CHAIRMANS ADDRESS

TURNERS AUTOMOTIVE GROUP ANNUAL MEETING

20 September 2017

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1. AGENDA

Ladies and Gentlemen, welcome and thank you for being here today at the 2017 annual meeting of shareholders of Turners Automotive Group.

My name is Grant Baker and I am the chairman of the board.

Today is an opportunity for you to hear from both myself and our CEO, Todd Hunter, on the continuing positive trajectory of our company and our growth strategy.

Following our presentations, there will be an opportunity for discussion and any questions you may have in regards to the presentations.

We will answer questions on the resolutions at the time they are proposed and there will be a further opportunity at the end of the meeting for you to ask any other general questions about the company and our operations.

The Notice of Meeting and the 2017 Annual Report and financial statements have been circulated or made available to shareholders, a quorum is present and I therefore declare the meeting open.

2. DIRECTORS

I would like to introduce you to my fellow directors – our deputy chairman, Paul Byrnes, who handed over the reins of CEO to Todd last year but has retained an executive role focused on M&A activity under a two year contract; Matthew Harrison, Alistair Petrie, John Roberts and Antony Vriens.

A number of our directors either have their own shareholdings or represent third parties who have significant holdings in our company. We believe this creates further alignment with all our shareholders, with everyone benefitting as we deliver increasing value.

As our company evolves, we regularly review board composition, and the skills and experience needed to add value as we continue to grow. In the last three years, we have appointed three new directors, two of whom are independent.

Matthew and John are both up for re-election today and later in the meeting they will make a brief presentation to you as well as answer any questions you may have for them.

3. LEADERSHIP TEAM

Our leadership team has continued to strengthen in the past year, and a new structure has been put in place which you can see here. A number of our senior managers and staff are with us today. Welcome to all of you.

Also in attendance today are the company's auditors, Staples Rodway, and other advisors. Thank you to all these firms that provide valuable services to Turners.

4. CHAIRMAN'S ADDRESS

5. BIGGER STRONGER BETTER

In the past five years, our company has evolved and transformed.

We've changed our name and expanded our offering, moving into both the automotive retail sector and debt management, as well as strengthening our position in the automotive finance and insurance markets.

We've acquired or invested into ten additional businesses, grown our revenue 12 times, and increased our profit 10-fold. Our asset base has grown from $104 million to over $550 million. We reintroduced dividend payments in 2013 and have increased returns to shareholders every year since - with a pay out last year of a fully imputed 14.5 cents per share.

We continue to set ourselves challenging profit targets and to date, we have exceeded every guidance and budget target set.

We are more focused on higher margin products and services, such as automotive retail sales versus the traditional wholesale channels.

Along with this positive strategic and financial performance, our share price has increased significantly from around $2.00 five years ago. While this is a pleasing improvement, we still do not feel our share price reflects the significant advances and progress we are making, in fact it currently sits well below the analysts' target prices.

We have been working hard to tell our story and build market awareness of Turners Automotive Group in both New Zealand and Australia as a positive and valuable investment opportunity. A part of this has been more frequent engagement with the investment community, and both First NZ Capital and Craigs Investment Partners commenced analyst coverage of Turners in the last year.

This activity has led to growing interest from Australian investors and, following our recent listing on the ASX, we expect to see more Australian shareholders joining our register.

Three years ago, 8 of the top 10 shareholders were entities represented around the board table with an aggregate shareholding of just over 65% of the company. With the agreed non-participation by these ‘insider’ shareholders, this aggregate will reduce to around 28% following the recent $30m capital raise.

Just in the last 12 months, placements of new shares and the Hugh Green Group sell down, have seen 14 institutional investors make a collective investment of approximately $75 million in the Turners business, with 60% of these investors being new to the register.

This major change and strengthening of the share register brings advantages of liquidity in the stock for all shareholders and could not realistically have been achieved with a series of rights issues over such a short time frame.

6. INTEGRATED AUTOMOTIVE FINANCIAL SERVICES GROUP

Our vision remains the same – to build an integrated automotive financial services group.

We are benefitting from our vertically integrated business model. This promotes the sale of insurance and finance products, primarily to the motor vehicle industry, where we have our own retail operations that allow us to capture a large and highly targeted group of customers at source.

