are subject to a formal market review at each option renewal (the rent must not be less than the previous rent unless the parties agree otherwise).

The first and second 5-year option terms were exercised in 2016 and 2021, with one 5-year option period remaining. The options were last approved by shareholders at the 2021 annual general meeting. In addition to the above, an entity controlled by David acquired an additional property leased by the Group, and the lease for that property was assigned to the entity controlled by David on 1 March 2024.

Total payments (excluding GST and outgoings) payable in respect to these properties for the period to 23 September 2025 or for the period during which the properties were owned by David or entities controlled by David were $450,000 (30 June 2025: $1,754,000).

Total liabilities recognised in relation to these leases for the period to 23 September 2025 is $nil (30 June 2025: $1,673,000).

(ii) The Group has entered into leases in respect to two properties that are owned by entities which act in concert with Rob Cassen, Non-Executive Director. Rob is one of two Directors and holds 50% of the shares of each lessor entity. The terms of these leases were negotiated on commercial arms' length bases in July 2011 and July 2013 with each containing customary terms and conditions including initial lease terms of 10 years, with options to renew each lease for a further 10 years. The leases are subject to a formal market review at the midterm (5 years) of the lease and at each option renewal (the rent must not be less than the previous rent unless the parties agree otherwise).

The option to renew the lease terms were both exercised for a further 10 years and the renewals were approved by shareholders at the 2021 annual general meeting.

Total rental payments (excluding GST and outgoings) payable in respect to these properties for the year ended 30 June 2026 or for the period during which the properties were owned by entities which act in concert with Rob were $2,170,000 (30 June 2025: $2,120,000).

Total liabilities recognised in relation to these leases for the year ended 30 June 2026 is $10,435,000 (30 June 2025: $11,804,000).

(iii) The Group has entered into a lease for a property owned by an entity which acts in concert with Michael Poynton, Executive Director. Michael is one of two Directors and holds 50% of the shares of the lessor entity. The terms of this lease were negotiated on commercial arms' length basis in June 2021 including an initial lease term of 5 years, with options to renew for a further 10 years (comprising 2 options for 5-year periods). The lease is subject to a formal market review at each option renewal (the rent must not be less than the previous rent unless the parties agree otherwise). In March 2026, the Group gave notice of its intention to exercise the first renewal option, extending the lease for an additional 5-year term commencing 1 July 2026, at an annual rent of $301,000.

Total rental payments (excluding GST and outgoings) payable in respect to this property for the year ended 30 June 2026 were $225,000 (30 June 2025: $219,000).

Total liabilities recognised in relation to this lease for the year ended 30 June 2026 is $nil (30 June 2025: $222,000).

This concludes the remuneration report, which has been audited.

Shares under option
There were no unissued ordinary shares of MotorCycle Holdings Limited under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of MotorCycle Holdings Limited issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Shares under performance rights
Unissued ordinary shares of MotorCycle Holdings Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Number under rights
20 December 2023	None	251,222
29 November 2024	None	305,897
4 November 2025	None	176,170
26 November 2025	None	50,648
10 June 2026	None	38,582
		822,519

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of performance rights
56,554 ordinary shares of MotorCycle Holdings Limited issued on the exercise of performance rights during the year ended 30 June 2026 and up to the date of this report.

Indemnity and insurance of officers
The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 29 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 29 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved by the Audit and Risk Committee to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of KPMG

There are no officers of the Company who are former partners of KPMG.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Rick Dennis
Chair

26 August 2026

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of MotorCycle Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial report and the review of specified sustainability disclosures in the sustainability report of MotorCycle Holdings Limited for the financial year ended 30 June 2026 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit and review; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit and review.

KPMG

KPMG

E. Neville-Stanley

Erin Neville-Stanley

Partner

Brisbane

26 August 2026

Financial Statements

MotorCycle Holdings Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 2026 $'000	2025 $'000
Revenue from contracts with customers	6	788,680	649,993
Share of profits of investments accounted for using the equity method		491	371
Other income	7	343	898
Interest revenue		13	-
Expenses			
Cost of goods		(577,601)	(487,089)
Employee benefits expense	8	(99,431)	(76,322)
Depreciation and amortisation expense	8	(22,632)	(19,959)
Occupancy costs		(6,891)	(5,283)
Other expenses	8	(40,299)	(29,545)
Finance costs	8	(8,334)	(7,383)
Profit before income tax expense		34,339	25,681
Income tax expense	9	(10,183)	(7,659)
Profit after income tax expense for the year attributable to the owners of MotorCycle Holdings Limited		24,156	18,022
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Share of other comprehensive gain/(loss) of investments accounted for using the equity method		813	(616)
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(2,328)	319
Foreign currency cashflow hedge		1,857	(582)
Other comprehensive income/(loss) for the year, net of tax		342	(879)
Total comprehensive income for the year attributable to the owners of MotorCycle Holdings Limited		24,498	17,143
		Cents	Cents
Basic earnings per share	10	32.7	24.4
Diluted earnings per share	10	32.7	24.4

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

MotorCycle Holdings Limited
Consolidated statement of financial position
As at 30 June 2026

	Note	2026 $'000	2025 (Restated)[1] $'000	Consolidated 1 July 2024 (Restated)[1] $'000
Assets				
Current assets				
Cash and cash equivalents	11	43,038	30,986	12,141
Trade receivables	12	18,953	12,950	11,852
Inventories	13	163,777	148,664	155,559
Derivative financial instruments	14	1,277	28	-
Current tax receivable		-	-	2,292
Prepayments and other deposits		10,066	6,997	2,969
Total current assets		237,111	199,625	184,813
Non-current assets				
Investments accounted for using the equity method	15	4,957	4,403	6,149
Property, plant and equipment	16	16,092	14,330	13,821
Right-of-use assets	17	64,935	46,844	44,323
Intangible assets	18	137,474	141,729	145,754
Deferred tax asset	9	4,069	2,785	2,146
Other non-current assets		179	161	120
Total non-current assets		227,706	210,252	212,313
Total assets		464,817	409,877	397,126
Liabilities				
Current liabilities				
Trade and other payables	19	64,673	48,511	30,487
Contract liabilities	20	3,399	3,297	3,072
Bailment finance	21	53,912	40,752	46,618
Lease liabilities		17,549	15,908	13,641
Derivative financial instruments	14	1	610	189
Current tax payable		2,092	1,499	-
Employee benefits		13,692	11,448	11,592
Provisions		5,871	5,469	5,520
Total current liabilities		161,189	127,494	111,119
Non-current liabilities				
Contract liabilities	20	4,968	4,937	4,544
Borrowings	22	30,000	40,000	50,000
Lease liabilities		52,524	35,180	34,250
Deferred tax liabilities	9	-	-	1,318
Employee benefits		699	708	736
Total non-current liabilities		88,191	80,825	90,848
Total liabilities		249,380	208,319	201,967
Net assets		215,437	201,558	195,159
Equity				
Issued capital	23	151,048	151,011	151,011
Reserves	24	(502)	(82)	(127)
Retained earnings		64,891	50,629	44,275
Total equity		215,437	201,558	195,159

(1) Refer to note 4 for details relating to restatement of comparatives.

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

MotorCycle Holdings Limited
Consolidated statement of changes in equity
For the year ended 30 June 2026

Consolidated	Issued capital $'000	Reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 July 2024	151,011	(127)	49,283	200,167
Restatement of comparatives (note 4)	-	-	(5,008)	(5,008)
Balance at 1 July 2024 (restated)	151,011	(127)	44,275	195,159
Profit after income tax expense for the year	-	-	18,022	18,022
Other comprehensive loss for the year, net of tax	-	(263)	(616)	(879)
Total comprehensive (loss)/income for the year	-	(263)	17,406	17,143
Transactions with owners in their capacity as owners:				
Equity settled share-based payments (note 38)	-	308	19	327
Dividends paid (note 25)	-	-	(11,071)	(11,071)
Balance at 30 June 2025 (restated)	151,011	(82)	50,629	201,558

Consolidated	Issued capital $'000	Reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 July 2025 (restated)	151,011	(82)	50,629	201,558
Profit after income tax expense for the year	-	-	24,156	24,156
Other comprehensive (loss)/income for the year, net of tax	-	(471)	813	342
Total comprehensive (loss)/income for the year	-	(471)	24,969	24,498
Transactions with owners in their capacity as owners:				
Equity settled share-based payments (note 38)	-	51	-	51
Exercise of performance rights	37	-	-	37
Dividends paid (note 25)	-	-	(10,707)	(10,707)
Balance at 30 June 2026	151,048	(502)	64,891	215,437

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated 2026 $'000	Consolidated 2025 $'000
Cash flows from operating activities			
Receipts from customers, insurance claims and government grants (inclusive of GST)		862,021	715,410
Payments to suppliers and employees (inclusive of GST)		(781,275)	(648,150)
Interest received		13	-
Interest and other finance costs paid		(8,334)	(7,572)
Income taxes paid		(10,874)	(5,825)
Net cash from operating activities	37	61,551	53,863
Cash flows from investing activities			
Payment for purchase of business	34	(9,909)	-
Payments for property, plant and equipment	16	(4,007)	(3,223)
Payments for intangibles	18	(127)	-
Investment in equity accounted investees		750	1,501
Proceeds from sale and leaseback		1,150	-
Proceeds from disposal of property, plant and equipment		291	363
Net cash used in investing activities		(11,852)	(1,359)
Cash flows from financing activities			
Repayment of borrowings		(10,000)	(10,000)
Repayment of lease liabilities		(15,532)	(12,860)
Dividends paid	25	(10,707)	(11,071)
Net cash used in financing activities		(36,239)	(33,931)
Net increase in cash and cash equivalents		13,460	18,573
Cash and cash equivalents at the beginning of the financial year		30,986	12,141
Effects of exchange rate changes on cash and cash equivalents		(1,408)	272
Cash and cash equivalents at the end of the financial year	11	43,038	30,986

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover MotorCycle Holdings Limited as a Group consisting of MotorCycle Holdings Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is MotorCycle Holdings Limited's (the 'Company') functional and presentation currency.

MotorCycle Holdings Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
C/- Source Governance Level 35, One Eagle 1 Eagle Street, Brisbane QLD 4000	68 Moss Street Slacks Creek QLD 4127

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 26 August 2026. The Directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards did not have any material impact for the Group.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The new or amended Accounting Standards and Interpretations most relevant to the Group are set out below.

AASB 2024-2 Amendments to the Classification and Measurement of Financial Instruments
AASB 2024-2 is applicable for annual reporting periods beginning from 1 January 2026, with early adoption permitted. This standard makes amendments to AASB 9 'Financial Instruments' and AASB 7 'Financial Instruments: Disclosures' to clarify how the contractual cash flows from financial assets should be assessed in determining how they should be classified. The Group is currently assessing the impact.

AASB 2024-3 Amendments to Australian Accounting Standards - Annual Improvements Volume 11
AASB 2024-3 is applicable for annual reporting periods beginning from 1 January 2026, with early adoption permitted. This standard makes amendments to various standards including AASB 7 'Financial Instruments: Disclosures', AASB 9 'Financial instruments' and AASB 10 'Consolidated Financial Statements' to clarify existing requirements. The Group is currently assessing the impact.

AASB 18 Presentation and Disclosure in Financial Statements
This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces AASB 101 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. The standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Group will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Note 2. Material accounting policy information (continued)

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards ('IFRS') Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for derivative financial instruments which are measured at fair value.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group'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.

Comparatives

Comparative information has been reclassified to be consistent with the current financial year's presentation. There has been no effect on the comparative period profit or net asset position.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 33.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of MotorCycle Holdings Limited ('Company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. MotorCycle Holdings Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 2. Material accounting policy information (continued)

Foreign currency translation

Foreign currency transactions
Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The Group recognises revenue as follows:

Sale of new and used bikes, parts, and accessories
Revenue from the sales of new and used motorcycles, parts, and accessories is recognised when the performance obligation has been satisfied, which is considered at the point in time when the motorcycle, parts, or accessories are invoiced and physically shipped to or collected by the customer.

Invoices are generated at that point in time. For retail customers, payment is generally required prior to or at the time of taking control of the goods. For wholesale customers, invoices are usually payable within 30 days from end of month.

The transaction price is allocated between the sale of new and used motorcycles and MPP on a relative stand-alone selling price perspective.

Under the Group's standard contract terms, the customer has a right to return the product within a specified period and the Group is obliged to refund the purchase price. Under AASB 15 Revenue from Contracts with Customers, the Group reduces revenue by the amount of expected returns and records it as 'trade and other payables'.

Services revenue
Service work on customers' motorcycles is carried out under instruction from the customer. Service revenue, including revenue from the sale of parts fitted to customers' motorcycles during a service is recognised at a point in time upon satisfaction of the performance obligation, being the completion of the service.

Customers are required to make payment when collecting their motorcycle following completion of the service.

Mechanical protection plan revenue
Revenue from the sale of mechanical protection plans (MPP) is recognised over time based on when the performance obligation is satisfied (usually a period of 3 to 5 years), on a straight-line basis over the period of the MPP. The premium collected from the sale of MPP is initially recognised as a contract liability. Costs related to satisfying approved customer claims under the MPP contracts are recognised in profit or loss and expensed as incurred.

Invoices for the full amount of the MPP policy are generated at the time the customer obtains control of the motorcycle to which the MPP relates, and payment is required at the date of invoice.

Finance and insurance commission revenue
The Group acts as an agent in the sale of finance and insurance products. Commission revenue is recognised at a point in time when the performance obligation is satisfied, which is upon delivery of the associated motorcycle and the transfer of control to the customer.

Commissions are accrued monthly, and payment is usually received monthly in arrears.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Note 2. Material accounting policy information (continued)

Interest revenue
Interest revenue is recognised on a time proportional basis, taking into account the effective interest rates applicable to the financial assets.

Government grants
Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the Company.

Government grants are recognised at fair value when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants are presented in the consolidated statement of profit or loss, under Other Income. Grants in recognition of specific expenses are recognised in the consolidated statement of profit or loss in the same period as the relevant expense.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

An income tax benefit will arise for the financial year where an income tax loss is incurred and, where permitted to do so, is carried-back against a qualifying prior period’s tax payable to generate a refundable tax offset.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- when the deferred income tax asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits and does not give rise to equal taxable and deductible temporary differences; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

MotorCycle Holdings Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Note 2. Material accounting policy information (continued)

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Inventories
Cost comprises of direct materials and delivery costs, import duties and other taxes. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

New and demonstrator motorcycles are stated at the lower of cost and net realisable value. Costs are assigned on the basis of specific identification.

Used motorcycles are stated at the lower of cost and net realisable value on a unit by unit basis. Net realisable value has been determined by reference to the likely net realisable value given the age of the motorcycle at the reporting date. Costs are assigned on the basis of specific identification.

Parts and accessories are stated at the lower of cost and net realisable value. Costs are assigned to individual items on the basis of weighted average cost.

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.

Motorcycles secured under bailment plans are provided to the Group under bailment agreements between floorplan finance provider and entities within the Group. The Group obtains title to each motorcycle immediately prior to sale. Motorcycles financed under bailment plans held by the Group are recognised as trading stock with the corresponding liability shown as owing to the finance provider.

Derivative financial instruments
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are classified as current or non-current depending on the expected period of maturity.

Cash flow hedges
Cash flow hedges are used to cover the Group's exposure to variability in cash flows that is attributable to particular risks associated with a recognised asset or liability or a firm commitment which could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income through the cash flow hedges reserve in equity, whilst the ineffective portion is recognised in profit or loss. Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

Note 2. Material accounting policy information (continued)

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively with any gain or loss accumulated in the cash flow hedge reserve reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to profit or loss.

Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	4 - 20 years
Plant and equipment	1 - 10 years
Furniture, fixtures and fittings	3 - 20 years
Motor vehicles	3 - 8 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 2. Material accounting policy information (continued)

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Goodwill is allocated to groups of CGUs for the purpose of annual impairment testing (refer note 18).

Customer lists and contracts
Customer lists and contracts have been acquired by the Group through business combinations and have finite useful lives. Customer lists and contracts are initially measured at fair value and subsequently amortised using the straight-line method over 9-10 years.

