DELIVERING ON OUR PLAN.

Turners.
Automotive Group

ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2024

TIMARU

Located on Meadows Rd, this brand new branch opened in November with capacity for up to 150 cars.

On behalf of the Board and management of Turners Automotive Group Limited, we are pleased to present the Annual Report for the financial year ended 31 March 2024.

Grant Baker
Chairman

Todd Hunter
Group Chief Executive Officer

OUR BUSINESS

Turners is a New Zealand success story, focused on making it easy for customers to buy, sell, finance and insure their vehicle through Turners' trusted brands and businesses.

We believe if we provide a quality environment and conditions for our people, this will give us the best chance of providing a quality experience for our customers, and this should lead to quality outcomes for our shareholders.

Network spanning from Whangarei to Invercargill

More than 700 team members

Highly engaged team
Top 5% globally[1]

Voted Most Trusted Brand 5 years in a row

Positive customer satisfaction
96% of customers would recommend[2]

Proven growth strategy

Growing shareholder returns

OUR FORMULA FOR SUCCESS

QUALITY ENVIRONMENT FOR OUR PEOPLE + QUALITY CUSTOMER EXPERIENCES = QUALITY OUTCOMES FOR OUR SHAREHOLDERS

[1] Turners ranks in the top 5% of consumer businesses globally using Peakon survey tool.
[2] Auto Retail voted New Zealand's Most Trusted Used Vehicle Dealership in the Readers Digest Trusted Brand awards. 96% of Turners Cars customers surveyed would recommend Turners to others.

AUTOMOTIVE RETAIL

- New Zealand's largest buyer and seller of vehicles
- Bricks and clicks retail model, combing national network with online digital experience
- Local sourcing strategy provides competitive advantage and higher margins
- One car sold every 4 minutes
- 52% of vehicles sold through retail channels
- Awarded New Zealand's Most Trusted Used Vehicle Dealership in the Readers Digest Trusted Brand awards for 5th year in a row

INSURANCE

- Motor vehicle, loan protection and life insurance solutions
- Sold through more than 700 licensed car dealers, finance companies and brokers, and life insurance advisers as well as online
- 5,200 insurance policies sold every month
- $39.8M in new policies sold in FY24
- Average 1,154 claims paid out monthly; $21.5M paid out in FY24

FINANCE

- Targeting high quality consumer and commercial lending – primarily for automotive customers
- Loans originated through the Turners Auto Retail network, independent dealers and brokers
- Average loan size $15,100
- 56% premium lending in 2H24
- Circa. 25,000 current consumer loans
- $430M in receivables in FY24

CREDIT MANAGEMENT

- A recognised leader in debt collection and credit management for both corporate and SME customers
- Provides income diversification for Turners Group
- $148M in Total Debt loaded in FY24
- 23% increase in SME customers loading debt in FY24; debt collected up 33%
- $37M collected from debtors in FY24

FY24 AT A GLANCE

Turners delivered a record result despite an economy under significant pressure, demonstrating resilience and the ability to pivot to where demand is the strongest.

OPERATING ENVIRONMENT

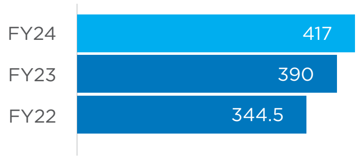
- Tightening economic conditions throughout FY24
- Reduction in consumer and business spending, with shift to lower price points
- Government regulation (changes to Clean Car Discount and Clean Car Standard) increasing import cost of used vehicles
- Increase in sale of damaged and end of life vehicles following Auckland floods and Cyclone Gabrielle
- Dealer numbers have continued to reduce over the last five years and are not expected to recover
- EVs remain a very small part of the total New Zealand fleet (around 2%) with slowing sales momentum
- Higher interest rates throughout the year

