

## Turners delivers record FY23 earnings

**Turners Automotive Group (NZX: TRA)** has reported record earnings for the financial year to March 31 2023 (FY23), demonstrating its sustainable earnings platform, and the strategic value of its diversification and de-risking over recent years. While the company notes that the interest rate cycle may impact the timing of its FY25 target of \$50M NPBT, it continues to achieve strong results in challenging conditions and to strengthen its position for the next upcycle.

### **Key Financial Highlights:**

- Revenue \$389.6M +13%
- EBIT \$52.2M up 9%<sup>1</sup>
- NPBT \$45.5M +6%
- NPAT \$32.6M +4%
- Full year dividend 23.0 cps (flat)
- Earnings per share 37.7cps +4%

### **Key Business Highlights:**

- Final FY23 dividend declared at 7.0 cps bringing FY23 dividend to 23.0 cps, matching last year and equating to a gross yield of 8.5% per annum based on the current share price of \$3.75.
- Record earnings in Auto Retail and Insurance divisions more than offset Finance headwinds.
- Market share gains and margin improvement in Turner's largest division, Auto Retail led to a 28% increase in profit, following 26% in FY22.
- Market share growth and improved claims ratios in Insurance business.
- Compression of net interest margin (NIM) in Finance. Interest expense materially up 110% to \$13.3m, reflecting the change in OCR. However, this impact was mitigated by finance margin management and regular pricing increases.  
Debt load increasing in Credit Management. Well positioned for the next stage of the NZ credit cycle.
- The company's strong culture remains a key advantage, ranking in the top 5% of consumer businesses globally. Employee Share Scheme launched with almost 50% take up.
- Macro headwinds (inflation, interest rates, and economic conditions) likely to feature in the year ahead with uncertainty and speed of change key features.
- Continue organic growth momentum in Auto Retail through branch expansion and shifting more sales into retail channels, and further traction from award winning 'Tina' marketing campaign.

The company's FY23 result demonstrated earnings resilience despite tough economic conditions, including rapid interest rate rises, and lingering impacts of the COVID-19 pandemic in the first half. Group revenue rose 13% to \$390m with Auto Retail and Insurance divisions growing strongly for a third year in succession, delivering a record NPBT result of \$45.5m, up 6% on FY22.

Revenue rose strongly in each of the three largest businesses up 15% in Automotive Retail to \$278.2M, 13% in Finance to \$58.6M and 8% in Insurance to \$43.6M. Profit grew 28% in Automotive Retail to \$25.0M, and 9% in Insurance to \$12.6M. Finance Division's profit was down 17% to \$15M due to rapid

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

OCR increases that saw credit quality, regulatory compliance and margin management become the priority during the year. Profit for Credit Management was largely unchanged at \$2.9M.

Todd Hunter, CEO, said: *“Two of our three major divisions continue to perform strongly with our third, Finance, well positioned as market conditions change. This strong performance reflects the success of our diversification strategy, our de-risking initiatives as well the quality of our team. The strength of our team and culture is proving a durable competitive advantage at a time of scarcity of talent, and as economic conditions become more difficult in the near term.*

*Our marketing and customer service are proving successful. Turners is increasingly seen as the leading brand in the used car market and as the number of used car outlets across New Zealand continues to contract, we see further opportunity to consolidate our position. While we are weathering tough economic conditions, we expect these headwinds to intensify before we are through the current inflation cycle. However, we are well-positioned and will continue to look for organic growth opportunities to further our lead in what are uncertain and rapidly changing market conditions.”*

### **Financial results**

Reported NPBT increased 6% to \$45.5M. Net profit after tax (NPAT) of \$32.6M was up 4% on the same period last year. EBIT is \$52.2M up 9%.

