

# 2025 Annual Meeting Presentation

21 August 2025

**Turners.**  
Automotive Group



# Board of Directors



Grant Baker  
Non-executive Chairman



Matthew Harrison  
Non-executive Director



Alistair Petrie  
Non-executive Director



Todd Hunter  
Group CEO & Managing  
Director



John Roberts  
Independent Director



Lauren Quaintance  
Independent Director



Antony Vriens  
Independent Director

# Meeting Agenda

## 1. Presentations

- Address from the Chair, Grant Baker
- Address from the CEO, Todd Hunter
- Address from Directors up for re-election

## 2. Shareholder Discussion

## 3. Resolutions are per Notice of Meeting

- **Resolution 1** - That Baker Tilly Staples Rodway be reappointed as auditor of the Company and that the Directors be authorised to fix the auditor's remuneration.
- **Resolution 2** - That **Grant Baker**, who retires by rotation pursuant to NZX Main Board Listing Rule 2.7.1 and has offered himself for re-election, be re-elected as a Director of the Company.
- **Resolution 3** - That **Todd Hunter**, who was appointed by the Board since the Company's last annual meeting and retires pursuant to NZX Main Board Listing Rule 2.7.1 and, being eligible, has offered himself for election, to be elected as a Director of the Company.

## 4. General Business

# Chairman's Address

## Grant Baker







# Turners Cars

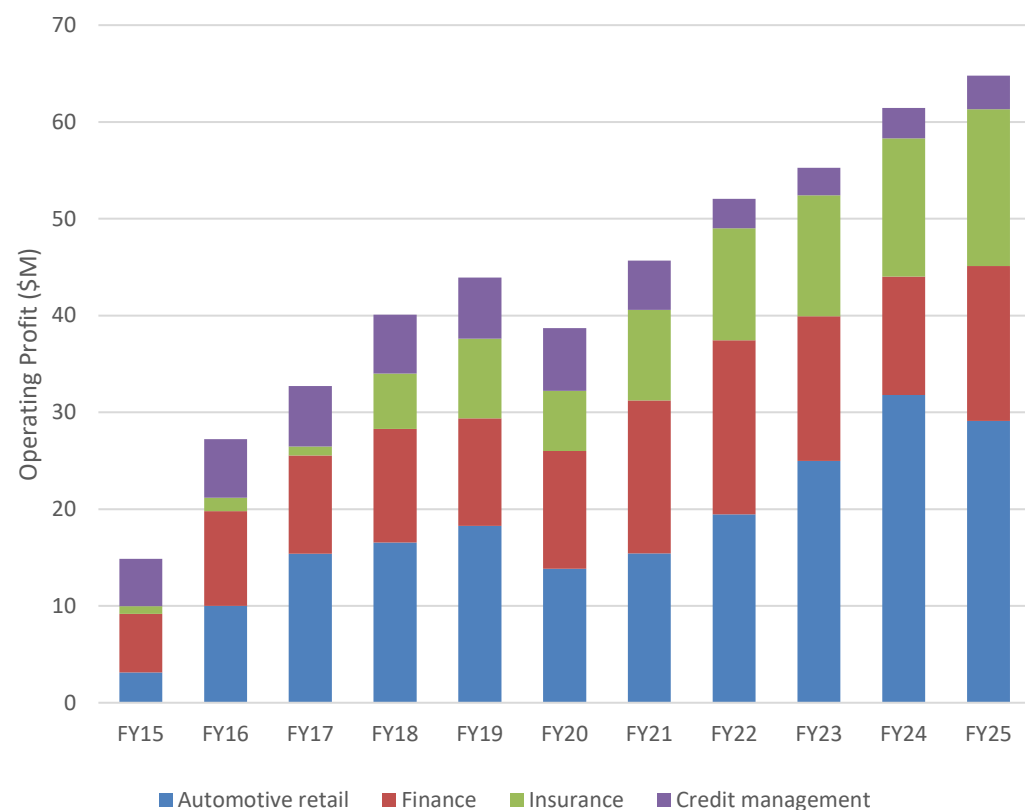
Helping Kiwi & sell for over 50 years.



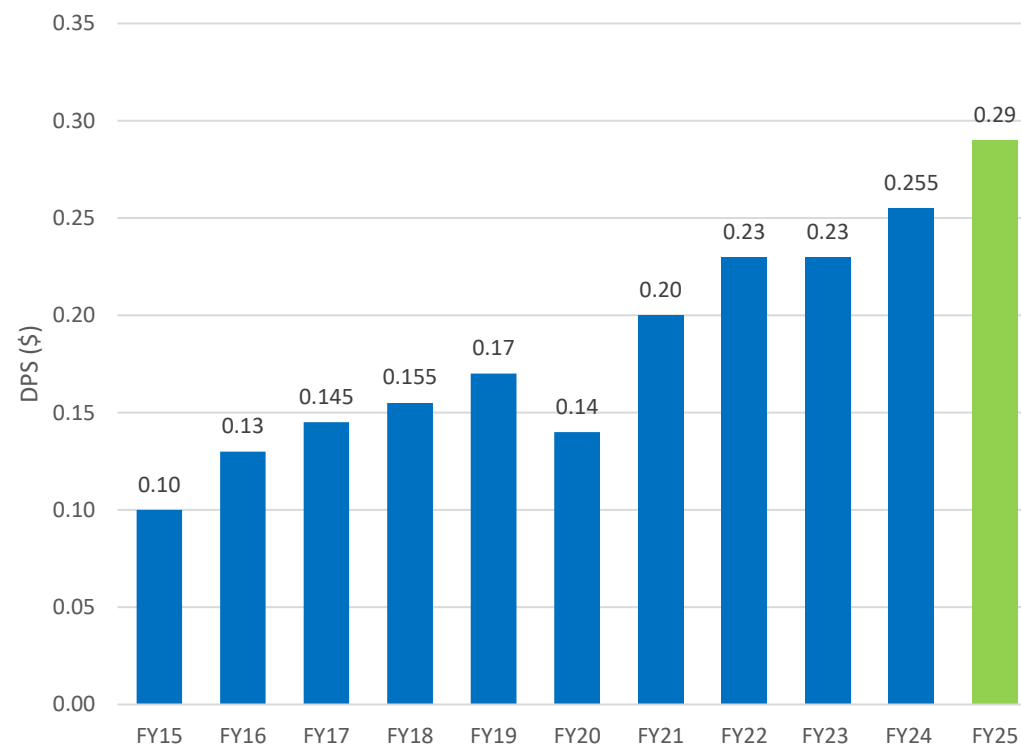
- **Record result caps off a decade of growth**
- **Resilient model and outstanding team**
- **Confidence in future growth**

# Record result caps off a decade of growth

**Operating profit contribution by segment (\$M)**



**Dividend per Share (\$)**





# We delivered on growth, despite the NZ economy ...

1. **The result extended our track record of resilience**, by again delivering another record, despite an extremely challenging consumer environment.
2. **FY25 dividend of 29.0 cps up +14% on pcp** and caps off a decade of strongly growing dividends from 10 cps in FY15.
3. **Earning diversification proven again**, with well signalled lower Auto Retail revenue offset by gains from Finance, Insurance and Credit Management, as expected.
4. **Consumer sentiment downturn put pressure** on vehicle prices, reducing margins during 1H. But 2H showed strong recovery in Auto Retail, and all 4 business divisions showed growth over 2H24.
5. **NZ used car market volumes have remained resilient**, despite the economic conditions.
6. **The Turners team remains highly motivated**, with strong employee engagement and broad share ownership.
7. **Outlook for FY26 is a slowly recovering economy** with further growth expected in Turners profits over FY25.



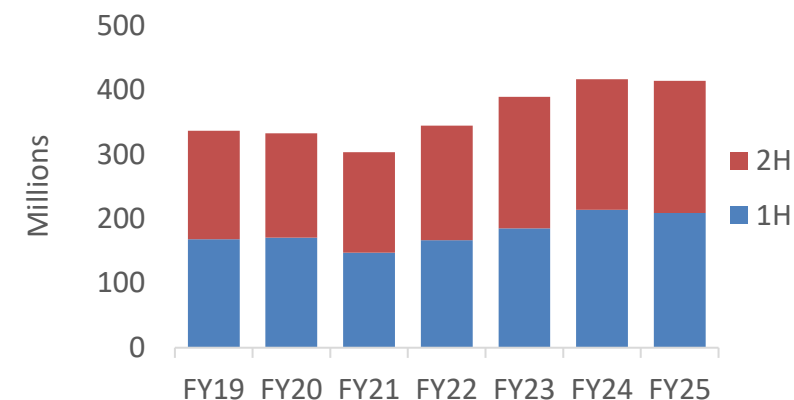
# FY25 Results snapshot

Revenue <b>\$414.2M -1%</b>	Shareholders' Equity <b>\$298M as at 31 March 25</b>
Net Profit Before Tax <b>\$54.3M +10%</b>	Final Dividend 9.0 cps (fully imputed) <b>FY Div 29.0 cps +14%</b>
EBIT <sup>1</sup> <b>\$62.3M +6%</b>	Earnings Per Share <sup>2</sup> <b>43.3cps +17%</b>
Net Profit After Tax <sup>2</sup> <b>\$38.6M +17%</b>	

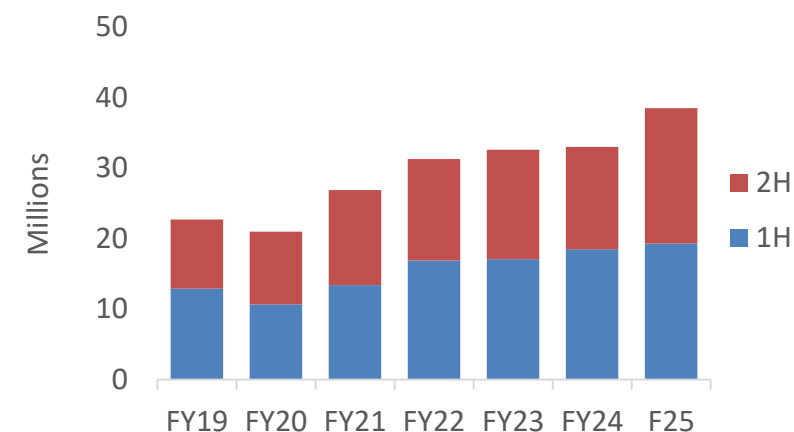
<sup>1</sup> EBIT adjusted for interest expense in Finance (non-IFRS measure)

<sup>2</sup> The effective tax rate for FY25 reverted to 29%. In FY24 there was a one-off legislative change to remove depreciation on commercial buildings which increased the effective tax rate to 33%.