Trademarks
Trademarks have been acquired by the Group through business combinations and have indefinite useful lives. Trademarks are initially measured at fair value. As the trademarks are renewable in nature, economically, the future lives of the brand names are deemed indefinite. The Group intends to continue using the acquired brand names for the foreseeable future. These trademarks are assessed annually for impairment.

Distribution rights
Distribution rights have been acquired by the Group through business combinations and have finite useful lives. Other intangible assets are initially measured at fair value and subsequently amortised using the straight line method over 6-16 years.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition. No interest is charged on trade payables from the date of invoice.

Contract liabilities
Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

Borrowings
Borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 2. Material accounting policy information (continued)

Supplier finance arrangements
The Group classifies financial liabilities from a supplier finance arrangement within borrowings in the consolidated statement of financial position. They have a similar nature and function to trade payables.

Cash flows related to liabilities arising from supplier finance arrangements that are classified in borrowings in the consolidated statement of financial position are included in operating activities in the consolidated statement of cash flows.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions
Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

Note 2. Material accounting policy information (continued)

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Monte Carlo simulation (for Tranche 1) and the Black-Scholes option pricing model (for Tranche 2) that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques used to measure fair value are those that are appropriate in the circumstances and which maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 2. Material accounting policy information (continued)

Dividends
Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Rounding of amounts
The Company is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Sustainability-related disclosures
The operations of the Group are exposed to climate-related risks and opportunities. Judgement has been exercised in considering the impacts that climate-related risks and opportunities have had, or may have, on the Group based on known information. The Group discloses estimates of the anticipated financial effects of these risks and opportunities in the sustainability report, which is not part of the financial statements (refer to page 95). Other than as addressed in the sustainability report, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of climate-related risks and opportunities.

Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Goodwill and other indefinite life intangible assets
The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows (refer to note 18 for further information).

Business combinations
As discussed in note 2, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Vehicle registration duty underpayments
As discussed in note 4, the Company has recognised a provision for historical vehicle registration duty underpayments in certain jurisdictions. The measurement of the liability involves significant judgement regarding the interpretation of applicable legislation, the identification of transactions subject to duty, the period over which underpayments may have occurred, the estimation of any associated interest, and how each revenue office will respond. The provision does not include any amount for potential penalties on the basis that MotorCycle Holdings Limited made a voluntary disclosure before any investigation had been commenced by any of the revenue authorities and the imposition of any penalty involves an exercise of discretion and decision making by each revenue authority.

The provision has been determined based on management's assessment of available transaction data. Actual amounts ultimately payable may differ from those estimated due to the outcome of discussions with revenue authorities, changes in the interpretation of legislative requirements, or the resolution of any reviews or assessments undertaken by the relevant authorities.

Payroll remediation provision
As discussed in note 4, the Company has recognised a provision for payroll remediation relating to the potential underpayment of employee entitlements arising from historical payroll practices. Determining the provision requires management to exercise significant judgement in assessing the employees affected, the period over which any underpayments may have occurred, the interpretation and application of relevant employee contracts, industrial instruments and employment legislation, and the availability and completeness of historical payroll records. Specifically, the provision made relates to the underpayment of leave loading to certain current and terminated employees.

The Company continues its detailed review to identify and resolve any other historical misapplications of the Awards. This review is progressing as a priority but involves complex matters of Modern Award and employment contract interpretation, and specialised analysis of large volumes of historical data.

Actual outcomes may differ from these estimates as remediation activities progress, additional information becomes available, or discussions with regulators and affected employees are finalised. The provision does not include any amount for potential penalties on the basis that MotorCycle Holdings Limited made a voluntary disclosure before any investigation had commenced by any authority. It also does not include an estimation of associated interest until the underlying liability has been finalised.

Note 4. Restatement of comparatives

Vehicle registration duty underpayments (adjustment 1)
On 13 November 2025, the Company announced it had identified an underpayment of vehicle registration duty in relation to optional equipment sold with vehicles by MTO. An amount of $5,000,000 is provided for on the balance sheet at 30 June 2026 ($3,500,000 in duty and $1,500,000 in related interest) representing management's best estimate of the liability. Under AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, as the majority of the amount relates to transactions prior to the current financial period, $4,854,000 of the provision has been recognised at 1 July 2024, with an accompanying recognition of a deferred tax asset of $1,456,000. The net position of $3,398,000 has been reflected in opening retained earnings at that date.

Employee underpayments (adjustment 2)
On 17 July 2026, the Company announced it had identified the underpayment of leave loading for employees receiving the Modern Awards payments relating to the below for the period from 1 July 2020 - 30 June 2026:
- Vehicle Repairs, Services and Retail Award 2020;
- Commercial Sales Award 2020;
- Storage Services and Wholesale Award 2020; and
- Clerks - Private Sector Award 2020.

An amount of $2,950,000 is provided for on the balance sheet at 30 June 2026 representing management's best estimate of the liability. Under AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, as the majority of the amount relates to transactions prior to the current financial period, $2,300,000 of the liability has been recognised at 1 July 2024, with an accompanying recognition of a deferred tax asset of $690,000. The net position of $1,610,000 has been reflected in opening retained earnings at that date.

A summary of the adjustments is outlined below:

Statement of financial position at the beginning of the earliest comparative period

				Consolidated
Statement of financial position (extract) as at 1 July 2024	**$'000 Reported**	**$'000 Adjustment 1**	**$'000 Adjustment 2**	**$'000 Restated**
Assets				
Non-current assets				
Deferred tax	-	1,456	690	2,146
Total non-current assets	210,167	1,456	690	212,313
Total assets	394,980	1,456	690	397,126
Liabilities				
Current liabilities				
Employee benefits	9,292	-	2,300	11,592
Provisions	666	4,854	-	5,520
Total current liabilities	103,965	4,854	2,300	111,119
Total liabilities	194,813	4,854	2,300	201,967
Net assets	200,167	(3,398)	(1,610)	195,159
Equity				
Retained earnings	49,283	(3,398)	(1,610)	44,275
Total equity	200,167	(3,398)	(1,610)	195,159

Note 4. Restatement of comparatives (continued)

Statement of financial position at the end of the earliest comparative period

Statement of financial position (extract) as at 30 June 2025	$'000 Reported	$'000 Adjustment 1	$'000 Adjustment 2	Consolidated $'000 Restated
Assets				
Non-current assets				
Deferred tax	639	1,456	690	2,785
Total non-current assets	208,106	1,456	690	210,252
Total assets	407,731	1,456	690	409,877
Liabilities				
Current liabilities				
Employee benefits	9,148	-	2,300	11,448
Provisions	615	4,854	-	5,469
Total current liabilities	120,340	4,854	2,300	127,494
Total liabilities	201,165	4,854	2,300	208,319
Net assets	206,566	(3,398)	(1,610)	201,558
Equity				
Retained earnings	55,637	(3,398)	(1,610)	50,629
Total equity	206,566	(3,398)	(1,610)	201,558

Provision amounts related to the current financial year have been expensed through the consolidated statement of profit or loss. The remaining amount materially relates to transactions prior to 1 July 2024. As such, there is no material impact on the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2025.

Note 5. Operating segments

Identification of reportable operating segments
The Group is organised into two operating segments:

- **Motorcycle retailing** - the Group offers a diversified range of motorcycle products and services to the general public in Australia, including the sale of new and used motorcycles, parts, servicing, accessories and MPPs. The segment also facilitates insurance and financing for motorcycle purchases through third-party sources.
- **Motorcycle and accessories wholesaling** - the Group imports and distributes a diversified range of motorcycles, ATVs, scooters, and motorcycle parts and accessories to wholesale customers in Australia and New Zealand, including the Group's own retail outlets.

These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Segment profit represents the profit earned by each segment without allocation of corporate head office costs and income tax. External bailment financing and associated interest expense is allocated to Motorcycle retailing.

For the purpose of monitoring segment performance and allocating resources between segments, the CODM monitors the tangible, intangible and financial assets attributable to each segment. All assets and liabilities are allocated to reportable segments.

The Group operates in one geographical segment being Australia and New Zealand. Revenue from overseas customers is not material to the Group.

The information reported to the CODM is on a monthly basis.

Intersegment transactions
Intersegment transactions were made at market rates. The Motorcycle retailing operating segment purchases from the Motorcycle and accessories wholesaling operating segment. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans
Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Major customers
The Group is not reliant on any external individual customer for 10% or more of the Group's revenue.

Note 5. Operating segments (continued)

Consolidated - 2026	Motorcycle retailing 2026 $'000	Motorcycle and accessories wholesaling 2026 $'000	Eliminations 2026 $'000	Consolidated 2026 $'000
Sales to external customers	559,959	228,721	-	788,680
Inter-segment sales	-	43,467	(43,467)	-
Other income	343	-	-	343
Interest revenue	-	13	-	13
Total revenue and other income	**560,302**	**272,201**	**(43,467)**	**789,036**
Cost of goods	(426,737)	(194,331)	43,467	(577,601)
Employee benefits expense	(77,425)	(13,419)	-	(90,844)
Depreciation and amortisation expense	(14,923)	(7,666)	-	(22,589)
Occupancy expense	(4,771)	(733)	-	(5,504)
Other expenses	(28,230)	(16,144)	-	(44,374)
Finance costs	(4,456)	(2,155)	-	(6,611)
Total operating expenses	**(556,542)**	**(234,448)**	**43,467**	**(747,523)**
Segment result				
Operating profit before interest and impairment	3,760	37,753	-	41,513
Segment profit	**3,760**	**37,753**	**-**	**41,513**
Share of profits of investments accounted for using the equity method				491
External interest expense				(1,960)
Acquisition costs				(1,411)
Stamp duty/interest				(146)
Unallocated corporate expenses				(3,498)
Payroll remediation				(650)
Profit before tax				**34,339**
Income tax expense				(10,183)
Net profit after tax				**24,156**
Write down/(back) of inventories to net realisable value	1,212	144	-	1,356
Assets				
Segment assets	280,479	184,338	-	464,817
Liabilities				
Segment liabilities	(166,762)	(82,618)	-	(249,380)
Cost to acquire goodwill and other intangible assets	-	127	-	127
Cost to acquire property, plant and equipment	5,446	501	-	5,947

Note 5. Operating segments (continued)

Consolidated - 2025	Motorcycle retailing 2025 $'000	Motorcycle and accessories wholesaling 2025 $'000	Eliminations 2025 $'000	Consolidated 2025 $'000
Sales to external customers	454,375	195,618	-	649,993
Inter-segment sales	-	47,918	(47,918)	-
Other income	898	-	-	898
Total revenue and other income	**455,273**	**243,536**	**(47,918)**	**650,891**
Cost of goods	(351,738)	(183,269)	47,918	(487,089)
Employee benefits expense	(60,762)	(14,055)	-	(74,817)
Depreciation and amortisation expense	(13,516)	(6,443)	-	(19,959)
Occupancy expense	(3,395)	(1,888)	-	(5,283)
Other expenses	(16,764)	(11,172)	-	(27,936)
Finance costs	(3,712)	(1,216)	-	(4,928)
Total operating expenses	**(449,887)**	**(218,043)**	**47,918**	**(620,012)**
Segment result				
Operating profit before interest and impairment	5,386	25,493	-	30,879
Segment profit	**5,386**	**25,493**	**-**	**30,879**
Share of profits of investments accounted for using the equity method				371
External interest expense				(2,455)
Unallocated corporate expenses				(3,114)
Profit before tax				**25,681**
Income tax expense				(7,659)
Net profit after tax				**18,022**
Write down/(back) of inventories to net realisable value	(835)	285	-	(550)
Assets				
Segment assets (restated*)	216,809	193,068	-	409,877
Liabilities				
Segment liabilities (restated*)	(121,292)	(87,027)	-	(208,319)
Cost to acquire property, plant and equipment	2,132	1,091	-	3,223

* Refer to note 4 for details relating to restatement of comparatives.

Note 6. Revenue from contracts with customers

	Consolidated 2026 $'000	2025 $'000
New motorcycles	430,325	349,927
Used motorcycles	155,378	128,169
Parts and accessories	162,949	137,335
Service	20,329	17,837
Finance and insurance income	19,301	16,323
Other revenue	398	402
Revenue from contracts with customers	788,680	649,993

	Consolidated 2026 $'000	2025 $'000
Timing of revenue recognition		
Goods transferred at a point in time	784,759	645,872
Services transferred over time	3,921	4,121
	788,680	649,993

Note 7. Other income

	Consolidated 2026 $'000	2025 $'000
Government grants	197	365
Proceeds from insurance claims	-	74
Other income	146	459
Other income	343	898

Note 8. Expenses

	Consolidated 2026 $'000	Consolidated 2025 $'000
Profit before income tax includes the following specific expenses:		
Cost of sales		
Cost of sales	577,601	487,089
Depreciation		
Leasehold improvements	939	797
Plant and equipment	858	747
Furniture, fixtures and fittings	531	390
Motor vehicles	320	411
Other fixed assets	10	12
Buildings right-of-use assets	15,909	13,536
Total depreciation	18,567	15,893
Amortisation		
Customer contracts and relationships	2,766	2,767
Distribution rights	1,299	1,299
Total amortisation	4,065	4,066
Total depreciation and amortisation expense	22,632	19,959
Other expenses		
Advertising	6,380	5,011
Bank charges	1,432	1,514
Computers and software	5,338	3,016
Freight and cartage	10,428	8,220
Insurance	2,143	2,624
Motor vehicle expenses	2,198	2,039
Professional fees	4,489	1,713
Other expenses	7,891	5,408
Total other expenses	40,299	29,545
Employee benefits expense		
Salaries and wages	73,721	57,159
Defined contribution superannuation expense	10,357	7,808
Other employee benefits expense	15,302	11,047
Share-based payments	51	308
Total employee benefits expense	99,431	76,322
Finance costs		
Interest and finance charges paid/payable on borrowings	2,034	2,522
Interest and finance charges paid/payable on lease liabilities	3,927	2,933
Vehicle bailment	2,790	2,819
Foreign currency gain	(417)	(891)
Finance costs expensed	8,334	7,383

Note 9. Income tax

	Consolidated	
	2026	2025
	$'000	$'000
Income tax expense		
Current tax	11,467	9,616
Deferred tax - origination and reversal of temporary differences	(1,284)	(1,957)
Aggregate income tax expense	10,183	7,659
Deferred tax included in income tax expense comprises:		
Increase in deferred tax assets	(1,284)	(1,957)
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	34,339	25,681
Tax at the statutory tax rate of 30%	10,302	7,704
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Underprovision of current tax expense in prior years	4	-
Non-deductible expenses	71	152
Notional-assessable income	(147)	(119)
Sundry items	3	(23)
	10,233	7,714
Difference in overseas tax rates	(50)	(55)
Income tax expense	10,183	7,659

	Consolidated	
	2026	2025 (Restated)
	$'000	$'000
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Allowance for expected credit losses	105	118
Property, plant and equipment	624	525
Contract liabilities	2,697	2,615
Employee benefits	4,311	3,643
Lease liabilities	21,047	15,229
Provisions	-	1,456
Other items	701	354
Set-off against deferred tax liabilities	(25,416)	(21,155)
Deferred tax asset	4,069	2,785
Movements:		
Opening balance	2,785	828
Credited to profit or loss	1,284	1,957
Closing balance	4,069	2,785

Note 9. Income tax (continued)

	Consolidated 2026 $'000	2025 $'000
Deferred tax liability		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Indefinite life intangible assets	5,682	6,902
Right-of-use assets	19,515	13,960
Other items	219	293
Set-off against deferred tax assets	(25,416)	(21,155)
Deferred tax liability	-	-

Note 10. Earnings per share

	Consolidated 2026 $'000	2025 $'000
Profit after income tax attributable to the owners of MotorCycle Holdings Limited	24,156	18,022
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	73,841,151	73,806,444
Weighted average number of ordinary shares used in calculating diluted earnings per share	73,841,151	73,806,444
	Cents	**Cents**
Basic earnings per share	32.7	24.4
Diluted earnings per share	32.7	24.4

Note 11. Cash and cash equivalents

	Consolidated 2026 $'000	2025 $'000
Current assets		
Cash at bank and on hand	43,038	30,986

Note 12. Trade receivables

	Consolidated 2026 $'000	2025 $'000
Current assets		
Trade receivables	19,319	13,357
Less: Allowance for expected credit losses	(366)	(407)
	18,953	12,950

Allowance for expected credit losses
The Group has recognised an income of $41,000 (2025: $79,000) in profit or loss in respect of the expected credit losses for the year ended 30 June 2026.