Earnings per share for FY23 were 37.7 cps, up 4% on the previous year. A final 7.0 cps dividend has been declared for FY23 (payable in July), taking FY23 dividends to 23.0 cps, matching last year’s strong result. This reflects the dividend policy payout of 60-70% of net profit after tax (NPAT) and represents a yield of 8.5% per annum return based on a \$3.75 share price. A dividend reinvestment plan (DRP) will be a feature of the final dividend with a 2% discount applied for those taking up the DRP. Details of the plan will be released shortly.

Grant Baker, Chairman, said: *“This result underscores our well-founded confidence in the resilience of the used car market through the cycle. Our leadership position for quality, technology, national coverage, branding and customer service has created a robust growth platform that continues to deliver. We have achieved these results at a time when retail generally has been under pressure. The used car market is needs-based and stable through downturns, as we envisaged. Our diversified business is well-placed to deliver further growth as well as offering solid returns to shareholders.”*

### **Divisional results**

Refer to Appendix

### **Advancing Turners’ strategy**

The FY23 result reflects the company’s consistent and steady implementation of its FY22 - FY25 strategy that offers confidence in higher earnings growth through the cycle. Five key areas underpin the company’s earnings growth. These are a combination of both physical network development and digital expansion:

1. Auto – branch expansion
2. Auto – vehicle purchase decision-making
3. Auto – Retail optimization of unit sales from wholesale to retail
4. Brand- investing heavily into building our brand with ‘Tina’ to all New Zealanders
5. Finance – growth in premium lending
6. Insurance – distribution

### **Award-winning Marketing and Most Trusted Dealership**

Supporting this strategy has been Turners award-winning marketing, a key factor in consistent market share growth across its divisions. The 'Tina from Turners' brand campaign claimed the Supreme Award in the 2022 New Zealand Marketing Awards. In October 2022, the campaign won two 'Effies' – Advertising Effectiveness Awards – in the categories of Best Strategic Thinking and Retail/Etail.

Our continued focus on service is translating into customers' reported experience. We are proud to announce that we've just won New Zealand's *Most Trusted Used Car Dealership* for the fourth consecutive year. We stand for trust and credibility in an industry that can sometimes represent the opposite.

### **Outlook**

While the impacts of the COVID-19 pandemic have diminished, market uncertainty continues to rise. We see macro headwinds with economic uncertainty likely to intensify in the short term.

However, we are focussed on what we can control. In **Auto Retail**, we expect to see upside from our new branches in the second half and expect those to follow the success of our branch expansion strategy over the last couple of years. Domestic supply continues to be an advantage for Turners, and the transition of wholesale auction units into retail sales channel will underpin further market share and margin growth.

In our **Finance** business, quality and margin management remain key priorities in the near term, with a drag on earnings, especially until peak OCR is reached. After the OCR peak we will again focus on growth initiatives and expect net interest margin to start expanding again. We expect sales in our **Insurance** division to be buoyant based on our distribution and market share gains, and claims ratios to be stable. **Credit Management** is expected to perform better in the coming year as consumer arrears worsen and bad debts begin to be called in.

Looking beyond FY24 we remain confident that our FY22 – FY25 growth model is broadly on track. However, the timing of peak OCR could affect the timing of achieving our FY25 target of \$50M in underlying NPBT, as outlined further in today's investor presentation. FY24 has started well with April-23 profit result showing positive growth against April-22.

### **Results Video**

For further commentary on the FY23 results, a short video is available at <https://www.turnersautogroup.co.nz/investor-centre/>

### **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)

### **For further information, please contact:**

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### **Appendix: Divisional Results**

