Carma Limited (ASX: CMA)
ABN 20 648 091 418

# Appendix 4E

Financial year ended 30 June 2026

The following information sets out the requirements of the Appendix 4E of Carma Limited and its controlled entities ('the Group').

This Appendix 4E covers the reporting period from 1 July 2025 to 30 June 2026. The previous corresponding period ('pcp') is 1 July 2024 to 30 June 2025.

## Results for announcement to the market

| | 30 June 2026 $'000 | Up/(Down) $'000 | Movement % |
|---|---|---|---|
| Revenue from ordinary activities | 113,835 | 42,422 | 59% |
| Reported net loss from ordinary activities after income tax expense attributable to shareholders | (49,593) | (13,738) | (38%) |
| Net loss for the period attributable to shareholders | (49,593) | (13,738) | (38%) |

Revenue for the Group was $113,835,000 (2025: $71,413,000), an increase of 59% over the pcp. The net loss attributable to shareholders of the Group amounted to $49,593,000 (2025: $35,855,000). The loss included non-recurring costs of $13,277,000. These non-recurring costs comprised costs associated with convertible notes which were extinguished during the current financial year amounting to $10,044,000 (2025: $3,964,000), and costs associated with the Initial Public Offering ('IPO') of the Group amounting to $3,233,000 (2025: $Nil).

Further commentary on the financial results can be found in the Group's Financial Report lodged with the ASX on 31 August 2026.

## Dividend information

There were no dividends paid, recommended or declared for the year ended 30 June 2026 (2025: $Nil).

## Net tangible assets

The net tangible assets per ordinary share is calculated based on 137,417,255 ordinary shares on issue as at 30 June 2026 and 44,000,002 on issue as at 30 June 2025 and is set out below.

| | 2026 Cents | 2025 Cents |
|---|---|---|
| Net tangible assets per ordinary share[a] | 35.75 | (30.58) |

a. The net tangible assets ('NTA') per ordinary share as at 30 June 2026 is calculated as net assets adjusted for intangible assets including, right-of-use assets and lease liabilities.

## Other information

The Group did not gain or lose control of any entities during the period and did not maintain any joint venture interests.

Additional Appendix 4E disclosure requirements (including explanation of the figures reported above) can be found in the Financial Report for the year ended 30 June 2026 which contains the Directors' report and the 30 June 2026 financial statements and accompanying notes. This report is based on the consolidated financial statements which have been audited by Deloitte Touche Tohmatsu, with an unqualified audit report issued.

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# Financial Report
## 2026

Carma Limited (ASX: CMA)
ABN 20 648 091 418

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# Directors' report

For the year ended 30 June 2026

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as 'the Group') consisting of Carma Limited (referred to hereafter as 'Carma Limited', 'the Company') and the entities it controlled at the end of, or during, the financial year ended 30 June 2026 ('the financial year' or 'FY26').

During the financial year, the Group changed its name from ClickCar Holdings Pty Ltd to Carma Limited. The comparative information in this report reflects the operations of the Group under its previous name.

## Directors

The following persons were Directors of Carma Limited during the entire financial year and up to the date of this report, unless otherwise stated:

| Names | Position |
|---|---|
| **Owen Wilson** | Independent Non-Executive Chairman |
| **Melinda Snowden (resigned 28 April 2026)** | Independent Non-Executive Director |
| **Nicole Sparshott** | Independent Non-Executive Director |
| **Lachlan MacGregor** | Co-Founder and Chief Executive Officer |
| **Yosuke Hall** | Co-Founder and Chief Commercial Officer |
| **Jason Lenga (resigned 16 September 2025)** | Non-Executive Director |
| **Adam Valkin (resigned 16 September 2025)** | Non-Executive Director |

Following the transition of the Company to a public company, the Group appointed Owen Wilson, Melinda Snowden and Nicole Sparshott as Independent Non-Executive Directors. Owen Wilson has been appointed as the Independent Non-Executive Chair. Melinda Snowden resigned as a Non-Executive Director and Chair of the Audit and Risk Committee with effect from 28 April 2026. Following her resignation, Owen Wilson assumed the role of Interim Chair of the Audit and Risk Committee.

## Principal activities

Carma Limited (ASX: CMA) operates a vertically integrated digital platform for the purchase, reconditioning and sale of pre-owned vehicles in Australia.

The Group sources vehicles through multiple channels, including its network of 'Sell-to Carma' consumer centres, supported by a proprietary buying platform with AI-assisted valuation. Vehicles are inspected and reconditioned at the Group's in-house inspection and reconditioning centre in St Peters, Sydney, which applies lean manufacturing processes to deliver consistent vehicle quality. Each vehicle undergoes an NRMA-verified reconditioning process, and Carma is the NRMA's exclusive Preferred Used Car Dealership.

Vehicles are sold to consumers through Carma's online marketplace at carma.com.au, which offers fixed pricing, integrated finance, extended coverage products, and a 7-day return policy. The Group also operates a wholesale channel for the sale of vehicles to dealers.

There were no significant changes in these activities during the financial year.

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## Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

## Directors' information

The Directors of the Group are listed below together with details of position and experience.

| Name: | Owen Wilson |
|---|---|
| Title: | Independent Non-Executive Chairman |
| Experience and expertise: | With more than 30 years' experience working across the information technology, recruitment and banking industries, Owen is a strategic leader who is passionate about building high performing teams and creating personalised consumer experiences. Owen was previously CEO of REA Group from 2019 until his retirement from this position on 31 October 2025. He oversaw significant growth during his time leading REA, building a culture that is renowned in Australia. Prior to being the CEO of REA Group, he was the Chief Financial Officer for four years and looked after all aspects of REA Group's finance portfolio including strategy, M&A and operations, as well as REA Group's Financial Services businesses. Previously, Owen was Chief Financial Officer and Company Secretary of Chandler MacLeod Group. He has previously held positions with ANZ and KPMG across Australia, Asia and the UK. During his 15 years at ANZ, his roles included Chief Operating Officer of ANZ's Institutional and Investment Bank and Managing Director Retail Banking and International Partnerships Asia. Owen has significant board experience and is currently Chairman of Trade Me New Zealand, a director of Property Finder in Dubai and the Hawthorn Football Club, and is a former director of REA Group. Owen holds a Bachelor of Commerce in Accounting and Computer Science from Deakin University and is a Fellow of the Australian Institute of Company Directors and a member of the Institute of Chartered Accountants in Australia and New Zealand. |
| Appointed: | 16 September 2025. |
| Special responsibilities: | Member of the Audit and Risk Committee (Interim Chair of the Audit and Risk Committee) |
| **Name:** | **Nicole Sparshott** |
| Title: | Independent Non-Executive Director |
| Experience and expertise: | Nicole is a seasoned CEO and change agent with 30 years of consumer goods and retail experience across some of the world's leading blue-chip organisations, including Unilever, The Coca-Cola Company and Procter & Gamble, spanning Asia Pacific, UK & Europe and USA. Nicole's former executive roles include Global Chief of Transformation for Unilever, CEO of Unilever Australia & New Zealand and Global CEO of T2 Tea alongside several Asia Pacific leadership roles. Nicole brings rounded commercial and consumer-focused experience in building brands, creating demand, driving value-creating transformation at scale and building high-performance teams. Nicole is founder and principal of an independent advisory practice, working with founders, CEOs & Boards on strategy, growth, transformation and leadership at scale. She is a non-executive director at Australian Agricultural Company Limited (ASX:AAC) and Metcash Limited (ASX: MTS) and chairs the Vice-Chancellor's Industry Advisory Board at the University of Technology Sydney.<br><br>Nicole holds a Bachelor of Business and a Master of International Business from the University of Technology Sydney, as well as an Executive Master in Change from INSEAD Business School. She is a graduate of the Australian Institute of Company Directors. |
| Appointed: | 16 September 2025 |
| Special responsibilities: | Member of the Audit and Risk Committee |

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| Name: | Lachlan MacGregor |
|---|---|
| Title: | Co-Founder and Chief Executive Officer |
| Experience and expertise: | Lachlan's career spans building, advising and investing in technology and consumer companies. Prior to co-founding Carma, Lachlan co-founded Alphinity Global at Alphinity Investment Management, where he served as a Global Portfolio Manager from 2015 to 2021. He was previously a senior investor at Platinum Asset Management (2010–2015), a Director in Private Equity at Oceania Capital Partners (2006–2010), and a Director in Investment Banking at UBS (1999–2006), advising private equity clients. Lachlan also founded and operated consumer venture Hello Brands (2014–2019) and began his career with Colgate-Palmolive in the marketing team while at university. Lachlan assisted with the management buyout of Hudson and served as a Non-Executive Director from 2018 to 2024. Lachlan holds a Bachelor of Commerce (Finance, Economics and Marketing) from the University of Sydney. |
| Appointed: | 06 April 2021 |
| Special responsibilities: | Chief Executive Officer |
| **Name:** | **Yosuke Hall** |
| Title: | Co-Founder and Chief Commercial Officer |
| Experience and expertise: | A seasoned entrepreneur and business leader with a strong background in e-commerce and finance, Yosuke co-founded Carma in 2021 and serves as its Chief Commercial Officer. Prior to Carma, Yosuke spent nearly a decade at Zanui, at the time one of Australia's leading online furniture and homewares retailers backed by Rocket Internet. After joining in 2011, he served as CEO for seven years from 2013 to 2020, where he was instrumental in scaling the business, building a world-class customer experience, and developing new product lines. Yosuke began his career as an Analyst at Goldman Sachs JBWere. |
| Appointed: | 19 February 2021 |
| Special responsibilities: | Chief Commercial Officer |

## Directors' shareholdings in the Company

The relevant interests of each Director in shares of the Company or a related body corporate as at the date of this report are as disclosed in the Remuneration Report.

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## Company secretary

Lisa Jones is Company Secretary of the Group. Lisa is a corporate lawyer and corporate governance professional with more than 20 years' experience in commercial law and corporate affairs, working with both publicly listed and private companies in Australia and in Europe after starting her career in the corporate practice of Allens.

## Meetings of Directors

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

| | Full Board | | Audit and Risk Committee[1] | |
|---|---|---|---|---|
| **Director** | **A** | **B** | **A** | **B** |
| Owen Wilson | 7 | 7 | 5 | 5 |
| Melinda Snowden (resigned 28 April 2026) | 6 | 6 | 4 | 4 |
| Nicole Sparshott | 7 | 7 | 5 | 5 |
| Lachlan MacGregor | 7 | 7 | - | 5* |
| Yosuke Hall | 7 | 7 | - | 5* |

Column A: number of meetings held while a member.
Column B: number of meetings attended.

1. Where a Director has attended a meeting of a Committee of which they were not a member, this is indicated by *.

## 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

To the extent permitted by law, the Company has agreed to indemnify its auditor, Deloitte, as part of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount), other than a loss arising from Deloitte's negligent, wrongful or wilful acts or omissions. No payment has been made to indemnify Deloitte during the financial year and up to the date of this report.

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## Key business risks

| Risks | Description |
|---|---|
| **Vehicle sourcing and inventory access** | The Group sources vehicles for resale through multiple channels, principally the Sell-to Carma channel and wholesale distributors. The available supply of suitable, desirable vehicles may be insufficient to meet demand – whether due to reduced consumer willingness to sell through the Sell-to Carma channel, increased competition from dealerships and online classifieds for consumer-sourced vehicles, or disruption to wholesale supply. A reduction in inventory availability could force the Group to pay higher acquisition prices, compress margins, reduce product selection, and impair the Group's growth targets. |
| **Business Disruption** | The Group currently relies on a single inspection and reconditioning centre (IRC) in St Peters, Sydney, for its retail vehicle preparation. This concentration creates a significant point of failure where an inability to access or utilise the facility - due to lease default, equipment failure, or workforce disruption - would materially impact operations. Beyond this specific site dependency, the Group's broader business operations are also susceptible to wider disruptions that could impair its overall ability to operate, recondition vehicles, and generate revenue. In the event of such disruptions, the Group may incur monetary and financial loss. |
| **Extreme Weather Event** | The Group's operations, particularly the inspection and reconditioning centre (IRC) in St Peters, Sydney, are susceptible to extreme weather events such as floods, fires, or hail. Such events could impact multiple sites, damage physical assets requiring significant repairs, disrupt utility services, or restrict site access, materially impacting the Group's ability to recondition vehicles and fulfill customer orders. The outcome of these extreme weather events could lead to potential financial loss. |
| **Workplace health and safety** | Employees at the IRC and involved in vehicle collection and movement are exposed to the risk of workplace injury. The Group's health and safety obligations also extend to psychosocial hazards, including workload and employee wellbeing, which the Group monitors as it scales its workforce. An injury or breach of health and safety obligations could result in liability for compensation, regulatory penalties, or damages, and could harm the Group's reputation and financial performance. |
| **Cybersecurity and IT systems reliability** | The Group's operations are highly dependent on digital systems and hold significant customer data. Unauthorised access, a cyberattack, or a data breach could compromise customer data, disrupt operations, and result in regulatory penalties, financial loss, and reputational harm. Separately, the Group's platforms and systems, including its customer-facing website and internal operational tools, may experience unplanned downtime or degraded performance, which could disrupt the customer experience and internal operations. |
| **Key Person Dependency** | The Group's continued growth and execution of its strategy depends on the contribution of its founders, senior management team and certain individuals with specialised skills. The departure of a key individual, or a delay in appointing a suitable replacement, could adversely affect the Group's ability to execute its growth strategy and its financial performance. |
| **Bailment Finance Facility renewal** | The Group relies on its $30.0 million Bailment Finance Facility, to fund vehicle inventory. The facility's terms, including its cost, are a material component of the Group's profitability. The facility is subject to annual renewal, and the financier may discontinue, vary, or suspend it on notice. Non-renewal or adverse variation of the facility could impair the Group's working capital and inventory funding, and reliance on a single financier increases this exposure. |
| **Regulatory environment** | The Group is subject to a range of laws and regulations, including state-based motor vehicle dealer regulations, the Australian Consumer Law, and consumer credit and financial services laws as its finance and extended coverage product offerings grow. Changes in the regulatory environment, or unfavourable regulatory interpretation of existing requirements, could increase compliance costs, restrict the Group's operations, or expose the Group to adverse action. |

## Financial and operating review

Key operating and financial metrics for the year ended 30 June 2026 include:

- Total vehicles purchased in FY26 was 6,235, up127% on pcp. Total vehicles sourced through the Sell-to Carma (incl. trade-ins) channel was 5,577 in FY26, up 255% on the pcp and accounting for 89% of total purchases.
- Retail units reconditioned was 3,743, up 99% on pcp. Average retail units reconditioned per shift was 15.1, up 101% on the pcp.
- Revenue increased by 59% over the pcp to $113.8 million. Revenue is driven by the retail and wholesale units delivered and reflects the impacts of the change in average selling prices.
- Retail units delivered for FY26 was 3,156, up 50% on pcp with Online Inventory Days finishing FY26 at an average of 36 days, an improvement of 4 days on pcp.
- Wholesale units delivered was 2,260, up 180% on pcp. This increase reflects the continued scaling of the Group's vehicle sourcing operations and the broader mix of vehicles sourced through the Sell-to Carma channel.
- Retail average selling price of $28,900 was 6% lower than pcp. Sell-to Carma has driven a higher proportion of older vehicles through the business, which carry lower purchase and lower selling prices than the forecast mix. Pleasingly, increased throughput and efficiency in reconditioning allow Carma to add greater value to these older vehicles, supporting gross profit at these lower prices.
- Gross profit was $10.5m, 102% up on pcp and gross profit per retail unit ('GPU') rose to $3,300, up 35% on pcp.
- Pro Forma EBITDA (defined below) was $(30.2) million representing a (26.5%) Pro Forma EBITDA margin.
- Pro Forma loss after tax (defined below) margin was (32.3%), an improvement of 1,652bps on pcp.
- The value of the Group's vehicle inventory increased by $17.8 million over FY26 increasing to $32.1 million at 30 June 2026.
- At 30 June 2026 the Group held $16.0 million in cash and funds on deposit, with a further $25.3 million of unused finance facilities available, representing $41.3 million in available funding.