7. WHY THE INTEGRATED MODEL WORKS FOR US

This integrated model provides diversification of earnings through building a unique combination of higher margin “Activity” based revenues from Automotive Retail and Debt Management, and more consistent, secure “Annuity” revenues from our finance and insurance divisions.

We believe this combination of annuity and activity based revenues creates a strong business with more consistent and predictable earnings.

Todd will talk to you more about the benefits of this model shortly.

8. OUR STRATEGY IS FOCUSED ON GROWTH

We remain focused on growth and the size of the automotive market opportunity is significant.

The industry is very fragmented, and even in some areas where we are one of the larger players, such as vehicle sales, we still only hold a small percentage, well under 10%, of market share. We are constantly looking at organic growth opportunities and identifying and assessing mergers and acquisitions that will add value for our company.

9. FUNDING FOR GROWTH

We are well positioned for this growth, with a strong balance sheet and support from investors.

We have a diversified funding model utilising bank funding, bonds and equity. The new securitisation model, which was implemented in the last year, provides further growth headroom as well as reducing our cost of funds, and strengthening our funding base for our finance and insurance businesses.

Bonds have proven to be a cost-effective and successful channel and we have had strong support from our shareholders.

The 2014 $23 million bond programme matured in September last year and pleasingly, 75% of this was converted into shares in Turners, rather than cash. Due to high demand for shares, we followed this up with a $13.4 million placement in October.

A new $26 million, two-year bond programme, at an annual interest rate of 6.5% was launched at the same time, and was fully subscribed.

Where appropriate, we also issue new equity as part payment for acquisitions, as we did for the $15.3 million acquisition of Buy Right Cars in FY16 and then again for the $34 million Autosure acquisition in FY17.

10. EQUITY RAISE

As you may have seen in the last week, we have been in the market raising new capital for the business and have announced a $30 million equity raise. We have raised $25m in a Placement to institutional investors in NZ and Australia, and are also offering a $5m Share Purchase Plan to retail shareholders and bond holders.

The board gave quite a lot of consideration to the best structure to use in raising the money. There were two key objectives. The company needed to move quickly to ensure we secured the funds for the expected growth, but also creating some more liquidity into the shares was important. Attracting new institutional shareholders is a good way to do this, and it was the main reason behind the ASX listing and the amount of time we have been spending in the Australian market over the last 12 months.

The Placement + SPP structure was selected because the board felt it was the best mechanism to raise the money in the timeframe we needed the funds, and to provide 95% of our shareholders an opportunity to apply for their pro-rata application. The Placement + SPP structure also helps us build a more diversified shareholder base than we have had historically so we can improve the liquidity of the shares. Liquidity in the shares benefits all shareholders and helps with our aspiration of Turners becoming a NZX50 company. I will point out that the insider shareholders have stood aside to allow new shareholders to come onto the register. In regard to the pricing of the placement, we effectively ran an auction / price discovery exercise to set the pricing for the Placement. Unfortunately the timing of the raise wasn’t ideal in the backdrop of the recent sell down by Hugh Green our largest shareholder. They have sold down for their own well publicised reasons, something which was completely outside of the control of the company.

Approximately 75% of the funds raised will be used to support the growth of our finance book, which is currently growing at around $10m of receivables each month, with the remaining 25% of funds to be directed toward strategic dealer and property acquisitions to continue growth in our Automotive Retail network.

We are a growing business and the equity raise allows us to secure the strong growth we are currently experiencing. It also gives us more control of our own destiny in terms of growth rather than being totally reliant on external funding sources which can be fragile depending on where we are in the credit cycle both in NZ & Australia. Raising this money is about creating long term value for all shareholders.

Given some current geo-political risk and the recent changing risk appetite evident from all trading banks, adoption of a more conservative approach to capital structure and facility headroom is seen as appropriate by the Board at this time.

11.OUR PEOPLE

Our people are key to our growth strategy and we now have over 800 employees, many of them long term staff members. This is up from just 42 staff in 2000.