*Auto Retail: Revenue \$278.2M +15%, NPBT \$25.0M +28%*

Turners market share continued to grow throughout FY23. Retail unit sales were up 6% to around 19,500 units, and wholesale auction unit sales rose 25% to around 14,700 units. Total units sold through auction were 18,500 compared to 14,730 the year prior, due to adding Fleet Partners ex-lease consignment vehicles. 'Owned' unit sales in FY23 was up 9% on FY22 to 24,000, and margin on 'owned' sales rose 11% in FY23. Nelson and Rotorua branches are now both fully operational and performing above expectations. The success of Turners domestic sourcing strategy is evident in faster stock turn and the business continues to operate off lower inventory levels. Increasing local sourcing versus used imports has been beneficial. The government's clean car program has reduced the number of imported cars coming into the country which has increased the value of used car units and increased our margins. Our Tina campaign continues to deliver record levels of sourcing leads. The team continues to work on improving overall Finance attachment rates, to realise synergies from other divisions. For FY23 our Finance attach rates were 31%, a slight fall on FY22's 32.7%. Our committed development pipeline for retail expansion in Christchurch, Napier and Timaru offers additional profit contributions from FY24 to FY26. Turners Subscription has broken through 300 concurrent subscriptions (in February 2023), and the offer moved into profit in Q4 FY23. Around 80% of subscription owned cars are low emission vehicles (LEVs).

*Finance: Revenue \$58.6M +13%, NPBT \$15.0M -17%*

Solid revenue growth during FY23 was set against an additional \$7m in interest expense over FY22 levels due to the rapid rise in OCR. While the Finance division proactively reviewed pricing to mitigate OCR rises, Oxford's 12 base rate rises, lifting 4.10%, since October 2021, compares to an OCR movement of 5.0%. This meant that growth moderated as credit quality, regulatory compliance and margin became higher priorities. That additional \$7m in interest expense represents a 110% increase which has had a material impact on profits on average loan book. Credit policy continually tightened throughout FY23 [check] with average credit score continuing to improve. Premium Tier business accounts for more than 50% of our new business per month. Oxford loan arrears continue to track at the half the levels of the wider market. The strategy adopted in FY23 will ensure Turners Finance is well placed to grow again once interest rates stabilise. The quality of Turners Finance book continues to improve.

*Insurance: Revenue \$43.6M +8%, NPBT \$12.6M +9%*

Further gains in market share were a feature of FY23. Despite challenging market conditions, Turners Insurance Division achieved robust sales growth. Digital distribution arrangements are continuing to work well with further opportunities in the pipeline. Inflation in the cost of claims was offset by frequency of claims reducing due to changes in consumer behaviour, including working from home and cost of living increases impacting mobility and vehicle use. The Division's operating cost ratio was steady between 20-21%. The pandemic alongside recent weather events have confirmed no catastrophic risk in the portfolio, and the Division's de-risking strategy is working effectively.

23 May 2023

Credit Management: Revenue \$9.2M -5%, NPBT \$2.9M -6%

The Credit Management business saw debt value loaded increase by 20% (\$22m) compared to FY22. However, 80% of this (\$18m) was from harder to contact and collect second placement debt. Debt value collected was down 9% to \$34.4m due to reduced customer payment capacity requiring lower repayment amounts to be accepted. Our “kept rate” of payment arrangements was stable through the year at more than 75%. Positive signs include credit card demand up 20% coupled with Buy-Now-Pay-Later demand dropping 15% year on year, flowing through to increased arrears levels, but still lower than pre-pandemic levels. By year end and into the start of the coming year there were indications that the economic downturn was producing conditions that may support improved results for Credit Management. NZ wide consumer arrears metrics at the end of March 2023 are on the increase according to Centrix NZ, to 11.8% of the credit active population (11.3% in Mar-22). The number of people that are behind on their payments has increased to 427,000. Consumer delinquencies are at the same level as reported in March 2019. Around 4.9% of credit active consumers are currently 30+ days past due (up from 4.1% for the same month last year).