Please refer to the Group's FY26 results presentation for further commentary on the Group's financial and operational results.

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### Key operating and financial metrics[1]

| Metric | 2026 | 2025 | Variance |
|---|---|---|---|
| **Operating metrics** | | | |
| Retail units (#) | 3,156 | 2,101 | +50% |
| Wholesale units (#) | 2,260 | 807 | +180% |
| **Total units (#)** | **5,416** | **2,908** | **+86%** |
| Average retail vehicles reconditioned per shift | 15.1 | 7.5 | +101% |
| Average Online Inventory | 313 | 228 | +37% |
| Online Inventory (as at 30 June) | 625 | 166 | +277% |
| Online Inventory Days | 36 | 40 | -4 days |
| **Financial metrics** | | | |
| Revenue ($m) | 113.8 | 71.4 | +59% |
| Gross profit ($m) | 10.5 | 5.2 | +102% |
| Statutory EBITDA ($m) | (33.0) | (25.4) | -30% |
| Pro Forma EBITDA ($m) | (30.2) | (27.8) | -8% |
| Statutory loss after tax ($m) | (49.6) | (35.9) | -38% |
| Pro Forma loss after tax ($m) | (36.7) | (34.9) | -5% |
| Gross profit margin | 9.2% | 7.3% | +196bps |
| Statutory EBITDA margin | (29.0%) | (35.6%) | +663bps |
| Pro Forma EBITDA margin | (26.5%) | (38.9%) | +1,248bps |
| Statutory loss after tax margin | (43.6%) | (50.2%) | +664bps |
| Pro Forma loss after tax margin | (32.3%) | (48.9%) | +1,652bps |
| Retail average selling price ($'000) | 28.9 | 30.7 | -6% |
| **Financial metrics (per retail unit)** | | | |
| Gross profit per retail unit (pre write-down) ($'000) | 3.5 | 2.7 | +29% |
| Gross profit per retail unit ($'000) | 3.3 | 2.5 | +35% |

1 Numbers may not add due to rounding. Operating metrics are management measures.

## Strategic priority review

The Group's strategy in FY26 was centred on five pillars; scaling the Sell-to Carma consumer sourcing network, expanding reconditioning throughput, and improving unit economics through operating leverage and disciplined inventory management.

The Group made good progress against these priorities during the financial year:

- Purchases through Sell-to Carma (including trade-ins) increased by 255% on pcp to 5,577 vehicles (2025: 1,571). The network expanded to nine centres as at 30 June 2026, improving access to consumer-sourced inventory and supporting growth in both retail and wholesale volumes.
- Building brand awareness remained a key focus during FY26, supported by continued investment in marketing and Carma's expanding physical presence through the Sell-to Carma network.
- The expansion and upgrade of the St Peters inspection and reconditioning centre was completed in August 2025, increasing single-shift capacity to 30 vehicles per day.
- Average online inventory increased by 37% on pcp to 313 vehicles (2025: 228 vehicles), while ending online inventory increased to 625 vehicles (2025: 166). Online inventory days averaged 36 (2025: 40).
- Market conditions softened late in the financial year, which slowed the rate at which higher available inventory converted into retail deliveries.

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- Gross profit per retail unit increased by 35% on pcp to $3,300 and gross profit margin improved to 9.2%. Underlying operating expenses reduced to 35% of revenue (2025: 43%), demonstrating operating leverage as the Group scaled.
- The IPO raised $70.0 million from the issue of new shares and resulted in the conversion of the convertible notes to equity. Net assets increased to $52.2 million at 30 June 2026 (2025: net liabilities of $10.3 million), strengthening the Group's capacity to fund inventory and execute its growth strategy.

The Group remains focused on increasing the productivity of the Sell-to Carma network, sustaining reconditioning improvements, improving inventory turnover and gross profit per retail unit, and growing revenue and gross profit faster than the operating cost base. Supporting these priorities, the Group continues to mature its governance and risk management arrangements following the IPO, including Board and committee oversight and financial reporting processes. The Group also continues to assess climate-related risks relevant to its operations, including the potential impact of severe weather on vehicle inventory, transport and reconditioning activities, while progressing its readiness for future climate-related reporting requirements.

### Reconciliation of reported results and non-IFRS measures

Non-IFRS (International Financial Reporting Standards) measures, such as EBITDA, underlying EBITDA and Pro Forma EBITDA have been included as the Directors believe they provide useful information to assist the reader's understanding of the Group's financial performance.

Carma Limited considers that certain costs incurred during FY26 are not representative of the underlying and future financial performance of the Group, and as a result the statutory financial statements reduce the comparability of financial performance across reporting periods.

To improve comparability of Carma Limited's financial performance for FY26 with FY25 and with future periods, the results of the Group have been reconciled on a Pro Forma basis reflecting the underlying EBITDA and loss after tax by removing one-off costs associated with the successful IPO and impacts of the convertible notes. Underlying EBITDA and loss after tax have further been adjusted by adding listed company costs to both FY26 and FY25, so that in each period the listed company results reflect the Group's cost base as if it was listed for the full period.

## EBITDA reconciliation

| | 2026 $m | 2025 $m |
|---|---|---|
| Statutory loss after tax | (49.6) | (35.9) |
| Depreciation and amortisation | 6.5 | 6.7 |
| Finance costs | 11.1 | 4.1 |
| Finance income | (1.0) | (0.3) |
| **Statutory EBITDA** | **(33.0)** | **(25.4)** |
| Convertible notes[1] | – | 0.6 |
| IPO transaction costs[2] | 3.2 | – |
| **Underlying EBITDA** | **(29.8)** | **(24.8)** |
| Public company costs[3] | (0.4) | (3.0) |
| **Pro Forma EBITDA** | **(30.2)** | **(27.8)** |

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## Loss after income tax expense reconciliation

| | 2026 $m | 2025 $m |
|---|---|---|
| Statutory loss after income tax expense | (49.6) | (35.9) |
| Convertible notes[1] | 10.0 | 4.0 |
| IPO transaction costs[2] | 3.2 | – |
| Underlying loss after income tax expense | (36.4) | (31.9) |
| Public company costs[3] | (0.4) | (3.0) |
| Pro Forma loss after income tax expense | (36.7) | (34.9) |

Numbers presented may not add due to rounding.

The pro forma balances presented are unaudited non-IFRS measures that, in the opinion of the Directors, are useful in understanding and appraising the Group's performance against the forecasts made in the Group's prospectus.

Pro Forma EBITDA and Pro Forma loss after tax have been calculated by removing:

1 The impact of convertible notes which were converted into ordinary shares as a consequence of the IPO. This includes the elimination of the fair value adjustments recognised through profit and loss and associated transaction costs.
2 Costs associated with the IPO.
3 Incremental listed public company costs relate to estimated costs expected to be incurred by the Group as a listed public company. The pro forma adjustment includes $3.0 million of estimated listed company costs that would otherwise have been incurred for the year ended 30 June 2025 had the Group been listed for the full period. These costs were not actually incurred during the year ended 30 June 2025. For consistency and to provide comparability with the current period, these costs have been deducted from the statutory results on a pro forma basis. The amount presented is consistent with the Prospectus dated 16 October 2025.

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# Remuneration report

## Chair's Letter

Dear Shareholder,

On behalf of the Board, I am pleased to present our Remuneration Report for the financial year ended 30 June 2026.

### Company performance highlights

Carma achieved the significant milestone of successfully listing on the ASX in November 2025. This reflects the years of work building the business, and provides the foundation for Carma's next phase of growth.

Carma is transforming the way Australians buy and sell pre-owned vehicles. Carma has an integrated model spanning vehicle sourcing, inspection and reconditioning, digital retail, wholesale auctions, financing and delivery. By controlling the customer journey and the key stages of the vehicle lifecycle, Carma provides buyers and sellers with a simpler, safer and more transparent experience. This positions Carma to continue driving top-line growth and improving margin quality as it grows.

The business is led by highly experienced Co-Founders Lachlan MacGregor, CEO, and Yosuke Hall, CCO, supported by a strong leadership team. The Board is confident that Carma has a unique and compelling value proposition, and the leadership required to deliver its strategy and create long-term value for shareholders.

FY26 was an excellent year for Carma delivering significant growth across a number of areas. Alongside the significant milestone of listing on the ASX, Carma continued to execute its strategy and deliver operational progress throughout the year. This is a testament to the focus and dedication of our leadership team and employees. Key highlights included:

- **Scaling Sell-to Carma** – Expanded Sell-to Carma to nine locations, including four new sites opened in H1 FY26. It is now Carma's primary vehicle-sourcing channel and has supported more attractive acquisition economics.
- **Expanding reconditioning capacity** – Completed the Stage 1 upgrade of the St Peters facility. This materially increased throughput and improved operating efficiency, while creating a pathway for future volume growth.
- **Enhancing the customer experience** – Launched a real-time web offer and expanded vehicle coverage. Carma also improved pricing accuracy through machine learning and automation, while streamlining inspection and customer communication processes. These initiatives supported an NPS above 70.
- **Elevating the Carma brand** – Increased brand awareness to 54%. Continued investment in Carma's value propositions has strengthened its market position and is supporting future growth across both retail and vehicle sourcing.
- **Team capability, safety and engagement** – Invested in building employee capability through the introduction of apprenticeships across our operations teams. Carma also maintained a strong focus on safety, with the delivery of a workplace wellbeing survey and continued investment in our WHS systems and structure.

Both top-line growth and the quality of the margins generated are critical. As the business scales, the Board is focused on increasing revenue and volumes while also improving margins and unit economics. This balance is critical to ensuring Carma's growth is sustainable and supported by disciplined investment and capital management.

In FY26, Carma continued to deliver year-on-year growth across key financial measures. The Company generated total revenue of $113.8 million, supported by 3,156 retail unit deliveries and 2,260 wholesale units delivered. Compared with FY25, total revenue increased by approximately 59%, while retail unit deliveries and wholesale volumes increased by 50% and 180%, respectively. Carma generated gross profit of $10.5 million, with gross profit per retail unit of $3,300.

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The Board acknowledges that performance against some of the Prospectus forecast measures was below expectations. This primarily reflects the challenging used car market conditions flowing from the impacts of the conflict in Iran which increased Online Inventory Days and reduced margins on longer-held vehicles.

Carma remained loss-making and EBITDA negative in FY26, consistent with the Prospectus forecast. This reflects the current build-and-scale phase and continued investment in technology, brand and operating capacity. Pleasingly, average retail vehicles reconditioned per shift reached 15.1 for FY26, 4.1% ahead of the Prospectus forecast and 101% up on FY25. The Q4 exit run-rate of 21.7 vehicles per shift was approximately 10% ahead of forecast, providing positive momentum heading into FY27.

Since listing in November 2025, our share price has traded below the IPO offer price of $2.70, and we acknowledge the impact this has had on our shareholders. Whilst we see improvements in the share price, the Board remains firmly focused on the fundamentals that support sustainable shareholder value creation. This includes disciplined revenue growth, continued operational efficiencies to expand margins and a clear pathway to breakeven and, beyond that, sustainable profitability.

**Executive remuneration framework**

Carma's executive remuneration framework is designed to attract, retain and motivate high-calibre executives, align their interests with those of shareholders and reward high performance. The framework is deliberately equity-focused, with all incentives delivered in equity and long-term rewards incentivising increased shareholder returns. This shareholder alignment is further supported by the material shareholdings of our Co-Founders, CEO and CCO, who each hold approximately 16% of Carma's issued share capital.

As disclosed in our Prospectus, the elements of our remuneration framework include, Fixed Remuneration, Short term incentive ('STI') and Long term incentive ('LTI'). The STI is delivered in restricted rights and rewards annual financial (70%), operational (20%) and strategic (10%) performance measures, with a Leadership Modifier of 0-120% applied. The LTI is delivered in Performance Share Appreciation Rights ('PSARs') and rewards Total Shareholder Return ('TSR') performance that exceeds the return of the S&P/ASX 300 Total Return Index, with a 5-year overall LTI lifecycle.

**FY26 remuneration outcomes – performance and pay alignment**

Based on the Board's assessment of performance, an FY26 STI outcome of 61% of max was approved for the CEO and CCO. No LTI outcomes were eligible to be determined in FY26. The first LTI grant will be tested following the completion of the financial year ended 30 June 2028.

**Remuneration framework review**

The Board engaged an independent remuneration consultant to review our remuneration approach to ensure it remains aligned with Carma's remuneration principles, market benchmarks and governance expectations. As a result of the review, the Board determined no changes to the remuneration framework were required for FY27.

The Board welcomes shareholder feedback on our Remuneration Report, as we look to create a remuneration approach that helps to deliver our strategy.

Yours sincerely



**Owen Wilson**
*Chairman*

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# Remuneration report (audited)

## 1 Introduction

This remuneration report sets out the remuneration arrangements for Key Management Personnel ('KMP') of the Company and its controlled entities ('the Group') for the financial year. This is Carma's first statutory remuneration report, following the Company's listing on the Australian Securities Exchange ('ASX') in November 2025 (ASX code: CMA).

## 2 Key Management Personnel

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of Carma, directly or indirectly, including all directors, being each of the Non-Executive and Executive Directors during FY26.

Refer to the table below for all the individuals comprising the Group's KMP for FY26.

### 2.1 Non-Executive Directors

| Name | Role | Appointed / (Resigned) |
|---|---|---|
| **Non-Executive Directors** | | |
| **Owen Wilson** | Independent Non-Executive Chairman<br>**Chair – Audit & Risk Committee (interim)**[1] | 16 September 2025 |
| **Nicole Sparshott** | Independent Non-Executive Director<br>**Member – Audit & Risk Committee** | 16 September 2025 |
| **Former Non-Executive Directors** | | |
| **Melinda Snowden** | Independent Non-Executive Director<br>**Chair – Audit & Risk Committee** | 16 September 2025<br>– (28 April 2026) |
| **Jason Lenga**[2] | Non-Executive Director | (16 September 2025) |
| **Adam Valkin**[2] | Non-Executive Director | (16 September 2025) |
| **Executive Directors** | | |
| **Lachlan MacGregor** | Co-Founder and Chief Executive Officer ('CEO') | 6 April 2021 |
| **Yosuke Hall** | Co-Founder and Chief Commercial Officer ('CCO') | 19 February 2021 |

1 Owen Wilson assumed the role of interim Chair of the Audit and Risk Committee effective 28 April 2026.
2 Jason Lenga and Adam Valkin resigned as Non-Executive Directors on 16 September 2025, prior to the Group's ASX listing in November 2025. No remuneration was paid to either director during FY26 in their capacity as directors.

During FY26, the composition of the Board changed as Carma transitioned to an ASX-listed public company. Jason Lenga and Adam Valkin resigned as Non-Executive Directors on 16 September 2025, prior to the Group's ASX listing in November 2025.

Melinda Snowden resigned as an Independent Non-Executive Director and Chair of the Audit and Risk Committee, effective 28 April 2026. Following Melinda Snowden's resignation, Owen Wilson assumed the role of interim Chair of the Audit and Risk Committee while the Company commenced a search for an additional independent director.

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# 3 Remuneration Governance

## 3.1 Board Responsibility

The full Board is responsible for the oversight of all remuneration and nomination matters, as stated in the Nomination and Remuneration Committee Charter. The Board has considered establishing a separate remuneration committee but does not believe this is necessary at this stage, having regard to Carma's remuneration framework, current size and Board composition, and the ability of the full Board to provide effective oversight.