We encourage our people to continually seek new and better ways to service their customers, and are investing into building a strong team and providing a workplace that rewards their efforts. It's been pleasing to see the increase in staff engagement levels over the past five years.

Todd Hunter successfully transferred into the CEO role last year, after taking over the reins from Paul Byrnes and he has done a great job pulling the new leadership team together.

On behalf of the board and management, I would like to acknowledge all our employees for their contributions and commitment to the business and their customers.

12.CONTINUING FOCUS ON GROWTH

Turners Automotive Group is in excellent shape. The initiatives from last year, which Todd will talk about in his presentation, are bearing fruit and we are tracking well in the year to date. As part of our recent market announcements we have confirmed guidance for FY18 net profit before tax of $29 million to $31 million, the mid-point representing a 22% increase over last year.

We have a clearly defined strategy and a growing portfolio of strong businesses delivering sustainable profits and increasing cashflows. We will continue to build on our business through cross-selling, organic growth and smart acquisitions.

We operate in a growth sector – automotive sales continue to increase with 2016 being the highest year of NZ vehicle registrations recorded in the past ten years. With that, comes a corresponding uplift in demand for automotive finance and insurance products.

We are focused on continuing to deliver increasing value for our shareholders. Thank you for your support for our company.

I will now pass over to Todd Hunter to talk more on last year's achievements and our plans for the future.

13.CEO'S ADDRESS

Thank you Grant.

14. FY17 HIGHLIGHTS

FY17 was another year of positive progress towards our goal to be a leading player in the automotive sector.

We acquired three new businesses - adding strength to our insurance business with Pacific Life and Autosure, and expanding our retail footprint in the key Auckland market with the acquisition of Buy Right Cars.

Buy Right Cars was a key acquisition in building out our retail presence. The used import car dealership group has eight locations in Auckland and also has a service and compliance offer, which is a new opportunity for Turners and an area we are looking to build on. Buy Right Cars is performing well and we are starting to deliver on some of the synergies we anticipated.

Autosure was another substantial acquisition. This business has been a market leader over 10 years and has given us some much needed scale in the automotive insurance sector. The Autosure transaction has also helped simplify our insurance business with the underwriting partnership with Vero for Private Motor Vehicle Insurance. The transition into our ownership has gone well and contributions from this business started from 1 April this year.

We are now selling more cars, trucks and machinery to the retail market, rather than through wholesale channels, and this has been a major driver of transaction margins and growth in finance and insurance sales.

We also grew our finance product offering last year, with the launch of a new lending product through MTF which has proven to be well accepted. This partnership adds a significant number of new originators to our distribution channels for our finance business. The MTF dealers and franchises now have an alternative to taking on the credit risk themselves for loans they originate. They forego some margin for which Turners takes on the risk associated with the loans originated by MTF franchisees and dealers. This has provided immediate growth for our finance business, with non-recourse lending already over $43 million - about 17% of our total lending within the group.

Technology is also delivering new opportunities, and last year we introduced Cartopia, an online only car store, and AutoApp, an online loan portal with a simple interface and a quick approval time.

Implementation of the Securitisation Funding Program in the finance business was another major milestone. The combination of the new equity we have recently raised combined with this funding facility gives us a good platform for supporting continued growth in our finance book.

The Trucks & Machinery business continues to develop with increasing sales being realised. We have expanded our footprint with the acquisition of two strategic sites. Tauranga and Palmerston North are now up and running and we have new sites in development in Wiri and Hamilton.

15. A GROWING NATIONAL FOOTPRINT

We now have a national network of 27 automotive retail sites ….and our online retail presence also continues to grow.

When looking at new sites, for both our cars and our Trucks & Machinery business, we consider a number of factors that determines whether we acquire the site, lease it or buy and then sell with a lease back arrangement. This allows us to secure strategic locations and develop the site to suit our needs.

We also have a referral network of 1,500 dealers and brokers across the country for our finance and insurance services, and our debt management business has offices in New Zealand and Australia.

16. FY17 FINANCIAL HIGHLIGHTS

As we have already provided quite a lot of information on last year’s financial results in our Annual Report and the Investor Presentation, which are both available on our website, I won’t go back into the detail today.