## Revenue



## Net profit after tax



# **We operate to a simple formula**

## Quality environment for our people

+

## Quality customer experiences

=

## Quality outcomes for our shareholders

53% of our team  
(~350 people) own  
shares in Turners

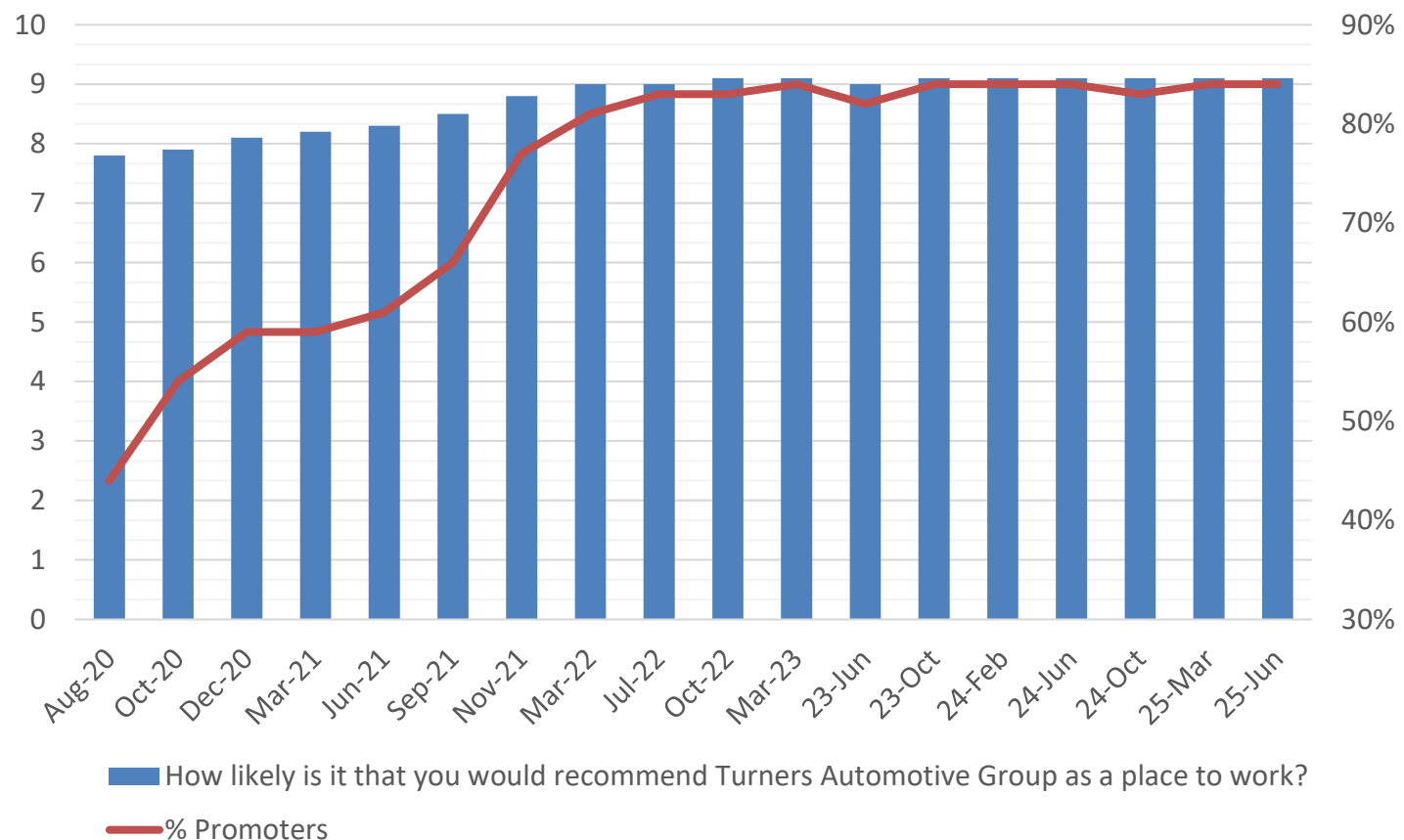
Winner of Most Trusted  
Used Car Dealership 5  
years running

A decade of increasing  
dividends and share price  
growth for shareholders  
(except for 2020)

Top 5% globally for levels  
of team engagement






# Our strong culture is a key advantage for our business

## Employee Engagement Scores - How likely is it that you would recommend Turners Automotive Group as a place to work?



- 83% of leadership roles filled internally

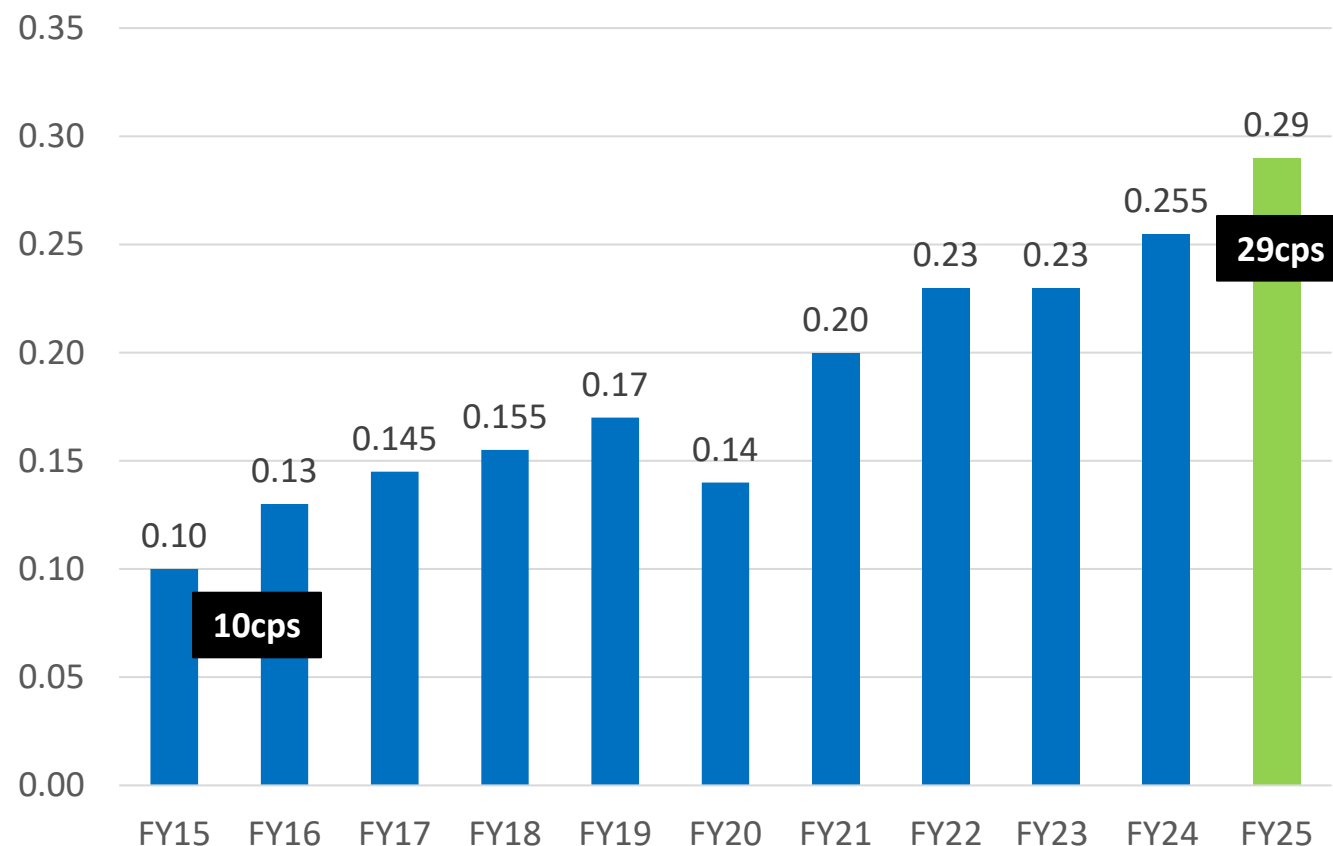
## Employee Net Promoter Score

	<b>80</b>
	<b>59</b>
	<b>35</b>
	<b>20</b>
	<b>19</b>



# Turners has built a strong and sustainable business with a proven track record...

## Dividend per Share (\$)



- “Skin in the game” (30% shares owned around board table, 53% participation from employees).
- Quarterly dividend payments.
- Our dividend reinvestment plan (DRP) remains in place.
- FY25 dividend of 29.0cps, +14% on prior year, capping off a decade of consistent increases.).