COMMERCIAL HIGHLIGHTS

- **Major milestone achieved with Turners entering the NZX50 Portfolio Index and MidCap Index in December 2023**
- **Auto Retail:** Branch network continues to expand, growth in locally sourced cars and improvement in margins
- **Finance:** Net interest margin recovered and expanded in 2H24
- **Insurance:** Claims being well managed and investment returns improved. Policy sales remain robust
- **Credit management:** Debt load recovering in line with tightening economy, particularly in SMEs
- Opened new Turners Auto Retail branches in Timaru and Napier
- Introduced two additional funders, bringing further diversification and capacity
- Second year of Employee Share Scheme with over 50% participation
- Employee Engagement score continues to rank in top 5% of businesses globally using Peakon survey tool
- Finalist in the 2023 Effie Awards - Global Best of the Best, for Turners' marketing campaign

FINANCIAL HIGHLIGHTS

REVENUE $417.0M ▲7%

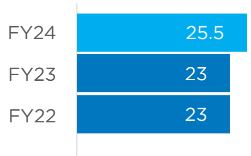


EBIT $58.6M ▲12.0%

NET PROFIT BEFORE TAX $49.1M ▲8.0%

NET PROFIT AFTER TAX $33.0M ▲1.5%[1]

FULL YEAR DIVIDENDS 25.5 cents ▲11%



EARNINGS PER SHARE 37.7 cents

[1] The legislative change to remove depreciation on commercial buildings has increased the effective tax rate to 33% for FY24. This is a one-off non-cash impact in FY24 only. The effective tax rate over the last two years is between 27.5-28.5%. A normalised NPAT using FY23 tax rate of 28.5% would be $35.1M +8% and EPS would be 40.2 +7%.

CHAIR AND CEO'S REPORT

Delivering on our growth plans.

Our record FY24 result underscores the resilience of our business, the value of our diversification strategy and our ability to pivot to where the demand is strongest.

Dear shareholder

We are very pleased to report another record result for the business for FY24, despite the challenging economic conditions. This demonstrates the value of our diversification strategy, our ability to pivot to where the demand is strongest, and the resilience we need to grow through all phases of the economic cycle.

We continue to innovate, gain market share and improve margins across all segments. Three of our four businesses reported material profit growth, with Auto Retail once again being the hero. In addition to the continued expansion of our activity businesses (Auto Retail and Credit Management), our annuity businesses (Finance and Insurance) have gained momentum.

Our plan for growth is standing up to the economic and interest rate challenges being thrown at us. Government regulation has increased, particularly with the changes to the Clean Car Discount and Clean Car Standard last year which restricted the supply of used imports, interest rates remain high, cost of living pressures continue to mount, and businesses and consumers are tightening their belts.

Our high brand recognition, diversified revenue streams and funding sources, vehicle sourcing strategy, focus on quality business, and strong culture are all key ingredients in our pathway to success this year.

Our domestic sourcing strategy is working well and our retail optimisation is gaining momentum. We have pivoted towards lower value cars (under $15,000) to meet customer demand, continued to improve the quality of our loan book, increased the volume of direct lending which provides higher margins, and tightened our credit policy. The improvements in the quality of our loan book are very obvious, and these flow through into interest margins. Insurance claims and risk pricing are being managed well and, in credit management, our business is recovering as consumer arrears worsen and bad debts are called in.

OUR PEOPLE ARE DRIVING OUR SUCCESS

In particular, we would like to acknowledge and thank our people, who deliver quality experiences for our customers every day. Our team are totally committed and prepared to go above and beyond to meet customer expectations. We are very lucky to have such a talented and hardworking group of people in this business. More than 50% of our team members are now shareholders in our company, through Turners Employee Share Scheme, which we launched in 2022.

LONGER TERM PERFORMANCE DELIVERS FOR OUR SHAREHOLDERS

We have made great progress in the last five years and our longer term track record continues to deliver for our shareholders. Given the strong performance in FY24, the Board declared a final dividend of 7.5 cents per share (cps), taking full year dividends to 25.5 cps. This represents a gross yield of approximately 9% per annum (based on a share price of $4.10). The Dividend Reinvestment Plan will be active for the final dividend with a 2% discount for those taking up the DRP.