Note 13. Inventories

	Consolidated 2026 $'000	2025 $'000
Current assets		
New and demonstrator motorcycles - at cost	79,512	75,108
Write-down - at net realisable value	(670)	(758)
	78,842	74,350
Used motorcycles - at cost	22,623	16,122
Write-down - at net realisable value	(433)	(339)
	22,190	15,783
Parts, accessories and other consumables - at cost	75,313	69,749
Write-down - at net realisable value	(12,568)	(11,218)
	62,745	58,531
	163,777	148,664

Note 14. Derivative financial instruments

	Consolidated 2026 $'000	2025 $'000
Current assets		
Forward foreign exchange contracts - cash flow hedges	1,277	28
Current liabilities		
Forward foreign exchange contracts - cash flow hedges	(1)	(610)
	1,276	(582)

Refer to note 26 for further information on financial instruments.

Refer to note 27 for further information on fair value measurement.

Note 15. Investments accounted for using the equity method

MotorCycle Finance Pty Ltd (MCF) is a joint venture in which the Group has joint control and a 50% ownership interest.

The joint venture was established to provide secured loans to customers directly for the purchase of motorcycles.

Accordingly, the Group has classified its interest in MCF as a joint venture. In accordance with the agreement under which MCF is established, the Group and the other investor in the joint venture have agreed to make additional contributions to their interest to make up any losses, if required. This commitment has not been recognised in these financial statements.

	Consolidated	
	2026 $'000	2025 $'000
Non-current assets		
Investment in joint venture	4,957	4,403

The following table summarises the financial information of MCF as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in MCF.

Summarised statement of financial position

	2026 $'000	2025 $'000
Assets		
Cash and cash equivalents	4,586	6,758
Loans and other receivables	77,349	81,668
Derivative financial instruments	1,672	-
Other assets	1,879	1,926
	85,486	90,352
Liabilities		
Trade and other payables	483	454
Derivative financial instruments	-	650
Interest-bearing loans	75,089	80,441
	75,572	81,545
Net assets (100%)	**9,914**	**8,807**
Group's share of net assets (50%)	**4,957**	**4,403**

Summarised statement of profit or loss and other comprehensive income

	2026 $'000	2025 $'000
Finance income	13,691	12,128
Interest expense	(5,043)	(6,532)
Other expense	(7,245)	(4,482)
Income tax expense	(421)	(373)
Profit after tax	982	741
Other comprehensive income/(loss)	1,625	(1,232)
Total comprehensive income/(loss) (100%)	**2,607**	**(491)**
Total comprehensive income/(loss) (50%)	**1,304**	**(246)**

Note 16. Property, plant and equipment

	Consolidated 2026 $'000	Consolidated 2025 $'000
Non-current assets		
Leasehold improvements - at cost	15,514	14,134
Less: Accumulated depreciation	(5,907)	(5,834)
	9,607	8,300
Plant and equipment - at cost	11,828	10,755
Less: Accumulated depreciation	(8,860)	(8,104)
	2,968	2,651
Furniture, fixtures and fittings - at cost	6,354	5,175
Less: Accumulated depreciation	(3,571)	(3,232)
	2,783	1,943
Motor vehicles - at cost	2,526	3,601
Less: Accumulated depreciation	(1,833)	(2,217)
	693	1,384
Other fixed assets - at cost	1,235	1,292
Less: Accumulated depreciation	(1,194)	(1,240)
	41	52
	16,092	14,330

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold improvements $'000	Plant and equipment $'000	Furniture, fixtures and fittings $'000	Motor vehicles $'000	Other fixed assets $'000	Total $'000
Balance at 1 July 2024	7,777	2,906	1,579	1,495	64	13,821
Additions	1,340	574	901	407	1	3,223
Disposals/transfers	(20)	(85)	(147)	(110)	(1)	(363)
Exchange differences	-	3	-	3	-	6
Depreciation expense	(797)	(747)	(390)	(411)	(12)	(2,357)
Balance at 30 June 2025	8,300	2,651	1,943	1,384	52	14,330
Additions	1,541	1,329	1,032	105	-	4,007
Acquired from business combinations (note 34)	780	630	339	191	-	1,940
Disposals	(72)	(721)	-	(647)	(1)	(1,441)
Exchange differences	(3)	(63)	-	(20)	-	(86)
Depreciation expense	(939)	(858)	(531)	(320)	(10)	(2,658)
Balance at 30 June 2026	9,607	2,968	2,783	693	41	16,092

Note 17. Right-of-use assets

The Group leases retail and warehouse facilities. The leases run for periods between 3 and 10 years, with options to renew the leases after those dates. Lease payments are renegotiated at the exercise of each option period to reflect market rates. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements. Information about leases is presented below.

Extension options
Some property leases contain extension options exercisable by the Group up to six months before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Retail and warehouse facilities $'000	Motor vehicles $'000	Total $'000
Balance at 1 July 2024	44,323	-	44,323
Additions	16,057	-	16,057
Depreciation expense	(13,536)	-	(13,536)
Balance at 30 June 2025	46,844	-	46,844
Additions	33,971	546	34,517
Exchange differences	(517)	-	(517)
Depreciation expense	(15,830)	(79)	(15,909)
Balance at 30 June 2026	64,468	467	64,935

For other AASB 16 disclosures refer to:
- note 8 for depreciation on right-of-use assets and interest on lease liabilities;
- the consolidated statement of financial position for lease liabilities at year-end;
- note 26 for maturity analysis of lease liabilities; and
- the consolidated statement of cash flows for repayment of lease liabilities.

Note 18. Intangible assets

	Consolidated 2026 $'000	Consolidated 2025 $'000
Non-current assets		
Goodwill - at cost	142,699	143,016
Less: Impairment	(24,296)	(24,296)
	118,403	118,720
Customer lists and contracts - at cost	22,700	22,700
Less: Accumulated amortisation	(18,496)	(15,730)
	4,204	6,970
Trademarks	5,730	5,603
Distribution rights - at cost	15,900	15,900
Less: Accumulated amortisation	(6,763)	(5,464)
	9,137	10,436
	137,474	141,729

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill $'000	Customer lists and contracts $'000	Trademarks $'000	Distribution rights $'000	Total $'000
Balance at 1 July 2024	118,679	9,737	5,603	11,735	145,754
Effects of movements in exchange rates	41	-	-	-	41
Amortisation expense	-	(2,767)	-	(1,299)	(4,066)
Balance at 30 June 2025	118,720	6,970	5,603	10,436	141,729
Additions	-	-	127	-	127
Effects of movements in exchange rates	(317)	-	-	-	(317)
Amortisation expense	-	(2,766)	-	(1,299)	(4,065)
Balance at 30 June 2026	118,403	4,204	5,730	9,137	137,474

Impairment testing

Trademarks with indefinite useful lives were tested for impairment at the reporting date. The assessment indicated that the recoverable amount exceeded the carrying amount, and no impairment loss was recognised.

Goodwill is allocated to the following four cash generating units (CGUs):

	Consolidated 2026 $'000	Consolidated 2025 $'000
Motorcycle retailing	54,861	54,861
Motorcycle accessories wholesaling	27,254	27,254
Motorcycle wholesaling	32,945	32,945
New Zealand wholesaling	3,343	3,660
	118,403	118,720

Note 18. Intangible assets (continued)

An impairment test was performed at 30 June 2026 by measuring the carrying amount against the recoverable amount for each CGU or group of CGUs. The recoverable amount of a CGU is the higher of its value in use (VIU) and its fair value less cost of disposal (FVLCD).

The impairment test confirmed the recoverable amount of each CGU exceeds the carrying value and there is no impairment.

For the purposes of the impairment test, the Company has determined the recoverable amount for each CGU based on its VIU. The VIU is the present value of the future cash flows that the Company expects to derive from each CGU, calculated using discounted cash flow (DCF) methodology. DCF methodology estimates the future cash flows expected to arise from the CGU by applying a discount rate to calculate the present value.

Estimates of future cash flows were based on the Board approved budgets for year 1, and management forecasts for years 2 through 5, and a terminal growth rate of 2.5% thereafter. The terminal growth rates were determined based on the mid-point of target inflation rates set by the Reserve Bank of Australia.

The discount rate was a post-tax measure estimated based on the historical industry weighted average cost of capital, with a possible debt leveraging of 20% (2024: 15%) for the Motorcycle Accessories Wholesaling CGU and NZ Wholesaling CGU and 30% (2024: 25%) for the Motorcycle Retailing and Motorcycle Wholesale CGUs at a market interest rate of 3.8% (2024: 3.7%).

The key assumptions used in the estimate of the recoverable amount include:

	Motorcycle retailing CGU		Motorcycle accessories wholesaling CGU		Motorcycle wholesaling CGU		New Zealand wholesaling CGU	
	30 June 2026 %	31 December 2024 %	30 June 2026 %	31 December 2024 %	30 June 2026 %	31 December 2024 %	30 June 2026 %	31 December 2024 %
Pre-tax discount rate	12.6%	12.6%	12.6%	12.6%	20.5%	20.5%	11.9%	11.9%
Post-tax discount rate	9.3%	9.3%	9.2%	9.2%	15.0%	15.0%	9.2%	9.2%
Terminal growth rate	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Forecast year 1 revenue growth	1.6%	1.9%	13.0%	2.2%	7.3%	36.3%	7.7%	31.0%
Forecast years 2-5 revenue CAGR	3.2%	4.3%	3.0%	3.5%	4.0%	5.0%	3.1%	4.1%
Forecast year 1 gross margin	21.8%	21.0%	35.4%	34.0%	26.5%	22.7%	27.3%	26.5%
Forecast years 2-5 gross margin	20.5%	20.8%	36.0%	36.8%	25.0%	22.6%	26.0%	26.5%

Assumptions made in determining the forecasts take into account available internal and external data about the outlook for operating conditions in the Group's CGUs and past experience, including:

- Growth in new and used retail unit sales that align with historical trends.
- Enhanced omnichannel eCommerce systems within Motorcycle Retailing, accompanied by a renewed emphasis on digital initiatives.
- New Zealand Wholesaling continues to experience growth, with synergies achieved through the integration of wholesale vehicle distribution operations.
- Unified improved business systems to be implemented across both New Zealand Wholesaling and Motorcycle Wholesaling CGUs to promote operational efficiencies.
- Motorcycle Wholesaling CGU is expected to demonstrate consistent growth in line with prior periods.

The estimated recoverable amount of the Motorcycle Retailing CGU exceeded its carrying amount by $23,072,000.

Note 18. Intangible assets (continued)

The estimated recoverable amount of the Motorcycle Accessories Wholesaling CGU exceeded its carrying amount by $18,602,000.

The Group has determined that a reasonable possible change in the following assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount these assumptions would need to be, when changing the assumption in isolation to result in the recoverable amount of the CGU being equal to the carrying amount:

	Motorcycle retailing CGU %	Motorcycle accessories wholesaling CGU %
Forecast years 2-5 revenue CAGR	3.7%	1.8%
Forecast years 2-5 gross margin	20.0%	33.2%

Note 19. Trade and other payables

	Consolidated 2026 $'000	2025 $'000
Current liabilities		
Trade payables	44,112	31,769
Other payables	20,561	16,742
	64,673	48,511

Refer to note 26 for further information on financial instruments.

Note 20. Contract liabilities

	Consolidated 2026 $'000	2025 $'000
Current liabilities		
Contract liabilities	3,399	3,297
Non-current liabilities		
Contract liabilities	4,968	4,937
	8,367	8,234

Reconciliation
Reconciliation of the balance at the beginning and end of the current and previous financial year are set out below:

	2026 $'000	2025 $'000
Opening balance	8,234	7,616
Transfer to revenue - included in the opening balance	(1,422)	(1,994)
Transfer to revenue - other balances	(370)	(188)
Additions from cash received for unsatisfied performance obligations	1,925	2,800
Closing balance	8,367	8,234

Note 20. Contract liabilities (continued)

Unsatisfied performance obligations
The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $8,367,000 as at 30 June 2026 ($8,234,000 as at 30 June 2025) and is expected to be recognised as revenue in future periods as follows:

	Consolidated	
	2026 $'000	2025 $'000
30 June 2026	-	3,297
30 June 2027	3,399	2,484
30 June 2028	2,515	1,517
30 June 2029	1,483	659
30 June 2030	682	248
30 June 2031	239	29
30 June 2032	49	-
	8,367	8,234

Note 21. Bailment finance

	Consolidated	
	2026 $'000	2025 $'000
Current liabilities		
Bailment finance	53,912	40,752

Bailment finance is provided on a vehicle-by-vehicle basis by various finance providers and currently bears interest at a rate from 8.25% - 14.10% per annum (2025: 9% - 14%). Bailment finance is considered a current liability and repayable immediately upon the sale of each individual motorcycle.

This liability is represented by and secured by a charge over the new motorcycles subject to the bailment agreements of $53,912,000 and various levels of security and indemnities (2025: $40,752,000).

Note 22. Borrowings

	Consolidated	
	2026 $'000	2025 $'000
Non-current liabilities		
Bank loans	30,000	40,000

The interest-bearing loan is secured on a fixed and floating charge over the present and future interest of all assets and undertakings of the Group’s controlled entities, with an extended maturity date of 15 September 2029 (from 15 March 2027). The weighted average interest rate as at 30 June 2026 was 6.07% (2025: 5.56%).

Loan covenants
The Group is subject to financial covenants under its facility agreement, including requirements to maintain a minimum Fixed Charge Cover Ratio and a minimum Leverage Ratio. These covenants are tested regularly, and compliance is monitored through the provision of compliance certificates and ongoing financial reporting to the financier. The Group is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period.

Refer to note 26 for further information on financial instruments.

Note 22. Borrowings (continued)

	Consolidated 2026 $'000	2025 $'000
Total facilities (1) (2)		
Bank facilities	50,000	50,000
Used at reporting date		
Bank facilities	30,000	40,000
Unused at reporting date		
Bank facilities	20,000	10,000

(1) For the year ended 30 June 2026, the Group also has access to a $9,100,000 credit support document facility, and a $400,000 corporate card facility that can be drawn down on if required.
(2) For the year ended 30 June 2025, the Group also had access to a $5,650,000 overdraft facility, $7,100,000 credit support document facility, and a $250,000 corporate card facility that can be drawn down on if required.

Note 23. Issued capital

	2026 Shares	2025 Shares	Consolidated 2026 $'000	2025 $'000
Ordinary shares - fully paid	73,862,998	73,806,444	151,048	151,011

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 July 2024	73,806,444		151,011
Balance	30 June 2025	73,806,444		151,011
Exercise of performance rights	19 November 2025	56,554	$0.00	37
Balance	30 June 2026	73,862,998		151,048

Ordinary shares
Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

Note 23. Issued capital (continued)

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year. Refer to note 22.

The capital risk management policy remains unchanged from the 30 June 2025 Annual Report.

Note 24. Reserves

	Consolidated 2026 $'000	Consolidated 2025 $'000
Foreign currency reserve	(2,384)	(56)
Share-based payments reserve	607	556
Hedging reserve - cash flow hedges	1,275	(582)
	(502)	(82)

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Hedging reserve - cash flow hedges
The reserve is used to recognise the effective portion of the gain or loss of cash flow hedge instruments that is determined to be an effective hedge.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency $'000	Share-based payments $'000	Hedging reserve $'000	Total $'000
Balance at 1 July 2024	(375)	248	-	(127)
Foreign currency translation	319	-	-	319
Share-based payments reserve	-	308	-	308
Hedging reserve cash flow hedges	-	-	(582)	(582)
Balance at 30 June 2025	(56)	556	(582)	(82)
Foreign currency translation	(2,328)	-	-	(2,328)
Share-based payments reserve	-	51	-	51
Hedging reserve cash flow hedges	-	-	1,857	1,857
Balance at 30 June 2026	(2,384)	607	1,275	(502)

Note 25. Dividends

Dividends paid during the financial year were as follows:

	Consolidated 2026 $'000	2025 $'000
Fully franked final dividend for the year ended 30 June 2025 of 5 cents per ordinary share paid on 24 September 2025	3,690	-
Fully franked interim dividend for the year ended 30 June 2026 of 9.5 cents per ordinary share paid on 27 March 2026	7,017	-
Fully franked final dividend for the year ended 30 June 2024 of 7 cents per ordinary share paid on 4 October 2024	-	5,166
Fully franked interim dividend for the year ended 30 June 2025 of 8 cents per ordinary share paid on 27 March 2025	-	5,905
	10,707	11,071

	Consolidated 2026 $'000	2025 $'000
Franking credits available for subsequent financial years based on a tax rate of 30%	73,240	65,898

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Declared after the end of the financial year
On 26 August 2026, the Directors have declared a fully franked final dividend of 7 cents per ordinary share payable on 23 September 2026 with a record date of 9 September 2026.