**CAGR 14%  
since FY15**





# Future Growth Opportunities

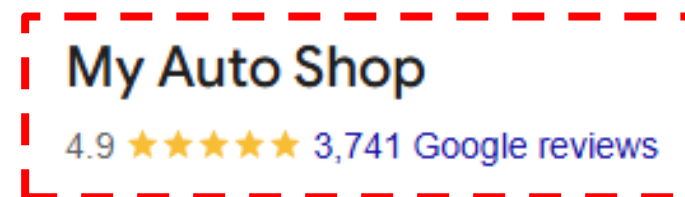




# MyAutoShop rebranded to Turners Servicing and Repairs



- Rebrand under way to Turners Servicing and Repairs to leverage strong brand awareness and equity in “Turners” brand.
- Turners Servicing and Repairs is now nearing break-even, and we continue to invest aggressively for growth.
- Marketing campaign launching Sept-25 to drive awareness of the ease and convenience of mobile servicing.



WE  
Design  
Your Own  
**SIGNS**

BANNERS & FLAGS  
**WINDOW**  
3D LETTERS

# Car servicing made easy!

[turnersservice.co.nz](http://turnersservice.co.nz)

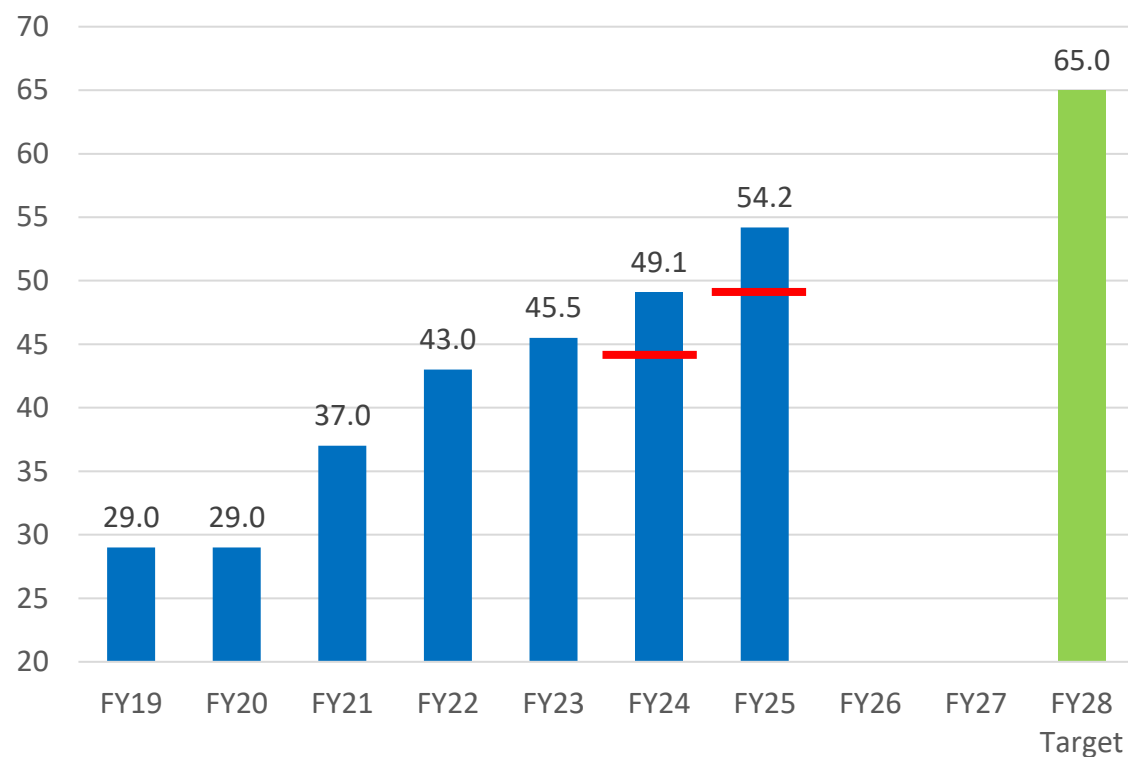
 **Turners**  
Servicing & Repairs

• [hello@turnersservice.co.nz](mailto:hello@turnersservice.co.nz)  
• (09) 802 5063



# On track to achieve our medium term FY28 target earlier

## Net Profit Before Tax (\$M)



— Target #1 set in FY21 for FY24, and Target #2 set in FY22 for FY25

**Target #1 (FY21) of \$45M NPBT by FY24 - Achieved**

**Target #2 (FY22) of \$50M NPBT by FY25 - Achieved**

**Target #3 (FY24) of \$65M NPBT by FY28**

- Assumes organic growth out of Auto Retail with new branches planned plus continued wholesale to retail transition. Recovery in Finance business and Credit management + direct to consumer growth in Insurance.

## Key takeaways...

- **Scale player**, in a big market, operating off a platform of trust (in a market that stands for the opposite).
- **Proven track record** with over a decade of profit and dividend growth.
- **“Skin in the game”** with directors and management owning significant shares (30%).
- **Growth to come** – well on track for our \$65M target by FY28.
- **Servicing and repairs** a big opportunity and first time we are leveraging the Turners brand into a new category.
- **People focused business**...strong culture and highly engaged team, with ownership mindset = powerful combo.

# A new Tina campaign and a new number one...

## 'Emotion sells': TRA reveals NZ's favourite ads for June

**S** By STOPPRESS TEAM — July 15, 2025



- This is the first time since December 2023 that there has been someone new at number one, with ASB and ANZ having continuously occupied the top two spots.
- 3.3M views on YouTube 60 sec (56 sec viewing)
- 2.7M views on YouTube 90 sec (78 sec viewing time)
- Additional \$600k investment in media July-25 YTD compared to July-24 YTD