Suffice it to say, it was a positive year in which our growth strategy was brought to life and we delivered a record result.

Revenue was up 47% with growth being driven by higher vehicle sales activity which is generating more finance and insurance sales.

An advantage of our integrated business model is that it provides diversification of earnings, with higher margin Activity based revenue from the Automotive Retail and Debt Management businesses, and Annuity revenues from Finance and Insurance providing additional stability and security.

We reported a record operating profit before tax of $24.6 million, which included 8 months’ contribution from Buy Right Cars. The Autosure policies were not transferred until the start of this year, so FY18 will be the first time that we see any profit contribution from this business.

Net Profit After Tax remained strong at $17.6 million, an increase of 13% on last year.

We transitioned to quarterly dividend payments, with total and fully imputed dividends of 14.5 cents per share for FY17. This represented 55% of Underlying Net Profit After Tax.

17. THE OPPORTUNITY FOR TURNERS

Our business model is built around providing a one stop shop that meets all our customers' needs.

Customers can buy and sell vehicles through a variety of our channels – online, auction and retail.

It is estimated that more than 80% of retail buyers require some form of finance and our retail businesses provide us with access to these highly valued customers. Similarly, the majority of buyers will need insurance cover.

We sell our finance and insurance products through our own retail businesses, but also through a network of more than 1,500 dealers and brokers throughout New Zealand.

We have identified a new opportunity to provide service, repairs and maintenance for vehicle owners. We now have an ongoing relationship with over 1,500 repairers through Autosure Insurance. We believe there is a large opportunity to create a connection between these repairers and our customer base of buyers, to provide these services in a more cost effective and more convenient way. This will increase our relevance to customers and improve our value proposition.

Again, this fits well within our integrated model and adds the opportunity for customers to be recommended to our own repairer and service network.

18.AUTOMOTIVE RETAIL

Given Automotive Retail is our largest business sector, let's start with that.

We are focusing more on the end user, rather than wholesale buyers, and retail sales accounted for 65% of all our car sales last year.

These customers also create a better opportunity for finance and insurance sales and we saw a 20% increase in loans and a 34% increase in Mechanical Breakdown Insurance policies sold to our customers in FY17.

We are also selling more stock that we own, rather than stock we hold on consignment, with an uplift in owned stock from 50% to 65% of sales.

These are both higher margin channels for us.

Buy Right Cars has integrated well into the group and we are pleased to report that trading for the first year under our ownership exceeded forecast resulting in an Earn-Out payout at 110%. We are now focused on expanding our retail footprint, which we'll do through either greenfield site development or acquisition.

Having standalone Trucks & Machinery yards is also working well and we've continued to expand our footprint, with Tauranga and Palmerston North now in place and a new Hamilton site currently in development.

19.FINANCE

For finance, FY17 was about getting our business into a better shape. Better from a systems point of view, better from a funding point of view and better from a distribution point of view.

The MTF partnership has been very productive and it has expanded our reach and provided a number of new lending opportunities.

In response to customer demand, we launched AutoApp last year, and going forward, we will see technology playing an increasing role and point of difference in the finance sector. We are continually looking at what we can do to deliver faster, better and easier solutions for our customers.

The securitisation funding programme was a major project last year, and as we have noted this will reduce our cost of funds in the medium term. We are currently working with our bankers to extend this facility to $250m from the current $150m.

As we've grown our finance offering, we've acquired a number of different brands. We are in the process of combining them all into a single entity, with a single technology platform, under the Oxford Finance brand, which has the largest distributed dealer channel of all our finance businesses.

The market remains highly competitive but despite this we are experiencing significant growth, with finance receivables up 23% over the last year. We are well positioned for, and expect continued growth in higher quality receivables for the FY18 year and beyond.

20.INSURANCE

The majority of our insurance business is motor vehicle cover and until recently, our insurance business has been sub scale and it has been difficult to drive much value.

The Autosure Insurance acquisition achieves the scale we need in the business and allows us to focus on the core products being mechanical breakdown insurance and loan repayment insurance. There are also some additional synergies including utilisation of Autosure's repairer network for our existing business, and cross selling opportunities for insurance and finance to a bigger customer base. The integration of Autosure Insurance into Turners Automotive Group has gone really well with key IT systems migrated and high retention of staff and dealers.