There is no dividend re-investment plan in operation.

Note 26. Financial instruments

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

The Board has overall responsibility for the establishment and oversight of the Group’s risk management framework.

The Board has established an Audit and Risk Committee, which is responsible for monitoring, assessing, and reporting on the consolidated entity’s risk management system. The committee provides regular reports to the Board of Directors on its activities.

The Group’s risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities.

The Audit and Risk Committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks.

Note 26. Financial instruments (continued)

Market risk

Foreign currency risk
The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

The Group is exposed to currency risk to the extent that there is a mismatch between the currency in which sales and purchases are denominated and applicable functional currencies. The currency in which these transactions are denominated is primarily the US dollar.

At any point in time, the Group uses forward exchange contracts to hedge its purchases in respect of forecast sales and purchases over the following six months, all with a maturity date of less than one year from reporting date.

The maturity, settlement amounts and the average contractual exchange rates of the Group's outstanding forward foreign exchange contracts at the reporting date were as follows:

	Sell Australian dollars		Average exchange rates	
	2026 $'000	2025 $'000	2026	2025
Buy US dollars				
Maturity:				
0 - 3 months	17,299	15,169	0.7168	0.6296
3 - 6 months	11,103	8,152	0.7205	0.6502
Buy Euros				
Maturity:				
0 - 3 months	1,436	881	0.6094	0.5672
3 - 6 months	204	-	0.6119	-
Buy Pound Sterling				
Maturity:				
0 - 3 months	188	-	0.5237	-
Buy Japanese yen				
Maturity:				
0 - 3 months	313	325	111.8840	92.3117
3 - 6 months	89	-	112.3271	-

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
Consolidated	2026 $'000	2025 $'000	2026 $'000	2025 $'000
US dollars	9,369	1,359	30,083	21,575
Euros	995	1,340	141	-
Pound Sterling	338	50	-	36
Japanese yen	469	371	1	-
New Zealand dollars	8,138	1,427	-	-
Canadian dollars	-	-	-	3
	19,309	4,547	30,225	21,614

Note 26. Financial instruments (continued)

Consolidated - 2026	AUD strengthened % change	AUD strengthened Effect on equity	AUD weakened % change	AUD weakened Effect on equity
US dollars	5.3%	1,094	5.3%	(1,094)
Euros	8.4%	(72)	8.4%	72
Pound Sterling	9.1%	(31)	9.1%	31
Japanese yen	18.8%	(88)	18.8%	88
New Zealand dollars	13.1%	(1,064)	13.1%	1,064
		(161)		161

Consolidated - 2025	AUD strengthened % change	AUD strengthened Effect on equity	AUD weakened % change	AUD weakened Effect on equity
US dollars	1.4%	283	1.4%	(283)
Euros	9.7%	(130)	9.7%	130
Pound Sterling	9.1%	(1)	9.1%	1
Japanese yen	11.8%	(44)	11.8%	44
New Zealand dollars	1.5%	(22)	1.5%	22
Canadian dollars	1.5%	-	1.5%	-
		86		(86)

Price risk
The Group is not exposed to any significant price risk.

Interest rate risk
The Group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to interest rate risk. There are no borrowings at fixed rate.

Consolidated - 2026	Basis points increase Basis points change	Basis points increase Effect on profit before tax	Basis points decrease Basis points change	Basis points decrease Effect on profit before tax
Interest rate sensitivity	50	200	50	200

Consolidated - 2025	Basis points increase Basis points change	Basis points increase Effect on profit before tax	Basis points decrease Basis points change	Basis points decrease Effect on profit before tax
Interest rate sensitivity	50	200	50	(200)

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Note 26. Financial instruments (continued)

Trade receivables consist of a large number of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of debtors and other receivable balances are monitored on an ongoing basis, with the result that the Group's exposure to bad debts is not significant.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The Group's credit risk on liquid funds is limited as the counter parties are major Australian banks with favourable credit ratings assigned by international credit rating agencies.

Included in the Group's trade receivables balance are debtors with a carrying amount of $2,084,000 (2025: $2,082,000), which are past due at the reporting date. Of this balance the Group has provided $366,000 (2025: $407,000) for these balances. The Group registers security interests over goods supplied on credit on the Personal Property Securities Register as collateral and maintains a trade credit insurance policy.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2026	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables and other payables	64,673	-	-	-	64,673
Interest-bearing - variable					
Bailment	53,912	-	-	-	53,912
Borrowings - Facility A	1,822	30,000	-	-	31,822
Interest-bearing - fixed rate					
Lease liability	18,705	16,509	31,405	30,298	96,917
Total non-derivatives	139,112	46,509	31,405	30,298	247,324
Derivatives					
Forward foreign exchange contracts inflow	(32,159)	-	-	-	(32,159)
Forward foreign exchange contracts (outflow)	30,883	-	-	-	30,883
Total derivatives	(1,276)	-	-	-	(1,276)

Note 26. Financial instruments (continued)

Consolidated - 2025	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables and other payables	48,511	-	-	-	48,511
Interest-bearing - variable					
Bailment	40,752	-	-	-	40,752
Borrowings - Facility A	1,717	30,000	-	-	31,717
Borrowings - Facility B	563	10,000	-	-	10,563
Interest-bearing - fixed rate					
Lease liability	16,323	12,352	23,209	9,241	61,125
Total non-derivatives	107,866	52,352	23,209	9,241	192,668
Derivatives					
Forward foreign exchange contracts (inflow)	(23,946)	-	-	-	(23,946)
Forward foreign exchange contracts (outflow)	24,528	-	-	-	24,528
Total derivatives	582	-	-	-	582

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 27. Fair value measurement

Fair value hierarchy
The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Foreign exchange contracts	-	1,277	-	1,277
Total assets	-	1,277	-	1,277
Liabilities				
Foreign exchange contracts	-	(1)	-	(1)
Total liabilities	-	(1)	-	(1)

Consolidated - 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Foreign exchange contracts	-	28	-	28
Total assets	-	28	-	28
Liabilities				
Foreign exchange contracts	-	(610)	-	(610)
Total liabilities	-	(610)	-	(610)

Note 27. Fair value measurement (continued)

There were no transfers between levels during the financial year.

The carrying amounts of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting their future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of current borrowings approximates the carrying value amount, as the impact of discounting is not significant.

Valuation techniques for fair value measurements categorised within level 2
Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Note 28. Key management personnel disclosures

Compensation
The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2026 $	2025 $
Short-term employee benefits	2,512,086	2,839,885
Post-employment benefits	178,965	167,267
Long-term benefits	24,359	21,038
Termination benefits	54,933	-
Share-based payments	168,605	107,751
	2,938,948	3,135,941

There are no loans to key management personnel.

Note 29. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by KPMG, the auditor of the Company:

	Consolidated	
	2026 $	2025 $
Audit services - KPMG		
Audit or review of the financial statements	572,865	488,000
Other services - KPMG		
Tax compliance services	156,520	148,088
Other services	-	16,460
Assurance of sustainability report	73,850	-
	230,370	164,548
	803,235	652,548

Note 30. Contingent liabilities

The Group had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Note 31. Commitments

The Group had no capital commitments as at 30 June 2026 and 30 June 2025.

Note 32. Related party transactions

Parent entity
MotorCycle Holdings Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 35.

Joint ventures
Interests in joint ventures are set out in note 15.

Key management personnel
Disclosures relating to key management personnel are set out in note 28 and the remuneration report included in the Directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2026 $	2025 $
Other income:		
Finance revenue from MotorCycle Finance Pty Ltd	2,723,000	2,798,000

Leases with related parties
Subsidiaries of the Group have entered into property leases for business premises with David Ahmet, Rob Cassen and Michael Poynton, including with entities associated with them. The details and aggregate amounts of these transactions are as follows:

(i) The Group has entered into nine leases for properties that are partly owned by David Ahmet, Non-Executive Director, or that are partly owned by an entity controlled by David. The terms of these leases were negotiated on commercial arms' length basis in 2011 and contain customary terms and conditions including an initial lease term of 5 years, with options to renew for a further 15 years (comprising 3 options for 5-year periods). The leases are subject to a formal market review at each option renewal (the rent must not be less than the previous rent unless the parties agree otherwise).

The first and second 5-year option terms were exercised in 2016 and 2021, with one 5-year option period remaining. The options were last approved by the shareholders at the 2021 annual general meeting. In addition to the above, an entity controlled by David acquired an additional property leased by the Group, and the lease for that property was assigned to the entity controlled by David on 1 March 2024.

Total payments (excluding GST and outgoings) payable in respect to these properties for the period to 23 September 2025 or for the period during which the properties were owned by David or entities controlled by David were $450,000 (30 June 2025: $1,754,000).

Total liabilities recognised in relation to these leases for the year ended 30 June 2026 is $nil (30 June 2025: $1,673,000).

Note 32. Related party transactions (continued)

(ii) The Group has entered into leases in respect to two properties that are owned by entities which act in concert with Rob Cassen, Non-Executive Director. Rob is one of two directors and holds 50% of the shares of each lessor entity. The terms of these leases were negotiated on commercial arms' length bases in July 2011 and July 2013 with each containing customary terms and conditions including initial lease terms of 10 years, with options to renew each lease for a further 10 years. The leases are subject to a formal market review at the midterm (5 years) of the lease and at each option renewal (the rent must not be less than the previous rent unless the parties agree otherwise).

The option to renew the lease terms were both exercised for a further 10 years and the renewals were approved by the shareholders at the 2021 annual general meeting.

Total rental payments (excluding GST and outgoings) payable in respect to these properties for the year ended 30 June 2026 or for the period during which the properties were owned by entities which act in concert with Rob were $2,170,000 (30 June 2025: $2,120,000).

Total liabilities recognised in relation to these leases for the year ended 30 June 2026 is $10,435,000 (30 June 2025: $11,804,000).

(iii) The Group has entered into a lease for a property owned by an entity which acts in concert with Michael Poynton, Executive Director. Michael is one of two directors and holds 50% of the shares of the lessor entity. The terms of this lease were negotiated on commercial arms' length basis in June 2021 including an initial lease term of 5 years, with options to renew for a further 10 years (comprising 2 options for 5-year periods). The lease is subject to a formal market review at each option renewal (the rent must not be less than the previous rent unless the parties agree otherwise). In March 2026, the Group gave notice of its intention to exercise the first renewal option, extending the lease for an additional 5-year term commencing 1 July 2026, at an annual rent of $301,000.

Total rental payments (excluding GST and outgoings) payable in respect to this property for the year ended 30 June 2026 were $225,000 (30 June 2025: $219,000).

Total liabilities recognised in relation to this lease for the year ended 30 June 2026 is $nil (30 June 2025: $222,000).

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2026	2025
	$	$
Current receivables:		
Finance revenue receivable from MotorCycle Finance Pty Ltd	72,000	73,385

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 33. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2026 $'000	2025 $'000
Loss after income tax	(62)	(263)
Total comprehensive loss	(62)	(263)

Statement of financial position

	Parent 2026 $'000	2025 $'000
Total current assets	-	-
Total non-current assets	164,445	174,228
Total assets	164,445	174,228
Total current liabilities	2,092	1,499
Total non-current liabilities	-	-
Total liabilities	2,092	1,499
Net assets	162,353	172,729
Equity		
Issued capital	151,048	151,011
Reserves	606	575
Retained profits	10,699	21,143
Total equity	162,353	172,729

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity and some of its subsidiaries are party to a deed of cross guarantee under which MotorCycle Holdings Limited guarantees the debts of those subsidiaries. Refer to note 36.

Unsecured guarantees, indemnities, and undertakings have been given by the parent entity in the normal course of business in respect of financial and trade arrangements entered into by its subsidiaries. It is not anticipated that the parent entity will become liable for any amount in respect thereof. At 30 June 2026 and 30 June 2025 no subsidiary was in default in respect of any arrangement guaranteed by the parent entity.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

Note 33. Parent entity information (continued)

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 34. Business combinations

Business combinations during the year ended 30 June 2026
On 31 July 2025, MotorCycle Accessories Supermarket Pty Ltd (a subsidiary of MotorCycle Holdings Limited) completed the acquisition of select business assets and operations of Peter Stevens Motorcycles Pty Limited and Harley Heaven Pty Limited (both in administration). This included the following operating sites together with the online businesses of Harley-Heaven and Peter Stevens Motorcycles:
- Harley-Heaven Adelaide
- Harley-Heaven Perth
- Harley-Heaven Penrith
- Harley-Heaven Sydney (Tempe)
- Peter Stevens Motorcycles Adelaide
- Savage Motorcycles Perth
- Peter Stevens Motorcycles Dandenong
- Sydney Triumph

The Group acquired these assets to:
- enhance the Group's national footprint and market leadership position; and
- secure assets that would otherwise risk brand dilution through liquidation.

The acquisition, completed under an Asset Purchase Agreement, has been accounted for as a business combination in accordance with AASB 3 Business Combinations, as the acquired assets and activities meet the definition of a business.

Total consideration transferred for the acquired assets and liabilities was $9,909,473.

Acquisition-related costs of $1,411,000 (legal, advisory, valuation) were recognised as expenses in the Statement of profit or loss and other comprehensive income in accordance with AASB 3.

The acquiree contributed revenue of $105,800,000 and profit before tax of $587,000 since the acquisition date which is included in the Statement of profit or loss and other comprehensive income.

Had the business combination occurred at the beginning of the annual reporting period it is estimated that the revenue contribution would have been $115,400,000 and the profit before tax of $640,000.

Identifiable assets acquired and liabilities assumed (final):

	Fair value $'000
Inventories - bikes	2,064
Inventory - parts and accessories	7,218
Property, plant and equipment	1,940
Employee entitlements (net of tax asset)	(1,255)
Net working capital items	(58)
Net assets acquired	9,909
Goodwill	-
Acquisition-date fair value of the total consideration transferred	9,909

Note 35. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %
Cassons Pty Ltd	Australia	100%	100%
Forbes & Davies (NZ) Limited	New Zealand	100%	100%
Innovative Dealership Solutions Pty Ltd	Australia	100%	100%
Kymco (Aust) Pty Ltd	Australia	100%	100%
Mojo Electric Vehicles Pty Ltd	Australia	100%	100%
Mojo Motorcycles NZ Limited	New Zealand	100%	100%
Mojo Motorcycles Pty Ltd	Australia	100%	100%
Motor Cycle Accessories Supermarket Pty Ltd	Australia	100%	100%
Motorcycle Holdings Group Unit Co Pty Ltd	Australia	100%	100%
Motorcycle Holdings IDS Pty Ltd	Australia	100%	100%
Motorcycle Holdings Operations Pty Ltd	Australia	100%	100%
Motorcycle Holdings TCO Pty Ltd	Australia	100%	100%
Motorcycle Holdings Unit Co Pty Ltd	Australia	100%	100%
Motorcycle Riding School Pty Ltd	Australia	100%	100%
MW Motorcycles Pty Ltd	Australia	100%	100%
Myway Services Pty Ltd	Australia	100%	100%
Netpark Pty Ltd	Australia	100%	100%
North Ride Pty Ltd	Australia	100%	100%
Pushgate Pty Ltd	Australia	100%	100%
Shoreway Pty Ltd	Australia	100%	100%
Stanbay Pty Ltd	Australia	100%	100%
Team Moto Pty Limited	Australia	100%	100%
Trinder Avenue Motors Pty Ltd	Australia	100%	100%
Team Moto Unit Trust*	Australia	100%	100%
MotorCycle Holdings Group Unit Trust*	Australia	100%	100%
Innovative Dealership Solutions Unit Trust*	Australia	100%	100%

* The Team Moto Unit Trust, the Innovative Dealership Solutions Unit Trust, and the MotorCycle Holdings Group Unit Trust are fixed unit trusts directly controlled by MotorCycle Holdings Limited and are wholly owned within the Group but are not members of the Deed of Cross Guarantee. Refer to note 36.