We remain committed to creating a business that not only delivers sustainable value to our shareholders, but also supports our people, our communities and our environment. This year, we will report against the Aotearoa New Zealand Climate Standards for the first time. Our Climate Related Disclosures will be published as a separate document by 31 July 2024 and will be available at https://www.turnersautogroup.co.nz/climate-related-disclosure/.

LOOKING AHEAD

There is no doubt that trading conditions got harder in the final quarter of the FY24 year. Looking ahead, we anticipate a further deterioration in economic conditions during the first half of our financial year (HY25) but expect to see the economy start to recover in the second half. Our near-term focus remains on exceeding the $50M NPBT goal in FY25, despite the economic backdrop, however there remains some obvious risks with the level of interest rates impacting the overall economy and consumer demand.

We are on track to achieve our goal of $50M profit before tax this year and have set ourselves a new target of $65M for FY28.

Beyond FY25, Turners is well-placed to continue to make strong progress, thanks to the resilience of our diversified business model (activity and annuity), strong and committed team and clear strategy for further growth. Our growth model has been proven and we will build on this to drive our earnings and achieve our goals.

We have set ourselves a new target of $65M NPBT for FY28. This will deliver a 10-year NPBT compound annual growth rate (CAGR) of 9.4%. Our roadmap to achieving this can be viewed on page 17. In summary, this is focused on organic growth from Auto Retail with an expanded branch network and continued shift from wholesale to retail sales, a recovery in the Finance and Credit Management businesses, and direct to consumer growth in Insurance.

On behalf of all the team at Turners, we would like to thank our shareholders, customers and business partners for your continued support.

Grant Baker
Chairman

Todd Hunter
Group Chief Executive Officer

OUR AUTO ECO-SYSTEM

Our Auto Retail business continues to go from strength to strength and creates a halo effect into Finance and Insurance.

It starts with sourcing smarter… the unique combination of consigned and owned stock. We are using brand awareness, our branch network, data and tools to make better buying decisions and purchase more highly demanded cars than we ever have before.

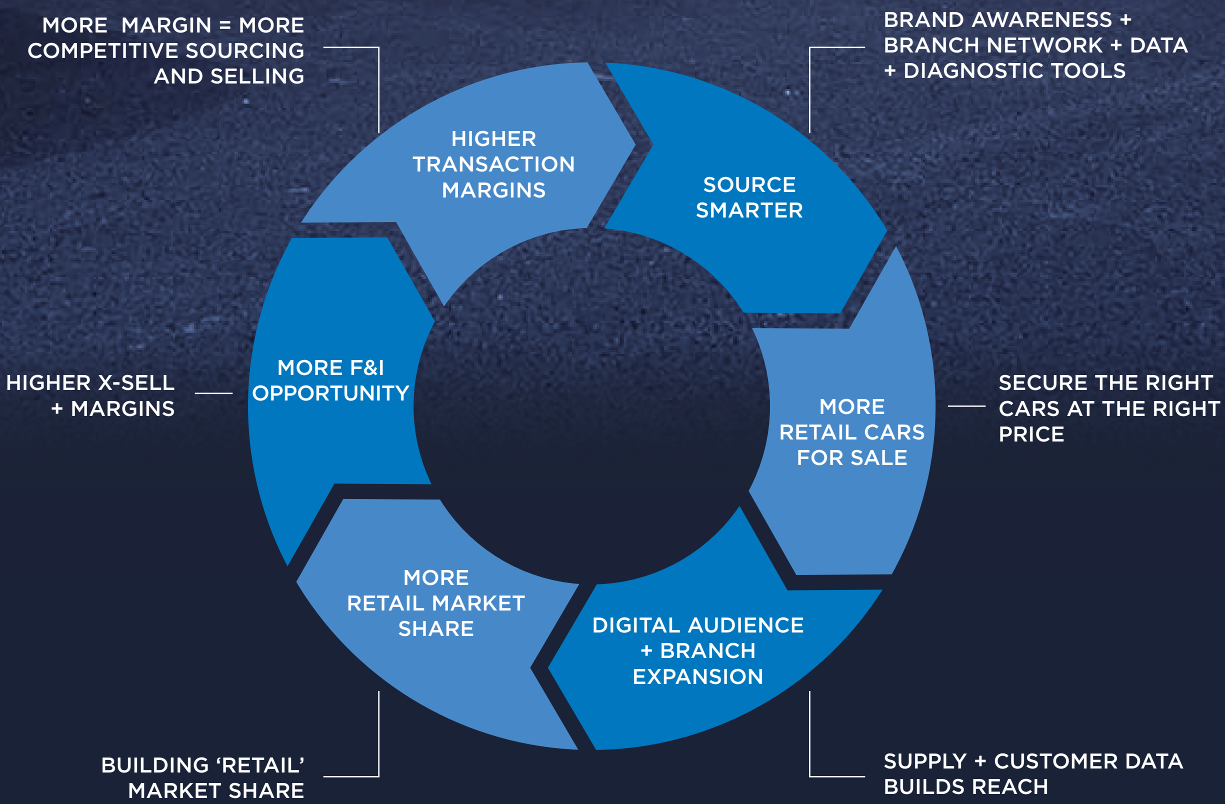
The more cars we consign and buy, the more cars we have advertised. This leads to a larger audience and support for more branches. This scale gives us more reach and more market share and more retail sales.