ENDS



## Results announcement

Results for announcement to the market		
Name of issuer	Turners Automotive Group Limited	
Report period	12 months to 31 March 2023	
Previous reporting period	12 months to 31 March 2022	
Currency	NZD	
	Amount (000s)	Percentage change
Revenue from continuing operations	\$389,027	14%
Total revenue	\$389,635	13%
Net profit from continuing operations	\$32,566	4%
Total net profit	\$32,883	-10%
Final dividend		
Amount per quoted equity security	\$0.07000000	
Imputed amount per quoted security	\$0.02722222	
Record date		
Dividend payment date		
	Current period	Prior comparable period
Net tangible assets per quoted security	\$1.40	\$1.18
A brief explanation of any of the figures above necessary to enable the figures to be understood	Please refer to accompanying Company Announcement	
Authority for this announcement		
Name of person authorised to make this announcement	Barbara Badish	
Contact person for this announcement	Todd Hunter	
Contact phone number	021 722 818	
Contact email address	<a href="mailto:Todd.Hunter@turners.co.nz">Todd.Hunter@turners.co.nz</a>	
Date of release through MAP	23/05/2023	

This announcement is based on audited results.

**TURNERS AUTOMOTIVE GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
For the year ended 31 March 2023

	Note	2023 \$'000	2022 \$'000
Revenue	3	389,027	342,029
Other income	3	608	2,487
Cost of goods sold		(173,986)	(153,173)
Interest expense		(19,933)	(10,932)
Impairment provision expense		(3,740)	(3,024)
Subcontracted services expense		(11,927)	(10,940)
Employee benefits		(60,709)	(56,030)
Commission		(12,024)	(12,925)
Advertising expense		(4,934)	(4,140)
Depreciation and amortisation expense		(11,478)	(10,702)
Systems maintenance		(5,109)	(3,399)
Claims		(21,785)	(21,024)
Other expenses		(18,465)	(15,107)
<b>Profit before taxation</b>		<b>45,545</b>	<b>43,120</b>
Taxation expense		(12,979)	(11,839)
<b>Profit from continuing operations</b>		<b>32,566</b>	<b>31,281</b>
<b>Other comprehensive income for the period (which may subsequently be reclassified to profit/loss), net of tax</b>			
Cash flow hedges		415	5,429
Revaluation of financial assets at fair value through OCI		(91)	(345)
Foreign currency translation differences		(7)	(6)
<b>Total comprehensive income for the period</b>		<b>32,883</b>	<b>36,359</b>
<b>Earnings per share (cents per share)</b>			
Basic earnings per share		37.67	36.39
Diluted earnings per share		37.77	36.45

**TURNERS AUTOMOTIVE GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 31 March 2023**

	Share Capital \$'000	Share Options Reserve \$'000	Translation Reserve \$'000	Revaluation of financial assets at fair value through OCI \$'000	Cash flow reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 31 March 2021	204,297	255	(26)	(740)	48	29,736	233,570
<i>Transactions with shareholders in their capacity as owners</i>							
Employee share based payments	1,185	217	-	-	-	-	1,402
Dividend paid	-	-	-	-	-	(18,934)	(18,934)
	1,185	217	-	-	-	(18,934)	(17,532)
<i>Comprehensive income</i>							
Profit	-	-	-	-	-	31,281	31,281
Other comprehensive income	-	-	(6)	(345)	5,429	-	5,078
Total comprehensive income for the period, net of tax	-	-	(6)	(345)	5,429	31,281	36,359
Balance at 31 March 2022	205,482	472	(32)	(1,085)	5,477	42,083	252,397
<i>Transactions with shareholders in their capacity as owners</i>							
Employee share based payments	1,594	(188)	-	-	-	296	1,702
Dividend paid/payable	-	-	-	-	-	(14,732)	(14,732)
	1,594	(188)	-	-	-	(14,436)	(13,030)
<i>Comprehensive income</i>							
Profit	-	-	-	-	-	32,566	32,566
Other comprehensive income	-	-	(7)	(91)	415	-	317
Total comprehensive income for the period, net of tax	-	-	(7)	(91)	415	32,566	32,883
Balance at 31 March 2023	207,076	284	(39)	(1,176)	5,892	60,213	272,250