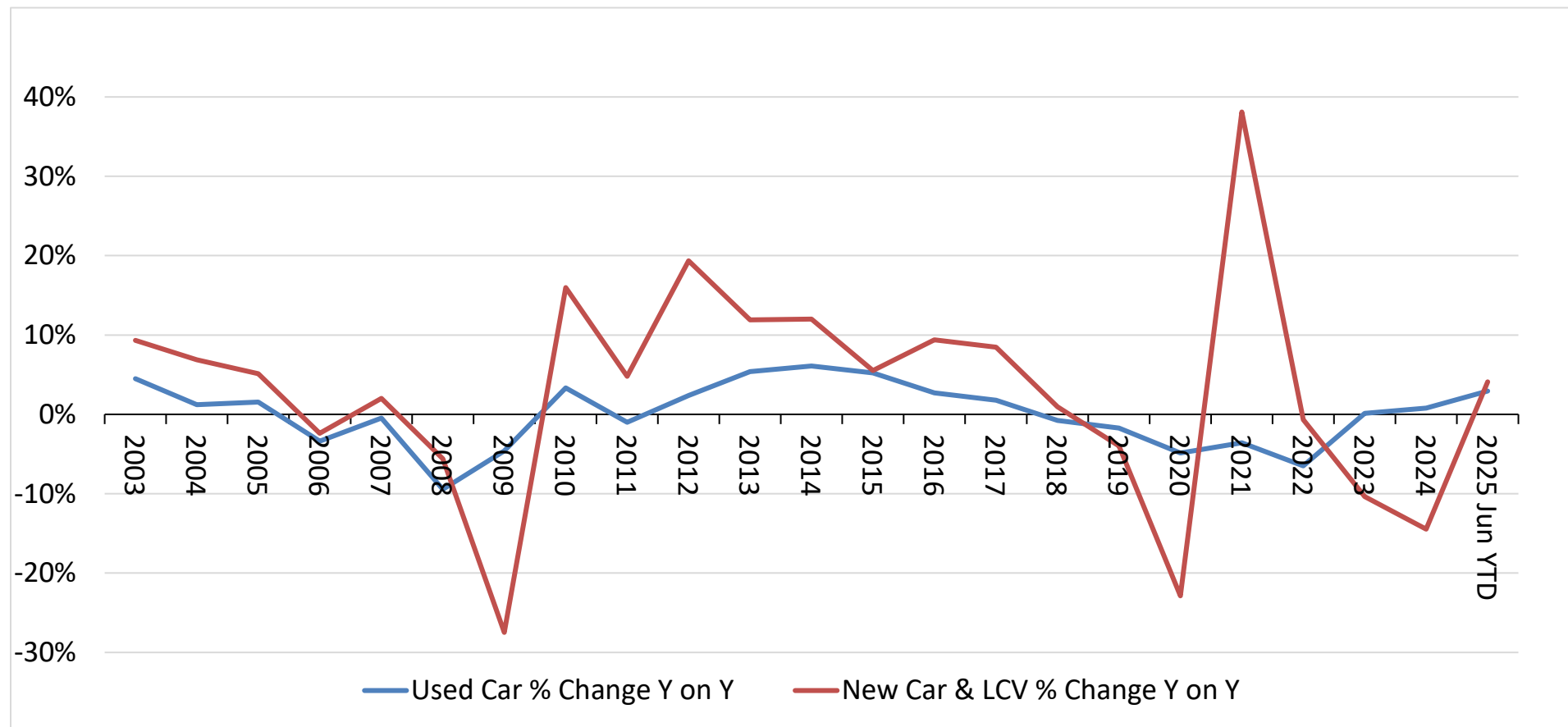
# CEO's Update Todd Hunter





# Used car market demonstrating resilience

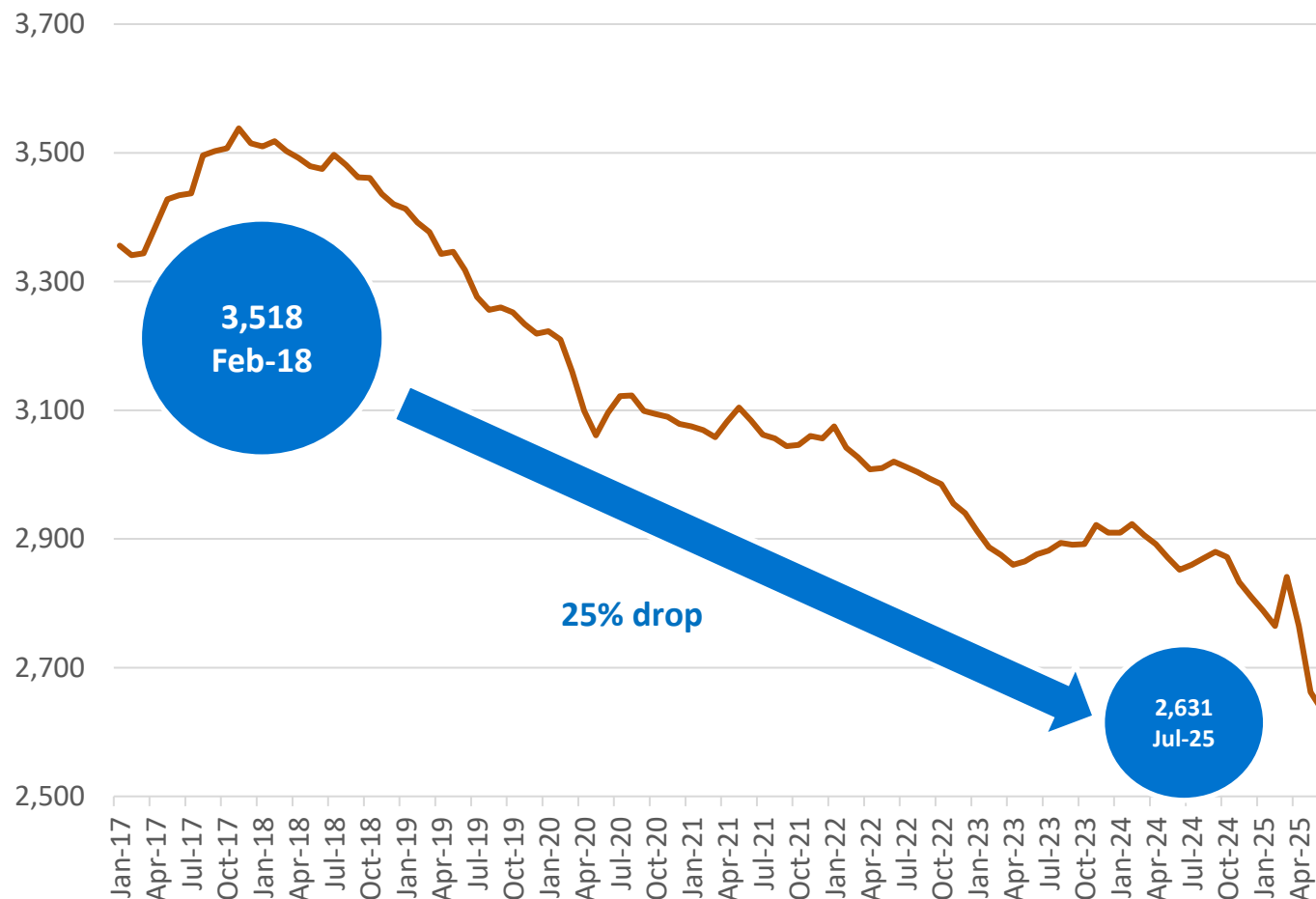
## % Change Yr on Yr, New Car vs Used Car Sales



Source NZTA

# Dealer numbers in freefall

Registered Dealer Numbers NZ (source MBIE)



- Dealer numbers starting to track down again with weak demand, and difficulty in importing cars from Japan.
- Ultimately, scale will be the key determinant of long-term success in this category.





# Business Divisions

**Turners.**  
Automotive Group



# Auto Retail Division

Strong brand

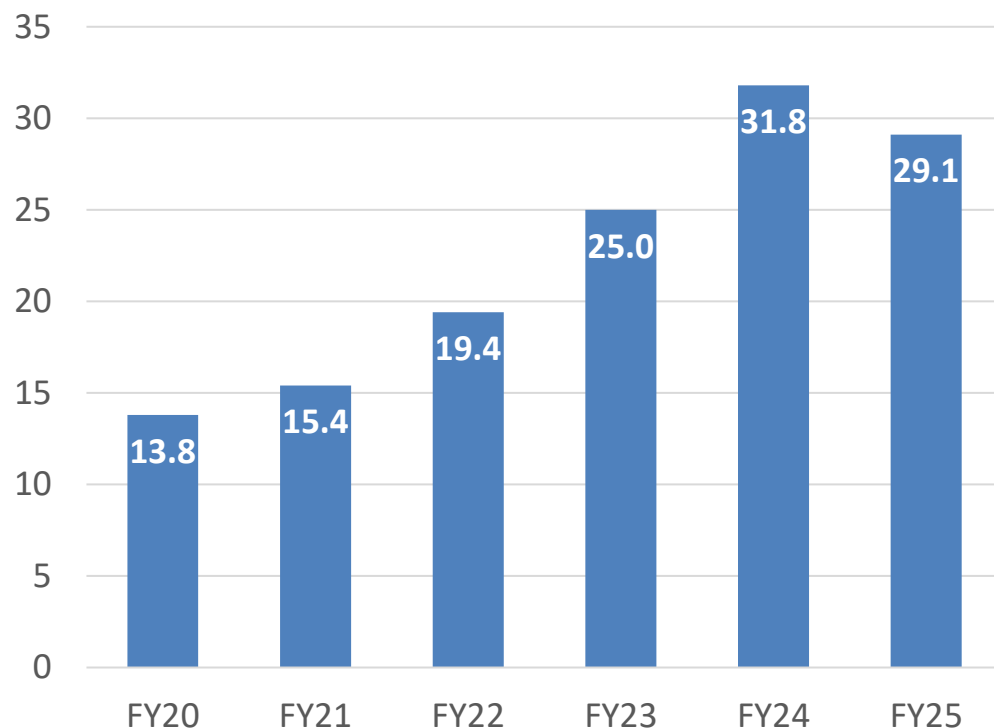
Smart sourcing

Operational agility



# Auto Retail - Summary

**Operating Profit Contribution Auto Retail (\$M)**



- FY25 NZ auto market conditions were challenging, in line with the macroeconomic environment.
- Our sourcing initiatives, pricing optimisation and stock management discipline during 1H set us up for margin expansion in 2H.
- Damaged/end-of-life segment dropped on the previous year, due to more benign weather.
- Commercial division benefited from increased liquidations and receiverships, particularly in 2H.
- Continuing to expand our network and grow our market share.

# Entering the next phase for ongoing growth push

More opportunities to purchase sites at attractive valuations (stage of interest rate cycle).

## Committed development pipeline

Location	Branch	Size	Timing	Expected additional profit contribution
Tauranga – Tauriko (COMPLETED)	Commercial	7,900m <sup>2</sup>	Q2 FY25	\$400k
Invercargill (COMPLETED)	Cars	5,500m <sup>2</sup>	Q1 FY26	\$400k
Christchurch – Hornby (COMPLETED)	Cars	15,500m <sup>2</sup>	Q1 FY26	\$400k <sup>1</sup>
Christchurch – City Centre (COMPLETED)	Cars	6,700m <sup>2</sup>	Q1 FY26	\$500k <sup>1</sup>
Christchurch – Airport (COMPLETED)	Cars	12,000m <sup>2</sup>	Q2 FY26	\$300k <sup>1</sup>
Napier (COMPLETED)	Commercial	6,000m <sup>2</sup>	Q1 FY26	\$200k
Roscommon Rd - Manukau	Cars	10,000m <sup>2</sup>	Q3 FY26	\$700k <sup>2</sup>
Tauranga - Greerton	Cars	7,600m <sup>2</sup>	Q4 FY27	\$600k

<sup>1</sup> additional profit contribution over and above the current operating profit of Christchurch operations of ~\$4M

<sup>2</sup> initially geared as a processing branch to replace Auckland service center with some retailing.

<sup>3</sup> larger site with increased rent somewhat revenue gains due to better profile.

**We own 17 of our sites with a cost value of \$130M+**

### “Live” conditional offers

- Drury – Commercial site 18,000m<sup>2</sup>
- Whanganui – Cars 3,500m<sup>2</sup>
- Takanini – Cars 8,000m<sup>2</sup>
- Ormiston – Cars 7,200m<sup>2</sup>

### “Opportunities” pipeline

New locations

- Albany north
- North East Christchurch
- Lower Hutt

Existing locations expansion

- New Plymouth

# Entering the next phase for ongoing growth push

More opportunities to purchase sites at attractive valuations (stage of interest rate cycle).