The Board is responsible for reviewing and approving Carma's remuneration framework and policies, determining remuneration arrangements and outcomes for Executive Directors and senior executives, overseeing the design and operation incentive plans, and determining Non-Executive Director remuneration arrangements. The Board seeks to ensure remuneration appropriately reflects the Company and individual performance, risk management and long-term shareholder value. Further information on the Board's role and responsibilities is contained in the Board Charter and Nomination and Remuneration Committee Charter, available on Carma's website: https://carma.com.au/investors/policies-and-governance.

## 3.2 Remuneration Consultants

To assist in discharging its responsibilities, the Board may seek independent advice from external advisers on remuneration-related matters. No remuneration recommendations, as defined in the Corporations Act 2001, were made during FY26.

# 4 Executive Remuneration Approach

## 4.1 Overview of executive remuneration

The executive remuneration framework was established at the time of the IPO in November 2025.

These are the principles that guide the design of executive remuneration at Carma.

| Carma's remuneration principles | | | |
|---|---|---|---|
| Attract, motivate and retain high-calibre talent | Reward exceptional performance | Align with the shareholder experience | Simple and transparent practices |

**Remuneration framework – Executive Directors (CEO and CCO)**

Below is an overview of Carma's remuneration framework, including elements and delivery.

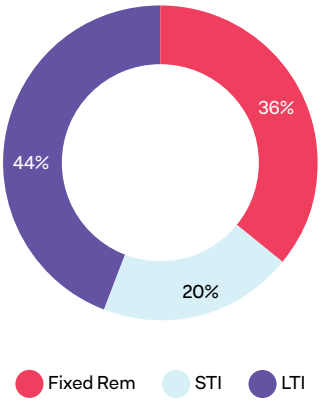
| Element | Description | Link to strategy and performance |
|---|---|---|
| **Fixed remuneration** | Base salary and statutory superannuation, reviewed annually. | Market competitive remuneration reflecting responsibilities. |
| **STI** | Motivates and rewards executives for delivering Carma's annual financial, operational and strategic priorities. | Outcomes are based on a Group STI scorecard of financial (70%) and non-financial (30%) measures, with FY26 awards delivered in restricted rights. Leadership Modifier (0 – 120%) is applied to the Group STI scorecard outcome. |
| **LTI** | Focuses executives on delivering sustained and exceptional shareholder returns over the long term. | Delivered through PSARs, with vesting linked to Carma's TSR relative to the S&P/ASX 300 Total Return Index and rewarding index-plus outperformance. 5-year overall lifecycle to create exposure to share price over an extended period of time. |

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### Pay mix

Pay mix refers to the amount of each remuneration element as a proportion of the total remuneration opportunity. Carma's pay mix at maximum total remuneration opportunity is outlined below. This reflects the potential STI amount where maximum performance is achieved and the LTI grant value. The pay mix is deliberately weighted towards LTI to engender a long-term shareholder mindset when executives make decisions.




### Delivery timeline

Below is the timeline for the delivery of remuneration elements. This is intended to represent the typical annual approach, noting that the first LTI performance period runs from listing to 30 June 2028. The 5-year overall LTI lifecycle creates strong alignment with the long-term shareholder experience.

| | | | | | |
|---|---|---|---|---|---|
| Fixed Remuneration | Salary + Super | | | | |
| STI | 1-year performance period | 0%–100% rights awarded – 180 day restriction period | | | |
| LTI | 3-year performance period (first performance period commences from listing to 30 June 2028) | | | 0%–100% PSARs vest 2-year exercise period | |
| Year | 1 | 2 | 3 | 4 | 5 |

The Board has the ability to apply discretion to the STI and LTI, including adjusting down to zero.

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# 5 Group Performance and Link to Remuneration

## 5.1 Five-Year Performance Summary

In accordance with section 300A of the Corporations Act, the following table sets out key measures of the Group financial performance and shareholder wealth for FY26 and the preceding four financial years. Carma Limited listed on the ASX in November 2025. Prior year figures reflect the Group's performance as a private company. Share price and market capitalisation data is not available for periods prior to listing.

| Metric | FY26 | FY25 | FY24 | FY23 | FY22 |
|---|---|---|---|---|---|
| Revenue ($'000) | 113,835 | 71,413 | 68,928 | 47,990 | 10,441 |
| Net loss after tax ($'000) | (49,593) | (35,855) | (33,408) | (26,425) | (10,407) |
| Loss per share ('EPS') (cents) | (47.4) | (40.3) | N/A[1] | N/A[1] | N/A[1] |
| Dividends per share | Nil | Nil | Nil | Nil | Nil |
| Share price – 30 June ($/share) | 0.87 | Not listed | Not listed | Not listed | Not listed |

1 EPS was not separately calculated for FY24, FY23 and FY22. EPS was not required to be, and was not, presented in the financial statements for those periods.

## 5.2 FY26 STI outcomes – Executive Directors (CEO and CCO)

The table below sets out the Group's FY26 STI scorecard, performance against each measure, and the Board's assessment of the overall outcome. The FY26 Group STI scorecard is intentionally weighted towards financial performance, with measures balancing top-line growth and profitability and unit economics. The operational and strategic measures reflect key priorities relating to operational execution, building the platform for future scale, and customer outcomes.

| Performance category | FY26 Group STI Scorecard Measures | Result as % of Target |
|---|---|---|
| Financial – 70% | Retail units delivered | 81% |
| | Wholesale units delivered | 150% |
| | EBITDA | 70% |
| | Gross profit per retail unit | 84% |
| Operational – 20% | Retail units reconditioned per shift (Avg) | Exceeded |
| | Vehicle return rate | Met |
| | **Customer, brand and people** – Maintain strong customer advocacy and experience (NPS), grow brand awareness and strengthen employee engagement and build organisational capability. | Exceeded |
| Strategic – 10% | **Scaling Sell-to Carma** – Expand the Sell-to Carma network and increase the proportion of vehicles sourced through the channel.<br>**Scaling St Peters reconditioning** – Increase reconditioning capacity and operational throughput to support future retail volume growth. | Exceeded |
| FY26 Group STI Scorecard Outcome | | 92% |
| Leadership Modifier – 0 – 120% | Based on the Board's assessment of leadership, individual performance and risk management, the FY26 modifier applied to the CEO and CCO is 100%. | 100% |
| Final FY26 STI Outcome<br>Group STI Scorecard Outcome (92%) x Modifier Outcome (100%) | | 92% |

Based on performance against the Group's FY26 STI scorecard, the table below outlines the STI outcomes for the CEO and CCO.

| Role | FY26 STI outcome | Target STI opportunity | Outcome as a % of Target | Max STI opportunity | Outcome as a % of Max |
|---|---|---|---|---|---|
| CEO | $207,000 | $225,000 | 92% | $337,500 | 61% |
| CCO | $207,000 | $225,000 | 92% | $337,500 | 61% |

### 5.3 FY26 LTI outcomes

No LTI outcomes were eligible to be determined in FY26. The first LTI grant will be tested following 30 June 2028 based on Carma's TSR performance relative to the S&P/ASX 300 Total Return Index, with any vesting occurring in FY29. Vested PSARs will then remain exercisable during the applicable two-year exercise period.

## 6 Executive remuneration framework in detail

### 6.1 Fixed Remuneration

Fixed remuneration is delivered in salary and statutory superannuation contributions.

- Fixed remuneration was $600,000 for the Executive Directors (CEO and CCO).

In setting the fixed remuneration for Executive Directors (CEO and CCO), the Board considered market remuneration levels at comparably sized and industry relevant ASX-listed companies and the overall scope and responsibilities of the roles.

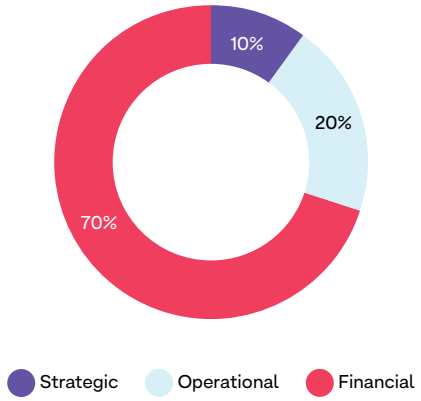
The overall pay philosophy of Carma also influenced fixed remuneration setting, including lower weighting towards fixed remuneration in the overall pay mix to create a strong performance focus and the CEO and CCO receiving the same quantum, reflecting their status as Co-Founders and the identical level of overall responsibility.

The Board will benchmark and review fixed remuneration levels periodically.

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## 6.2 Short term incentive

| Feature | Description |
|---|---|
| **Purpose** | Rewards executives for delivering Carma's annual financial, operational and strategic priorities. The STI is designed to create a strong performance focus, support execution of the Company's growth strategy and provide a foundation for the delivery of sustainable shareholder value creation. |
| **Participants** | Executive Directors (CEO and CCO) |
| **Target and max** | Target opportunity of 37.5% of fixed remuneration and maximum opportunity of 56.25% of fixed remuneration, equal to 150% of target. |
| **Delivery** | It is proposed that 100% of any STI awards is delivered in restricted rights, however, as Lachlan MacGregor and Yosuke Hall are Directors, the grant of the FY26 rights is subject to shareholder approval which the Board intends to seek at the 2026 AGM. If shareholder approval is obtained then the FY26 rights will be granted following the 2026 AGM. If shareholder approval is not obtained, the Board will deliver the FY26 STI in cash. |
| **Performance period** | 12 months – 1 July – 30 June. |
| **Performance measures** | The Group STI scorecard measures are selected to reflect key financial and operational priorities that support the sustainable growth and scaling of the business and provide the platform for long-term shareholder value creation.<br><br>The scorecard is intentionally weighted towards financial performance, balancing top-line growth, profitability and unit economics. Financial performance is particularly important given Carma's current growth and scaling phase, and its progression towards sustainable profitability. The remaining measures comprise operational and strategic priorities.<br><br>**Group STI measures**<br><br><br><br>**Leadership Modifier**<br><br>The Board assesses demonstration of leadership, individual performance, and risk and compliance outcomes against defined measures and parameters. The Board rigorously reviews quantitative and qualitative factors and applies a Leadership Modifier of 0–120% to the Group Scorecard outcome. |
| **Performance levels** | Each performance measure has an associated threshold, target and maximum performance level (see section 5.2 for a detailed overview of the performance criteria).<br><br>**Threshold performance** – 50% of target STI opportunity<br><br>**Target performance** – 100% of target STI opportunity<br><br>**Max performance** – 150% of target STI opportunity |
| **Calculation methodology** | Performance against each measure in the Group's STI scorecard is assessed relative to the applicable performance levels and multiplied by the relevant weighting.<br><br>**STI outcome** = Group Scorecard outcome x Leadership Modifier. |

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| Feature | Description |
|---|---|
| **Board discretion** | The Board may adjust the formulaic outcome, including reducing it to nil, where necessary to ensure the final outcome appropriately reflects Company performance and the shareholder experience. In-period adjustments, Malus and clawback provisions apply. Awards may be reduced, forfeited or recovered in circumstances such as misconduct, excessive risk-taking, material financial misstatement, significant unforeseen matters or any other reasons as determined by the Board.<br><br>The Board actively considers discretion when approving all incentive outcomes. |
| **Leaver provisions** | Termination for cause: the participant's award opportunity and any unpaid award are forfeited in full.<br><br>Other cessation before year-end: the award opportunity is forfeited unless the Board determines otherwise. Any amount allowed to remain is pro-rated for the portion of the year served and remains subject to the normal assessment conditions. Other cessation after year-end but before settlement: the award will generally remain payable following the normal assessment process, subject to the plan rules and Board discretion. |
| **Change of control** | The Board has discretion to determine the treatment of any STI restricted rights already granted, including whether they vest, remain on foot, are replaced with equivalent awards or are otherwise dealt with as the Board considers appropriate. There is no automatic vesting on a change of control. |

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### 6.3 Long term incentive

| Feature | Description |
|---|---|
| **Purpose** | Rewards sustained and exceptional long-term shareholder returns. The LTI is designed to strengthen alignment between executives and shareholders, support retention and focus executives on creating value over the full five-year life of the award. The instrument type and rigour of the performance levels are intentionally designed to challenging, incentivising exceptional shareholder returns – and realised value only if the share price appreciates from the applicable exercise price (share price at grant). |
| **Participants** | Executive Directors (CEO and CCO). |
| **Max opportunity** | The maximum grant opportunity is equivalent to 120% of fixed remuneration. |
| **Delivery** | 100% PSARs. PSARs are option-like rights with a notional exercise price and cashless exercise feature.<br><br>Unlike a traditional share right, a PSAR delivers only the increase in Carma's share price above the applicable exercise price. The value ultimately realised therefore depends on the number of PSARs that vest and are exercised, and the amount by which Carma's share price exceeds the exercise price at exercise.<br><br>The number of PSARs granted is determined by dividing the maximum LTI opportunity by the Black-Scholes value per PSAR.<br><br>The Black-Scholes allocation value reflects the share price and exercise price, expected term, volatility and dividend yield. It does not incorporate the probability of satisfying the relative TSR condition. |
| **Allocation methodology** | Following vesting, PSARs receive dividend-equivalent payments until exercise or earlier cessation of employment. The entitlement is calculated by reference to the whole-share equivalent value represented by the vested PSARs. |
| **Performance period** | 3-year performance period, with an additional 2-year exercise period.<br><br>The FY26 LTI grant performance period runs from Carma's listing on 5 November 2025 to 30 June 2028. This ensures consistency in performance comparison to the market. |
| **Performance measures** | 100% relative TSR. Carma's TSR is assessed against the S&P/ASX 300 Total Return Index over the performance period. TSR includes share-price growth and dividends assumed to be reinvested. |
| **Performance levels** | **Below the index** – nil vesting<br><br>**Index performance** – 25% vesting<br><br>**Index plus 5% per annum** – 50% vesting<br><br>**Index plus 10% per annum** – 100% vesting<br><br>Vesting is determined on a straight-line basis between these levels.<br><br>Following performance testing after 30 June 2028, between 0% and 100% of the PSARs may vest. A 2-year exercise period applies following the end of the performance period.<br><br>The value realised depends on both the number of PSARs that vests and the appreciation in Carma's share price above the exercise price. The exercised value is calculated as: vested PSARs exercised × (share price at exercise – applicable exercise price). The exercise price will be the grant date share price. |
| **Board discretion** | The Board may adjust the formulaic outcome, including reducing it to nil, where necessary to ensure the final outcome appropriately reflects Company performance and the shareholder experience. In-period adjustments, Malus and clawback provisions apply. Awards may be reduced, forfeited or recovered in circumstances such as misconduct, excessive risk-taking, material financial misstatement, significant unforeseen matters or any other reasons as determined by the Board.<br><br>The Board actively considers discretion when approving all incentive outcomes. |
| **Leaver provisions** | Termination for cause: Outstanding PSARs are forfeited in full.<br><br>Other cessation of employment: Outstanding PSARs may be forfeited, remain on foot or be pro-rated for the applicable service period, depending on the timing and circumstances of cessation. Any PSARs that remain on foot continue to be subject to the original performance conditions and the Board's discretion. |
| **Change of control** | The Board has discretion to determine the treatment of outstanding PSARs on a change of control, including whether they vest, remain on foot, are replaced with equivalent awards or are otherwise dealt with as the Board considers appropriate. There is no automatic vesting on a change of control. |

## 7 Non-Executive Director Remuneration

### 7.1 Policy

Non-Executive Directors ('NEDs') receive remuneration that reflects Carma's pay philosophy, as well as the responsibilities and time commitment associated with their roles. Remuneration is reviewed periodically, having regard to market practice, Carma's circumstances, and applicable governance expectations. The Board looks to attract and retain high-calibre Directors to effectively govern the business, while ensuring costs to shareholders remain appropriate.