We recently announced the acquisition of insurance agent, Motorplus NZ, which adds to our scale, with about 6,000 polices transferred to our insurance business from 1 August.

In parallel with our finance business strategy we will be integrating our insurance businesses into a single operating entity over the next 12 months.

We are also working on integrating insurance products into our digital finance selling platform AutoApp to make it easier for dealers to sell both insurance and finance products through the one system.

Our product innovation pipeline is building and, as part of this, we recently introduced a new Electric Vehicle breakdown cover policy.

21.DEBT MANAGEMENT

EC Credit Control continues to perform well, providing good cashflow and profitable returns.

We’ve been focused on attracting and loading higher quality debt, which has resulted in less debt load, but improved collections. We continue to increase debt load from our key corporate accounts reflecting positive market share gains against our competitors. On the technology front we have recently implemented an automated dialler within the collections division with encouraging initial results.

This business is in excellent shape with good growth opportunities ahead of it. We will continue to do the same things well – building the customer base, building the share of debt from existing clients and enhancing our analytics capability.

22. MARKET OPPORTUNITY: THE NZ USED CAR ECONOMY

The automotive sector is a long term growth opportunity for us.

Kiwis are car lovers and we have one of the highest per capita ownership of vehicles in the world, with more than 1.1 million used car transactions in the last year alone.

There are over 3.7 million light vehicles in the used vehicle fleet and the fleet is old with 20% of these cars 20 years old or more. This implies that the peak of the mid-90s imports are now nearing scrap time.

Over the longer term, as other larger countries lead the way in encouraging the purchase of electric cars, we expect to see a short to medium term increase in imported internal combustion cars. Then, as more second hand electric cars come onto the market, this will open up new opportunities for us.

The market is incredibly fragmented and there are benefits to be gained by those who can build scale and generate efficiencies from this. Turners bring some unique attributes and competitive advantages to this market which we believe will position us well for growth into the future.

23. PROGRESS AGAINST STRATEGIC INITIATIVES

We are making good strategic progress with a number of new and exciting growth initiatives planned for this year.

We will continue to invest into our four key areas – organic growth of our existing businesses; further integration across our group particularly within finance and insurance; growing our business through strategic acquisitions and mergers; and investing into the development of our people.

In particular, our focus is on expanding our retail presence in both cars and Trucks & Machinery; developing a bundled approach to finance and insurance; and building on existing capability to offer servicing and maintenance.

24. TRADING UPATE AND GUIDANCE

We are coming to the end of the first half of the financial year and I'm pleased to confirm that all businesses are tracking well and in line or slightly above plan and Board expectations, with an uplift expected in the second half of the year due to the positive impact of the growing finance book.

Used car sales are strong and our average transaction value is increasing, although we have seen a stronger than usual winter seasonal dip in margins due to an increased supply of new cars and used import vehicles. Including acquisitions, Automotive Retail operating profit for the first four months of this financial year is up 60% on the same period last year, or 21% ahead excluding acquisitions.

Finance receivables are growing strongly as are insurance premiums. Finance operating profit is up 13% and insurance is up 36% excluding Autosure. Adding Autosure lifts insurance operating profit up over 500%.

Both Autosure Buy Right Cars will provide a full year of profit contribution in FY18.

EC Credit Control also continues to deliver a solid and stable performance with operating profit up 8%.

For the full year, we are expecting to deliver a Net Profit Before Tax of between $29 million and $31 million. This represents an 18 to 26% increase on FY17, or 10 to 14% excluding acquisitions.

25.TURNERS 50TH BIRTHDAY

This month we are celebrating a special birthday for the Turners Auctions business. It is the 50th anniversary of the first board meeting for the Division of Turners and Growers known as Turners Car Auctions. What enormous progress has been made since the first truck was sold at a Turners & Growers produce auction and we officially moved into the automotive market. Profit in that first year of standalone trading was…$120 dollars. 50 years later over $12m in operating profit contribution.

