Company Announcement

12 February, 2024

Turners upgrades FY24 profit guidance for its fourth consecutive record result

Turners Automotive Group Limited (NZX/ASX: TRA) announces today an upgrade to its FY24 guidance to a net profit before tax of at least NZ$48m, ahead of the NZ$45.5m achieved in FY23. Now an NZX top 50 company, this will be Turners' fourth consecutive record profit result.

With more certainty around the full year result the forecast dividend has been increased to NZ25 cents per share (+9% YoY), up from prior guidance of NZ24cps. Turners is approaching a decade of sustainable dividend growth, with an 11% compound annual dividend growth rate since FY15.

The 3Q24 dividend will be paid in late March 2024 with the final dividend for FY24 to be paid in late July 2024. Dividends will be fully imputed and the Directors expect that the Turners' Dividend Reinvestment Plan (DRP) will continue to apply to both these dividends.

The NZ used car market and the Turners' business continue to demonstrate strong resilience despite a broader economy under pressure. Meanwhile, stabilisation in the official cash rate (OCR) is turning from a headwind into a tailwind for the Finance business.

More detail on Turners' individual business segments can be found on the following page.

The company will report its full year results in late May. More detail on individual segments can be found on the following page.

ENDS

About Turners

Turners Automotive Group Limited, a NZX Top 50 company is an integrated financial services group, primarily operating in the automotive sector www.turnersautogroup.co.nz

For further information, please contact:

Todd Hunter, Group CEO, Turners Automotive Group Limited, Mob: +64 21 722 818
Aaron Saunders, Group CEO, Turners Automotive Group Limited, Mob: +64 27 493 8794

Segment update:

- **Auto Retail** – Turners Cars Timaru opened in October 2023 and the new Turners Cars Napier branch opened last week. Vehicle margins on owned stock continue to hold up well, and some good progress is being made in the transition of wholesale auction units into retail sales channel. Damaged & End of Life vehicle volumes excluding one off weather events continue to grow.

- **Finance** – Interest margins have stabilised and we have seen some small expansion in the last few months. The loan book is growing at a modest pace and arrears are performing well within expected levels. There is still some sensitivity to the OCR track, and any reduction in the OCR during 2024 would be positive for bottom line growth.

- **Insurance** - New policy sales are tracking well and ahead of FY23 and claims ratios are stable. Investment returns continue to improve.

- **Credit Management** – Debt load levels are increasing as is the volume of payment arrangements in place, although economic conditions are making payment arrangements more difficult. There is a clear increase in debt load from SME sector as pressure intensifies in parts of the economy.