More retail sales provide greater opportunity for add-on sales from Oxford Finance and Autosure Insurance which provide greater transaction margins.

Higher transaction margins make us more competitive at the sourcing end, and enable us to pay “fair” prices for cars… and so the flywheel starts again.

We have very deliberately been improving our capability in each part of this flywheel over the last couple of years. The good news is that it is working very effectively and there is still more opportunity for us to fine tune.

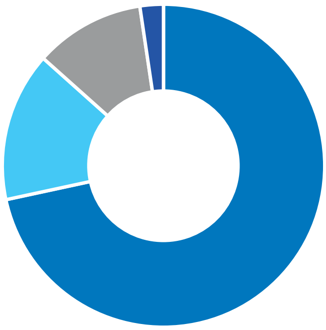

Turners Cars
for over 50 years.
EPK401


MORE MARGIN = MORE COMPETITIVE SOURCING AND SELLING
BRAND AWARENESS + BRANCH NETWORK + DATA + DIAGNOSTIC TOOLS
HIGHER TRANSACTION MARGINS
SOURCE SMARTER
MORE F&I OPPORTUNITY
HIGHER X-SELL + MARGINS
MORE RETAIL CARS FOR SALE
SECURE THE RIGHT CARS AT THE RIGHT PRICE
MORE RETAIL MARKET SHARE
DIGITAL AUDIENCE + BRANCH EXPANSION
BUILDING 'RETAIL' MARKET SHARE
SUPPLY + CUSTOMER DATA BUILDS REACH

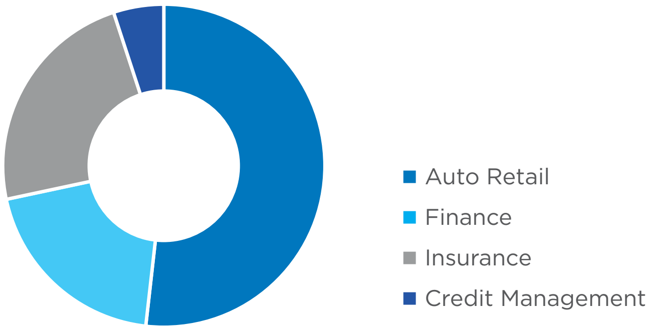
HIGH PERFORMING BUSINESSES

Turners has a mix of activity and annuity businesses, providing earnings stability during difficult times. Auto Retail is the largest business and provided 72% of revenue and 52% of Turners' profit in FY24.

SEGMENT REVENUE



SEGMENT NPBT



AUTO RETAIL

Revenue $298.6M ▲7%

NPBT $31.8M ▲27%

Strong brand, smarter sourcing, systems efficiency.