Below are the current policy fee levels for NED remuneration at Carma.

| Role | NED remuneration (including superannuation) |
|---|---|
| Board Chair | $220,000 |
| NED | $140,000 |
| Committee Chair | $20,000 |
| Committee Member | No additional fee |

The Board Chair and NED remuneration is delivered in cash fees. Directors have the option of sacrificing fees and receiving restricted rights. The restricted rights vest on grant and are subject to a 180-day exercise restriction, with no service or performance conditions applying.

Independence and objectivity are maintained as there are no service or performance conditions applying to the equity component, and it comprises a small portion of remuneration. Carma's approach aligns with applicable ASX governance principles.

### 7.2 NED Fee Pool

The maximum aggregate NED fee pool approved by shareholders is $750,000 per annum, effective 1 July 2025. Total NED fees for FY26 are within this limit.

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## 8 Statutory KMP Remuneration Tables

The table below sets out remuneration for each KMP for FY26 and FY25. FY25 comparative figures are included where available from the audited FY25 financial statements.

Cash salary and fee figures for FY26 are based on contractual rates, pro-rated from date of appointment for NEDs appointed during the year (16 September 2025). Superannuation is calculated at 12% SGC (effective 1 July 2025).

| | | Short-term benefits | | Post-employment benefits | | | |
|---|---|---|---|---|---|---|---|
| **Key management personnel** | **Financial year** | **Cash salary & fees $** | **Annual leave accrual $** | **Superannuation $** | **Share-based payments $** | **Total $** | **Performance related %** |
| **Non-Executive Directors** | | | | | | | |
| **Owen Wilson**[1] | **FY26** | **158,365** | **–** | **11,951** | **40,000** | **210,316** | **–** |
| | FY25 | N/A[3] | – | – | – | – | – |
| **Melinda Snowden**[2] | **FY26** | **100,242** | **–** | **5,604** | **–** | **105,846** | **–** |
| | FY25 | N/A[3] | – | – | – | – | – |
| **Nicole Sparshott** | **FY26** | **73,918** | **–** | **8,870** | **35,000** | **117,788** | **–** |
| | FY25 | N/A[3] | – | – | – | – | – |
| **Total NED remuneration** | **FY26** | **332,525** | **–** | **26,425** | **75,000** | **433,950** | **–** |
| | **FY25** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Executive Directors** | | | | | | | |
| **Lachlan MacGregor**[4] | **FY26** | **436,308** | **79,495** | **30,637** | **559,843** | **1,106,283** | **51%** |
| | FY25 | 175,000 | 8,750 | 20,125 | – | 203,875 | – |
| **Yosuke Hall**[4] | **FY26** | **436,308** | **110,219** | **28,006** | **559,843** | **1,134,376** | **49%** |
| | FY25 | 175,000 | 11,442 | 20,125 | – | 206,567 | – |
| **Total Executive Directors remuneration** | **FY26** | **872,616** | **189,714** | **58,643** | **1,119,686** | **2,240,659** | **50%** |
| | FY25 | 350,000 | 20,192 | 40,250 | – | 410,442 | – |
| **Total KMP remuneration** | **FY26** | **1,205,141** | **189,714** | **85,068** | **1,194,686** | **2,674,609** | **–** |
| | **FY25** | **350,000** | **20,192** | **40,250** | **–** | **410,442** | **–** |

1 Owen Wilson's short-term and post-employment benefits include remuneration paid from 1 July 2025 for services provided in connection with the Group's IPO.
2 Melinda Snowden resigned as a Non-Executive Director effective 28 April 2026. Remuneration disclosed reflects the period of service during FY26.
3 Owen Wilson, Melinda Snowden and Nicole Sparshott were appointed as directors on 16 September 2025 (post 30 June 2025). No remuneration was paid in FY25 in their capacity as Directors.
4 The total short term benefits of each Executive Director is less than the Fixed Annual Remuneration disclosed in Section 11.1. The effective date of the terms in Section 11.1 commenced on 16 October 2025.

All salary and fee figures are calculated based on contractual rates and share-based payments components are based on approved plans. No short-term cash bonuses, non-monetary benefits, other long-term employee benefits or termination benefits were provided to KMP during FY26 or FY25.

## 9 Equity Grants – Terms and Conditions

### 9.1 Equity grants made during FY26

The following table sets out the terms and conditions of each equity grant made to KMP during FY26 that forms part of their remuneration. All grants were made under the Carma Limited Rights Plan.

| Name | Type | Grant Date | Number Granted | FV per Right ($) | Total FV ($) | Exercise Price ($) | Expiry | Performance Condition | % Vested in FY26 |
|---|---|---|---|---|---|---|---|---|---|
| **Non-Executive Directors** | | | | | | | | | |
| **Owen Wilson** | Restricted rights | 16 Oct 2025 | 14,815 | 2.70[1] | 40,000 | Nil | 16 Oct 2040 | None (180-day exercise restriction) | 100% |
| **Nicole Sparshott** | Restricted rights | 16 Oct 2025 | 12,963 | 2.70[1] | 35,000 | Nil | 16 Oct 2040 | None (180-day exercise restriction) | 100% |
| **Executive Directors** | | | | | | | | | |
| **Lachlan MacGregor** | PSARs | 16 Oct 2025 | 844,783 | 0.73 | 616,691 | 2.70 | 16 Oct 2030 | iTSR vs ASX 300 (see Section 8) | 0% |
| **Yosuke Hall** | PSARs | 16 Oct 2025 | 844,783 | 0.73 | 616,691 | 2.70 | 16 Oct 2030 | iTSR vs ASX 300 (see Section 8) | 0% |

1. Fair value of restricted rights (nil exercise price) equals the grant-date share price of $2.70 (IPO Offer Price).

There were no alterations to the terms of any equity grants made to KMP during FY26. No equity grants have lapsed during FY26. The PSARs granted to Executive Directors during FY26 remain subject to vesting conditions and are expected to vest in FY29. The minimum possible value attributable to future financial years is $Nil, as the awards may be forfeited if the applicable service condition is not satisfied. The maximum possible value attributable to future financial years is the remaining unrecognised grant-date fair value of the awards at 30 June 2026. These amounts represent the estimated minimum and maximum remuneration expense that may be recognised in future financial years and do not represent a prediction of the value ultimately realised by participants.

### 9.2 Movement in Rights (Carma Limited Rights Plan)

The following table shows movements in rights held by KMP under the Carma Limited Rights Plan during FY26. No KMP held rights at the commencement of FY26 (1 July 2025).

| Name | Type | Opening balance 1 Jul 2025 | Granted as comp. | Exercised | Lapsed/ Forfeited | Closing balance 30 Jun 2026 | Vested & exercisable 30 Jun 2026 |
|---|---|---|---|---|---|---|---|
| **Non-Executive Directors** | | | | | | | |
| **Owen Wilson** | Restricted rights | – | 14,815 | – | – | 14,815 | 14,815 |
| **Nicole Sparshott** | Restricted rights | – | 12,963 | – | – | 12,963 | 12,963 |
| **Executive Directors** | | | | | | | |
| **Lachlan MacGregor** | PSARs | – | 844,783 | – | – | 844,783 | – |
| **Yosuke Hall** | PSARs | – | 844,783 | – | – | 844,783 | – |

The Group confirms that during the year ended 30 June 2026, no Performance Rights were converted into ordinary shares, and no Performance Rights were cancelled. There were no rights vested and not exercisable as at 30 June 2026.

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## 10 KMP Equity Holdings (Ordinary Shares)

The following table sets out movements in ordinary shares held by KMP (directly, indirectly or beneficially) during FY26. Closing balances as at 30 June 2026 can be confirmed from the Group's share register.

| Name | Opening balance 1 July 2025 | Received via convertible note and preference share conversion (IPO) | Other equity movements[1] | Closing balance 30 June 2026 |
|---|---|---|---|---|
| **Non-Executive Directors** | | | | |
| **Owen Wilson** (Blue Chip Investment Trust) | Nil[2] | 324,989 | 47,408 | 372,397 |
| **Nicole Sparshott** (Sparshott Family Holdings Pty Ltd) | Nil[2] | 292,369 | – | 292,369 |
| **Former Non-Executive Directors** | | | | |
| **Melinda Snowden** | Nil[2] | 38,999 | – | 38,999[3] |
| **Jason Lenga** | Nil | 256,198 | – | 256,198[4] |
| **Executive Directors** | | | | |
| **Lachlan MacGregor** (Invierta Pty Ltd as trustee, Cliffbrook Trust) | 22,000,001 | – | 10,329 | 22,010,330 |
| **Yosuke Hall** (Hallierke Pty Ltd as trustee, Glerke Hall Family Trust) | 22,000,001 | – | – | 22,000,001 |

1 Other changes include on-market purchases, sales, or transfers. Owen Wilson acquired 7,408 shares under the IPO Offer and 40,000 shares acquired on-market. Lachlan MacGregor acquired 10,329 shares on-market.
2 Owen Wilson, Melinda Snowden and Nicole Sparshott were not Directors at 1 July 2025. "Nil" reflects their share balance as Carma Directors at the commencement of their Directorship (16 September 2025) before IPO. Their opening balance as incoming Directors was nil.
3 Melinda Snowden resigned, effective 28 April 2026 and the closing balance reflected is as at the date of resignation.
4 Jason Lenga resigned effective 16 September 2025. The closing balance reflects his shareholding following the IPO.

Adam Valkin, a former NED, was previously employed by General Catalyst, which subscribed for preference shares and convertible notes in prior financial years. These securities converted into 11,617,099 ordinary shares at IPO. As part of the IPO, General Catalyst sold 5,800,000 ordinary shares, representing approximately 50% of its pre-IPO holding, resulting in a post-IPO holding of 5,817,099 ordinary shares.

No ordinary shares were received by KMP during FY26 on the exercise of rights. Accordingly, no movements relating to the exercise of rights are presented in the table above.

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## 11 Employment Contracts

### 11.1 Executive Directors

Both Executive Directors (CEO and CCO) are employed by Carma Auto Pty Ltd (a wholly owned subsidiary of Carma Limited) under written employment agreements. Executives are engaged on similar contractual terms, with minor variations to reflect differences in their roles and responsibilities. The Board maintains absolute discretion to adjust the remuneration outcomes for the Executive members.

The Board will use its discretion based on the provision of supporting data and its assessment of performance aligned to the Group's values and behaviors, risk, compliance, reputational, safety and sustainability considerations as well as the quality of earnings delivered. Carma's vision and strategy remain the primary drivers of the remuneration framework and is guided by our remuneration principles.

The Board has determined not to make changes to the executive's total remuneration opportunity for FY26. The key terms are set out below:

| Term | Details |
|---|---|
| Employer | Carma Auto Pty Ltd |
| Contract type | Ongoing (no fixed term) |
| Fixed Annual Remuneration (FY26) | $600,000 p.a. inclusive of superannuation |
| Notice period – by executive | 6 months written notice |
| Notice period – by company | 6 months written notice (or payment in lieu) |
| Termination payments | Payment in lieu of notice at Group's discretion. No additional termination benefits beyond statutory entitlements. |
| STI on termination | Board discretion may be pro-rated for period of service. Unvested STI subject to Malus/clawback provisions. |
| LTI on termination | Board discretion per Rights Plan rules. Unvested PSARs may lapse on resignation or termination for cause. |
| Immediate termination | Yes, for serious or willful misconduct, serious negligence or incompetence. |
| Non-competition restraint | 12 months post-cessation, applying across all locations in which Carma operates at the date of cessation. |
| Non-solicitation restraint | 12 months post-cessation. |

### 11.2 Non-Executive Directors

NEDs are appointed under letters of appointment rather than employment contracts. There is no fixed term for NED appointments. Directors are subject to re-election in accordance with the Group's Constitution and the ASX Listing Rules. NEDs do not receive termination benefits beyond any accrued and unpaid fees.

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## 12 Other Transactions with KMP and Related Parties

### 12.1 Convertible Notes – NEDs

Prior to the Group's IPO, NEDs who were appointed on 16 September 2025 subscribed for convertible notes on the same commercial terms as other external investors in the convertible note facility. These notes were extinguished via conversion to ordinary shares in connection with the Group's IPO.

| Director | Amount Subscribed ($) | Terms | Shares Received on Conversion[1] | Interest Expense ($) |
|---|---|---|---|---|
| **Owen Wilson** | 500,000 | Same terms as external investors (arm's-length) | 324,989 | 7,322 |
| **Nicole Sparshott** | 450,000 | Same terms as external investors (arm's-length) | 292,369 | 6,400 |
| **Melinda Snowden** | 60,000 | Same terms as external investors (arm's-length) | 38,999 | 879 |
| **Total** | **1,010,000** | | **656,357** | **14,601** |

1 Number of shares received on conversion is sourced from the Group's Prospectus and reflects shares on issue in connection with the IPO offer, including shares attributable to capitalised accrued interest.

All convertible notes were issued on the same terms as those available to arm's-length external investors, including interest terms. The notes were interest-bearing; accrued interest was capitalised and converted into ordinary shares in connection with the IPO and was not paid in cash. The Board assessed these transactions as being on arm's-length terms.

### 12.2 Other Related Party Transactions

During FY26, the Group engaged Hudson Global Resources (Aust) Pty Limited for psychometric testing services in connection with employee recruitment. The engagement is valued at $35,000 for the current financial year (2025: $21,000). Lachlan MacGregor (CEO) was previously a non-executive director and a minority shareholder. The engagement was conducted on arm's-length commercial terms.

No loans were made to KMP during FY26 and no KMP loans were outstanding at 30 June 2026.

**THIS CONCLUDES THE REMUNERATION REPORT, WHICH HAS BEEN AUDITED.**

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## Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

## Significant change in the state of affairs

On 5 November 2025, the Group completed its IPO and was admitted to the Official List of the ASX, with quotation of its ordinary shares commencing on the same date. In connection with the IPO, the Group raised $70m through the issue of new ordinary shares.

As a consequence of the IPO event, in accordance with their terms, all convertible notes on issue converted into ordinary shares. This resulted in the derecognition of the related liabilities and an increase in issued capital, with no further obligations remaining in respect of the convertible notes.

Further information regarding the IPO, share capital movements and the accounting treatment of the convertible notes is set out in Note 18 and Note 19 to the financial statements.

Other than the matters noted above, 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

Refer to Note 31 of the Financial Report for events which occurred subsequent to the balance sheet date. Other than the matters disclosed in Note 31, since the end of the financial year and to the date of this Report, no other matter or circumstance has arisen 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.

## Rounding of amounts

The Company is of a kind referred to in the Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, issued by the Australian Securities and Investments Commission ('ASIC'). Amounts in this report have been rounded in accordance with that 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,



**Owen Wilson**
*Chairman*

31 August 2026

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# Auditor's independence declaration

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Deloitte.

Deloitte Touche Tohmatsu
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50 Bridge Street
Sydney NSW 2000
Australia

Tel: +61 (0) 2 9322 7000
www.deloitte.com.au

31 August 2026

The Directors
Carma Limited
Suite 5.03, 219-241 Cleveland Steet
Strawberry Hills, NSW 2016

Dear Directors

**Auditor's Independence Declaration to Carma Limited**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of Carma Limited.