**TURNERS AUTOMOTIVE GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 March 2023**

	Note	2023 \$'000	2022 \$'000
<b>Assets</b>			
Cash and cash equivalents	1	11,845	13,373
Financial assets at fair value through profit or loss	1	66,730	70,199
Trade receivables		7,800	7,581
Inventories		26,057	31,980
Finance receivables		424,621	422,870
Other receivables, deferred expenses and contract assets		8,271	9,340
Derivative financial instruments		5,887	5,414
Financial assets at fair value through OCI		230	225
Reverse annuity mortgages		2,925	3,242
Property, plant and equipment		105,993	67,569
Right-of-use assets		22,226	23,497
Investment property		5,800	5,950
Intangible assets		163,556	164,453
<b>Total assets</b>		<b>851,941</b>	<b>825,693</b>
<b>Liabilities</b>			
Other payables		56,008	50,103
Contract liabilities		1,562	1,848
Deferred tax		13,077	13,191
Tax payable		6,773	4,016
Borrowings		412,035	412,761
Lease liabilities		27,120	28,209
Life investment contract liabilities		7,042	8,153
Insurance contract liabilities		56,074	55,015
<b>Total liabilities</b>		<b>579,691</b>	<b>573,296</b>
<b>Shareholders' equity</b>			
Share capital		207,076	205,482
Other reserves		4,961	4,832
Retained earnings		60,213	42,083
<b>Total shareholders' equity</b>		<b>272,250</b>	<b>252,397</b>
<b>Total shareholders' equity and liabilities</b>		<b>851,941</b>	<b>825,693</b>
Total assets per share (\$)		9.83	9.59
Net tangible assets (\$)		1.40	1.18

**Note 1**

The Group's insurance business is required to comply with the solvency standards for licensed insurers issued by the Reserve Bank of New Zealand. The solvency standards specify the level of assets the insurance business is required to hold in order to meet solvency requirements, consequently all cash and cash equivalents and term deposits, disclosed in financial assets at fair value through the profit or loss, held in the insurance business may not be available for use by the wider Group. DPL Insurance's cash and cash equivalents at 31 March 2023 were \$2.0m (2022:\$1.5m) and term deposits at 31 March 2023 were \$59.4m (2022: \$61.9m).

Investments in unithised funds, disclosed in financial assets at fair value through the profit or loss, underwrite the Life investment policies and are not available for use by the wider Group. Investments in unithised funds at 31 March 2023 were \$7.3m (2022: \$8.3m).

Cash and cash equivalents at 31 March 2023 of \$4.3m (2022: \$3.4m) belongs to the Turners Marque Warehouse Trust 1 and is not all available to the Group.

**TURNERS AUTOMOTIVE GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the year ended 31 March 2023**

	2023	2022
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Interest received	52,400	44,429
Receipts from customers	333,344	297,032
Receipt of government subsidies	100	1,580
Interest paid - borrowings	(17,653)	(6,676)
Interest paid - lease liabilities	(1,284)	(1,774)
Payment to suppliers and employees	(285,522)	(274,022)
Income tax paid	(10,394)	(9,326)
<b>Net cash inflow/(outflow) from operating activities before changes in operating assets and liabilities</b>	<b>70,991</b>	<b>51,243</b>
Net increase in finance receivables	(6,814)	(93,992)
Net decrease in reverse annuity mortgages	572	1,164
Net increase of financial assets at fair value through profit or loss	3,872	(2,482)
Net (withdrawal)/contribution from life investment contracts	(304)	126
<b>Changes in operating assets and liabilities arising from cash flow movements</b>	<b>(2,674)</b>	<b>(95,184)</b>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>68,317</b>	<b>(43,941)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant, equipment and intangibles	942	636
Purchase of property, plant, equipment and intangibles	(44,177)	(16,121)
Purchase of investments	(96)	-
Sale of investments	-	3,420
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(43,331)</b>	<b>(12,065)</b>
<b>Cash flows from financing activities</b>		
Net bank loan (repayments)/advances	(553)	100,660
Principal elements of lease payments	(7,501)	(5,563)
Bond repayments	-	(25,000)
Proceeds from the issue of shares	1,436	1,185
Dividend paid	(19,896)	(13,770)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(26,514)</b>	<b>57,512</b>
<b>Net movement in cash and cash equivalents</b>	<b>(1,528)</b>	<b>1,506</b>
<b>Add opening cash and cash equivalents</b>	<b>13,373</b>	<b>11,867</b>
<b>Closing cash and cash equivalents</b>	<b>11,845</b>	<b>13,373</b>