Note 36. Deed of cross guarantee

MotorCycle Holdings Limited, the parent entity, has entered into a Deed of Cross Guarantee with each of its eligible wholly owned subsidiaries, under which each entity guarantees the debts of other members of the Group. By entering into this Deed of Cross Guarantee it allows the Group to use ASIC Corporations (Wholly owned Companies) Instrument 2016/785 which provides relief from the Corporations Act financial reporting requirements for wholly owned subsidiaries.

Note 36. Deed of cross guarantee (continued)

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

Motorcycle Holdings Limited
Cassons Pty Ltd
Innovative Dealership Solutions Pty Ltd
Kymco (Aust) Pty Ltd
Mojo Electric Vehicles Pty Ltd
Mojo Motorcycles Pty Ltd
Motor Cycle Accessories Supermarket Pty Ltd
Motorcycle Holdings Group Unit Co Pty Ltd
Motorcycle Holdings IDS Pty Ltd
Motorcycle Holdings Operations Pty Ltd
Motorcycle Holdings TCO Pty Ltd
Motorcycle Holdings Unit Co Pty Ltd
Motorcycle Riding School Pty Ltd
MW Motorcycles Pty Ltd
Myway Services Pty Ltd
Netpark Pty Ltd
North Ride Pty Ltd
Pushgate Pty Ltd
Shoreway Pty Ltd
Stanbay Pty Ltd
Team Moto Pty Limited
Trinder Avenue Motors Pty Ltd

The above companies represent a 'Closed Group' for the purposes of the Corporations Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by MotorCycle Holdings Limited, they also represent the 'Extended Closed Group'.

Set out below is a consolidated statement of profit or loss and other comprehensive income and statement of financial position of the 'Closed Group'.

Statement of profit or loss and other comprehensive income	2026 $'000	2025 $'000
Revenue	730,647	591,359
Income from investment	14	3,546
Other expenses	(691,245)	(562,608)
Finance costs	(7,409)	(7,068)
Profit before income tax expense	32,007	25,229
Income tax expense	(10,183)	(6,889)
Profit after income tax expense	21,824	18,340
Other comprehensive income/(loss)		
Share of other comprehensive gain/(loss) of investments accounted for using the equity method	813	(616)
Foreign currency translation	1,857	(582)
Other comprehensive income/(loss) for the year, net of tax	2,670	(1,198)
Total comprehensive income for the year	24,494	17,142

Note 36. Deed of cross guarantee (continued)

Statement of financial position	2026 $'000	2025 (Restated) $'000
Current assets		
Cash and cash equivalents	33,590	28,213
Trade receivables	10,863	4,863
Inventories	148,247	129,336
Prepayments and other deposits	10,662	6,482
	203,362	168,894
Non-current assets		
Investments accounted for using the equity method	4,957	4,403
Investments	31,939	29,281
Property, plant and equipment	14,570	13,021
Right-of-use assets	61,201	42,170
Intangible assets	135,048	138,987
Deferred tax asset	3,930	2,628
Other non-current assets	172	154
	251,817	230,644
Total assets	455,179	399,538
Current liabilities		
Trade and other payables	65,406	50,758
Contract liabilities	3,398	3,296
Borrowings	50,315	38,349
Lease liabilities	16,907	15,192
Current tax payable	2,585	1,685
Provisions	14,078	12,460
	152,689	121,740
Non-current liabilities		
Contract liabilities	4,968	4,937
Borrowings	30,000	40,000
Lease liabilities	49,184	31,036
Provisions	699	708
	84,851	76,681
Total liabilities	237,540	198,421
Net assets	217,639	201,117
Equity		
Issued capital	151,048	151,011
Reserves	1,702	(523)
Retained profits	64,889	50,629
Total equity	217,639	201,117

Note 37. Cash flow information

Reconciliation of profit after income tax to net cash from operating activities

	Consolidated 2026 $'000	Consolidated 2025 $'000
Profit after income tax expense for the year	24,156	18,022
Adjustments for:		
Depreciation and amortisation	22,632	19,959
Share of profits of investments accounted for using the equity method	(491)	(371)
Share-based payments	51	327
Change in operating assets and liabilities:		
Increase in trade receivables	(6,021)	(1,139)
(Increase)/decrease in inventories	(5,831)	6,895
Increase in deferred tax assets	(1,284)	(1,957)
Increase in deposits and prepayments	(3,069)	(4,028)
Increase in trade and other payables	16,141	18,024
Increase in contract liabilities	133	618
Decrease in derivative liabilities	(1)	(189)
Increase in provision for income tax	593	3,791
Increase/(decrease) in other provisions	1,382	(223)
Increase/(decrease) in bailment finance	13,160	(5,866)
Net cash from operating activities	61,551	53,863

Non-cash investing and financing activities

	Consolidated 2026 $'000	Consolidated 2025 $'000
Additions to the right-of-use assets	34,517	16,057

Changes in liabilities arising from financing activities

Consolidated	Lease liabilities $'000	Bank loans $'000	Total $'000
Balance at 1 July 2024	47,891	50,000	97,891
Net cash used in financing activities	(12,860)	(10,000)	(22,860)
Acquisition of leases	16,057	-	16,057
Balance at 30 June 2025	51,088	40,000	91,088
Net cash used in financing activities	(15,532)	(10,000)	(25,532)
Acquisition of leases	34,517	-	34,517
Balance at 30 June 2026	70,073	30,000	100,073

Note 37. Cash flow information (continued)

Supplier finance arrangements

	At 30 June 2026	At 1 July 2025
Carrying amount of the financial liabilities that are part of supplier finance arrangements presented in bailment finance (note 21)	$53,912,000	$40,752,000
Range of payment due dates that are part of supplier finance arrangements	From 90 days to 760 days after invoice date	From 90 days to 730 days after invoice date

Note 38. Share-based payments

During the 2018 financial year, the Group established a long-term incentive plan (LTIP) following Shareholder approval at the 2017 Annual General Meeting. The LTIP was re-approved at the 2020 and 2023 Annual General Meetings. The LTIP allows for the granting of performance rights which constitute a right to receive ordinary shares in the capital of the Company upon the achievement of certain performance hurdles. Currently, the LTIP is limited to KMP and Senior Executives.

The fair values of these performance rights were calculated on grant date and recognised over the period to vesting. The vesting of the performance rights is based on the achievement of specified compound annual growth in the Group's earnings per share and relative total shareholder returns (TSR).

The key terms and conditions related to the LTIP are as follows:

Tranche	Grant date	Performance period	Vesting conditions*	Number of performance rights issued
2024 Tranche 1	20 December 2023	1 July 2023 to 30 June 2026	Relative TSR	125,611
2024 Tranche 2	20 December 2023	1 July 2023 to 30 June 2026	EPS CAGR	125,611
2025 Tranches 1 and 3	02 December 2024	1 July 2024 to 30 June 2027	Relative TSR	152,949
2025 Tranches 2 and 4	02 December 2024	1 July 2024 to 30 June 2027	EPS CAGR	152,949
2026 Tranche 1	04 November 2025	1 July 2025 to 30 June 2028	Relative TSR	88,085
2026 Tranche 2	04 November 2025	1 July 2025 to 30 June 2028	EPS CAGR	88,085
2026 Tranche 3	26 November 2025	1 July 2025 to 30 June 2028	Relative TSR	25,324
2026 Tranche 4	26 November 2025	1 July 2025 to 30 June 2028	EPS CAGR	25,324
2026 Tranche 5	10 June 2026	1 July 2025 to 30 June 2028	Relative TSR	19,291
2026 Tranche 6	10 June 2026	1 July 2025 to 30 June 2028	EPS CAGR	19,290
				822,519

* Further details of the vesting conditions are disclosed in the remuneration report.

Measurement of fair values
The fair value of the performance rights granted under the LTIP has been measured as follows:
- Tranches 1 and 3 - Monte Carlo simulation
- Tranches 2 and 4 - Black Scholes model

Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value. The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payments plans were as follows:

Note 38. Share-based payments (continued)

	2026 Tranche 1	2026 Tranche 2	2026 Tranche 3	2026 Tranche 4	2026 Tranche 5	2026 Tranche 6
Fair value at grant date	$2.39	$3.31	$2.33	$3.25	$1.00	$1.95
Share price at valuation date	$3.76	$3.76	$3.68	$3.68	$2.32	$2.32
Expected volatility	45%	45%	45%	45%	45%	45%
Annual dividend yield	5%	5%	5%	5%	8%	8%
Risk-free interest rate	3.78%	3.78%	3.91%	3.91%	4.64%	4.64%
Test date	31 August 2028	31 August 2028	31 August 2028	31 August 2028	31 August 2028	31 August 2028

	2025 Tranche 1	2025 Tranche 2	2025 Tranche 3	2025 Tranche 4
Fair value at grant date	$1.11	$1.32	$1.34	$1.51
Share price at valuation date	$1.63	$1.63	$1.82	$1.82
Expected volatility	40%	40%	40%	40%
Annual dividend yield	8%	8%	7%	7%
Risk-free interest rate	4.18%	4.18%	3.99%	3.99%
Test date	31 August 2027	31 August 2027	31 August 2027	31 August 2027

The expected volatility has been based on an evaluation of the historical volatility of the Company’s and comparable companies’ share price, particularly over the historical period commensurate with the expected term.

Reconciliation of outstanding performance rights
The number of performance rights under the LTIP were as follows:

Number of performance rights	2026	2025
Opening balance	904,229	872,687
Granted during the year	294,184	727,568
Forfeited during the year	(319,340)	(696,026)
Exercised during the year	(56,554)	-
	822,519	904,229

Recognised share-based payments expense
The value of performance rights expensed (net) during the year was $169,000 (2025: $327,000). Of this amount, $17,000 is attributable to key management personnel remuneration (2025: $108,000).

Note 39. Events after the reporting period

Apart from the dividend declared as disclosed in note 25, no other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

MotorCycle Holdings Limited
Consolidated entity disclosure statement
As at 30 June 2026

Entity name	Body corporate, Partnership or Trust	Place formed / Country of incorporation	Ownership interest %	Tax residency
Motorcycle Holdings Limited	Body Corporate	Australia		Australian
Cassons Pty Ltd	Body Corporate	Australia	100%	Australian
Forbes & Davies (NZ) Limited	Body Corporate	New Zealand	100%	New Zealand
Innovative Dealership Solutions Pty Ltd	Body Corporate Trustee	Australia	100%	Australian
Kymco (Aust) Pty Ltd	Body Corporate	Australia	100%	Australian
Mojo Electric Vehicles Pty Ltd	Body Corporate	Australia	100%	Australian
Mojo Motorcycles NZ Limited	Body Corporate	New Zealand	100%	New Zealand
Mojo Motorcycles Pty Ltd	Body Corporate	Australia	100%	Australian
Motor Cycle Accessories Supermarket Pty Ltd	Body Corporate	Australia	100%	Australian
Motorcycle Holdings Group Unit Co Pty Ltd	Body Corporate	Australia	100%	Australian
Motorcycle Holdings IDS Pty Ltd	Body Corporate	Australia	100%	Australian
Motorcycle Holdings Operations Pty Ltd	Body Corporate	Australia	100%	Australian
Motorcycle Holdings TCO Pty Ltd	Body Corporate Trustee	Australia	100%	Australian
Motorcycle Holdings Unit Co Pty Ltd	Body Corporate	Australia	100%	Australian
Motorcycle Riding School Pty Ltd	Body Corporate	Australia	100%	Australian
MW Motorcycles Pty Ltd	Body Corporate	Australia	100%	Australian
Myway Services Pty Ltd	Body Corporate	Australia	100%	Australian
Netpark Pty Ltd	Body Corporate	Australia	100%	Australian
North Ride Pty Ltd	Body Corporate	Australia	100%	Australian
Pushgate Pty Ltd	Body Corporate	Australia	100%	Australian
Shoreway Pty Ltd	Body Corporate	Australia	100%	Australian
Stanbay Pty Ltd	Body Corporate	Australia	100%	Australian
Team Moto Pty Limited	Body Corporate	Australia	100%	Australian
Trinder Avenue Motors Pty Ltd	Body Corporate	Australia	100%	Australian
Team Moto Unit Trust	Trust	Australia	100%	Australian
MotorCycle Holdings Group Unit Trust	Trust	Australia	100%	Australian
Innovative Dealership Solutions Unit Trust	Trust	Australia	100%	Australian

Basis of preparation
This consolidated entity disclosure statement ('CEDS') has been prepared in accordance with the Corporations Act 2001 and includes required information for each entity that was part of the Group as at the end of the financial year.

Consolidated entity
This CEDS includes only those entities consolidated as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements (AASB 10).

Determination of tax residency
Section 295(3A) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency
The Group has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5 Income tax: central management and control test of residency.

Foreign tax residency
Where necessary, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 36 to the financial statements; and

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Rick Dennis
Chair

26 August 2026

Independent Auditor's Report

To the shareholders of MotorCycle Holdings Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of MotorCycle Holdings Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2026 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001,* in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2026.
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2026;
- Notes, including material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the yearend or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

KPMG

Emphasis of matter

We draw attention to Note 4 of the Financial Report, which describes the impact of the Group restating comparative balances as a result of identifying underpayments of vehicle registration duty and payroll related costs. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

<table>
<tr><th colspan="2">Valuation of goodwill and other intangible assets of the Motorcycle retailing CGU ($54,861,000) and Motorcycle accessories wholesaling CGU ($27,254,000)</th></tr>
<tr><td colspan="2">Refer to Notes 2, 3 and 18 to the Financial Report</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>A key audit matter for us was the Group's annual testing of goodwill and intangible assets for impairment, given the size of the balance relating to the Motorcycle retailing CGU and the Motorcycle accessories wholesaling CGU (being approximately 18% of total assets).
Certain conditions impacting the Group increased the judgement required by us when evaluating the evidence available. We focused on the significant forward-looking assumptions the Group applied in their value-in-use (VIU) models, including:

• Forecast operating cash flows, including gross margin, revenue growth rates and terminal growth rates – the Group's VIU models use a range of internal and external sources as inputs to the assumptions. Modelling, using forward-looking assumptions, tends to be prone to greater risk for potential bias, error, and inconsistent application. These conditions increase the inherent uncertainty of forecasts, or a wider range of possible outcomes for us to consider.

In addition to the uncertainties described above, the Group's models are highly</td><td>Our procedures included:

• We considered the appropriateness of the VIU method applied by the Group in performing the annual test of goodwill for impairment against the requirements of the accounting standards.

• We, along with our valuation specialists, assessed the integrity of the VIU models used, including the accuracy of the underlying calculation formulas.

• We assessed the accuracy of previous Group budgets to inform our evaluation of forecasts incorporated in the models.

• We challenged the Group's forecast cash flow (including gross margin) and growth assumptions by:

- Comparing the forecast growth rates to management's detailed forecasts approved by the Board.

- Checking the consistency of the revenue growth rates and gross margin to past performance of the Group, and our experience regarding the feasibility of these in the industry</td></tr>
</table>

sensitive to small changes in specific assumptions, reducing available headroom. This drives additional audit effort specific to their feasibility and consistency in application to the Group's strategy. • Discount rates – these are complicated in nature and vary according to the conditions and environment the specific Cash Generating Unit (CGU) is subject to from time to time, and the models approach to incorporate risks into the cash flows or discount rates. We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	and economic environment in which they operate. - Comparing forecast revenue growth rates and terminal growth rates to external market data and considered differences for the Group's operations. We used our knowledge of the Group, its past performance, business and our industry experience. - Considering the sensitivity of the models by varying key assumptions, such as forecast operating cash flows, revenue growth rates, and discount rates, within a reasonably possible range. We did this to identify those CGUs at a higher risk of impairment, or assumptions at risk of bias and to focus our further procedures. • Working with our valuation specialists, we independently developed a discount rate range, using publicly available market data for comparable entities, adjusted by risk factors specific to the Group and the industry it operates in. • We assessed the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in MotorCycle Holdings Limited's Annual Report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and specified sustainability disclosures within the Sustainability Report and our respective assurance opinion/conclusion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

KPMG

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001;*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error;
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of MotorCycle Holdings Limited for the year ended 30 June 2026, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 22 to 33 of the Directors' report for the year ended 30 June 2026.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

E. Neville Stanley

KPMG

Erin Neville-Stanley
Partner
Brisbane
26 August 2026

1. About this report

1.1 Basis of preparation

Reporting entity
These disclosures have been prepared for the consolidated entity (referred to hereafter as the 'Group') consisting of MotorCycle Holdings Limited (ASX: MTO), (referred to hereafter as the 'Company', 'MC Holdings', or 'parent entity'), and the entities it controlled at the end of, or during, the year ended 30 June 2026 and relate to the same reporting entity and reporting period as the Group's consolidated financial statements. This report presents the Group's climate-related financial disclosures for the year ended 30 June 2026.