## Committed development pipeline

Location	Branch	Size	Timing	Expected additional profit contribution
Tauranga – North (COMPLETED)	Commercial	1,000m <sup>2</sup>	Q4 FY25	\$400k
Manawatu (COMPLETED)	Cars	1,000m <sup>2</sup>	Q4 FY25	\$400k
Christchurch – North (COMPLETED)	Cars	15,000m <sup>2</sup>	Q4 FY25	\$100k <sup>1</sup>
Christchurch – City Centre (COMPLETED)	Cars	6,000m <sup>2</sup>	Q4 FY25	\$100k <sup>1</sup>
Christchurch – Airport (COMPLETED)	Cars	10,000m <sup>2</sup>	Q4 FY25	\$100k <sup>1</sup>
Wairarapa (COMPLETED)	Commercial	6,000m <sup>2</sup>	Q4 FY25	\$100k
Manawatu Rd – Manawatu	Cars	10,000m <sup>2</sup>	Q4 FY26	\$100k <sup>2</sup>
Tauranga – Greenfield	Cars	1,000m <sup>2</sup>	Q4 FY27	\$400k

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# Turners Cars (Invercargill)







Turners Cars  
Wairakei

# Turners Cars Christchurch

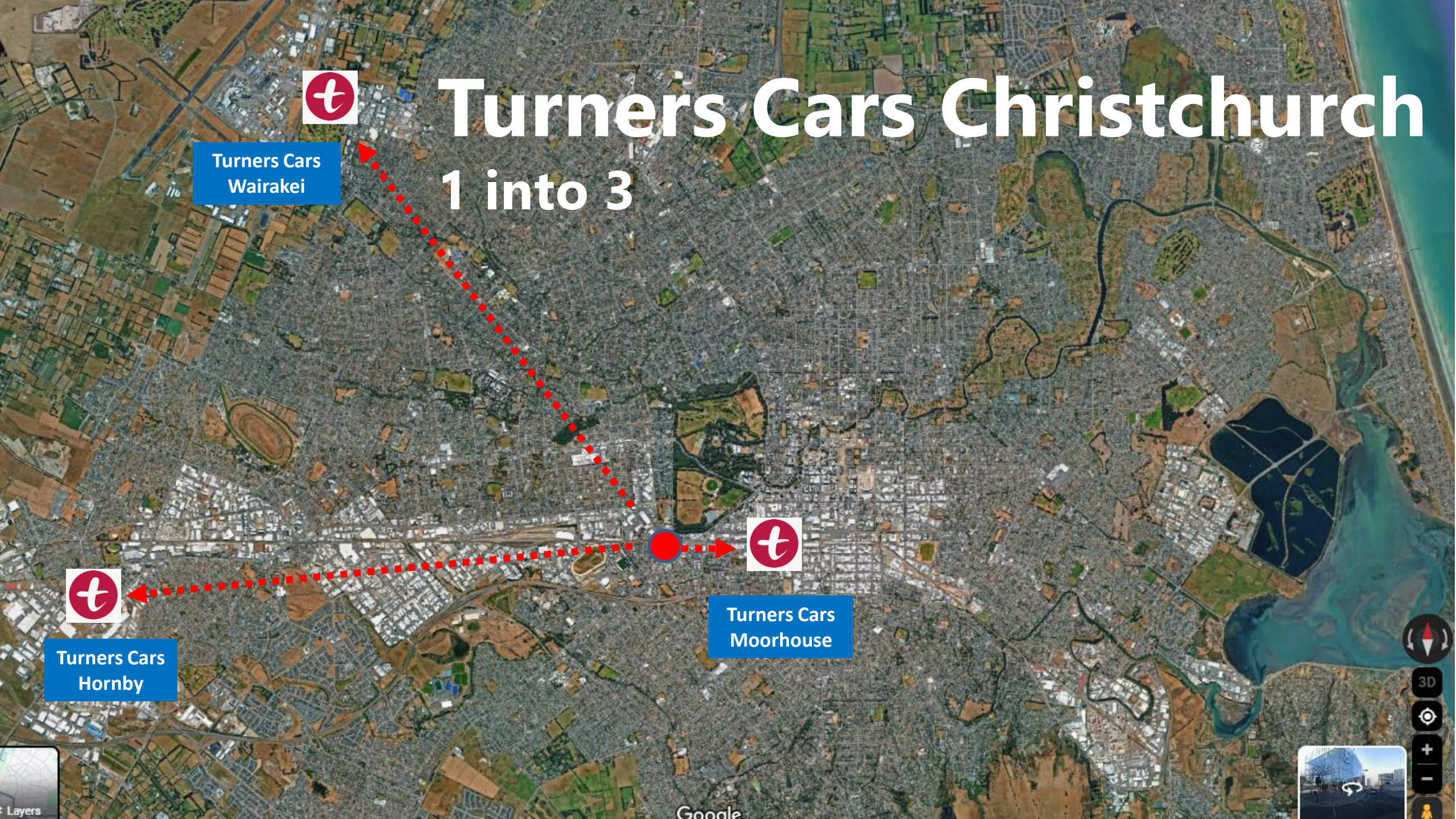
## 1 into 3



Turners Cars  
Hornby



Turners Cars  
Moorhouse







# Turners Cars Hornby (Christchurch West)



# Turners Cars Moorhouse (Christchurch CBD)





# Turners Cars Wairakei (Christchurch Airport)



# Finance Division

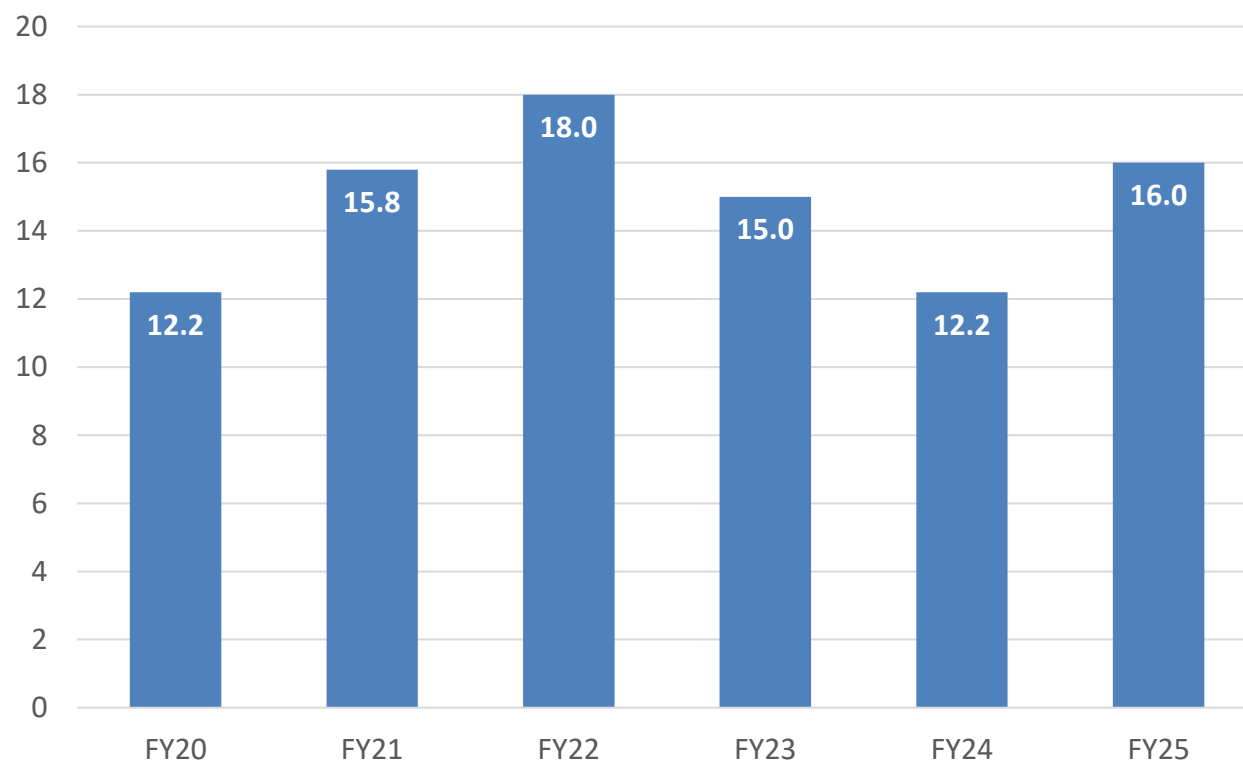
Strong brand

Smart sourcing

Operational agility

# Finance - Summary

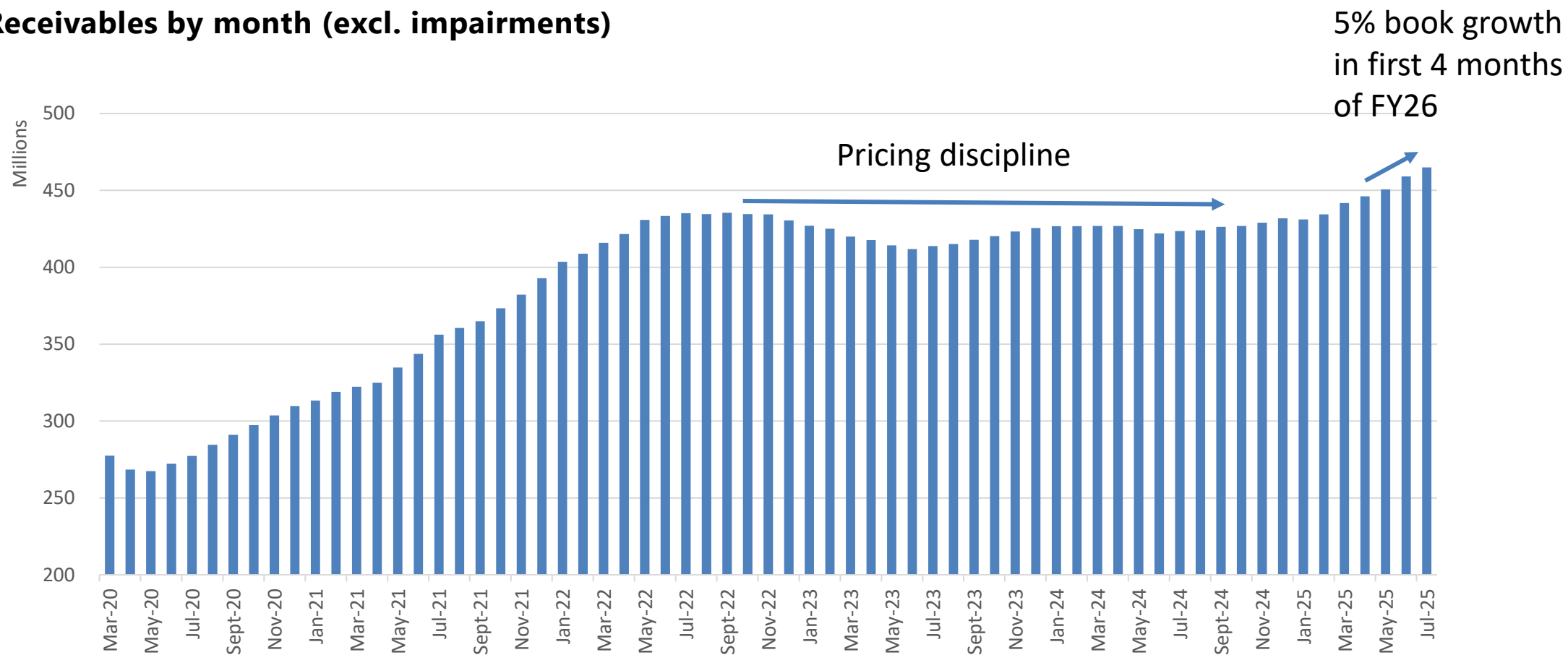
## Operating Profit Contribution Finance (\$M)