Auto Retail delivered super profit growth of 27% in FY24, as a result of operating leverage. Total cars sold was up 6% to 40,100 units, with revenue up 7%.

Our local sourcing strategy BuyNow, which provides a convenient and easy way to sell your car, is delivering sales growth and higher margins. These 'owned' cars comprised around 59% of our total sales in FY24, with the remainder being consignment sales. We have pivoted in response to market demand and continue to target lower priced vehicles.

The ongoing transition from wholesale to retail sales remains a material opportunity for us, with retail making up 52% of sales in FY24. For each additional vehicle sold through retail (not auction), Turners makes another $1,000 per vehicle. Key to achieving a higher percentage of retail sales is the creation of more capacity through our branch network. We know the combination of a larger retail presence brings additional opportunities to source vehicles which will lead to additional sales.

We were delighted to open a new branch in Timaru this year and expand our Napier branch. We are now entering a build phase for our next growth push. We have a robust plan in place to continue the growth of our network and are targeting 32 branches in FY27 (currently 29 branches). We have seen more opportunity come to market as interest rates and holding costs increase and we have a number of conditional offers in the market which would add to our list for FY25 - FY28.

The numbers of damaged and written off vehicles were unusually high in FY24, with an uplift in units processed and sold in both FY23 and FY24 due to the weather events. We expect units to normalise to ~30,000 in FY25.

FINANCE

Revenue $62.4M ▲6%
NPBT $12.2M ▼18%

Weathered the interest rate shock, credit scores continue to improve, back into growth mode.

Finance continues to be materially impacted by the tightening cycle in interest rates. However, we have seen margins start to expand and expect interest rates to become a tailwind once the easing cycle begins.

Our loan book is back into growth mode and we are in a strong position following our deliberate focus on higher quality lending over recent years. Average credit scores of loans originated in the second half of the year set a new high level and premium borrowers currently make up 56% of the loan book.

Our controlled lending – directly from Oxford Finance to consumers and through the Turners Auto Retail network – was up 23% year on year. These loans provide more margin and the arrears perform significantly better on a like for like basis. The overall finance attach rates through the Auto Retail business were 33%, in line with the prior year.

Across the business, arrears remain significantly below industry benchmarks. We are maintaining a conservative position of the impact of any material increase in unemployment on arrears, and increased the economic provision overlay to $2.3M (FY23 $2.0M).

INSURANCE

Revenue $46.1M ▲6%
NPBT $14.3M ▲15%

Well-tuned business, distribution networks remain important, building blocks for direct to consumer offer in place.

The Insurance segment is a well-tuned business with robust policy sales, well managed claims and improved investment returns. We have one of the fastest growing comprehensive motor insurance books in Suncorp.

Notably, claims cost inflation was offset by less frequent claims. Risk pricing is an important part of managing claims ratios and we have introduced two new layers of risk pricing in Autosure over the last year to ensure we are pricing correctly for the risk we are taking.

Insurance is consistently growing and our distribution networks remain vitally important, with further opportunities in play. We have also laid the groundwork for a direct to consumer offer which will target the 50% of used cars bought and sold between private individuals.

CREDIT MANAGEMENT

Revenue $9.8M ▲6%
NPBT $3.1M ▲9%

The Credit Management business saw debt value loaded increase by 20% compared to FY22. Business recovering, tightening economy supports growth, payment bank being rebuilt.

The Credit Management business has rebounded into recovery mode and reported 9% profit growth off a low base.

The business is building off the back of improved marketing and a deteriorating economy. As more customers fall behind on their payments, debt load grows. The debt value loaded was up 14% year on year, with a 23% increase in higher yielding SME client debt. This has led to an increase in debt collected and a rebuilding of the payment bank.

Across New Zealand, credit metrics continue to deteriorate and are now the worst they have been in the last seven years. This should see debt load levels increase over coming years. We are conscious of the pressure on household budgets and are supporting debtors with lower repayment amounts and extended payment arrangements.

EXPANDING OUR NETWORK

We're expanding our auto retail network with new territories and bigger sites. We have a pipeline of committed sites and future opportunities. Currently underway is the expansion of our single location in Christchurch into three separate sites across the city over the next one to two years.