Statement of compliance
These climate-related financial disclosures have been prepared in accordance with AASB S2 Climate-related Disclosures, issued by the Australian Accounting Standards Board (AASB), and the Corporations Act 2001. The report presents information about the Group's governance, strategy, risk management processes, and metrics and targets relating to climate-related risks and opportunities.

Transition reliefs
As this is the Group's first annual reporting period under AASB S2, the Group has applied the following transition relief provisions available under the ASRS framework:

- relief from the requirement to disclose comparative information in the first annual reporting period; and
- exclusion of Scope 3 greenhouse gas emissions measurements from the first annual report, including additional information on financed emissions.

Connectivity with financial statements
This report should be read together with the Group's consolidated financial statements for the year ended 30 June 2026. Where relevant, climate-related information has been prepared using methodologies, assumptions and estimation techniques consistent with those used in the Group's financial statements, to provide a cohesive view of how climate-related risks and opportunities could affect the Group's financial position, financial performance and cash flows over the short, medium and long term.

1.2 Group overview
The Group is a leading retailer and wholesale distributor of motorcycles, all-terrain vehicles, parts and accessories, and also provides servicing and maintenance, operating across Australia and New Zealand. The Group operates two segments: motorcycle retailing and the accessories wholesaling. Its customers are primarily leisure riders, recreational users, commuters, farmers and adventure sports enthusiasts.

1.3 Value Chain Description
The Group's value chain spans upstream suppliers that provide vehicles, parts and accessories, the Group's own retail and wholesale operations, and downstream customers who purchase, use and service those products. Upstream, the Group works with original equipment manufacturers ('OEMs') and importers that supply new motorcycles, all-terrain vehicles, scooters (including electric models), parts and accessories for resale, alongside inbound freight and logistics providers, property lessors and professional service providers, with its own wholesale businesses acting as a significant internal supplier to its retail accessory operations.

The Group's own operations comprise a national network of retail dealerships and wholesale distribution outlets across Australia and New Zealand, where vehicles are sold, serviced and maintained and parts and accessories are distributed. Downstream, the Group serves its customers through physical dealerships, a wholesale dealer network and e-commerce channels, and its motor vehicle finance joint venture provides secured consumer finance to support retail sales. In assessing climate-related risks and opportunities, the Group considers its own operations together with relevant upstream and downstream value chain activities where these may influence the performance or resilience of the business, and where data from value chain partners is not directly available it uses estimates based on industry benchmarks and other reasonable assumptions.

1.4 Judgements, uncertainties and errors
The preparation of these climate-related disclosures requires the Group to apply management judgement, assumptions and estimates when identifying, assessing and reporting climate-related risks, opportunities and associated metrics. Key judgements include identifying the climate-related risks and opportunities that could reasonably be expected to affect the Group's financial prospects, determining the scope of the value chain considered in the assessment, and assessing which climate-related information is material to include in these disclosures.

Materiality has been applied to the climate-related financial information disclosed in this report in accordance with AASB S2, including the materiality requirements in Appendix D. This approach is aligned with the materiality concept used in Australian Accounting Standards and has been considered in the context of the primary users of the Group's general purpose financial reports, including users of the related financial statements. Individual climate-related risks and opportunities are not themselves classified as material or immaterial. The Group applies a rating threshold within its Risk Management Framework to identify which climate-related risks and opportunities warrant review, and then judges whether information about them could reasonably be expected to influence the decisions of primary users.

Measurement uncertainty arises where amounts cannot be measured directly and must be estimated. The most significant sources of uncertainty relate to the estimation of greenhouse gas emissions, the assessment of climate-related risks and opportunities, and the estimation of potential financial effects associated with climate change, each of which relies on available data, emission factors and other reasonable assumptions. As this is the first reporting period in which the Group has prepared climate-related disclosures under AASB S2, there are no prior-period errors to report.

2. Governance

2.1 Governance oversight

The Group's governance of climate-related risks and opportunities is set out below.

The Board of Directors of MotorCycle Holdings Limited has ultimate responsibility for the governance of the Group, including overseeing the integrity of the Group's corporate reporting and reviewing the Group’s risk management framework and setting the risk appetite within which management is expected to operate. The Board delegates oversight of risk management and corporate reporting to the Audit and Risk Committee ('ARC'), and climate-related risks and opportunities are managed within the Group's enterprise risk management framework, which expressly considers environmental and social sustainability. The Board Charter was updated on 1 July 2026 to formally set out the Board's responsibilities for overseeing climate-related risks and opportunities, including their integration into the Group's strategy, risk management framework and financial reporting. The Audit and Risk Committee Charter was similarly updated to include oversight of climate-related risks and opportunities and their integration into the Group's risk management framework, financial reporting and disclosures.

The Audit and Risk Committee Charter requires the Committee to meet not less than twice a year. The Committee met 3 times during FY2026, and discussed climate matters at 3 of these meetings. Management provides risk reporting to the Committee each quarter through the Committee papers, including out of session in any quarter in which a meeting is not scheduled, so that reporting is received on a quarterly basis. The Chief Executive Officer and Chief Financial Officer are required to attend each scheduled meeting of the Committee to ensure consistent oversight by senior leaders and integration between management and the Board.

In overseeing strategy, major transactions and risk, the Board approves the Group's strategic plan, business plan, operating budgets and major capital expenditure, and the ARC reviews the risk management framework at least annually. Climate-related risks and opportunities are taken into account in those processes where suitable, alongside the commercial, financial and operational factors. The matters considered include the pace at which customer demand is shifting toward electric product lines, the cost and timing of building electric vehicle service capability, the cost and adequacy of insurance, and the cost of meeting mandatory climate reporting obligations. Climate-related proposals are assessed through the same budget and capital expenditure approval process as any other investment, and climate-related risks are considered through the same risk register review as any other Group risk. A proposal that would reduce a climate-related risk competes for capital with every other proposal in the budget, and the Board decides between them having regard to expected return, the Group's risk appetite and its strategic priorities. The Group does not apply a climate-specific investment threshold, an internal carbon price or a defined risk-reduction target to these decisions, and has not adopted a separate framework for evaluating climate-related trade-offs.

The Committee reviewed the Group's climate risk assessment and approved the relevant climate-related risks and opportunities set out in this report at its meeting on 1 July 2026, following the end of the reporting period. One further transition risk, the consumer shift from combustion engine to electric motorcycles, was added to the risk register after that meeting during preparation of this report and will be presented to the Committee at its next scheduled meeting. No material financial impact is anticipated from that risk, and it has been included so that primary users have a complete view of the climate-related matters the Group has considered.

2.2 Skills and competencies

The Board regularly evaluates the skills and competencies of its directors, reviewing the collective capability of the Board against the skills relevant to the Group's strategy on at least an annual basis. This review covers the Board's experience in environmental, social and governance matters, which underpins its oversight of climate-related risks and opportunities. The FY2026 Board skills review rated environmental, social and governance experience among the lower-scoring skill areas on the Board, with three of the five directors rated competent or above in that area. The Board supplements this capability through targeted professional development and by obtaining specialist external advice, and it has engaged an external adviser to support the preparation of these disclosures. The Board will consider environmental, social and governance experience in future director appointments and in its FY2027 professional development plan. The Board considers this combination of in-house experience and external support appropriate to oversee the Group's climate-related risks and opportunities at its current stage of maturity, and will continue to strengthen this capability as climate reporting develops.

2.3 Remuneration and climate-related targets

The Board has oversight of, and is responsible for approving, the Group's climate-related targets. MotorCycle Holdings Limited has not set any climate-related targets for the business during the reporting period, nor any climate-related targets tied to Board or executive remuneration. As the Group's approach to managing climate-related risks and opportunities matures, the Board will consider whether to set climate-related targets, including greenhouse gas emissions reduction targets, together with the metrics and baselines against which progress would be measured and reported. Further detail is provided in the 'Metrics and Targets' section.

2.4 Management's role
Management is responsible for the day-to-day management of climate-related risks and opportunities. It works to identify and mitigate risks and, over time, to enhance the Group's resilience, and it acts as the principal channel of communication between day-to-day operations and the Board, including by reporting the outcomes of the climate risk assessment. Overall executive responsibility sits with the Chief Executive Officer, who drives the risk management culture and signs off on the annual risk management attestation, supported by the Chief Financial Officer, who is responsible for continuously improving the risk management framework, maintaining the corporate risk registers, risk controls, and reporting to the Board and the ARC. Executive General Managers review the entries for their business units and escalate any risk that falls outside risk appetite.

To date, the Chief Financial Officer has sponsored the Group's climate-related work, including engaging external advisers to review the Group's sustainability-related public statements, although climate-related risk management is not yet delegated to a dedicated management position or committee.

These activities are supported by controls embedded within the Group’s risk management framework, applied consistently across the Group’s risk categories. Each entry in the Group risk register has a nominated owner, an assessed likelihood and consequence rating and a record of the risk mitigation activities in place. Climate-related considerations enter other business functions through existing processes and controls. Emissions and energy data are collected by finance from utility and fuel records and reviewed against the prior period before reporting. Insurance exposures are reviewed annually with the Group’s broker, including cover for storm, hail and flood at the most exposed sites. Product and inventory planning considers electric vehicle demand through the wholesale and dealership networks. Climate-related capital requests are assessed through the Group’s budget and capital expenditure processes. The Group does not yet operate climate-specific controls beyond those described here, and expects to formalise further controls as its reporting capability develops.

3. Strategy

3.1 Climate risks and opportunities identification
MC Holdings conducted a climate risk assessment to identify the climate-related risks and opportunities ('CRROs') that could reasonably be expected to affect the strategy, business model and prospects of the Group. The table below summarises the relevant CRROs that could affect the Group's financial position, financial performance and cash flows over the short, medium and long term.

Time horizons
The time horizons applied in the assessment are aligned to the Group's strategic planning cycle and to the availability of robust scenario data, and are defined as short term (to 2030), medium term (to 2040) and long term (to 2050). The short-term horizon to 2030 matches the period covered by the Group's current strategic growth plan and the annual budget and capital expenditure cycle that sits within it, and is the horizon over which the Board approves the strategic plan, operating budgets and major capital expenditure. The medium-term horizon to 2040 extends beyond the current plan to the period over which dealership network investment, workshop capability and lease renewal decisions are expected to be taken, and over which the electric vehicle share of new sales is projected to change most. The long-term horizon to 2050 is the outer boundary at which the scenario data used in the assessment is published. The Group's longest-dated committed assets are its property leases, which generally carry terms of ten years or less; a horizon extending to 2050 therefore captures a period well beyond the Group's committed asset lives, and extending the analysis further would not yield decision-useful information. The Group's remaining assets are predominantly short lifecycle inventory, and its diversified retail, wholesale and online distribution channels provide the flexibility to adjust its product mix and operations in response to changing market and climate conditions.

Climate-related risks and opportunities

Type	Risk / Opportunity	Description of impact	Value chain impact area	Time horizon
Physical risk	Storm, hail and flood damage, and rising insurance costs	Increasing frequency and severity of storms, hail and flooding may damage inventory and property and drive higher insurance premiums and narrower coverage.	Direct operations / Assets / Insurance	Short-Long
Physical risk	Drought reducing agricultural ATV / utility vehicle sales	Prolonged drought may reduce rural demand for all-terrain and utility vehicles.	Downstream / Sales	Long
Transition risk	Lithium battery fire and safety risk	Growing electric vehicle and lithium battery inventory increases the risk of fire causing stock loss, property damage and injury.	Direct operations	Short-Long
Transition risk	Shortage of qualified EV technicians	Limited availability of EV-qualified technicians may constrain service capability.	Direct operations	Short-Long
Transition risk	Carbon pricing and fuel tax escalation	Rising carbon prices and fuel taxes may increase fleet and freight operating costs.	Direct operations	Short-Long
Transition risk	Consumer shift from combustion engine to electric motorcycles	Accelerating consumer and regulatory shift toward electric motorcycles may reduce demand for combustion engine motorcycles.	Downstream / Sales	Medium-Long
Opportunity	Electric vehicle product positioning	Growth in the electric vehicle range may attract environmentally conscious riders and new revenue.	Downstream / Sales	Medium-Long

3.2 Impact on business model and strategy

Climate-related risks and opportunities influence MC Holdings' business model, value chain and strategic decision-making through their impact on operating costs, inventory and property, product mix and customer demand. These impacts are not spread evenly across the Group. Storm, hail and flood exposure is concentrated in the retail segment at coastal Queensland dealerships and at the Group's warehouse sites, where vehicle inventory, spare parts and workshop equipment are held. Drought exposure affects demand for all-terrain and utility vehicles in Queensland, New South Wales and South Australia, and reaches the Group through both the dealership network and the wholesale segment. Transition exposure associated with electric vehicles arises across both the retail and wholesale segments and affects new and used vehicle revenue, workshop and service revenue, and inventory carrying values.

Area	Where impact occurs	Strategic response
Upstream	Availability of technicians qualified to service electric vehicles, sourced through manufacturer and registered training organisation pipelines; inbound freight costs exposed to carbon pricing and fuel excise settings.	Manufacturer training programmes accessed for electric vehicle product lines; freight cost trends monitored through procurement.
Direct operations	Dealership and warehouse operating costs, maintenance and repair of leased premises, inventory and property exposure to extreme weather, insurance costs, and electric vehicle inventory safety.	Asset protection, insurance management and safety controls.
Downstream	Customer demand shifting toward electric and lower-emissions products; weather and drought effects on rural demand.	Product range and brand positioning, including electric models.

Climate-related considerations are not a standing input to the Group's annual budgeting and capital expenditure processes. Where a proposal arises to manage a climate-related impact or to respond to a regulatory or market development, it is assessed through those processes on the same basis as any other proposal, and is funded from existing operational budgets or capital expenditure. The Group does not currently maintain a formal climate-related transition plan but continues to assess actions to manage climate-related impacts and to respond to regulatory and market developments.

3.3 Current and anticipated financial effects

Climate-related risks and opportunities have had an immaterial financial effect on MotorCycle Holdings Limited to date, with no material impact in the reporting period on the Group's broader business operations, financial position, financial performance or cash flows. The effects experienced to date relate to physical weather events and to insurance pricing. The Group has lodged twelve storm, hail and flood claims since 2019. The largest was the February 2022 Maroochydore flood at approximately $1.8 million, which damaged an office and site assets; inventory at that site was relocated ahead of the event under the Group's pre-event contingency arrangements. The largest hail claim was approximately $19,000 and the largest storm claim approximately $102,000. Each claim was met by insurance, and the Group bore the deductible as a cash outflow before the recovery was received, being $100,000 at the Maroochydore site and $10,000 at other sites. Property and motor insurance premiums increased from approximately $560,000 in 2021 to approximately $1.17 million in 2023, and the total insurance program now costs approximately $2.04 million a year across all lines.

No climate events affected the Group during the current reporting period, although MC Holdings acknowledges that similar events have occurred previously and could occur again in the future. The financial statement line items with the potential to be affected by these events are insurance expense and repairs and maintenance within operating expenses, other income for insurance recoveries, and the carrying amount of property, plant and equipment at the affected site. No inventory write-down was recognised in the current reporting period and no assets or liabilities were remeasured as a result of a climate-related event.

MotorCycle Holdings Limited has considered whether climate-related risks and opportunities could result in a material adjustment to the carrying amounts of assets or liabilities within the next reporting period, and no such impacts have been identified. The expected direction of effect for each relevant climate-related risk and opportunity, and the financial statement line items to which it relates, are set out in the table below.