- Total ledger is growing again.
- Through challenging economic conditions, arrears have remained substantially below industry norms.
- Quality continues to improve with credit scores lifting and reduced higher risk commercial lending.
- Net interest margin is expanding as OCR shifts from headwind to tailwind.

# Our finance business is back in growth mode

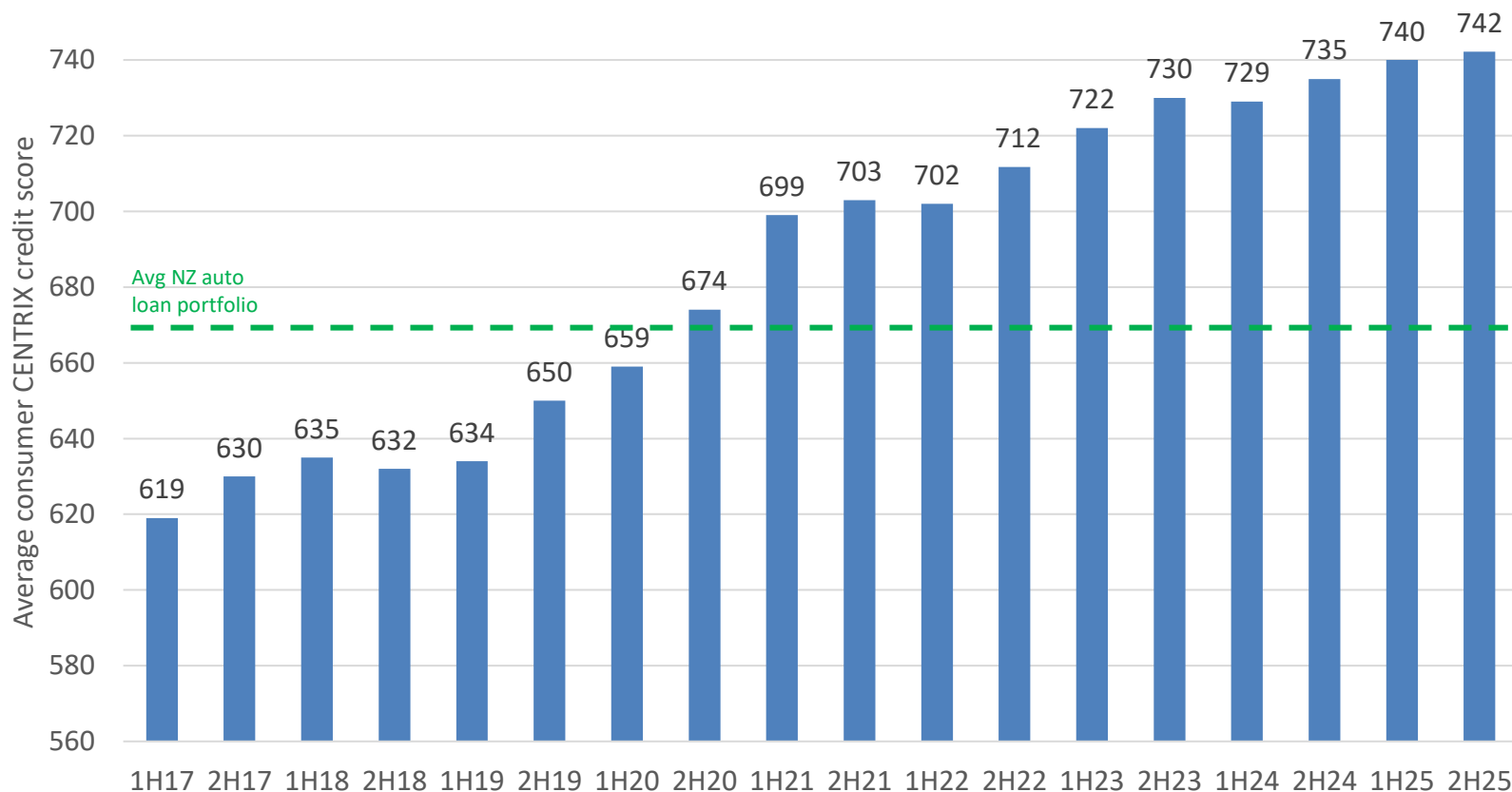
## Receivables by month (excl. impairments)





# We maintain our focus on credit quality

## Average Centrix credit score for loans on-boarded

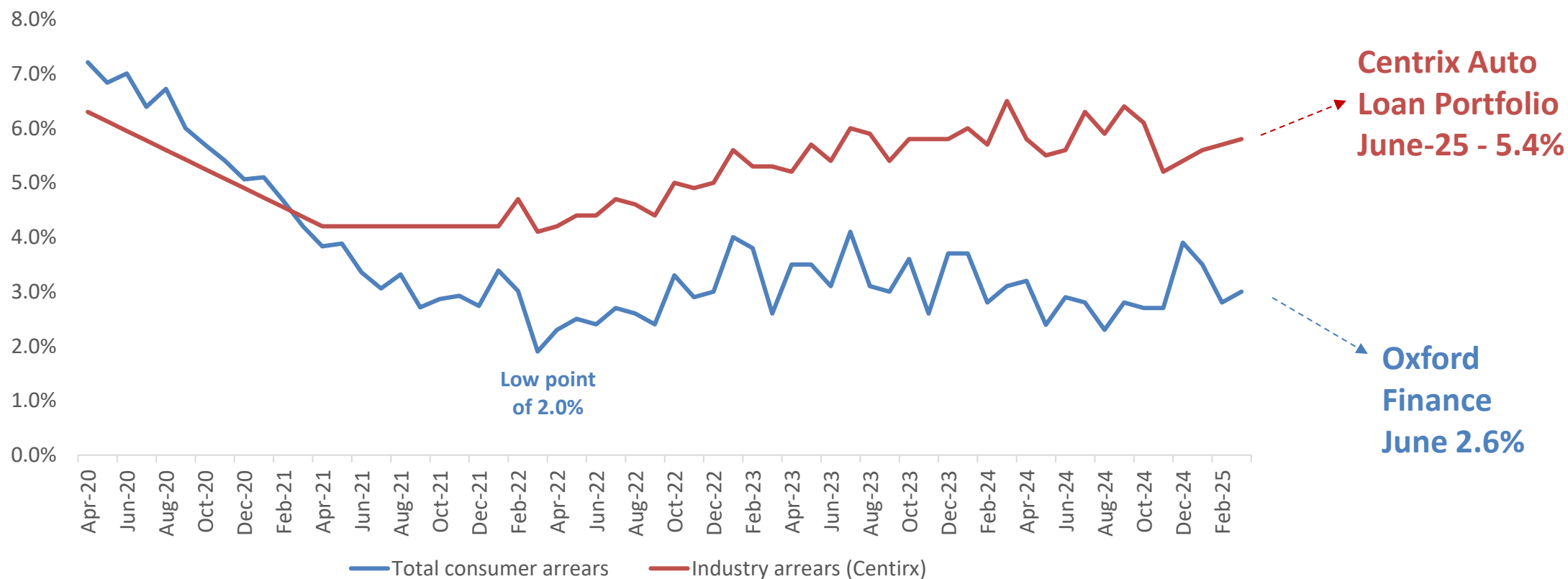


- Oxford FY26 YTD score at 745
- Premium borrower risk tier makes up 56.4% at July-25 (51.5% Jul-24)