NEW TURNERS BRANCHES OPENED IN TIMARU AND NAPIER

TIMARU - LOCATED ON MEADOWS RD, THE BRAND NEW TIMARU BRANCH OPENED IN NOVEMBER WITH CAPACITY FOR UP TO 150 CARS.

NAPIER - WE HAVE DOUBLED OUR FOOTPRINT BY MOVING FROM A SMALL LEASEHOLD SITE TO THE NEW PURPOSE-BUILT FACILITIES PICTURED HERE.

DRIVING GROWTH

Our growth plan focuses on our core business areas and continues to deliver. We are well on our way to achieving our goal of $50 million pre-tax profit in FY25 and have set ourselves a roadmap to $65M NPBT for FY28.

AUTO RETAIL

- Stock acquisition
- Keep building domestic sourcing
- Retail optimisation and expansion develop new sites and build retail volumes
- Transition wholesale auction transactions to retail
- Improvement in conversion rates from lead to customer

FINANCE

- Pricing and margin management
- Discipline on credit quality
- Drive further growth out of controlled lending channels (Turners + Direct)

INSURANCE

- Expand distribution through partnership strategy
- Launch direct to consumer offer
- Continue to enhance risk pricing and product features

CREDIT MANAGEMENT

- Rebuild payment bank by building on "resolution" focused collections strategy
- Continue working closely with corporates to manage reputational risk
- Well positioned for the next stage of the NZ credit cycle

OUR ROADMAP TO $65 MILLION
PROFIT BEFORE TAX

AUTO RETAIL: BRANCH NETWORK EXPANSION

Expanding our physical presence in existing markets and new locations that allow us to offer our services and cars to new groups of customers, while continuing to invest in digital and our omni-channel customer experience. Driving up our lead to sale conversion rates will unlock further growth.

AUTO RETAIL: OPTIMISATION OF SALES FROM AUCTION TO RETAIL

Continue to shift sales from auction to retail which delivers higher margins and opportunity to sell our finance and insurance products.

FINANCE: GROWTH IN PREMIUM LENDING SUPPORTED BY LOWER INTEREST RATES

Finance growth to resume as we exit a tightening cycle and start growing the loan book in a more material fashion.

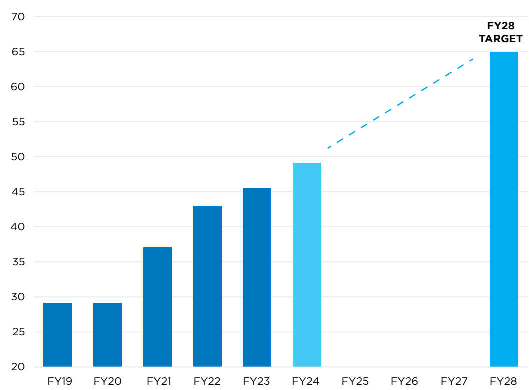
INSURANCE: EXECUTE DIRECT TO CONSUMER DISTRIBUTION OPPORUNITIES

Growth from direct and digital distribution.

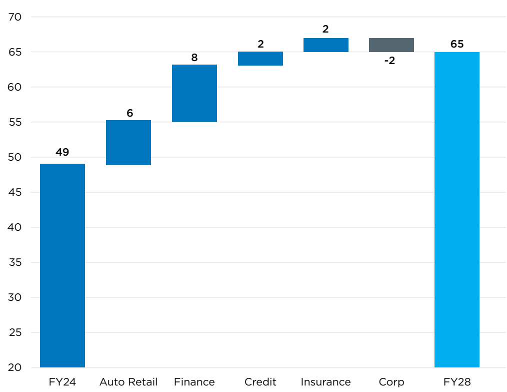
CREDIT MANAGEMENT: REBUILD PAYMENT BANK OFF INCREASING DEBT LOAD

Credit Management delivers growth as low pandemic level arrears return to more long term run rate levels.