Getting to 50 is a huge milestone for any company and it is one that we are extremely proud of. Increasingly it is rare to find a story like ours. Whilst I am sure from the outside it may have appeared at times that our journey has been some kind of random road trip, I can assure you it hasn't. No company grows, innovates, evolves and prospers for 50 years by accident. Oh if only it were that easy!

Can we now play the video which gives a little more insight into our past and future. [Road Ahead Video]

Having a bit of finance and accounting in my past I do like a good set of numbers so how have we gone over the 50 years…

Over 1.5M cars sold to New Zealanders in 50 years.

Sold over 100,000 trucks and pieces of machinery and equipment in the last 10 years

Sold half a million cars through our damaged vehicles channel

Pretty impressive numbers.

Finally before I hand back to Grant I would like to recognise and salute all those people who have been involved in building this great company into what it is today. 50 years in business is testimony to the Turners people. Right from the early days of the pioneering Turners family who originally started the business, through to the current staff of 400 kiwis working hard to keep delivering for our customers.

The future of motoring has never been more exciting and our future is exciting too. Turners has an extremely competent and dedicated team and with your support, we are looking forward to further 50 years!

Thank you for listening. I'll now pass you back to Grant.

26. QUESTIONS AND DISCUSSION

Thank you Todd.

I would now like to invite questions in relation to the annual report or today's presentations. There will be an opportunity to ask questions about each resolution as they are put to shareholders to vote.

If you have a question, could you please clearly state your name if you are a shareholder, or, if you are a proxy holder or corporate representative, please state the interests you represent.

27.RESOLUTIONS

I would now like to move to the resolutions before the meeting. These were notified in the Notice of Meeting and explanatory notes have been provided.

Voting on each of the resolutions in the Notice of Meeting will be by way of poll.

Staples Rodway, the company's auditors, will act as scrutineers.

Please use the voting paper you received in the mail or were given when you registered for this meeting. If you do not have a voting paper, you will be able to request one when the voting takes place.

Only shareholders, proxy holders or corporate representatives of a shareholder may vote on today's resolutions.

Resolution 1:

The first resolution is to record the reappointment of Staples Rodway as auditors of the Company and authorise the directors to fix the auditors' remuneration.

Are there any matters for discussion or questions from the floor?

I would like to move this motion. Do I have a seconder? Thank you.

Thank you.

The next two resolutions are in regards to Director Appointments.

Resolution 2 is to re-elect Matthew Harrison as a Director. Matthew was the former managing director of EC Credit Control and joined the Board the same year the business was acquired by Turners. He has extensive management experience and a strong background in business and finance administration. Matthew represents his family interests, which have an 8.98% combined holding in Turners.

I will now ask Matthew to say a few words in support of his election.

Do shareholders have any questions for Matthew?

I would like to move this motion. Do I have a seconder? Thank you.

Thank you.

Resolution 3 is the election of John Roberts as a director. John is an independent director and joined the board in 2015. He was the managing director of credit bureau Veda for ten years, and has held previous CEO roles with Saatchi and Saatchi and Master Card in New Zealand.

I will now ask John to say a few words in support of his election.

I would like to move this motion. Do I have a seconder? Thank you.

28. VOTING

Many shareholders, who are not attending this meeting, have voted by proxy.

I wish to advise that proxies have been received in respect of 20,930,819 shares representing 27.96% of total shares on issue.

Please complete your voting paper by ticking “FOR”, “AGAINST” or “ABSTAIN” in the appropriate place on the form and ensure you have signed the form. Please do not tick the “DISCRETION” box.

If you have any difficulty, or do not have a voting paper, please raise your hand and someone will assist you.

Once everyone has finished voting, scrutineers will collect the voting papers.

<< 3 minute pause>>

Scrutineers will now collect the voting papers. Could shareholders please pass their voting papers to the scrutineers as they pass.

The results of today’s voting will be posted to the NZX as soon as practicable.

29.OTHER BUSINESS AND CLOSE OF MEETING

That brings the formal part of the meeting to a close. Is there any other business shareholders would like to discuss in regards to today’s presentations or Turners’ progress?

I therefore call the 2017 annual meeting of shareholders closed.

Thank you all for your attendance today. I would like to invite you to join Board and management for refreshments.