# Quality lending is something we don't compromise on

## Consumer arrears



# Insurance Division

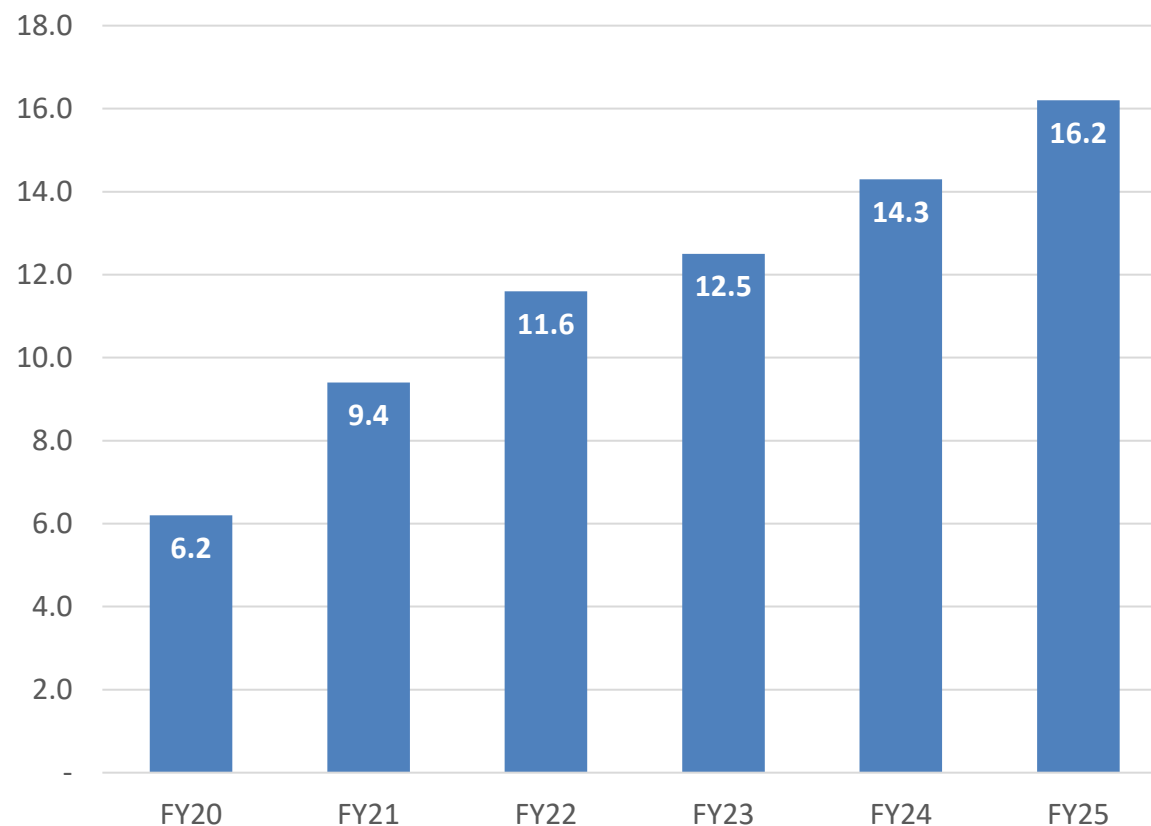
**Stable and consistent business**

**Distribution networks remain strategically important**

**Digital sales platform gaining momentum**

# Insurance

## Operating Profit Contribution Insurance (\$M)

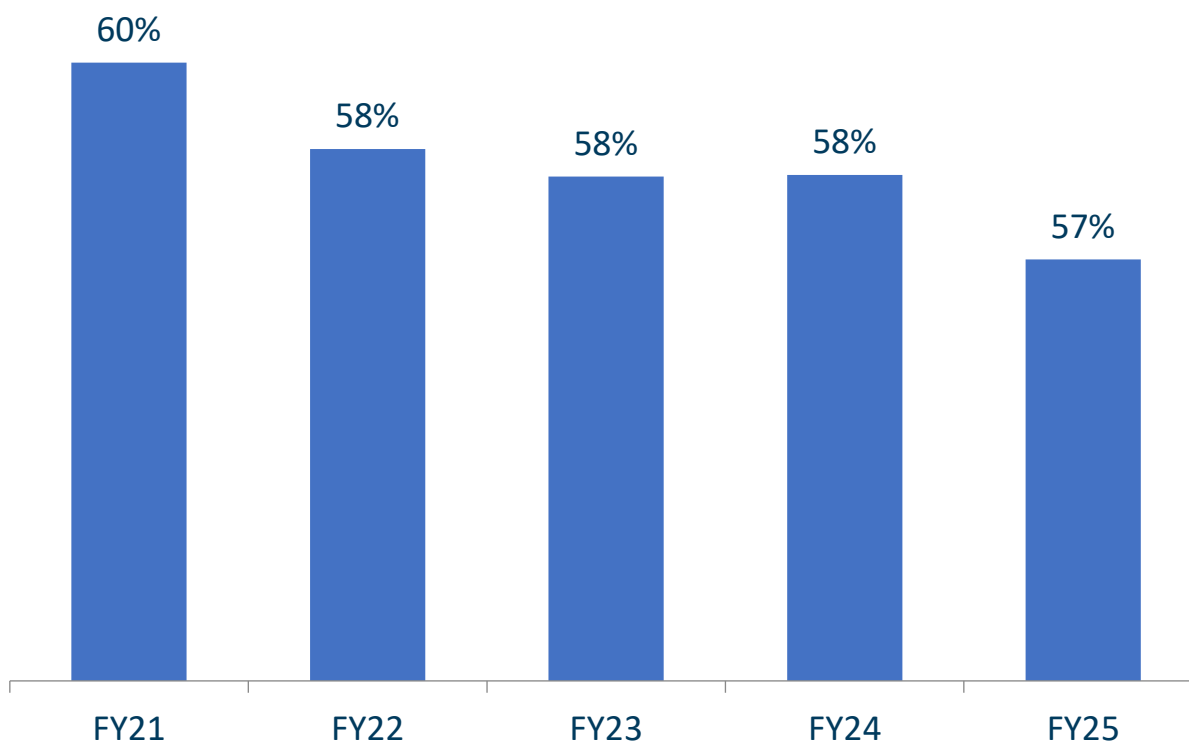


- Comprehensive Motor Insurance portfolio (underwritten by Suncorp NZ) has increased by +25% over FY24, with sustained customer acquisition and retention.
- Winning dealer / broker market share
- New digital platform launched, enhancing our direct-to-consumer capabilities. The private-to-private car market represents a significant opportunity to capture share.
- NZ AA Digital Partnership successfully launched and showing promising early performance.



# Combination of risk pricing and procurement have helped us moderate claims ratios

## Mechanical Breakdown Insurance (MBI) Loss Ratio Performance



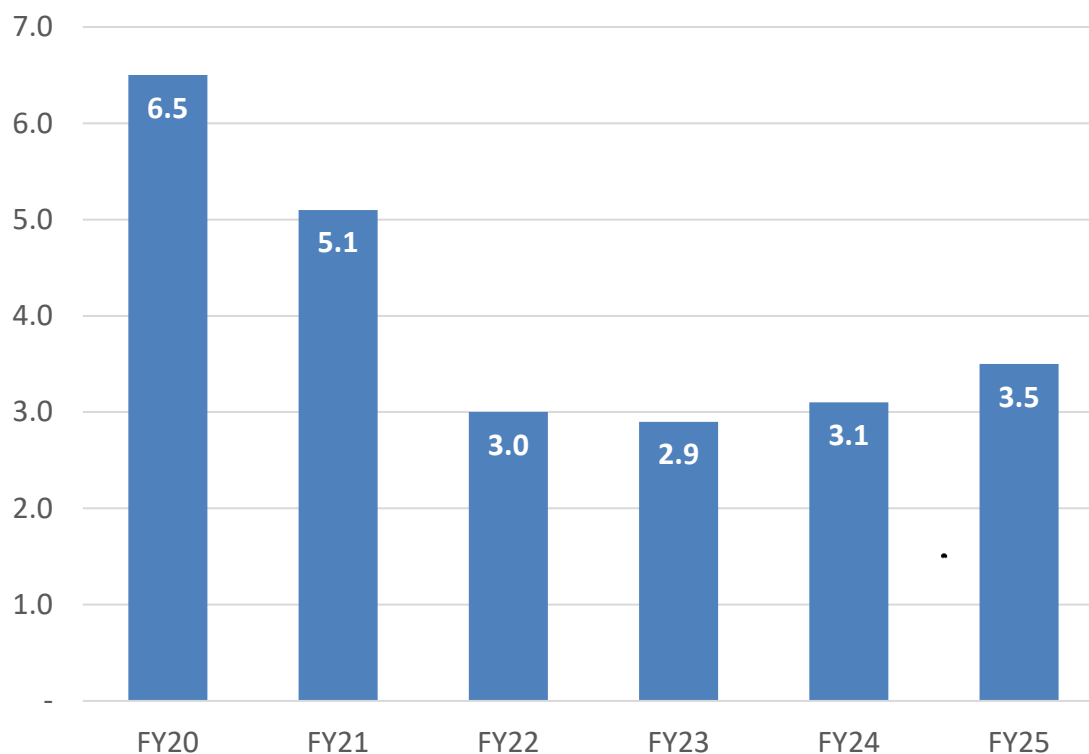
- Claims Cost inflation stabilising.
- Autosure's continuous risk pricing improvements, moved from 7 risk categories in FY24 to 14 risk categories in FY25. Allowing us to price our risk much more accurately.
- Scale enables us to fix vehicles more cost effectively.