NET PROFIT BEFORE TAX ($M)



NET PROFIT BEFORE TAX BRIDGE ($M)



FY24 FINANCIAL REVIEW

Management comment

This financial commentary should be read in conjunction with the full financial statements and Notes to the Financial Statements in the FY24 Annual Report.

REVENUE

Turners' mix of activity and annuity businesses provides earnings stability during difficult times. Turners' revenue continued to demonstrate resilience in times of economic pressure, with a 7% year on year increase to $417.0M. All divisions reported improving revenue, with particularly strong growth in Auto Retail (up $20.5M) on the back of increased car and damaged vehicle unit sales from weather events, new branches and more owned stock flowing through the business.

Finance book revenues of $62.4M (up 6%) reflect a higher average loan book over FY24 with growth in the premium borrower segment. Insurance revenues were up 6% off strong policy sales and improved investment returns. Credit Management revenues also grew by 6% due to increasing debt load resulting in higher levels of payment arrangements.

PROFIT

Net profit before tax of $49.1M (up 8%) was another record for Turners, with three of the four segments delivering profit growth. Auto Retail profit growth was 27%, Insurance was up 15% and Credit Management increased 9%. Finance profit was down 18% due to increasing interest rates and the impact on net interest margin, however, is expected to improved as interest margins start to expand and as Turners benefits from its prioritisation of credit quality and margin management over loan book growth.

Net profit after tax was $33.0M, up 1.5%[1] on prior year.

[1] The legislative change to remove depreciation on commercial buildings has increased the effective tax rate to 33% for FY24. This is a one-off non-cash impact in FY24 only. The effective tax rate over the last two years is between 27.5-28.5%. A normalised NPAT using FY23 tax rate of 28.5% would be $35.1M +8% and EPS would be 40.2 +7%.

BALANCE SHEET

Turners' balance sheet has been tightly managed and has the capacity to support the company's future growth plans. Inventory value has reduced slightly, with more units at a lower price point in response to market demand. Finance Receivables grew slightly year on year, however the focus remains on prioritising margin and credit quality over growth in Oxford Finance. We are maintaining a conservative position on possible future credit losses resulting from higher unemployment. (This economic provision overlay has been increased to $2.3M (FY23 $2.0M)). Property, plant and equipment have increased with the development of sites in Timaru and Napier. Borrowings increased $13.0M, reflecting properties which have been acquired and are being developed.

FUNDING

Turners has a mix of bank loans and securitisation facilities to fund its business. More than 77% of funding relates to finance receivables in Oxford Finance, with capacity to support lending over the next 12 to 24 months. Two additional funders were brought into the funding mix in FY24, bringing further diversification and capacity. A new securitisation warehouse of $100M was created for new investors, with a Fitch AAA rating achieved as part of the transaction process.

Corporate funding capacity is more than sufficient to support the current committed branch expansion plans in Auto Retail.

