

## Turners 2021 Annual Meeting Update

Turners Automotive Group (NZX: TRA) will be announcing at its 2021 Annual Shareholders Meeting (ASM) today that it has improved profit momentum, widened competitive advantages and is pleased with progress towards both its FY22 and FY24 targets. The August Delta lockdown will have a material near-term impact, but it is too early to quantify this effect. The ASM presentation is appended to this announcement, and the Chair and CEO's speech will be released after the meeting.

### Highlights include:

- **FY22 momentum:** Prior to lock down the year has started well and the business was tracking comfortably ahead of the profit run rate during H2 21.
- **FY22 Guidance:** Prior to lock down we were on track to deliver a 15% uplift in net profit before tax for FY22. However short-term performance will be impacted by the level and duration of Covid-19 restrictions on trading. We will revisit guidance in November.
- **L4 National lock down:** Biggest impact in Auto Retail division, burns cash at \$1m per week. However, this is offset somewhat by annuity revenue streams in finance and insurance. Based on experience, we do expect another "bounce back" in Auto Retail once restrictions are eased.
- **Quality of earnings:** Monthly and six-monthly profit run rates have become much more consistent over the last two years.
- **Valuable property assets:** Details of Turners \$61m property portfolio are outlined in the presentation. We see our property portfolio as underappreciated by the market and the book value excludes \$14m of unrealised valuation gains.
- **Advantaged digital assets:** Turners digital assets represent a substantial and growing competitive advantage, underpinned by 28 million visits to [www.turners.co.nz](http://www.turners.co.nz) over the last 12 months.
- **Industry consolidation:** Registered dealers are down ~10% in 2021 from 2019 levels and ~10% less used imports have come into NZ (June YTD v 2019).
- **FY24 Target:** Our trajectory over the last two years and pre-lock down YTD performance gives us strong conviction levels around our strategy. We are well on track to exceeding our target of \$45m PBT in FY24.

### Resolutions:

- **Resolution 1:** That Baker Tilly Staples Rodway be reappointed as auditors of the Company and that the Directors be authorised to fix the auditor's remuneration.
- **Resolution 2:** That Paul Byrnes, who retires by rotation and has offered himself for re-election, be re-elected as a Director of the Company until 18 February 2022.
- **Resolution 3:** That Martin Berry, who retires by rotation and has offered himself for re-election, be re-elected as a Director of the Company.
- **Resolution 4:** That Antony Vriens, who retires by rotation and has offered himself for re-election, be re-elected as a Director of the Company.

**Grant Baker, Chairman said** *"We are pleased with the continued momentum of the business over the past two years. Despite this recent lock down it is exciting to see the business really starting to come together, following years of strategic and tactical development. Turners now offers a rare combination of attractive yield, meaningful growth opportunities, and a resilient, growing dividend"*

9 September 2021

**ASM details:**

The ASM is scheduled to begin at 10.30am via the Computershare Meeting Platform <https://meetnow.global/nz> .

The meeting will be open for registration at 10.00am (30 Minutes prior to the start of the meeting). To access the meeting, click 'Go' under the Turners Automotive Limited meeting and then click 'JOIN MEETING NOW'. Results of the ASM vote will be made available as soon as practicable after the meeting.

The meeting will also be webcast via the following link: <https://youtu.be/Ab941s9n-CE> .

The Board and management thank shareholders and the wider Turners Auto Group team for their ongoing loyal support.

ENDS

**About Turners**

Turners Automotive Group Limited is an integrated financial services group, primarily operating in the automotive sector [www.turnersautogroup.co.nz](http://www.turnersautogroup.co.nz)

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