

## Turners' Annual Meeting 23 September 2020

### Shareholder questions

#### Question 1

How many years will the car subscription business need to become a profitable scale?

*Obviously this is completely dependent on the take up of the service and we don't really know what this will be. Based on the uptake in Australia we think there will be demand and this will be positively contributing operating earnings within 2 years. We will be cautious about the spend we commit to the service whilst we are getting a handle on demand.*

#### Question 2

What is the breakdown of Turner's own car unit sales and the consignment unit sales in the FY20 and what is the outlook for FY21?

*The split between owned and consigned is around 50:50 and we don't expect this to change a lot over the next year. If it does change, we would expect there to be a slight shift towards consignment vehicles.*

#### Question 3

With the \$13.8min operating profit of Auto retail business in FY20, it seems the true car sales profit was well below \$10mon (\$7.4min actually if I am correct), after deducting insurance commission and loan fee income. Can you explain the profit composition and key profit dynamics going forward with the auto retail section?

*The Auto retail segment generates income through fees for selling vehicles on behalf of other owners (50% of car volumes), profits from sales of owned vehicles (the other 50% of car volumes) and like all auto retailers also earns commission from the add-on sales of Finance and Insurance products to end user buyers. In addition to fees from car sales, the business also earns fees from selling damaged vehicles and trucks and machinery. One significant opportunity going forward is to increase the proportion of cars sold to end users and also the number of opportunities to sell add-on finance and insurance products.*

#### Question 4

How are you gaining assurance that your diverse digital platforms are, and will remain secure from cyber-attacks?

*We have put a lot of investment and resource into our protection strategy. We have had this stress tested in practice and with real attacks. We are also in the middle of establishing a large 2 site redundant data centre project which is one of the final planks in our protection strategy.*

#### Question 5

How did fresh data and cloud data enable you to adjust and accelerate response times? Any examples?

*I asked too early thanks Todd for the Digital section.*