**TURNERS AUTOMOTIVE GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS (CONT)**  
**For the year ended 31 March 2023**

**RECONCILIATION OF NET SURPLUS WITH CASH FLOWS FROM OPERATING ACTIVITIES**

	2023	2022
	\$'000	\$'000
<b>RECONCILIATION OF NET SURPLUS WITH CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit/(loss)</b>	<b>32,566</b>	<b>31,281</b>
<b>Adjustment for non-cash items</b>		
Impairment charge on finance receivables, reverse annuity mortgages and other receivables	3,659	3,108
Net loss/(profit) on sale fixed assets	(290)	(306)
Depreciation and amortisation	11,478	10,702
Capitalised reverse annuity mortgage interest	(287)	(294)
Deferred revenues	628	1,500
Fair value adjustments on assets/liabilities at fair value through profit and loss	(444)	(297)
Net annuity and premium change to policyholders accounts	(807)	(89)
Non-cash adjustments to finance receivables effective interest rates	(3)	(14)
Deferred expenses	1,135	(4,136)
Revaluation loss on investment property	150	-
Gain on modification of a lease	-	(60)
Covid 19 rent concessions	-	(92)
<b>Adjustment for movements in working capital</b>		
Net decrease/(increase) receivables and pre-payments	937	(1,506)
Net (increase)/decrease in inventories	5,923	(1,792)
Net increase in payables	14,105	11,190
Net increase/(decrease) in contract liabilities	(345)	(465)
Net increase in finance receivables	(6,814)	(93,992)
Net decrease in reverse annuity mortgages	572	1,164
Net increase of insurance assets at fair value through profit or loss	3,872	(2,482)
Net contributions/(withdrawals) from life investment contracts	(304)	126
Net increase in deferred tax liability	(174)	1,952
Net increase in tax payable	2,760	561
<b>Net cash inflow/(outflow) from operating activities</b>	<b>68,317</b>	<b>(43,941)</b>

# TURNERS AUTOMOTIVE GROUP LIMITED

## 2 SEGMENTAL INFORMATION

### OPERATING SEGMENTS

Revenue	Total segment revenue	Inter- segment revenue	Revenue from external customers	Total segment revenue	Inter- segment revenue	Revenue from external customers
	2023	2023	2023	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Automotive retail	283,354	(5,189)	278,165	249,236	(6,707)	242,529
Finance	58,634	-	58,634	51,898	-	51,898
Insurance	45,282	(1,717)	43,565	43,269	(2,897)	40,372
Credit management	9,259	(36)	9,223	9,671	-	9,671
Corporate & other	48	-	48	46	-	46
	396,577	(6,942)	389,635	354,120	(9,604)	344,516

Operating profit	2023	2022
	\$'000	\$'000
Automotive retail	24,985	19,447
Finance	14,956	17,987
Insurance	12,588	11,580
Credit management	2,865	3,033
Corporate & other	(9,850)	(8,927)
Profit/(loss) before taxation	45,545	43,120
Income tax	(12,979)	(11,839)
Profit attributable to shareholders	32,566	31,281