Climate-related risk or opportunity	Financial statement line items expected to be affected	Expected direction and horizon
Storm, hail and flood damage, and rising insurance costs	Insurance expense and repairs and maintenance within operating expenses; other income for insurance recoveries; inventory; property, plant and equipment; right-of-use assets	Operating expenses increase. Premium and deductible increases are already occurring and are expected to continue across all time horizons. Inventory and property, plant and equipment carrying amounts may reduce following an uninsured or excess-exposed loss.
Drought reducing agricultural ATV / utility vehicle sales	Revenue; cost of sales; inventory	Revenue decreases in the affected segment. Expected in the long term under both scenarios, with inventory provisioning increasing if drought-period stock accumulates.
Lithium battery fire and safety risk	Inventory; property, plant and equipment; insurance expense; employee benefits expense; provisions	Operating expenses increase through insurance, storage and fire-suppression costs across all three horizons. A fire event would reduce inventory and property, plant and equipment carrying amounts and could give rise to a provision.
Shortage of qualified EV technicians	Employee benefits expense; revenue from service and repair; capital expenditure on workshop equipment	Employee benefits expense increases through wage premiums and training. Service revenue is constrained if workshop capacity does not keep pace with electric product volumes. Expected across all three horizons.
Carbon pricing and fuel tax escalation	Cost of sales through inbound freight; operating expenses through fleet fuel; capital expenditure on fleet replacement	Operating expenses and cost of sales increase. Larger and earlier under the 1.5°C scenario, and expected to remain close to current levels under the 3°C scenario.
Consumer shift from combustion engine to electric motorcycles	Revenue; cost of sales; inventory	Revenue composition changes between combustion engine and electric product lines. No net revenue decrease is expected, because customers are expected to buy electric models within the Group's network. Medium to long term.
Electric vehicle product positioning	Revenue; inventory; marketing expense within operating expenses	Revenue increases from electric product lines. Medium to long term, and larger under the 1.5°C scenario.

MotorCycle Holdings Limited has not provided quantitative estimates of anticipated financial effects. The climate-related effects identified are not separately identifiable from the commercial, competitive and macroeconomic factors that drive the same line items. Insurance premiums respond to national catastrophe experience and reinsurance pricing as well as to the Group's own exposure; demand for all-terrain vehicles responds to farm income, commodity prices and interest rates as well as to drought; and the pace at which customers move to electric product lines depends on manufacturer supply, vehicle pricing and government incentives. The Group does not hold a model that separates the climate-related component of these drivers, and building one would require assumptions about policy timing and consumer behaviour that cannot be supported by the data available without undue cost or effort. The financial statement line items that could be affected are identified in the table above, being revenue, cost of sales, inventory, property, plant and equipment, right-of-use assets, employee benefits expense, insurance and other operating expenses, and other income. MotorCycle Holdings Limited has not disclosed a combined quantitative effect across these line items. The individual effects are expected to arise over different horizons and in opposite directions, so a combined figure would not provide useful information to primary users. The Group intends to develop quantified estimates as its data and modelling capability improve, beginning with insurance cost and inventory exposure at the most weather-exposed sites.

3.4 Scenario analysis

MotorCycle Holdings Limited undertook climate-related scenario analysis between March and June 2026, during the FY2026 reporting period, to explore how climate-related risks and opportunities may evolve over time and how they may affect the business, considering a range of plausible future conditions rather than predicting a single outcome.

Two scenarios were applied: a lower-warming scenario (approximately 1.5°C), aligned with the NGFS Net Zero pathway, reflecting a rapid transition to a low-carbon economy; and a higher-warming scenario (approximately 3°C), aligned with the NGFS Current Policies pathway, reflecting a more gradual transition with increased exposure to physical climate risks over time. The 1.5°C scenario was selected to meet the Corporations Act requirement that at least one scenario be consistent with the most ambitious temperature goal in the Climate Change Act 2022; it is also the pathway under which the Group's transition risks are most pronounced. The 3°C scenario reflects the warming trajectory implied by current policy settings, and was used to test the Group's exposure to physical climate risks as they intensify. The analysis was undertaken across the 2030, 2040 and 2050 horizons and covered the Group's operations and relevant value chain, drawing on a combination of internal information and external inputs, including publicly available climate scenarios and data from sources such as the NGFS, the IEA, the CSIRO and the Climate Impact Explorer. Both scenarios were used to assess physical risks and transition risks. The 1.5°C scenario was used primarily to test transition exposure, including carbon pricing, fuel excise settings and the pace of electric vehicle adoption, and the 3°C scenario was used primarily to test physical exposure, including storm, hail, flood and drought. Each scenario was applied to every risk and opportunity in the register.

The assumptions applied in the analysis are set out below. They involve inherent uncertainty, particularly in the timing and extent of regulatory change, the pace of technology development, and how physical impacts vary by location.

Assumption area	1.5°C scenario	3°C scenario
Climate policy and emissions trajectory	Australia meets its legislated targets of a 43% reduction below 2005 levels by 2030 and net zero by 2050, with interim progress of approximately 70% by 2040. Carbon pricing extends to transport fuels and fuel excise reform is accelerated before 2030.	Australia reaches approximately a 42% reduction by 2030 and 57% by 2040, with policy ambition not increasing beyond current settings. Fuel excise settings remain close to current policy across all horizons.
Carbon credit prices	Prices rise to approximately $51 per tonne by 2030 and hold near that level to 2040, reflecting greater ACCU availability in a low-emissions world.	Prices rise to approximately $73 per tonne by 2030 and $81 per tonne by 2040, from approximately $25 today, reflecting constrained supply.
Electric vehicle adoption	Electric vehicles reach approximately 60% of new light vehicle sales in Australia by 2030, from approximately 9% today (CSIRO/AEMO). Electric two- and three-wheelers reach approximately 80% of global new sales by 2030 and 100% by 2035 (IEA Net Zero Emissions scenario).	Electric vehicles reach approximately 53% of new light vehicle sales in Australia by 2030 (CSIRO/AEMO Slower Growth). Electric two- and three-wheelers reach approximately 60% of global new sales by 2035.
Reporting, compliance and litigation	Climate reporting costs, estimated by Treasury at $700,000 to $1.3 million annually, peak by 2030 as assurance obligations phase in, then stabilise. Australian climate-related litigation rises from approximately 25 cases a year to approximately 45 by 2030 and 75 by 2050.	Reporting costs rise more gradually, peaking by 2040 before stabilising. Litigation rises to approximately 30 cases a year by 2030 and 50 by 2050.
Insurance market conditions	Premium growth moderates over time as physical risk is contained, from a base of insured catastrophe losses having grown from approximately 0.2% of GDP in 1995 to 2000 to 0.7% in 2020 to 2024 (Insurance Council of Australia).	Insured losses continue to escalate from the same base, with premium increases and narrowing cover expected at exposed sites as insurer loss ratios rise.

A structured process was used to assess how identified risks and opportunities may evolve under each scenario across the time horizons, to understand whether exposure is expected to increase, decrease or remain stable, and the results were used to support an enterprise-level view of the Group's climate-related exposure.

3.5 Climate adaptation and resilience

MotorCycle Holdings Limited has used the findings from its climate-related scenario analysis to assess the resilience of its strategy and business model under different future conditions. Based on this assessment, nothing has been identified to suggest that climate-related risks and opportunities would materially affect the viability of the business at this time. The Group's resilience is supported by the diversification of its retail and wholesale operations, its geographic spread, and its flexibility in product range, procurement and capital allocation, while the climate transition also represents a growing opportunity, as rising demand for electric vehicles positions the Group, through its established distribution network and expanding electric range, to capture this upside as the market develops.

Under the 1.5°C scenario the Group would need to bring forward investment in electric vehicle servicing capability and technician training, and to shift new vehicle stock toward electric product lines faster than currently planned. The wholesale and dealership networks allow this shift without a change to the business model, because the Group already distributes electric product lines. Under the 3°C scenario the Group would need to review insurance limits, deductibles and exclusions at the most weather-exposed sites, and would expect a higher proportion of risk to be retained on its own balance sheet if insurers narrow cover. Retaining more risk would in turn strengthen the case for investing in the physical resilience of those sites, including overhead protection for hail-exposed stock, improved drainage and flood mitigation, and upgraded storage for vehicle inventory, with the works weighed against the remaining lease term at each site. If physical impacts were more severe than assessed, the further responses available to management are relocation of inventory ahead of forecast events, changes to the mix and location of stock held at exposed sites, and, where a site becomes difficult to insure or to protect economically, relocation of that dealership at lease renewal. No change to the Group's two-segment business model was identified as necessary under either scenario.

The investments currently supporting the Group's resilience are the insurance programme, the site protocols, the workshop and warehouse infrastructure across the dealership network, and the electric vehicle distribution capability. Any future investments in electric vehicle servicing equipment, technician training and fire suppression and storage at sites holding higher volumes of electric vehicle inventory would be expected to have the greatest effect on resilience, but have not yet been quantified or committed.

The Group funds its response to climate-related risks and opportunities from operating cash flows and its existing financing facilities. It holds no dedicated climate financing and has not raised capital for a climate-related purpose. The Group's ability to redirect resources is supported by the short life cycle of its inventory, which allows stock composition to change within a single purchasing cycle, and by a lease portfolio with terms of ten years or less, which allows site decisions to be revisited at renewal. Details of the Group's cash position, undrawn facilities and financing arrangements are set out in the consolidated financial statements.

3.6 Resilience measures for climate-related risks

Climate-related risk	Resilience measures
Storm, hail and flood damage, and rising insurance costs	Insurance cover is maintained across the portfolio and reviewed annually with the Group's broker against premium and coverage trends. Inventory is relocated ahead of forecast events, and geographically dispersed sites limit single-event exposure.
Drought reducing agricultural ATV / utility vehicle sales	A diversified product range across road, recreation, accessories and wholesale cushions the Group against swings in rural demand.
Lithium battery fire and safety risk	Business interruption and property insurance is held across the Group's facilities. Storage and handling protocols for electric vehicle inventory are under review as volumes grow, supported by the workplace health and safety framework and manufacturer training for electric product lines.
Shortage of qualified EV technicians	The Group participates in manufacturer training programmes and monitors service accreditation requirements. Mojo Motorcycles provides early electric servicing experience, and electric servicing equipment and training can be added to the existing workshop network as volumes grow.
Carbon pricing and fuel tax escalation	Fleet fuel expenditure is monitored and electric options are evaluated as staff fleet vehicles reach replacement age. Procurement monitors fuel cost trends and their effect on freight rates. Freight cost increases can be reflected in wholesale pricing at contract renewal.
Consumer shift from combustion engine to electric motorcycles	The Group already distributes electric product lines, so revenue from electric models grows as combustion engine demand moderates. New vehicle orders are placed on a rolling basis, so the composition of stock can be changed within a purchasing cycle.

3.7 Realising climate-related opportunities

Climate-related opportunity	Approach to realising the opportunity
Electric vehicle product positioning	Expanding the Group's electric and lower-emissions range and associated marketing, and leveraging its national retail and wholesale distribution network to scale into growing demand for electric vehicles.

4. Risk management

4.1 Risk and opportunity management process

MC Holdings manages climate-related risks and opportunities through its enterprise risk management framework and applies the same approach used for all enterprise risks across the Group. Climate-related risks and opportunities were identified and assessed through a structured climate risk assessment, drawing on management input, the Group's operating context across its retail and wholesale segments, scenario data and external climate information.

Identified risks are recorded in the Group's risk register and assessed using the Group's standard likelihood and consequence criteria. Relevant risks are escalated through the risk register and reported to the Audit and Risk Committee, with management directing resources towards the highest-rated risks. Risk ratings are reviewed at least annually, and the Audit and Risk Committee receives risk reporting on a quarterly basis, so that the Group's climate-related risk process is integrated into, and informs, its overall risk management process. Identified opportunities will be recorded in the Group’s risk register moving forward.

4.2 Risk and opportunity assessment methodology

Climate-related risks and opportunities are assessed using the Group's standard likelihood and consequence criteria, consistent with how all enterprise risks are evaluated and prioritised. Likelihood reflects the probability of occurrence, and consequence reflects the potential impact across financial, health and safety, reputation, and legal and compliance dimensions. Both climate and non-climate risks are held in the same risk register, prioritised on the same risk matrix and receive the same management attention, resourcing and reporting as any other Group risk at the same rating. Items that exceeded management's risk tolerance were reviewed individually, and those about which information could reasonably be expected to influence the decisions of primary users have been included in this disclosure. Further detail on the data sources and parameters used is provided in Appendix A.2, and details on estimations and data gaps are provided in 'Judgements, Uncertainties and Errors'.

Opportunities are identified through the same assessment process, although a higher rating threshold applies before an opportunity is reviewed for disclosure, because an opportunity must represent a sufficiently significant potential benefit and the Group may not ultimately elect to pursue it. Opportunity entries are owned by the Chief Financial Officer, are reviewed at least annually alongside risk entries, and move from identification to action through the Group's business planning and capital expenditure processes.

4.3 Risk and opportunity monitoring

The ratings for each climate-related risk and opportunity in the risk register are reviewed at least annually, incorporating updated information and changes in external conditions, and the Audit and Risk Committee receives quarterly risk reporting from management and considers relevant changes in the risk profile. Where a relevant change is identified outside the annual cycle, it is escalated through the risk register and to the Committee as required.

4.4 Changes in previous reporting period

This is the first period in which MotorCycle Holdings Limited has prepared climate-related financial disclosures under AASB S2. Accordingly, there is no prior reporting period against which to report changes to the risk management process, and the processes described above represent the Group's inaugural approach, which it expects to refine in future periods as its data and processes mature.

5. Metrics and targets

5.1 GHG emissions

5.1.1 Scope 1 and 2 Emissions

MotorCycle Holdings Limited measures GHG emissions in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (2004), applying the operational control approach. Emissions are reported in metric tonnes of CO_2e (tCO_2e) on a gross basis, without offsets.

MC Holdings applies the operational control approach in defining its GHG emissions boundary, consistent with the GHG Protocol. This approach was selected because it aligns reported emissions with the operations over which the Group can act: the Group makes the day-to-day decisions on fuel and energy use, fleet management and site operating procedures at its dealership, retail, warehouse and office sites, whether or not those sites are leased, so the Scope 1 and Scope 2 emissions reported on this basis are those the Group has the authority to manage and reduce. The approach also distinguishes these emissions from emissions in the Group's value chain, which the Group may be able to influence but does not control, and which will be reported as Scope 3 in future periods. The Group does not exercise operational control over its 50% interest in the motor vehicle finance joint venture, which is a non-controlled equity interest and is therefore excluded from the Scope 1 and Scope 2 reporting boundary.

The Group's Scope 1 and Scope 2 emissions for the year ended 30 June 2026 are set out below.

Scope	FY2026 emissions (tCO_2e)
Scope 1	1,739
Scope 2 (location-based)	3,819
Total Scope 1 and 2 emissions	5,558

Scope 1 emissions cover direct emissions from the Group's operations, arising from the combustion of transport and stationary fuels, purchased natural gas and fugitive emissions from refrigerants, while Scope 2 emissions cover indirect emissions from purchased electricity, calculated using the location-based method and the relevant published grid emission factors. MC Holdings does not hold any contractual instruments such as power purchase agreements or renewable energy certificates, and accordingly no market-based Scope 2 emissions are separately disclosed.

The Group's Scope 1 emissions arise from three source categories. A further minor source, being process gases used in workshop fabrication, was assessed as less than 1% of total Scope 1 emissions and excluded as immaterial, consistent with the completeness principle in the GHG Protocol. The approach, inputs and assumptions applied to each source are set out below.