# Credit Management Division

Strong growth in both debt referred and collected  
Economic conditions are a tailwind  
Well positioned for further growth

# Credit Management - Summary

## Operating Profit Contribution Credit (\$M)

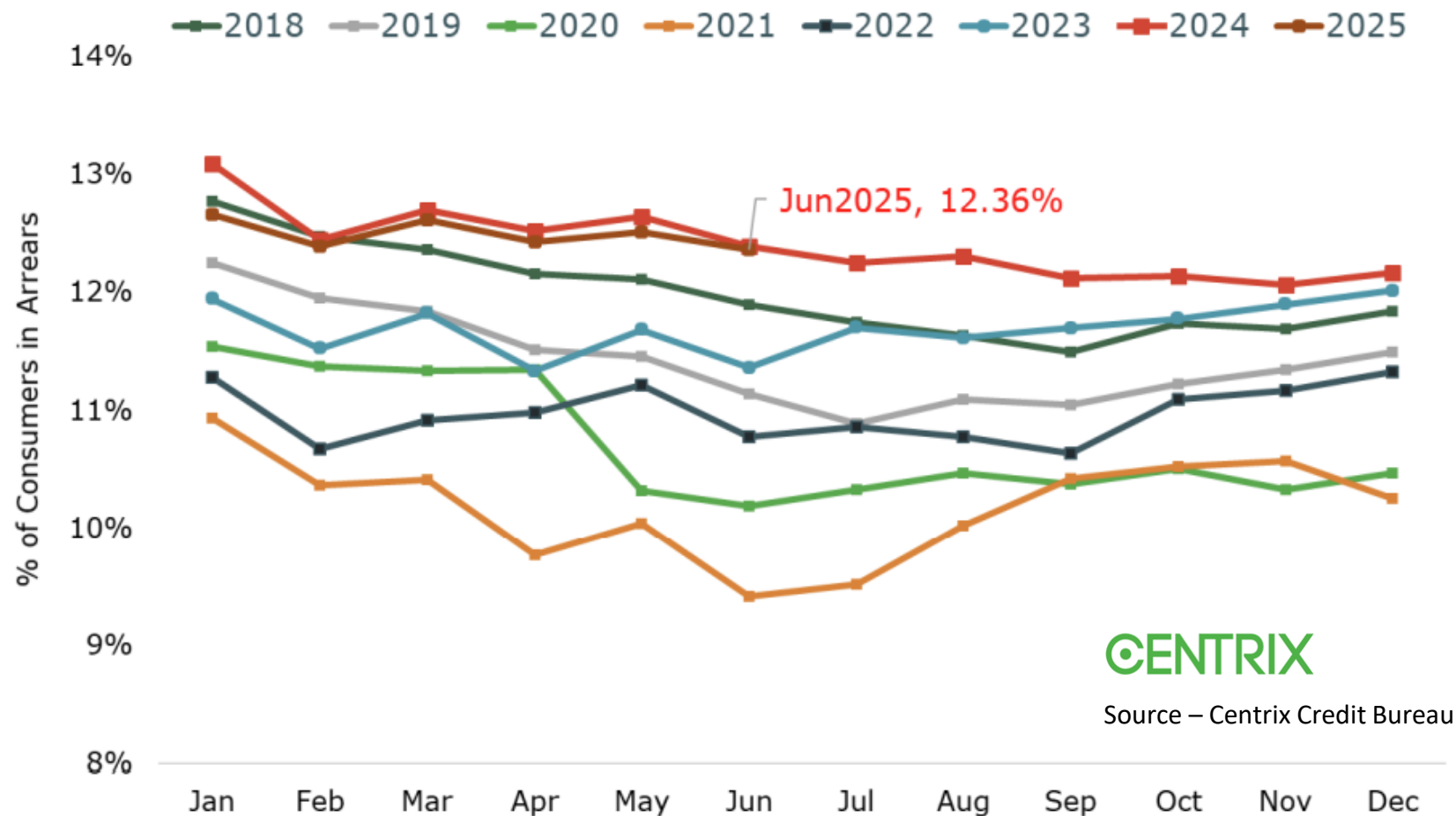


- Debt referred has increased in all sectors with both corporate and SME businesses feeling the impact of the economy on their arrears.
- NZ wide credit metrics continue to track at the highest levels for the last 8 years.
- Lower repayment amounts and extended payment arrangements due to diminished customer repayment capacity.
- Payment arrangement "bank" growing as consumer debt load increases.



# NZ credit arrears metrics track at 8 year lows

## Consumer Arrears Trend

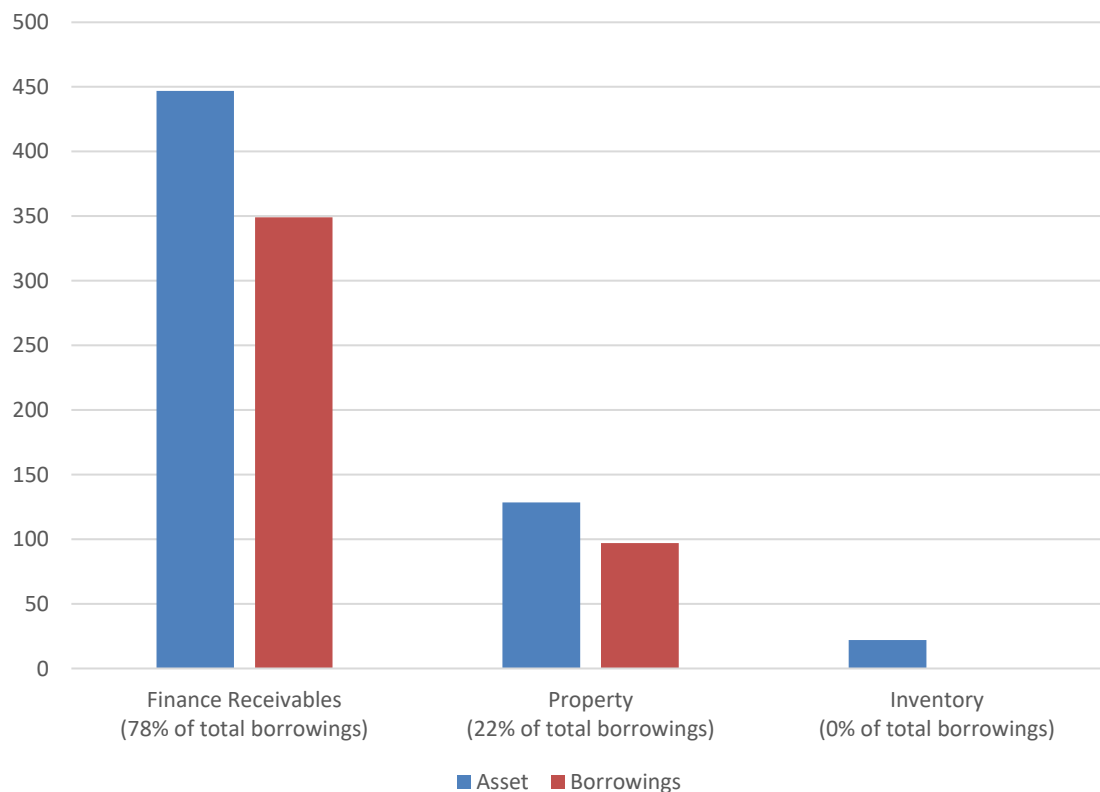


**CENTRIX**

Source – Centrix Credit Bureau

# Business has funding capacity for growth plans

## Borrowings by asset class (\$M)



- Strong credit appetite from our panel of funders, and pricing moving in a favourable direction.
- Oxford capacity is expected to support lending over the next 12 months ~\$100m in funding capacity.
- Corporate funding capacity is sufficient to support current committed branch expansion plans in Auto Retail ~\$50M in funding capacity



Looking  
forward ...





# Segment Outlook

## **Automotive Retail**

- Swap out of consignment cars for owned cars in 1H.
- Some profit impact of Christchurch transition in Q1.
- Additional cost of upweighted media for new Tina campaign in H1 (\$600k).
- Expect 2H26 to deliver stronger vehicle margins and volumes as overall demand improves.
- Impact of new Tina campaign and benefits of new Christchurch branch footprint to flow in 2H26.

## **Finance**

- Maintaining credit discipline remains a key priority.
- We expect solid book growth for FY26 at stable margins.



# Segment Outlook

## **Insurance**

- Earned premium holding up very well and claims ratios stable.
- Contribution from new distribution arrangements and direct sales gaining momentum.
- Motor vehicle insurance portfolio (underwritten by Vero) to continue to grow strongly.

## **Credit Management**

- Our payment bank is rebuilding as debt load increases from the tightening economic conditions and the resultant impact on consumer arrears.
- We have onboarded a large new corporate customer in April and we remain well positioned for the next stage of the NZ credit cycle.

# Guidance

- The economy is still patchy and consumer confidence has declined since Liberation Day. Interest rates are still restrictive and unemployment is increasing.
- **Despite these challenges we are still expecting a record first half performance, HY26 NPBT expected to be at least +10% ahead.**
- Still on track to achieve our mid-term target of \$65M NPBT in FY28 early.

# Shareholder Discussion



**Turners.**  
Automotive Group

# Resolutions



**Turners.**  
Automotive Group



# Resolutions

## ORDINARY RESOLUTIONS:

### **Resolution 1**

That Baker Tilly Staples Rodway be reappointed as auditor of the Company and that the Directors be authorised to fix the auditor's remuneration.

### **Resolution 2**

That Grant Baker, who retires by rotation pursuant to NZX Main Board Listing Rule 2.7.1 and has offered himself for re-election, be re-elected as a Director of the Company.

### **Resolution 3**

That Todd Hunter, who was appointed by the Board since the Company's last annual meeting and retires pursuant to NZX Main Board Listing Rule 2.7.1 and being eligible, has offered himself for election, be elected as a Director of the Company.

# Voting

Resolution: Proxies	FOR	AGAINST	PROXY DISCRETION
1. Auditor's reappointment / remuneration	25,548,120	122,065	2,382,960
2. Re-election of Grant Baker	19,679,626	4,115,522	2,299,329
3. Re-election of Todd Hunter	25,736,330	23,074	2,293,240

Total proxies received in respect of 28,053,145 shares representing 31.01% of total shares on issue.  
 Voting on each resolution will be by way of poll.

# Close of meeting



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