As lead audit partner for the audit of the financial report of Carma Limited for the year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Poja Patel

Patel Pooja
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

# Consolidated statement of profit or loss and other comprehensive income

For the financial year ended 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| Revenue | 5 | 113,835 | 71,413 |
| Cost of sales | | (103,321) | (66,219) |
| **Gross profit** | | **10,514** | **5,194** |
| **Expenses** | | | |
| Employee benefit expenses | 6 | (22,836) | (15,901) |
| Occupancy expenses | | (3,223) | (4,495) |
| Marketing expenses | | (6,687) | (4,086) |
| Depreciation and amortisation expenses | 6 | (6,503) | (6,658) |
| Other expenses | | (7,554) | (6,135) |
| Transaction costs related to IPO | 19 | (3,233) | – |
| Finance income | | 1,009 | 327 |
| Finance cost | 6 | (11,080) | (4,101) |
| **Loss before income tax expense** | | **(49,593)** | **(35,855)** |
| Income tax expense | 7 | – | – |
| **Loss after income tax expense for the year attributable to the owners of Carma Limited** | | **(49,593)** | **(35,855)** |
| Other comprehensive income for the year, net of tax | | – | – |
| **Total comprehensive loss for the year attributable to the owners of Carma Limited** | | **(49,593)** | **(35,855)** |
| | | **Cents** | **Cents** |
| Basic and diluted loss per share | 29 | (47.4) | (40.3) |

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

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# Consolidated statement of financial position

As at 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 8 | 16,044 | 6,329 |
| Trade and other receivables | 9 | 2,999 | 1,379 |
| Inventories | 10 | 32,425 | 14,484 |
| Other assets | 11 | 725 | 967 |
| **Total current assets** | | **52,193** | **23,159** |
| **Non-current assets** | | | |
| Right-of-use assets | 12 | 9,716 | 10,291 |
| Property, plant and equipment | 13 | 4,480 | 2,097 |
| Intangible assets | 14 | 3,797 | 3,602 |
| Other assets | 11 | 1,552 | 990 |
| **Total non-current assets** | | **19,545** | **16,980** |
| **Total assets** | | **71,738** | **40,139** |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 15 | 7,172 | 3,884 |
| Lease liabilities | 12 | 2,761 | 2,558 |
| Provisions | 16 | 1,523 | 1,161 |
| Borrowings | 17 | 409 | 1,897 |
| Financial liabilities | 18 | – | 32,758 |
| **Total current liabilities** | | **11,865** | **42,258** |
| **Non-current liabilities** | | | |
| Lease liabilities | 12 | 7,676 | 8,222 |
| **Total non-current liabilities** | | **7,676** | **8,222** |
| **Total liabilities** | | **19,541** | **50,480** |
| **Net assets/(liabilities)** | | **52,197** | **(10,341)** |
| **Equity** | | | |
| Issued share capital | 19 | 205,565 | 94,962 |
| Share-based payments reserve | 21 | 2,319 | 791 |
| Accumulated losses | | (155,687) | (106,094) |
| **Total equity** | | **52,197** | **(10,341)** |

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

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# Consolidated statement of changes in equity

For the financial year ended 30 June 2026

| | Note | Issued share capital $'000 | Share-based payments reserve $'000 | Accumulated losses $'000 | Total equity $'000 |
|---|---|---|---|---|---|
| Balance as at 1 July 2025 | | 94,962 | 791 | (106,094) | (10,341) |
| Loss after income tax expense for the year | | – | – | (49,593) | (49,593) |
| | | 94,962 | 791 | (155,687) | (59,934) |
| *Transactions with owners in their capacity as owners:* | | | | | |
| Contributions of equity, net of transactions costs | 19 | 66,791 | – | – | 66,791 |
| Conversion of convertible notes to equity | 19 | 43,812 | – | – | 43,812 |
| Share-based payments | 21 | – | 1,528 | – | 1,528 |
| **Balance as at 30 June 2026** | | **205,565** | **2,319** | **(155,687)** | **52,197** |

| | Note | Issued share capital $'000 | Share-based payments reserve $'000 | Accumulated losses $'000 | Total equity $'000 |
|---|---|---|---|---|---|
| Balance as at 1 July 2024 | | 94,962 | 380 | (70,239) | 25,103 |
| Loss after income tax expense for the year | | – | – | (35,855) | (35,855) |
| | | 94,962 | 380 | (106,094) | (10,752) |
| *Transactions with owners in their capacity as owners:* | | | | | |
| Share-based payments | 21 | – | 411 | – | 411 |
| **Balance as at 30 June 2025** | | **94,962** | **791** | **(106,094)** | **(10,341)** |

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

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# Consolidated statement of cash flows

For the financial year ended 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers | | 117,483 | 74,266 |
| Payments to suppliers and employees | | (161,731) | (93,524) |
| | | (44,248) | (19,258) |
| Transaction costs related to IPO | 19 | (3,233) | – |
| Finance income received | | 1,009 | 327 |
| Finance cost paid | | (272) | (325) |
| Net cash used in operating activities | 23 | (46,744) | (19,256) |
| **Cash flows from investing activities** | | | |
| Proceeds from sale of property, plant and equipment | | 4 | 596 |
| Payments for property, plant and equipment | | (3,196) | (591) |
| Payments for intangible assets | 14 | (2,609) | (2,706) |
| Payments for funds on deposit | | (410) | (150) |
| Net cash used in investing activities | | (6,211) | (2,851) |
| **Cash flows from financing activities** | | | |
| Proceeds from issuance of convertible notes | 18 | 1,010 | 29,920 |
| Proceeds from the issuance of ordinary shares | 19 | 70,000 | – |
| Payments for transaction costs related to IPO | 19 | (3,209) | – |
| Proceeds from borrowings | 17 | 39,962 | 23,241 |
| Repayment of borrowings | 17 | (41,450) | (28,922) |
| Repayment of lease liabilities, excluding the financing component | | (3,643) | (3,694) |
| Net cash generated from financing activities | | 62,670 | 20,545 |
| Net increase/(decrease) in cash and cash equivalents | | 9,715 | (1,562) |
| Cash and cash equivalents at the beginning of the financial year | | 6,329 | 7,891 |
| **Cash and cash equivalents at the end of the period** | | **16,044** | **6,329** |

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

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# Notes to the consolidated financial statements

For the financial year ended 30 June 2026

## Note 1. General information

Carma Limited is a public company, incorporated and domiciled in Australia. The address of the Group's registered office and principal place of business at the date of this report is:

Suite 5.03, 219-241 Cleveland Street
Strawberry Hills NSW 2012

A description of the nature of the Group's operations and its principal activities is included in the Directors' report.

The consolidated financial statements were authorised for issue, in accordance with a resolution of Directors, on 31 August 2026. The Directors have the power to amend and reissue the consolidated financial statements.

## Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised and disclosed. These are based on historical experience and other factors considered relevant and are reviewed on an ongoing basis. Actual results may differ from these estimates. The judgements and estimates that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

### Internally generated intangible assets

Management applies significant judgement in distinguishing research activities from development activities and determining whether development expenditure meets the criteria for capitalisation. Following capitalisation, management assesses whether the recognition criteria continue to be met and whether there are any indicators that the capitalised costs may be impaired.

Management estimates the useful lives of capitalised development costs for amortisation purposes. These estimates are reviewed at each reporting date and may be affected by changes in technology or the expected period over which the assets will generate economic benefits.

### Share-based payments

The fair value of equity-settled share-based payment awards is determined at grant date using an appropriate valuation model. Judgement is required in selecting the valuation methodology and key assumptions, including expected volatility, expected life, dividend yield and the risk-free interest rate. Market-based performance conditions, where applicable, are incorporated into the grant-date fair value.

Management also estimates the number of awards expected to vest based on service and non-market performance conditions. These estimates are reviewed at each reporting date and adjusted to reflect changes in expected outcomes.

### Net-realisable value ('NRV') of vehicle inventory

Determining the NRV of vehicle inventory requires judgement in estimating the expected selling price and the costs necessary to make the sale. In assessing whether a write-down is required, management considers current and expected market conditions, recent sales performance, published used-vehicle valuations, inventory ageing and the condition and characteristics of each vehicle.

Where the estimated NRV of a vehicle is lower than its carrying amount, the vehicle is written down to its NRV.

### Incremental borrowing rate ('IBR')

Where the interest rate implicit in a lease cannot be readily determined, the Group estimates an IBR to discount the lease payments. The rate reflects the cost of borrowing funds over a similar term, with similar security and in a similar economic environment. This requires estimation of credit risk, lease term and prevailing market interest rates.

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## Note 3. Operating segments

Reportable segments are based on the internal reports that are reviewed by the Directors, who are identified as the Chief Operating Decision Makers ('CODM'), in assessing the Group's performance and in making decisions about the allocation of resources in accordance with AASB 8 *Operating Segments* ('AASB 8').

The Group operates as a single reportable operating segment. This segment consists of the purchase, reconditioning, and sale of used vehicles primarily through online channels, with operations conducted exclusively within Australia.

The CODM reviews financial information on a consolidated basis and monitors the performance of the business using monthly management reports. As performance and resource allocation decisions are based on consolidated financial information, the consolidated financial statements represent the results of the Group's single operating segment. Accordingly, no separate segment disclosures are presented.

## Note 4. Going concern

The Group has prepared the financial statements for the year ended 30 June 2026 on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2026, the Group incurred a loss after tax of $49,593,000 (30 June 2025: loss after tax of $35,855,000) and had a net cash outflow from operating activities of $46,744,000 (30 June 2025: net operating cash outflow of $19,256,000). The directors note that the Group remains loss making and continues to experience net operating cash outflows post year end.

The Directors have considered the Group's current financial position and approved cash flow forecast through to September 2027, which indicate that the Group will continue to maintain positive combined cash and available funding throughout the forecast period, and therefore that the continued application of the going concern basis of accounting is appropriate. Factors considered by the Directors in forming this view include the following:

- As at 30 June 2026, the Group had cash balances of $16,044,000, a positive net working capital position of $40,328,000 and a net asset position of $52,197,000;
- the Group had access to a $30,000,000 bailment finance facility, of which $409,000 was utilised at 30 June 2026. This facility is secured against eligible vehicle inventory and is available to fund up to 80% of eligible inventory. The facility has been renewed until March 2027; and
- The approved cash flow forecast assumes a continuation of the historical growth trajectory in vehicle sales, improved gross margins and operational efficiencies.

The Directors acknowledge that uncertainty exists in relation to the key assumptions reflected in the Group's approved cash flow forecast, including the impact of market conditions over the forecast period. In the event that the Group does not substantially trade in line with its cash flow forecast, the Directors would seek to implement mitigating actions including obtaining additional funding and managing discretionary expenditure. Based on the above analysis, the Directors are satisfied that the Group will be able to meet its obligations as and when they fall due for at least 12 months from the date of approval of these financial statements. Accordingly, the Directors consider it appropriate to prepare the financial statements on the going concern basis.

## Note 5. Revenue from contracts with customers

Set out below is the disaggregation of the Group's revenue from contracts with customers:

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Revenue disaggregated by nature** | | |
| Sale of vehicles | 111,839 | 70,355 |
| Other revenue | 1,486 | 840 |
| Extended coverage | 510 | 218 |
| | **113,835** | **71,413** |
| **Timing of revenue recognition** | | |
| At a point in time | 113,325 | 71,195 |
| Over time | 510 | 218 |
| | **113,835** | **71,413** |

### Major customers

There is no significant reliance on any single customer.

### Revenue accounting policy

Revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers* ('AASB 15') when the Group satisfies its performance obligations by transferring control of goods or services to customers. Control is transferred when the customer can direct the use of, and obtain substantially all the benefits from, the goods or services. Revenue is measured at the transaction price, being the amount of consideration expected.

### Sale of vehicles

Revenue from the sale of vehicles is recognised at a point in time when control of the vehicle transfers to the customer. Control transfers when the vehicle has been delivered or collected, and the Group has an enforceable right to payment.

Amounts received in advance of delivery or collection are recorded as unearned revenue, since revenue is only recognised once control passes to the customer. Revenue is measured at the transaction price, net of discounts. A refund liability is recognised for the 7-day return right provided to customers.

### Other revenue

Other revenue arises from ancillary services provided to customers and third parties in connection with the sale of vehicles. This includes consideration received for facilitating arrangements between customers and external parties, such as finance and insurance. The Group acts as an agent in these transactions and recognises revenue on a net basis, representing only the commission or fee retained, at the point in time when the related service has been performed, the transaction between the customer and the external party is complete, and the Group has an enforceable right to payment.

### Extended coverage

The Group offers customers optional extended coverage for repairs and defects over a specified period. These are treated as a separate performance obligation under AASB 15 as they are distinct from the sale of the vehicle.

Revenue from extended coverage is recognised over time in line with the coverage period, reflecting the transfer of services to the customer. The amount allocated to this obligation is recorded as unearned revenue at the time of sale and released systematically over the term of the coverage.

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## Note 6. Expenses

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Depreciation and amortisation** | | |
| Leasehold improvements | 351 | 265 |
| Transport fleet | 60 | 61 |
| Motor vehicles | 43 | 82 |
| Workshop equipment | 147 | 114 |
| Computer equipment | 134 | 105 |
| Furniture and fittings | 60 | 55 |
| Right-of-use assets | 3,289 | 3,480 |
| Software | 2,419 | 2,496 |
| | **6,503** | **6,658** |
| **Employee benefit expense excluding amounts recognised in cost of sales** | | |
| Short-term employee benefits | 19,182 | 13,892 |
| Superannuation | 2,126 | 1,598 |
| Share-based payments | 1,528 | 411 |
| | **22,836** | **15,901** |
| **Finance cost** | | |
| Finance cost on convertible note host liability[1] | 5,097 | 4,651 |
| Fair value remeasurement on derivative liability[1] | 4,947 | (1,321) |
| Finance cost on bailment finance facility | 271 | 325 |
| Finance cost on lease liabilities | 765 | 446 |
| | **11,080** | **4,101** |

1 Please refer to Note 18 for further information on the convertible notes.

### Cost of sales accounting policy

Cost of sales comprises the purchase cost of vehicles and consumables, including directly attributable costs incurred in bringing the inventory to its present location and condition, net of rebates and discounts. When inventories are sold, the carrying amount is recognised as an expense in the period in which the related revenue is recognised.

## Note 7. Income tax

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Income tax expense** | | |
| Current tax | – | – |
| Deferred tax – current year | – | – |
| **Aggregate income tax expense** | – | – |
| Deferred tax included in income tax expense comprises: | | |
| Increase in deferred tax assets | – | – |
| *Numerical reconciliation of income tax expense and tax at the statutory rate* | | |
| Loss before income tax expense | (49,593) | (35,855) |
| Tax at the statutory tax rate of 30% | 14,878 | 10,756 |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income | | |
| Tax losses and temporary differences not recognised | (11,421) | (9,538) |
| Adjustment for prior years | 45 | (80) |
| Non-deductible expenses | (3,502) | (1,138) |
| **Income tax expense** | – | – |

### Deferred tax

*Deferred tax comprises temporary differences attributable to:*

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Property, plant and equipment | 328 | 243 |
| Right-of-use asset | (2,915) | (3,207) |
| Lease liability | 3,066 | 3,234 |
| Capitalised software development costs | 735 | 713 |
| Provision for employee benefits | 502 | 210 |
| Contract liabilities | 517 | 191 |
| Accrued expenses | 238 | 203 |
| Other items | 818 | 161 |
| Tax losses not recognised | (3,289) | (1,748) |
| **Deferred tax** | – | – |

### Unrecognised tax losses

At 30 June 2026, the Group has unused tax losses carried forward of $128,688,000 (2025: $95,902,000) for which no deferred tax asset has been recognised in the statement of financial position. These tax losses can be carried forward indefinitely, subject to the satisfaction of applicable tax legislation requirements. At 30 June 2026, the Group had no franking credits available for subsequent reporting periods.