	Interest revenue		Interest expense		Depreciation and amortisation expenses	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Automotive retail	225	199	(2,349)	(1,531)	(9,141)	(8,126)
Finance	51,508	44,782	(13,281)	(6,322)	(725)	(842)
Insurance	2,138	1,020	(61)	(72)	(1,211)	(1,240)
Credit management	4	1	(11)	(21)	(258)	(330)
Corporate & other	20	1	(4,261)	(2,994)	(143)	(164)
	53,895	46,003	(19,963)	(10,940)	(11,478)	(10,702)
Eliminations	(30)	(8)	30	8	-	-
	53,865	45,995	(19,933)	(10,932)	(11,478)	(10,702)

### Other material non-cash items

	Revenue/(expenses)	
	2023	2022
	\$'000	\$'000
Automotive retail - gain on modification of a lease	-	60
Automotive retail - impairment provisions	33	151
Finance - impairment provisions	(3,741)	(3,135)
Insurance - reverse annuity mortgage interest	287	294

### SEGMENT ASSETS AND LIABILITIES

	Segment assets		Segment liabilities	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Automotive retail	155,850	116,438	73,689	66,679
Finance	453,869	451,504	344,786	353,313
Insurance	147,701	139,091	76,866	75,544
Credit management	34,035	31,514	3,943	3,476
Corporate & other	238,577	187,749	84,618	76,181
	1,030,032	926,296	583,902	575,193
Eliminations	(178,091)	(100,603)	(4,211)	(1,897)
	851,941	825,693	579,691	573,296

## TURNERS AUTOMOTIVE GROUP LIMITED

Five reportable segments have been identified as follows:

Automotive retail -	remarketing (motor vehicles, trucks, heavy machinery and commercial goods) and purchasing goods for sale.
Finance -	provides asset based finance to consumers and SME's.
Insurance -	marketing and administration of a range of life and consumer insurance and saving products.
Credit management -	collection services, credit management and debt recovery services to the corporate and SME sectors. Geographically the collections services segment business activities are located in New Zealand and Australia.
Corporate & other -	corporate centre.

### 3. REVENUE

Revenue from continuing operations includes:	2023 \$'000	2022 \$'000
Interest income	53,865	45,995
Sales of goods	205,916	182,435
Commission and other sales revenue	74,980	58,962
Loan fee income	2,988	3,659
Insurance and life investment contract income	38,514	38,149
Collection income	9,204	9,519
Bad debts recovered	1,832	1,147
Other revenue	1,728	2,163
	<b>389,027</b>	<b>342,029</b>
<i>Other income includes:</i>		
Gain on sale of investments	-	502
Dividend income	5	45
Gain on sale of property, plant and equipment	378	270
Government subsidies	100	1,580
Gain on modification of a lease	-	60
Other	125	30
	<b>608</b>	<b>2,487</b>

### 4. DIVIDEND

	2023 \$'000	2022 \$'000
Final dividend for the year ended 31 March 2022 of \$0.07 (31 March 2021: \$0.06) per fully paid ordinary share, imputed paid on 28 July 2022 (2021: 24 July 2021).	6,062	5,164
Quarterly dividend for the year ended 31 March 2023 of \$0.05 (31 March 2022: \$0.05) per fully paid ordinary share, imputed, paid on 27 October 2022 (2022: 28 October 2021).	4,335	4,303
Quarterly dividend for the year ended 31 March 2023 of \$0.05 (31 March 2022: \$0.05) per fully paid ordinary share, imputed, paid on 26 January 2023 (2022: 27 January 2022).	4,335	4,303
Quarterly dividend for the year ended 31 March 2022: \$0.06 per fully paid ordinary share, imputed, paid on 20 April 2022.	-	5,164
	<b>14,732</b>	<b>18,934</b>
<i>Dividends not recognised at year end</i>		
In addition to the above dividends, after year end the directors recommended the payment of the following dividend:		
Quarterly dividend for the year ended 31 March 2023 of \$0.06 per fully paid ordinary share, imputed, paid on 27 April 2023 .	5,202	-
Final dividend of \$0.07 (31 March 2022: \$0.07) per fully paid ordinary share, imputed, payable on 28 July 2023 (2022: 28 July 2022).	6,069	6,062