Source	Approach, input and assumptions
Transport and stationary fuels	• Petrol, diesel and LPG combustion in company owned and leased vehicles, including demonstration and display stock, and minor diesel generator use on site. • Activity data collected as litres from fuel records and invoices. • Emission factors applied from the Australian National Greenhouse Accounts (NGA) Factors 2025 and the New Zealand Ministry for the Environment Measuring Emissions Catalogue 2026. • 12% of total fuel volume was estimated using pro-rata daily averages and monthly spend data where invoices were not available.
Natural gas	• Purchased natural gas combusted on site. • Activity data collected from utility invoices. • Australian NGA emission factors applied. • 30% of the reporting period was extrapolated from average daily usage at the single reporting site, where utility billing data was unavailable.
Fugitive emissions (refrigerants)	• Refrigerant leakage from facility air conditioning and refrigeration equipment and from mobile air conditioning across the vehicle fleet. • Estimated using industry-standard refrigerant leak-rate methodology, applying global warming potentials from the NGA Factors 2025. • Underlying air conditioning equipment counts were estimated using floor area benchmarks at 13 sites, and fridge counts were assumed at 34 sites where no unit inventory was available.
Process gases (excluded)	• Minor use of acetylene and other inert gases (argon, oxygen, nitrogen and helium) in workshop fabrication processes. • Assessed as less than 1% of total Scope 1 emissions and excluded as immaterial, consistent with the completeness principle in the GHG Protocol.

Calculated Scope 1 emissions by source are set out below.

Source	FY2026 emissions (tCO_2e)
Transport and stationary fuels	1,668
Natural gas	18
Fugitive emissions (refrigerants)	53
Total Scope 1	1,739

Scope 2 emissions arise from purchased grid electricity across all owned and leased facilities. MotorCycle Holdings Limited operates on-site solar generation at three locations, which is self-consumed rather than purchased; as this is not a contractual renewable energy instrument it does not affect the Scope 2 accounting method and is disclosed for completeness only.

Source	Approach, input and assumptions
Purchased electricity	• Grid electricity purchased across all owned or leased facilities. • Activity data collected as electricity consumption in kWh per location per billing period, from utility invoices. • Missing billing periods with data unavailable were extrapolated from actual data, representing 13% of total consumption, and sites with no actual data were estimated using national average benchmarks, representing <1% of total consumption. • Emission factors applied from the NGA Factors 2025 and the New Zealand Ministry for the Environment Measuring Emissions Catalogue 2026.

Calculated Scope 2 emissions by source are set out below.

Source	FY2026 emissions (tCO_2e)
Purchased electricity (location-based)	3,819
Total Scope 2	3,819

5.1.2 Scope 3 emissions

MotorCycle Holdings Limited has applied the transition relief and has not disclosed Scope 3 emissions for this reporting period. Scope 3 emissions will be reported in the next reporting period, as the Group develops its value-chain data and methodology.

5.1.3 Use of estimates

The GHG emissions inventory involves the use of estimates where primary activity data is not available, including the application of published emission factors and, where necessary, the extrapolation and proration of consumption data to align with the reporting period. The specific estimates applied to each emissions source, including the proportion of fuel, natural gas and electricity data that was extrapolated and the basis on which air conditioning and refrigeration equipment counts were derived, are set out in the source tables above.

5.2 Other climate-related metrics

5.2.1 Climate-related risk and opportunity exposure

The Group's exposure to the relevant climate-related risks and opportunities identified in section 3.1 is set out below by risk category, measured against the assets and revenue of the Group for the year ended 30 June 2026. The amounts are drawn from the Group's financial records and its insurance programme documentation. Carbon pricing and fuel tax escalation affects the Group through fleet and freight operating costs rather than through assets or revenue, and is therefore not presented in the table.

	Assets	Revenue
Physical risks (storm, hail, flood and drought)	Vehicle inventory, spare parts, plant and equipment, and buildings and leasehold improvements across the Group's dealership and warehouse network are exposed to storm, hail and flood. The combined carrying amount of these asset classes was $179.9 million at 30 June 2026, or 39% of total assets.	Drought-sensitive revenue from all-terrain and utility vehicle sales was $35.4 million, or 4.5% of total revenue. Revenue lost following a weather event is insured under business interruption cover; the retained exposure per event is the deductible of up to approximately $100,000. Rising premiums increase insurance expense ($2.2 million in FY2026, or 1.2% of operating expenses), affecting profit rather than revenue.
Transition risks	A lithium battery fire could damage any inventory held at the affected site. The Group's total net vehicle and parts inventory was $163.8 million, or 35% of total assets. Combustion engine inventory and related parts are exposed to the consumer shift toward electric vehicles. These assets relating to ICE components are $15.4 million, or 8.7% of gross inventory. No write-down is anticipated, as stock can be pivoted toward electric lines within a purchasing cycle.	Combustion engine product sales, service and repair revenue was $660.3 million, or 83.7% of total revenue. Customers are expected to move to electric models within the Group's network.
Opportunities	Electric vehicle inventory was valued at $1.3 million, or 0.8% of net inventory and 0.28% of total assets at year-end.	Electric vehicle revenue was $13.7 million, or 1.7% of total revenue, in the reporting year, and is expected to grow with manufacturer supply and consumer demand.

The climate risk assessment considered climate-related impacts at the level of the business and its segments. The Group has not modelled exposure at individual site or asset level, and its financial records do not attribute carrying amounts by peril or by site exposure category. Identifying the specific assets vulnerable to each risk on a per-asset basis would therefore require undue cost or effort, and the aggregate amounts in the table are the measures the Group uses to monitor its asset exposure.

Both asset damage and business interruption are insured. The practical retained exposure from a physical event is accordingly limited to the applicable deductible, being up to approximately $100,000 per event at the most exposed site and $10,000 at other sites, rather than the full value of the assets or revenue at risk.

5.2.2 Capital deployment
During the year ended 30 June 2026, MC Holdings did not deploy dedicated capital expenditure specifically attributed to climate-related risks and opportunities, and the Group is developing a more structured approach to identifying and tracking climate-related capital expenditure that it expects to report against in future periods.

5.2.3 Internal carbon pricing
MC Holdings does not currently apply an internal carbon price in its decision-making processes, and will keep this under review as its climate strategy develops.

5.2.4 Executive remuneration
MC Holdings does not currently link executive remuneration to climate-related performance metrics, and the percentage of executive management remuneration linked to climate-related considerations in the current reporting period is therefore nil.

5.3 Climate-related targets

5.3.1 GHG reduction targets

MC Holdings has not established any climate-related targets during the reporting period, including greenhouse gas emissions targets, and the Board will consider the development of climate-related targets and a decarbonisation plan as the Group's approach to managing climate-related risks and opportunities matures.

5.3.2 Carbon credits

MC Holdings did not purchase or use carbon credits during the reporting period and has not made any public carbon neutrality commitment.

Appendix

A.1 Reporting boundary (excluding GHG Inventory)

The climate-related disclosures in this report cover the operations of MC Holdings and its controlled entities for the financial year ended 30 June 2026, consistent with the entities included in MC Holdings' consolidated financial statements. The 50% interest in the motor vehicle finance joint venture is not consolidated and is excluded from the reporting boundary but may be considered in value chain assessments.

Reporting entities

Country	Entity
Australia	MotorCycle Holdings Limited (parent)
Australia	MotorCycle Holdings Operations Pty Ltd
Australia	Cassons Pty Ltd
Australia	Team Moto Pty Limited
Australia	Motor Cycle Accessories Supermarket Pty Ltd
Australia	Mojo Motorcycles Pty Ltd
Australia	Kymco (Aust) Pty Ltd
Australia	Other controlled Australian subsidiaries and trusts
New Zealand	Forbes and Davies (NZ) Limited
New Zealand	Mojo Motorcycles NZ Limited
Excluded from consolidation	MotorCycle Finance Pty Ltd (50% joint venture)

A.2 Climate-related risks and opportunities assessment: inputs and parameters

Inputs and parameters used in the climate-related risk and opportunity assessment:

Input category	Detail	Source
Scope of operations	The Group's retail and wholesale operations across Australia and New Zealand, and relevant value chain activities	Internal - group structure documentation
Climate scenarios	1.5°C pathway (NGFS Net Zero) and 3°C pathway (NGFS Current Policies)	NGFS; IEA; CSIRO
Physical hazard data	Temperature, drought (SPEI), heat, fire-season and precipitation projections at 2030, 2040 and 2050	Climate Impact Explorer; CSIRO and Bureau of Meteorology
Regulatory horizon	Australian climate reporting (ASRS), vehicle emissions standards (NVES), and combustion-engine sale restrictions	Regulatory horizon scan; Treasury; Climate Change Authority
Market and commercial data	Electric vehicle sales-share and adoption projections; carbon credit and insurance cost trends	IEA Global EV Outlook; CSIRO/AEMO; Climateworks
Financial reference data	Internal financial, insurance and claims data used to contextualise exposure	Internal - finance records; broker correspondence

Directors' declaration

The Directors of MotorCycle Holdings Limited declare that they have taken reasonable steps to ensure the substantive provisions of the sustainability report for the financial year ended 30 June 2026 are in accordance with the Corporations Act 2001, including:

- compliance with sustainability standards (Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures), and any further requirements contained in Section 296C of the Act; and
- compliance with the requirements of climate statement disclosures, contained in section 296D of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the board of directors on 26 August 2026, and is signed for and on behalf of the Board of Directors by:

On behalf of the Directors

Rick Dennis
Chair

26 August 2026

Independent Auditor's Review Report

To the shareholders of MotorCycle Holdings Limited

Report on specified Sustainability Disclosures of MotorCycle Holdings Limited presented in the Sustainability Report titled "Sustainability report" prepared in accordance with the Corporations Act 2001

Review Conclusion on specified Sustainability Disclosures as required under the Corporations Act 2001

We have conducted a review of the following specified Sustainability Disclosures presented in the Sustainability Report of *MotorCycle Holdings Limited* titled "Sustainability report" for the year ended 30 June 2026 in accordance with Australian Standards on Sustainability Assurance (ASSA) 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB).

specified Sustainability Disclosures	***Reporting requirement of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D) (the Criteria)***	***Locations in Sustainability Report***
Governance disclosures	*Paragraph 6*	*Section 2 "Governance" on pages 96 - 98*
Strategy (risk and opportunities) disclosures	*Subparagraphs 9(a), 10(a) and 10(b)*	*Section 3.1 "Climate risks and opportunities identification", subsection "Climate-related risks and opportunities", on pages 98 - 99*
Scope 1 greenhouse gas emissions of 1,739 tCO2-e	*Subparagraphs 29(a)(i)(1) to (2) and 29 (a)(ii) to (v)*	*Section 5.1 "Greenhouse Gas Emissions", Table on page 105, including the emissions calculation methodology described in the table on page 106 "Source, Approach, input and assumptions"*
Scope 2 greenhouse gas emissions (location-based) of 3,819 tCO2-e		*Section 5.1 "Greenhouse Gas Emissions", Table on page 105, including the emissions calculation methodology described in the table on page 107 "Source, Approach, input and assumptions"*

The requirements of AASB S2 identified in the table above form the Criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the specified Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the Corporations Act 2001.

Basis for Conclusion

Our review has been conducted in accordance with ASSA 5000 *General Requirements for Sustainability Assurance Engagements* issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant Criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the "Summary of the Work Performed" section of our report.

Our responsibilities under ASSA 5000 are further described in the "Auditor's Responsibilities" section of our report.

We comply with the independence and other ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited.

Our firm applies Auditing Standard ASQM1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, issued by the AUASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information

The Directors of MotorCycle Holdings Limited are responsible for the other information. The other information comprises the MotorCycle Holdings Limited's Sustainability Report, but does not include the specified Sustainability Disclosures and our review report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of conclusion thereon, with the exception of the Financial Report and Remuneration Report and our respective audit reports.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, 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 for the specified Sustainability Disclosures

The Directors of MotorCycle Holdings Limited are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining a system of internal control that it determines is necessary to enable the preparation of specified Sustainability Disclosures in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the specified Sustainability Disclosures may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

For climate risks and opportunities, there is inherent uncertainty as a result of using assumptions about future events and management's actions that may not occur.

Greenhouse gas quantification is subject to inherent uncertainty due to the nature of the information and the uncertainties inherent in: (i) the methods used for determining or estimating the appropriate amounts, (ii) information used to determine emission factors and (iii) the values needed to combine emissions of different gases.

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgment and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement to identify and assess the risks of material misstatement, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to the assessed risks of material misstatement at the disclosure level.

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.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Enquired with management to understand the governance structures and reporting process;
- Enquired with management to understand the process for developing the climate governance, strategy and metrics disclosures;
- Obtained an understanding of relevant processes, information flow and related systems for key data sets;
- Reviewed internal documentation including policies, risk management frameworks, and basis of preparation documents;
- Reviewed MotorCycle Holdings Limited's process undertaken to identify climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;
- Assessed the suitability and application of the Criteria in respect of the specified Sustainability Disclosures;
- For scope 1 and 2 greenhouse gas emissions, tested underlying data to source documentation on a sample basis;
- Reconciled the specified Sustainability Disclosures to underlying information.

KPMG

E. NevilleStanley

KPMG

Erin Neville-Stanley

Partner

Brisbane

26 August 2026

The following additional information is required by the Australian Securities Exchange in respect of listed public companies and is current as at 15 August 2026.

Issued capital

The Company has 73,862,998 ordinary fully paid shares on issue, held by 2,577 shareholders. Each ordinary share is entitled to vote when a poll is called, otherwise each member present at a meeting or proxy has one vote on a show of hands.

Issued equity capital

	Ordinary shares	Performance rights
Number of holders	2,577	14
Number on issue	73,862,998	822,519

Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

Performance rights or options do not entitle the holder to vote in respect of a performance right or option, until such time as the performance right or option vests and is subsequently converted to an ordinary share.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Performance rights	
	Number of holders	% of total shares issued	Number of holders	% of total rights issued
1 to 1,000	1,023	0.60	-	-
1,001 to 5,000	830	3.08	-	-
5,001 to 10,000	309	3.28	4	4.00
10,001 to 100,000	376	14.19	8	57.00
100,001 and over	39	78.85	2	39.00
	2,577	100.00	14	100.00

Unmarketable parcels

The number of shareholders holding less than a marketable parcel (being 184 shares based on a share price of $2.73 as at 15 August 2026) was 220.

On-market buy-back

There is no current on-market buy-back.

Restricted securities

There are no restricted securities.

Equity security holders

Twenty largest quoted equity security holders

	Number held	Ordinary shares % of total shares issued
CITICORP NOMINEES PTY LIMITED	8,532,489	11.55
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	8,004,040	10.84
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	6,925,299	9.38
GREENSLIDE PTY LTD	6,361,000	8.61
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6,163,016	8.34
JWBC MOJO MOTORCYCLES PTY LTD	5,769,500	7.81
FREDA CASSEN	3,181,819	4.31
R CASSEN PTY LTD <R CASSEN FAMILY A/C>	3,181,819	4.31
MRP MOJO MOTORCYCLES PTY LTD	2,619,500	3.55
MR BRUCE ROLAND COLLINS	839,610	1.14
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	778,262	1.05
HANCROFT PTY LTD <P D EVANS FAMILY A/C>	559,906	0.76
GARMARAL PTY LTD	494,931	0.67
R CASSEN PTY LTD <R CASSEN FAMILY A/C>	457,014	0.62
RESIDENTIAL VILLAGES (VIC) PTY LTD	370,000	0.50
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	304,884	0.41
IMAGINATION IS THE KEY TO CREATION PTY LTD <THE CARTER DISCRET A/C>	286,966	0.39
MR JAMES WILLIAM TONKIN + MRS SHARON KATHLEEN TONKIN <TONKIN FAMILY S/F A/C>	268,214	0.36
MRS TANYA MAREE SHIPARD	218,750	0.30
W A ANDREWS MEDICAL PTY LTD	216,894	0.29
	55,533,913	75.19

Unquoted equity securities

There are 822,519 performance rights held by 14 holders.

Substantial holders

Substantial holders in the Company are set out below:

	Number held	Ordinary shares % of total shares issued
Hamish Douglass and Associates[1]	7,715,970	10.45
David Ahmet[2]	6,561,530	8.88
Joshua Carter[3]	5,769,500	7.81
Pinnacle Investment Management Group Limited[4]	3,957,154	5.36
Spheria Asset Management Pty Ltd[5]	3,902,508	5.28

(1) As per ASX Announcement 17 March 2025.

(2) As per ASX Announcement 3 September 2025.

(3) As per ASX Announcement 28 October 2025.

(4) As per ASX Announcement 17 March 2026.

(5) As per ASX Announcement 2 April 2026.


MotorCycle
Holdings