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### Tax consolidation

Carma Limited and its wholly owned Australian controlled entity are part of a tax consolidated group under Australian taxation law. Carma Limited is the head entity of the tax consolidated group. Under the tax consolidation system, Carma Limited and its subsidiary continue to account for their own current and deferred tax amounts. Carma Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and tax credits assumed from subsidiaries in the tax consolidated group.

### Income tax accounting policy

Income tax expense comprises current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or directly in equity, respectively.

### Current tax

Current tax represents the amount payable or recoverable based on taxable income or loss for the period. It is calculated using tax rates and laws enacted or substantively enacted by the reporting date. As the Group incurred a tax loss for the year, no current tax liability has been recognised.

### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and their tax bases using the liability method. Deferred tax liabilities are recognised for all taxable temporary differences, while deferred tax assets are recognised for deductible temporary differences and unused tax losses only when it is probable that future taxable profits will be available against which they can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that sufficient taxable profits are no longer considered probable. Deferred tax is measured at the tax rates expected to apply when the asset is realised or the liability settled, based on tax laws enacted or substantively enacted at the reporting date.

## Note 8. Cash and cash equivalents

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Cash at bank | 16,044 | 6,329 |

### Cash and cash equivalents accounting policy

Cash and cash equivalents include cash on hand and cash held in interest bearing bank accounts that are available for immediate use and subject to an insignificant risk of changes in value.

## Note 9. Trade and other receivables

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| GST receivable | 2,870 | 1,260 |
| Other receivables | 129 | 119 |
| | 2,999 | 1,379 |

### Trade and other receivables accounting policy

Other receivables, when they arise, primarily relate to agency fees earned from finance and insurance partners and timing differences on settled customer payments. These balances are typically short-term and measured at amortised cost.

## Note 10. Inventories

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Raw materials and consumables | 324 | 158 |
| Vehicle inventory | 32,101 | 14,326 |
| | **32,425** | **14,484** |

During the year, included in the vehicle inventory balance above, the Group recognised a write-down of $473,000 to net realisable value (2025: $421,000).

### Inventory accounting policy

Inventories are stated at the lower of cost and net realisable value in accordance with AASB 102 Inventories ('AASB 102'). Cost comprises the purchase price of the inventory together with an allocation of reconditioning operational costs, including parts, labour and attributable overheads incurred in preparing the vehicle for sale, and transport and delivery costs necessary to bring the vehicle to its current location and condition for sale. Vehicle inventory is presented net of any NRV adjustments.

Raw materials and consumables are mainly purchased on a just-in-time basis, reflecting their specialised nature, thus NRV write-downs are generally negligible. Any write-downs or reversals are recognised in profit or loss when they occur.

## Note 11. Other assets

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Current** | | |
| Other assets[1] | 725 | 967 |
| **Non-current** | | |
| Term deposits[2] | 1,552 | 990 |

1 Other assets are made up of mainly prepayments for services . This unwinds within 12 months and is classified as current. It further comprises term deposits of $26,000 (2025: $178,000).
2 Term deposits comprise $1,552,000 (2025: $990,000) classified as non-current. The term deposits are measured at amortised cost and are pledged as security for bank guarantees. Accordingly, the deposits are restricted and are not available for general use until the relevant bank guarantees expire or are cancelled. The related bank guarantees expire between 1 July 2027 and 2 August 2030.

## Note 12. Leases

### 12(a). Right-of-use assets

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Right-of-use assets | 13,192 | 13,771 |
| Less: Accumulated depreciation | (3,476) | (3,480) |
| | **9,716** | **10,291** |

The Group leases buildings for its offices and warehouses under agreements of between 3 to 5 years.

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**Reconciliation**

A reconciliation of the right-of-use assets at the beginning and end of the current and previous financial year is set out below:

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Opening balance | 10,291 | 3,040 |
| Additions | 2,714 | 10,731 |
| Depreciation | (3,289) | (3,480) |
| | **9,716** | **10,291** |

**Right-of-use accounting policy**

At the commencement of a lease, the Group recognises a right-of-use (ROU) asset and a corresponding lease liability in accordance with AASB 16 Leases ('AASB 16'). The ROU asset is initially measured at cost, comprising the lease liability amount, adjusted for any payments made at or before commencement, less lease incentives, plus any initial direct costs and estimated dismantling or restoration costs where applicable. Right-of use assets are subject to impairment in accordance with AASB 136 Impairment of assets ('AASB 136') or adjusted for any remeasurement of lease liabilities.

ROU assets are depreciated on a straight-line basis over the lease term or the asset's useful life, whichever is shorter, and are adjusted for impairment or lease liability remeasurements as required.

The Group applies the recognition exemption for short-term leases (12 months or less) and leases of low value assets. Payments for these leases are recognised as an expense in profit or loss as incurred.

## 12(b). Lease liabilities

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Current | 2,761 | 2,558 |
| Non-current | 7,676 | 8,222 |
| | **10,437** | **10,780** |

**Reconciliation**

A reconciliation of the lease liabilities at the beginning and end of the current and previous financial year is set out below:

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Opening balance | 10,780 | 3,297 |
| Additions | 2,534 | 10,731 |
| Lease payments | (3,642) | (3,694) |
| Interest charge | 765 | 446 |
| | **10,437** | **10,780** |

Future lease payments relating to lease liabilities are disclosed in Note 20.

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**Lease liability accounting policy**

Lease liabilities are recognised at the commencement date of the lease and measured at the present value of lease payments to be made over the lease term. Payments are discounted using the interest rate implicit in the lease or, if that cannot be readily determined, the Group's incremental borrowing rate. Lease payments include fixed payments (less any incentives), variable payments linked to an index or rate, amounts under residual value guarantees, the exercise price of purchase options where reasonably certain, and penalties for termination if applicable.

Subsequently, lease liabilities are measured at amortised cost using the effective interest method and are remeasured when there is a change in future lease payments due to reassessments or modifications. Any remeasurement is adjusted against the corresponding right-of-use asset or recognised in profit or loss if the asset is fully depreciated. Variable lease payments not linked to an index or rate are expensed as incurred.

**Short-term lease expense**

During the previous financial year, the Group leased its St Peters facility under a short-term arrangement. Lease payments recognised as an expense were:

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Short-term lease expense | 173 | 1,960 |

The Group occupies certain vehicle storage and operating premises under short-term lease arrangements. During the previous financial year, a separate short-term lease expired and was replaced by a long-term lease for the same facility.

Consistent with the short-term lease exemption under AASB 16, no right-of-use asset or lease liability was recognised. Payments under the lease were recognised as an expense on a straight-line basis over the term of the lease.

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## Note 13. Property, plant and equipment

| | Leasehold improvements $'000 | Motor vehicles $'000 | Transport fleet $'000 | Workshop equipment $'000 | Computer equipment $'000 | Furniture and fittings $'000 | Work in progress $'000 | Total $'000 |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| Balance at 1 July 2025 | 1,012 | 197 | 925 | 842 | 467 | 421 | 325 | 4,189 |
| Additions | 1,562 | 70 | – | 1,100 | 343 | 107 | 37 | 3,219 |
| Disposals | – | (42) | – | – | – | – | – | (42) |
| Transfer to additions | 136 | – | – | 166 | – | 23 | (325) | – |
| **Balance at 30 June 2026** | **2,710** | **225** | **925** | **2,108** | **810** | **551** | **37** | **7,366** |
| **Accumulated depreciation** | | | | | | | | |
| Balance at 1 July 2025 | (946) | (70) | (162) | (391) | (332) | (191) | – | (2,092) |
| Depreciation | (351) | (43) | (60) | (147) | (134) | (60) | – | (795) |
| Disposals | – | 1 | – | – | – | – | – | 1 |
| **Balance at 30 June 2026** | **(1,297)** | **(112)** | **(222)** | **(538)** | **(466)** | **(251)** | **-** | **(2,886)** |
| **Carrying amount at 30 June 2026** | **1,413** | **113** | **703** | **1,570** | **344** | **300** | **37** | **4,480** |

| | Leasehold improvements $'000 | Motor vehicles $'000 | Transport fleet $'000 | Workshop equipment $'000 | Computer equipment $'000 | Furniture and fittings $'000 | Work in progress $'000 | Total $'000 |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| Balance at 1 July 2024 | 1,012 | 54 | 1,394 | 821 | 439 | 417 | – | 4,137 |
| Additions | – | 259 | 212 | 21 | 30 | 4 | 325 | 851 |
| Disposals | – | (104) | (681) | – | (2) | – | – | (787) |
| Impairment | – | (12) | – | – | – | – | – | (12) |
| **Balance at 30 June 2025** | **1,012** | **197** | **925** | **842** | **467** | **421** | **325** | **4,189** |
| **Accumulated depreciation** | | | | | | | | |
| Balance at 1 July 2024 | (681) | (4) | (199) | (277) | (228) | (136) | – | (1,525) |
| Depreciation | (265) | (82) | (61) | (114) | (105) | (55) | – | (682) |
| Disposals | – | 16 | 98 | – | 1 | – | – | 115 |
| **Balance at 30 June 2025** | **(946)** | **(70)** | **(162)** | **(391)** | **(332)** | **(191)** | **–** | **(2,092)** |
| **Carrying amount at 30 June 2025** | **66** | **127** | **763** | **451** | **135** | **230** | **325** | **2,097** |

**Property, plant and equipment accounting policy**

Property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses, in accordance with AASB 116 *Property, plant and equipment* ('AASB 116'). Cost includes expenditure directly attributable to the acquisition of the asset and any costs necessary to bring the asset to its intended location and condition for use.

Subsequent expenditure is capitalised when it is probable that future economic benefits will flow to the Group and the cost can be measured reliably. All other repairs and maintenance costs are expensed as incurred.

Gains and losses on disposals are calculated by comparing the proceeds with the carrying amount of the asset and are recognised in profit or loss.

Depreciation is recognised on a straight-line basis over the asset's estimated useful life, commencing when the asset is available for use. Residual values, useful lives, and depreciation methods are reviewed at each reporting date and adjusted prospectively where appropriate.

The useful life of property, plant and equipment has been estimated as follows:

| | |
|---|---|
| Leasehold improvements | 3–5 years |
| Motor vehicles | 5 years |
| Transport fleet | 15 years |
| Workshop equipment | 1–10 years |
| Computer equipment | 1–5 years |
| Furniture and fittings | 2–10 years |

**Impairment**

In accordance with AASB 136, property, plant and equipment is assessed for indicators of impairment at each reporting date. If indicators exist, the recoverable amount is estimated as the higher of fair value less costs of disposal and value in use. An impairment loss is recognised when the carrying amount exceeds recoverable amount.

Impairment losses are reversed if the recoverable amount increases, but only to the extent that the asset's carrying amount does not exceed the amount that would have been determined had no impairment loss been recognised. Reversals are recognised in profit or loss.

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## Note 14. Intangible assets

| | Software $'000 | Work in progress $'000 | Total $'000 |
|---|---|---|---|
| **Cost** | | | |
| Balance as at 1 July 2025 | 8,698 | 60 | 8,758 |
| Additions | 2,609 | 5 | 2,614 |
| Transfer to additions | 65 | (65) | – |
| **Balance as at 30 June 2026** | **11,372** | **–** | **11,372** |

| | Software $'000 | Work in progress $'000 | Total $'000 |
|---|---|---|---|
| **Accumulated amortisation** | | | |
| Balance as at 1 July 2025 | (5,156) | – | (5,156) |
| Amortisation expense | (2,419) | – | (2,419) |
| **Balance as at 30 June 2026** | **(7,575)** | **–** | **(7,575)** |
| **Carrying amount as at 30 June 2026** | **3,797** | **–** | **3,797** |

| | Software $'000 | Work in progress $'000 | Total $'000 |
|---|---|---|---|
| **Cost** | | | |
| Balance as at 1 July 2024 | 5,932 | 60 | 5,992 |
| Additions | 2,706 | 60 | 2,766 |
| Transfer to additions | 60 | (60) | – |
| **Balance as at 30 June 2025** | **8,698** | **60** | **8,758** |
| **Accumulated amortisation** | | | |
| Balance as at 1 July 2024 | (2,660) | – | (2,660) |
| Amortisation expense | (2,496) | – | (2,496) |
| **Balance as at 30 June 2025** | **(5,156)** | **–** | **(5,156)** |
| **Carrying amount as at 30 June 2025** | **3,542** | **60** | **3,602** |

During the year, the Group incurred development expenditure of $1,980,000 (2025: $2,136,000) and research costs of $690,000 (2025: $319,000). Research costs relate to activities that did not yet meet the recognition criteria under AASB 138 *Intangible Assets* ('AASB 138') and were therefore recognised in profit or loss.

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### Intangible assets accounting policy

Intangible assets are recognised and measured in accordance with AASB 138. Development expenditure is capitalised as an intangible asset only when the Group can demonstrate the technical feasibility of completing the asset, its intention and ability to complete and use the asset, that the asset is expected to generate probable future economic benefits, the availability of adequate technical, financial and other resources to complete the development, and the ability to reliably measure expenditure attributable to the asset during its development. Research expenditure and development expenditure that does not meet these recognition criteria is expensed as incurred.

Capitalised development costs comprise directly attributable costs incurred from the date the recognition criteria are first met and are carried at cost less accumulated amortisation and impairment losses. Intangible assets have finite useful lives and are amortised on a straight-line basis over their estimated useful lives, currently three years. Amortisation commences when the asset is available for use. The amortisation method and useful life are reviewed at each reporting date and adjusted prospectively where necessary.

### Impairment

In accordance with AASB 136, intangible assets are assessed for impairment at different stages of their lifecycle.

Intangible assets with finite useful lives that are available for use are tested for impairment only when there are indicators that the carrying amount may not be recoverable.

The recoverable amount is the higher of fair value less costs of disposal and value in use. Any impairment loss is recognised in profit or loss, and reversals are permitted only to the extent that the carrying amount does not exceed the amount that would have been determined had no impairment been recognised in prior periods.

## Note 15. Trade and other payables

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Trade payables | 883 | 153 |
| Accruals | 3,231 | 1,746 |
| Employee-related payables | 759 | 710 |
| Extended coverage | 518 | 195 |
| Unearned revenue | 1,781 | 1,080 |
| | 7,172 | 3,884 |

### Trade and other payables

Trade and other payables represent obligations for goods and services received prior to the end of the reporting period that remain unpaid. These liabilities are unsecured, non-interest bearing, and are typically settled within 30 days. They are recognised at amortised cost, which is equivalent to their nominal value due to their short-term nature.

Trade and other payables further include amounts received in advance of delivery or collection, recorded as unearned revenue. This balance also incorporates revenue still to be recognised from extended coverage sales, which will unwind over the contractual service periods.

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## Note 16. Provisions

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Current** | | |
| Employee benefits | 1,272 | 971 |
| Warranties | 251 | 190 |
| | **1,523** | **1,161** |

### Reconciliation

A reconciliation of the provision balance at the beginning and end of the current and previous financial year is set out below:

| | Employee benefits $'000 | Warranties $'000 | Total $'000 |
|---|---|---|---|
| Opening balance as at 1 July 2025 | 971 | 190 | 1,161 |
| Additions | 2,549 | 211 | 2,760 |
| Utilised | (2,248) | (150) | (2,398) |
| **Closing balance as at 30 June 2026** | **1,272** | **251** | **1,523** |

### Provisions accounting policy

#### Employee benefit provisions

Provisions for employee benefits are recognised in accordance with AASB 119 Employee Benefits ('AASB 119') when the Group has a present obligation arising from past service that can be reliably measured and is expected to result in future payments. These provisions are measured at the amounts expected to be paid when the obligations are settled and are classified as current, as the Group does not have an unconditional right to defer settlement beyond 12 months.

#### Warranty provisions

Warranty provisions are recognised in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* ('AASB 137'). 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.

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## Note 17. Borrowings

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Current** | | |
| Bailment finance facility | 409 | 1,897 |

### Bailment finance facility

The Group has a $30,000,000 bailment finance facility. Under the arrangement, the bailment finance provider retains legal ownership of vehicles during the period of bailment, with legal ownership passing to the Group immediately prior to delivery to a customer. The Group has classified the bailment finance facility balance as borrowings rather than trade payables based on the nature and purpose in which the facility was utilised during the period. Amounts available to be drawn under the facility are limited to 80% of the value of eligible vehicle inventory on hand, subject to the overall facility limit of $30,000,000.

The facility is provided on a secured basis and includes security over all assets of the Group. Interest is charged at a margin above the 90-day Bank Bill Swap Rate. The weighted average interest rate during the year was 7.33% per annum (2025: 8.05%). The weighted average rate reflects the timing and level of facility utilisation, with higher utilisation earlier in the year when applicable interest rates were lower, and lower utilisation in the latter part of the year when applicable interest rates were higher.

Based on vehicle inventory at 30 June 2026, the Group had undrawn borrowing capacity of $25,297,000 (2025: $28,103,000).

### Reconciliation of liabilities arising from financing activities

The following table reconciles the opening and closing balances of the bailment finance facility and presents movements arising from financing cash flows during the current and prior financial years:

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Opening balance | 1,897 | 7,578 |
| Proceeds from borrowings | 39,962 | 23,241 |
| Repayment of borrowings | (41,450) | (28,922) |
| **Closing balance** | **409** | **1,897** |

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## Note 18. Financial liabilities – Convertible notes

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Host liability** | | |
| Opening balance | 17,919 | – |
| Nominal value of convertible notes issued[1] | 556 | 13,268 |
| Finance cost on convertible notes | 5,097 | 4,651 |
| Conversion to fully paid ordinary shares[2] | (23,572) | – |
| **Closing balance** | **–** | **17,919** |

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Embedded derivative** | | |
| Opening balance | 14,839 | – |
| Nominal value of convertible notes issued[1] | 454 | 16,160 |
| Fair value remeasurement through profit or loss | 4,947 | (1,321) |
| Conversion to fully paid ordinary shares[2] | (20,240) | – |
| **Closing balance** | **–** | **14,839** |

1 Convertible notes issued were $1,010,000 (2025: $29,920,000). These convertible notes issued in the financial year were to non-executive Directors.
2 Refer to Note 19 for further details.

In the prior year, the Group incurred other legal and transaction-related costs of $634,000, which were recognised separately in profit and loss and did not form part of the carrying amount of the convertible notes. No such costs were incurred in the current year.

### Derecognition of convertible notes

The Group's convertible notes converted into 21,813,870 fully paid ordinary shares in accordance with their contractual terms (refer to Note 19 for further details).

As a result of the conversion, the financial liability component of the convertible notes was derecognised in accordance with AASB 9 Financial Instrument ('AASB 9'). The carrying amount of the convertible note liability, together with the related embedded derivative, was transferred to equity on conversion. A fair value remeasurement loss of $4,947,000 has been recognised in profit or loss prior to derecognition. No gain or loss was recognised in profit or loss on the date of derecognition, as the conversion occurred in accordance with the original contractual terms.

Following conversion, the Group had no convertible note liabilities outstanding.

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## Note 19. Issued share capital

| | 2026 Shares | 2026 $ | 2025 Shares | 2025 $ |
|---|---|---|---|---|
| **Ordinary shares** | | | | |
| Fully paid ordinary shares | 137,417,255 | 205,565,197 | 2 | 22 |
| Founder shares | – | – | 44,000,000 | 44 |
| | **137,417,255** | **205,565,197** | **44,000,002** | **66** |
| **Preference shares** | | | | |
| Preference Seed shares | – | – | 24,719,801 | 25,467,809 |
| Preference Series A shares | – | – | 20,210,486 | 69,494,013 |

*Movement in ordinary share capital*

| | 2026 Shares | 2026 $ | 2025 Shares | 2025 $ |
|---|---|---|---|---|
| Opening balance | 44,000,002 | 66 | 44,000,002 | 66 |
| New shares issued net of transaction costs | 25,925,926 | 66,790,853 | – | – |
| Conversion of Preference Seed shares | 24,719,801 | 25,467,809 | – | – |
| Conversion of Preference Series A shares | 20,210,486 | 69,494,013 | – | – |
| Conversion of convertible notes | 21,813,870 | 43,812,456 | – | – |
| Equity-settled share options exercised | 747,170 | – | – | – |
| **Closing balance** | **137,417,255** | **205,565,197** | **44,000,002** | **66** |

### Ordinary shares

Ordinary shares carry equal voting rights and entitle holders to attend general meetings.

### Conversion of founder shares, preference shares (Seed and Series A) and convertible notes

As a consequence of the IPO, founder shares, preference shares (Seed and Series A) and convertible notes converted into Ordinary Shares in accordance with their terms. Refer to the table above for further details regarding the conversions and the related share values and quantities.

### IPO transaction costs

The Group incurred total IPO-related costs of $6,442,000 during the period. In accordance with AASB 132 *Financial Instruments: Presentation* ('AASB 132'), costs directly attributable to the issue of new equity instruments of $3,209,000 were recognised as a deduction from equity, the remaining costs, $3,233,000 were recognised as an expense in the profit or loss.

### Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, maintain sufficient liquidity to fund its growth strategy and working capital requirements, and provide returns to shareholders. The Group manages its capital structure having regard to cash reserves, forecast operating cash flows, inventory funding requirements, the availability of its bailment finance facility and expected future capital needs. The Group is not subject to externally imposed capital requirements, other than compliance with the terms of its financing arrangements.

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### Issued capital accounting policy

#### Ordinary shares

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 20. Financial instruments

### Financial risk management

The Group is exposed to credit risk, liquidity risk and interest rate risk arising from its financial assets and financial liabilities. These risks are managed through the Group's finance processes, including the monitoring of cash flows, counterparty exposures and available funding capacity. The Board has overall responsibility for oversight of the Group's financial risk management framework.

The Group does not enter into derivative financial instruments for trading or speculative purposes.

### Categories of financial instruments

The carrying amounts of the Group's financial instruments by measurement category are set out below. Only the financial asset and financial liability components of trade and other receivables and trade and other payables are included.

| Measurement category[1] | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Financial assets measured at amortised cost** | | |
| Cash and cash equivalents | 16,044 | 6,329 |
| Trade and other receivables | 129 | 119 |
| Other assets – Term deposits[2] | 1,578 | 1,168 |
| **Total financial assets measured at amortised cost** | **17,751** | **7,616** |
| **Financial liabilities measured at amortised cost** | | |
| Trade and other payables – financial liabilities only | 4,873 | 2,609 |
| Bailment finance facility | 409 | 1,897 |
| Convertible note host liability | – | 17,919 |
| **Total financial liabilities measured at amortised cost** | **5,282** | **22,425** |
| **Financial liabilities measured at fair value through profit or loss** | | |
| Embedded derivative liability | – | 14,839 |

1 Lease liabilities are measured in accordance with AASB 16 and are therefore not included in the AASB 9 *Financial Instruments* ('AASB 9') measurement categories above. They are included in the liquidity risk disclosures below.
2 The term deposits are pledged as security for bank guarantees and are restricted from use. Further information is provided in Note 11.

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### Financial assets at amortised cost accounting policy

Financial assets are classified and measured at amortised cost when the Group's business model is to hold the assets to collect contractual cash flows and those cash flows consist solely of payments of principal and interest on the principal amount outstanding. These assets are subsequently carried at amortised cost using the effective interest method, less any impairment losses.

### Financial liabilities at amortised cost accounting policy

Loans and 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.

Finance costs are expensed in the period in which they are incurred.

### Credit risk

Credit risk is the risk that a counterparty will fail to meet its contractual obligations, resulting in financial loss to the Group. The Group's principal credit exposures arise from cash and cash equivalents and trade and other receivables.

Cash and cash equivalents and term deposits are held with major Australian financial institutions. The Group's exposure to customer credit risk from vehicle sales is limited, as consideration is settled on or before the date of delivery or collection. Other receivables primarily relate to agency fees from finance and insurance partners and timing differences on settled customer payments. These balances are monitored on an ongoing basis, and expected credit losses were not material at the reporting date.

### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities as they fall due. The Group manages liquidity risk by maintaining cash reserves and available funding capacity. The bailment finance facility is used to fund eligible vehicle inventory and is generally repaid when the related vehicle is sold. Further information about the facility is provided in Note 17.

The following tables present the Group's financial liabilities by remaining contractual maturity. The amounts disclosed are the contractual undiscounted cash flows, including future interest payments, and may therefore differ from the carrying amounts recognised in the statement of financial position.

**30 June 2026**

| | Within 6 months $'000 | Within 1 year $'000 | 1–2 years $'000 | 2–5 years $'000 | Over 5 years $'000 | Total $'000 |
|---|---|---|---|---|---|---|
| Trade and other payables | 4,873 | – | – | – | – | 4,873 |
| Bailment finance facility | 409 | – | – | – | – | 409 |
| Lease liabilities | 1,668 | 1,731 | 3,573 | 4,537 | – | 11,509 |
| **Total** | **6,950** | **1,731** | **3,573** | **4,537** | **–** | **16,791** |

**30 June 2025**

| | Within 6 months $'000 | Within 1 year $'000 | 1–2 years $'000 | 2–5 years $'000 | Over 5 years $'000 | Total $'000 |
|---|---|---|---|---|---|---|
| Trade and other payables | 2,609 | – | – | – | – | 2,609 |
| Bailment finance facility | 1,897 | – | – | – | – | 1,897 |
| Lease liabilities | 1,841 | 1,184 | 2,420 | 6,684 | – | 12,129 |
| **Total** | **6,347** | **1,184** | **2,420** | **6,684** | **–** | **16,635** |

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### Market risk

Market risk is the risk that changes in market prices, including interest rates and foreign exchange rates, will affect the Group's financial performance or the value of its financial instruments. The Group's principal exposure is to interest rate risk arising from variable-rate cash balances and the bailment finance facility. Changes in interest rates may affect interest income and finance costs.

The Group is not exposed to material foreign currency risk or other price risk arising from financial instruments. Changes in used vehicle market prices may affect the net realisable value of inventory; however, inventory is not a financial instrument, and this risk is addressed in Note 10.

### Interest rate risk

Interest rate risk arises from cash and cash equivalents held at variable interest rates and the Group's variable-rate bailment finance facility. Lease liabilities are not exposed to cash flow interest rate risk after commencement because the discount rate is fixed at the commencement or modification date.

| Variable-rate exposure | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Cash and cash equivalents | 16,044 | 6,329 |
| Bailment finance facility | (409) | (1,897) |
| Net variable-rate exposure | 15,635 | 4,432 |

At 30 June 2026, a 100-basis point increase or decrease in interest rates, with all other variables held constant, would have increased or decreased profit or loss before tax by $156,000 (2025: $44,000). The movement selected represents management's assessment of a reasonably possible change in interest rates at the reporting date.

### Fair value of financial instruments

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and the bailment finance facility approximate their fair values due to their short-term nature.

The embedded derivative associated with the convertible note was measured at fair value through profit or loss and was derecognised on conversion of the convertible note during the year. Refer to Note 18 for details of the valuation and derecognition.

The following table presents the Group's financial liability classified within Level 3 of the fair value hierarchy:

| Financial liabilities | Fair value hierarchy | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| Embedded derivative liability | Level 3 | – | 14,839 |

## Note 21. Share-based payments

### Employee share option plan

The Group operates an equity-settled share option plan under which options over ordinary shares were granted to employees and Directors in tranches. Grants were made across windows from 19 February 2021 through 28 June 2024. The options are subject to time-based vesting conditions that are set out in the respective option offer letters with vesting over four years. Options expire 15 years after grant date and do not carry voting or dividend rights before exercise and settle in ordinary shares on exercise.

The Group has not issued or granted new employee options during the current year.

Following the completion of the IPO, the Board has determined no further grants will be issued under this existing employee option plan and a replacement Rights Plan has been established.

**Reconciliation of share options on issue**

| | 2026 number | 2026 WAEP[1] | 2025 number | 2025 WAEP[1] |
|---|---|---|---|---|
| Outstanding at the start of year | 7,159,150 | 0.61 | 7,240,087 | 0.61 |
| Exercised during the period | (747,170) | – | – | – |
| Forfeited/cancelled during the period | (41,346) | 1.38 | (80,937) | 0.61 |
| **Outstanding at the end of the year** | 6,370,634 | 0.70 | 7,159,150 | 0.61 |
| **Exercisable at end of the year** | 5,131,785 | 0.54 | 5,074,051 | 0.36 |

1) Weighted Average Exercise Price ('WAEP').

*Carma Limited Rights Plan*

During the period, the Group established a Rights Plan ('Rights Plan') for the benefit of and to appropriately align, motivate, retain and reward employees and Directors as part of their remuneration. It is intended to reward for achieving growth targets and sustainable performance over the long term, and to build up an equity ownership aligning their interest with those of the shareholders.

*Performance share appreciation rights*

As part of the newly established Rights Plan, performance share appreciation rights ('PSAR') were issued to Executive Directors. The fair value of the PSARs is calculated on grant date and recognised over the 12-month service period. The measurement period of the PSARs is the period over which the vesting conditions are assessed, and for the initial grant, will be the period from grant date to 30 June 2028. The vesting of PSARs will be determined by comparing the Group's Total Shareholder Return ('TSR') against the TSR of the S&P ASX 300 Total Return index over the measurement period.

The PSARs are indeterminate Rights under which the exercised rights value may be settled in ordinary shares, restricted shares or cash at the discretion of the Board. The exercised rights value is calculated by deducting the exercise price from the share price at exercise date, multiplied by the number of PSARs exercised.

The PSARs are accounted for as equity-settled.

Set out below are summaries of performance rights granted during the period:

| Plan | Exercise price | Balance at start of the year Number | Granted during the year Number | Exercised during the year Number | Forfeited/ cancelled during the year Number | Balance at end of the year Number |
|---|---|---|---|---|---|---|
| PSARs FY26 | $2.70 | – | 1,689,566 | – | – | 1,689,566 |

At 30 June 2026, no PSARs had vested.

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The fair value of the PSARs issued has been calculated using a Monte Carlo Simulation methodology. The inputs used to determine the fair value at the grant date are as follows:

| Plan | Grant date | Vesting date | Value per right at measurement date | Expected volatility[1] | Risk-free interest rate | Annual dividend yield |
|---|---|---|---|---|---|---|
| PSARs FY26 | 16/10/2025 | 30/06/2028 | $0.73 | 41% | 3.45% | – |

1 The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the rights is indicative of future trends, which may not necessarily be the actual outcome.

The FY26 PSARs carry a 12-month service period commencing from grant date. Following the conclusion of the measurement period the vesting conditions will be assessed to determine the percentage of rights that vest. Neither the service period nor the measurement period concluded at 30 June 2026.

*Service Rights*

During the year, the Group granted 150,000 service rights to selected employees. The rights have a Nil exercise price and vest in three equal tranches between 3 March 2026 and 22 September 2028, on the first, second and third anniversaries of each employee's service commencement date, subject to continued service.

The service rights are equity-settled and had a grant-date fair value of $0.72 per right, resulting in a total grant-date fair value of $108,000. The fair value was determined by reference to the market price of the Group's ordinary shares at the grant date. As the rights are subject only to service conditions and have no market conditions, the service conditions are reflected in the number of rights expected to vest rather than in the grant-date fair value.

An expense of $46,000 (2025: $Nil) was recognised during the year ended 30 June 2026. At 30 June 2026, 20,000 service rights had vested.

**Expense recognised and share-based payment ('SBP') reserve movement**

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Opening SBP reserve | 791 | 380 |
| SBP expense during the period | 1,528 | 411 |
| **Closing SBP reserve** | **2,319** | **791** |

**SBP accounting policy**

The Group applies AASB 2 *Share-based Payment* ('AASB 2') in accounting for equity-settled share-based payment arrangements.

Equity-settled options are measured at grant-date fair value and recognised as an expense on a straight-line basis over the vesting period, based on the best estimate of the number of options expected to vest and the estimated exercise of these options. The corresponding credit is recognised in the SBP reserve. Estimates of expected vesting are updated at each reporting date, with differences recognised in profit or loss. On exercise, the cumulative amount in the reserve is transferred to share capital.

Modifications are accounted for by recognising any incremental fair value over the remaining vesting period. When options are cancelled, the Group ceases recognising further SBP expense from the cancellation date, and reverses any cumulative expense previously recognised for those options.

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## Note 22. Related party transactions

### Parent entity

**Carma Limited is the parent entity.**

*Subsidiaries*

Interests in subsidiaries are set out in Note 25.

### Transactions and balances with related parties

**Convertible note transaction**

Certain related parties participated in the Group's convertible note issuances during the current and previous financial years. The convertible notes were subscribed for on the same terms and conditions as those offered to external investors. All convertible notes outstanding converted into ordinary shares upon completion of the Initial Public Offering during the financial year. Refer to Note 18 for further information on convertible notes.

The related parties that participated in the convertible note issuances were:

*Key management personnel*

- Owen Wilson – Chairman of the Board, Interim Chair of the Audit and Risk Committee (Independent Non-Executive Director)
- Nicole Sparshott (Independent Non-Executive Director)
- Melinda Snowden (Independent Non-Executive Director, resigned 28 April 2026)

*Other related parties*

- Annie Imogen MacGregor – spouse of Lachlan MacGregor (Co-Founder and Chief Executive Officer)
- Janajena Pty Ltd – trustee for the Lenga Family Trust of Jason Lenga (Non-Executive Director, resigned 16 September 2025)

The following table summarises the subscription values and balances by related party category:

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| *Key management personnel* | | |
| Subscriptions during the year | 1,010 | – |
| Conversion of convertible notes to equity | (1,010) | – |
| **Balance at end of financial year** | **–** | **–** |

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| *Other related parties* | | |
| Balance at beginning of financial year | 200 | |
| Subscriptions during the year | – | 200 |
| Conversion of convertible notes to equity | (200) | – |
| **Balance at end of financial year** | **–** | **200** |

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*Other related party transactions*

The Group periodically engages the services of Hudson Global Resources (Aust) Pty Limited (Hudson) to perform psychometric testing as part of the hiring process of the Group's employees. Lachlan MacGregor (Co-Founder and Chief Executive Officer) was previously a non-executive director and a minority shareholder. The engagement is valued at $35,000 for the current financial year (2025: $21,000).

The arrangement is at arm's-length. All related party balances are unsecured, and no amounts have been written off or provided for in respect of these balances during the year.

## Note 23. Cash flow information

### Reconciliation of loss after income tax expense to net cash from operating activities

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Loss after income tax expense for the year | (49,593) | (35,855) |
| Adjustments for: | | |
| Depreciation and amortisation | 6,503 | 6,658 |
| Impairment of assets | – | 12 |
| Share-based payments | 1,528 | 411 |
| Gain on disposal of assets | (4) | (12) |
| Finance cost on lease liabilities | 765 | 446 |
| Fair value remeasurement loss/(gain) on derivative liability | 4,947 | (1,321) |
| Finance cost on convertible note | 5,097 | 4,159 |
| Changes in operating assets and liabilities | | |
| Increase in trade and other receivables | (1,619) | (175) |
| Increase/(decrease) in other assets | 90 | (151) |
| (Increase)/decrease in inventories | (17,941) | 5,871 |
| Increase in trade and other payables | 3,121 | 572 |
| Increase in provisions | 362 | 129 |
| **Net cash used in operating activities** | **(46,744)** | **(19,256)** |

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## Note 24. Key management personnel

The following table sets out the statutory disclosures with amounts determined in accordance with the Accounting Standards for the financial year:

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Non-Executive Directors | | |
| Short-term employee benefits | 333 | – |
| Post-employment benefits[1] | 26 | – |
| Share-based payments[2] | 75 | – |
| | **434** | **–** |
| Executive Directors | | |
| Short-term employee benefits | 1,062 | 370 |
| Post-employment benefits[1] | 59 | 40 |
| Share-based payments[3] | 1,120 | – |
| | **2,241** | **410** |

1. Post-employment benefits relate to superannuation contributions.
2. Restricted rights were issued to Non-Executive Directors. The restricted rights vested on grant and are subject to a 180-day exercise restriction, with no service or performance conditions applying.
3. Share-based payments represents the expense recognised based on the fair value of the Long-term Incentive ('LTI') plan (PSARs), restricted rights and Short-term Incentive ('STI') plan over their respective vesting periods. Executive Directors have been offered the opportunity to participate in the Group's STI plan.

## Note 25. Interest in subsidiaries

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

| | | Ownership interest | |
|---|---|---|---|
| Name | Principal place of business/ Country of incorporation | 2026 % | 2025 % |
| Carma Auto Pty Ltd | Australia | 100 | 100 |

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## Note 26. Parent entity information

### Statement of financial position

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Assets** | | |
| Current assets | 11,558 | 4,609 |
| Non-current assets | – | 124,347 |
| **Total assets** | 11,558 | **128,956** |
| **Liabilities** | | |
| Current liabilities | 380 | 32,906 |
| **Total liabilities** | 380 | **32,906** |
| **Equity** | | |
| Issued share capital | 205,565 | 94,962 |
| Reserves | 2,319 | 791 |
| Retained earnings | (196,706) | 297 |
| **Total equity** | **11,178** | **96,050** |

### Statement of profit or loss and other comprehensive income

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Loss after income tax expense | (197,003) | (4,142) |
| **Total comprehensive loss** | (197,003) | **(4,142)** |

### Related party transactions

There were no related party transactions and balances other than those disclosed in Note 22.

### Guarantees

There are no unrecognised contingent liabilities of the parent entity as at 30 June 2026, other than those disclosed in Note 28 relating to the deed of cross guarantees.

### Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in Note 2, Note 30 and throughout the accounts.

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## Note 27. Auditors' remuneration

During the financial year the following fees were paid or payable for services provided by Deloitte, the auditor of the Group, and unrelated firms:

| | 2026 | 2025 |
|---|---|---|
| **Deloitte** | | |
| Audit or review of financial reports | 333,000 | 133,040 |
| Due diligence and assurance services for IPO | 621,250 | – |
| Tax compliance | 170,000 | – |
| | 1,124,250 | 133,040 |
| **Other network firms** | | |
| Due diligence services for IPO | 70,029 | – |
| Tax consulting services | 19,277 | 18,253 |
| External valuation for SBP | 8,500 | – |
| | **1,222,056** | **151,293** |

## Note 28. Deed of cross guarantee

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

**Carma Limited**

*Carma Auto Pty Ltd*

Carma Limited and its wholly owned subsidiary, Carma Auto Pty Ltd, entered into the Deed pursuant to ASIC Corporations (Wholly owned Companies) *Instrument 2016/785*. Under the Deed, each entity guarantees the debts of the other and, as a result, these entities have been relieved from the requirement to prepare separate financial reports under the Corporations Act 2001.

These entities together form the Closed Group for the purposes of the Corporations Instrument. As the Closed Group comprises only the parent and its wholly owned subsidiary, and these entities make up the consolidated financial statements, no separate financial information is presented.

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## Note 29. Loss per share

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Loss after income tax expense attributable to the owners of Carma Limited | (49,593) | (35,855) |
| | **Number** | **Number** |
| Weighted average number of ordinary shares (basic and diluted) | 104,708,065 | 44,000,002 |
| | **Cents** | **Cents** |
| Basic and diluted loss per share | (47.4) | (40.3) |

### Accounting policy for loss per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share adjusts the weighted average number of shares for the effects of all dilutive potential ordinary shares. Potential ordinary shares are treated as dilutive only when their conversion to ordinary shares would decrease earnings per share or increase loss per share.

When the Group is in a loss-making position, potential ordinary shares are considered anti-dilutive and are therefore excluded from the diluted earnings per share calculation. As a result, diluted earnings per share equals basic earnings per share.

## Note 30. Basis of preparation

These general purpose consolidated 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 a for-profit entity. The consolidated financial statements also comply with 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, where applicable, financial assets and liabilities at fair value through profit or loss.

### Significant accounting judgements and estimates

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised and disclosed. The significant accounting judgements and estimates applied by the Group are disclosed in Note 2.

### Principles of consolidation

The consolidated financial statements comprise the financial statements of the Group and its controlled entity for the year ended 30 June 2026. The Group controls an entity when it has power over the entity, exposure or rights to variable returns from its involvement with the entity and the ability to use its power to affect those returns.

Controlled entities are consolidated from the date control is obtained and cease to be consolidated from the date control is lost. Intercompany balances and transactions, including unrealised gains and losses, are eliminated on consolidation.

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### Parent entity information

In accordance with the Corporations Act 2001, these consolidated financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in Note 26.

### Current and non-current classification

Assets and liabilities are classified in the statement of financial position as either current or non-current.

An asset is classified as current when it is expected to be realised or consumed in the Group's normal operating cycle, held for trading, expected to be realised within twelve months after the reporting date, or is cash or a cash equivalent (unless restricted from use for at least twelve months). All other assets are classified as non-current.

A liability is classified as current when it is expected to be settled in the Group's normal operating cycle, held for trading, due within twelve months after the reporting date, or when the Group does not have an unconditional right to defer settlement for at least twelve months. All other liabilities are classified as non-current.

### Rounding of amounts

All amounts in the consolidated financial statements have been rounded to the nearest thousand dollars ($'000) in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) *Instrument* 2026/183, unless otherwise stated.

### New Accounting Standards and Interpretations not yet mandatory or early adopted

At the date of authorisation of these financial statements, the Group has not applied the following new and revised Australian Accounting Standards and Interpretations that have been issued but are not yet effective and may have an impact on the Group:

| | |
|---|---|
| AASB 18 | Presentation and disclosure in financial statements |
| AASB 2024-2 | Amendments to Australian Accounting Standards – Classification and measurement of financial instruments |
| AASB 2024-3 | Amendments to Australian Accounting Standards – Annual Improvements Volume 11 |

The Group will apply AASB 18 from 1 July 2027. The Standard is expected to affect the presentation and disclosure of the Group's financial statements, including disclosures relating to management-defined performance measures, but is not expected to affect the recognition or measurement of amounts reported.

The Group is continuing to assess the impact of AASB 18 and the other Standards listed above.

## Note 31. Subsequent events

Subsequent to the end of the financial year, the Group entered into a lease agreement for an additional facility to support its operations. The facility will primarily be used for vehicle sales preparation activities and the storage of vehicle inventory, providing additional capacity to support the Group's operations.

Following the Group's bi-annual review of the Bailment Finance Facility at June 2026, and subsequent to year end, the Bailment Finance Facility was renewed with an extended renewal period to March 2027.

No other subsequent events have occurred since the reporting date that have significantly affected, or may significantly affect, the Group's operations, results or state of affairs.

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# Consolidated entity disclosure statement

As at 30 June 2026

| | | Bodies corporate | | Tax Residency | |
|---|---|---|---|---|---|
| **Entity name** | **Entity type** | **Place formed or incorporated** | **% of share capital held[1]** | **Australian tax resident** | **Foreign jurisdictions** |
| **Carma Limited** | Body corporate | Australia | N/A | Yes | N/A |
| **Carma Auto Pty Ltd** | Body corporate | Australia | 100% | Yes | N/A |

1 Represents the economic interest in the entity as consolidated in the consolidated financial statements.

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# Directors' declaration

30 June 2026

In the Directors' opinion:

a) the attached consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:
   (i) giving a true and fair view of the Group's financial position as at 30 June 2026 and its performance for the year ended on that date; and
   (ii) complying with the Australian Accounting Standards and the Corporations Regulations 2001;

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

c) the attached consolidated financial statements and notes comply with IFRS Accounting Standards, as stated in Note 30 to the consolidated financial statements;

d) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act 2001 is true and correct; and

e) at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group, identified in Note 28 to the consolidated financial statements, 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 that note.

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

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

On behalf of the Directors,



**Owen Wilson**
*Chairman*

31 August 2026

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# Independent auditor's report

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Deloitte.

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## Independent Auditor's Report to the Members of Carma Limited

**Report on the audit of the financial report**

*Opinion*

We have audited the financial report of Carma Limited (the "Entity"[1]) and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2026 and of their financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the Corporations Regulations 2001.

*Basis for opinion*

We conducted our audit in accordance with Australian Auditing Standards. 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 also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Entity, would be in the same terms if given to the directors as at the time of this auditor's report.

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

*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 for the current period. These matters were 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 these matters.

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| Key audit matter | How the scope of our audit responded to the key audit matter |
|---|---|
| **Internally generated intangible assets**<br><br>As disclosed in Note 14, the net carrying amount of capitalised software as at 30 June 2026, is $3.8 million, including $2.4 million of additions capitalised during the current year.<br><br>Judgement is required in determining which development activities are eligible for capitalisation pursuant to AASB 138 Intangible Assets, including which employee activities are eligible for capitalisation, as well as the quantum of labour costs directly attributable to the development activities. | Our procedures included, but were not limited to:<br>o Obtaining an understanding of the relevant controls over the capitalisation of development costs;<br>o Reviewing the Group's accounting policy for capitalised development costs and assessing whether it is consistent with the recognition criteria in AASB 138 Intangible Assets;<br>o On a sample basis, testing the capitalised development costs during the year through the following procedures:<br>  o Assessing management's capitalisation schedule for additions during the period and agreeing this to supporting payroll allocations and/or consultant costs;<br>  o Understanding the significant development projects and activities undertaken during the year and assessing whether the costs incurred qualify for capitalisation in accordance with the Group's accounting policy and AASB 138 Intangible Assets;<br>  o Challenging the useful life applied to projects;<br>  o Testing the mathematical accuracy of management's labour capitalisation schedule; and<br>o Assessing the completeness and appropriateness of the related disclosures in Note 14 to the consolidated financial statements. |

*Other information*

The directors are responsible for the other information. The other information comprises of the Directors' Report and Chair's Letter, which we obtained prior to the date of this auditor's report and also includes additional information which will be included in the Group's annual report (but does not include the financial report, remuneration report and our auditor's report thereon) which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, 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. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the additional information in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action.

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*Responsibilities of the directors for the financial report*

The directors are responsible:

- For the preparation of 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 in accordance with Australian Accounting Standards; and

- For such internal control as the directors determine is necessary to enable the preparation of 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 is free from material misstatement, whether due to fraud or error.

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

*Auditor's responsibilities for the audit of the financial report*

Our objectives are 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.2

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

*Report on the Remuneration Report*

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 25 of the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Carma Limited, for the year ended 30 June 2026, complies with section 300A of the Corporations Act 2001.

*Responsibilities*

The directors of the Entity are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Pooja Patel

Pooja Patel

Partner
Chartered Accountants
Sydney, 31 August 2026

# Corporate directory

## Company's Registered Office

**Carma Limited**
Suite 5.03
219–241 Cleveland Street
Strawberry Hills, NSW 2012

## Directors

Owen Wilson

Lachlan MacGregor

Nicole Sparshott

Yosuke Hall

## Company Secretary

Lisa Jones

## Shareholder Enquiries

### Share Registry

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## Auditor

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