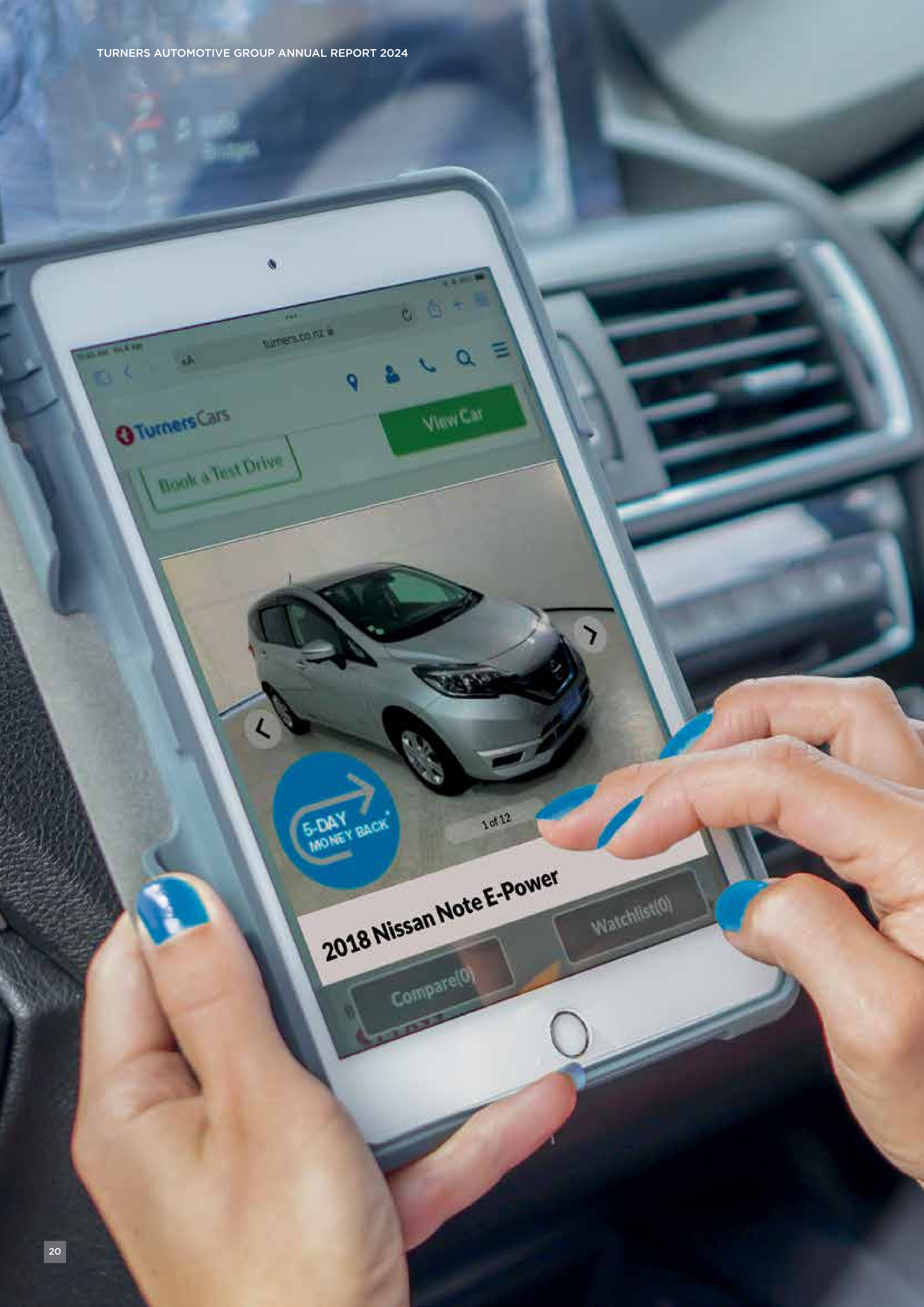
The company remains very comfortable with the debt levels and debt capacity in the business.

BALANCE SHEET

$MILLIONS	FY24	FY23
Cash and cash equivalents	18	12
Financial assets at fair value	70	67
Inventory	25	26
Finance receivables	430	425
Property, plant and equipment	114	106
Right of use assets	21	22
Intangible assets	163	164
Other assets	25	31
Total Assets	**866**	**853**
Borrowings	425	412
Other payables	48	56
Deferred Tax	15	12
Insurance contract liabilities	60	59
Lease liabilities	25	27
Other liabilites	15	17
Total Liabilities	**588**	**583**
Shareholders Equity	**278**	**270**

FUNDING MIX

$MILLIONS	LIMIT	DRAWN
Receivables - Securitisation (BNZ/ACC)	371	305
Receivables - Banking Syndicate (ASB/BNZ/Westpac)	50	23
Less Cash		(10)
Net Receivables Funding	421	318
Receivables Funding Capacity		**103**
Corporate & Property	130	92
Working Capital (ASB & BNZ)	30	5
Less Cash		(8)
Net Corporate Borrowings	160	89
Corporate and Property Funding Capacity		**71**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1 of 12
2018 Nissan Note E-Power
Watchlist(0)
Compare(0)

BUILDING A BETTER BUSINESS

At Turners, we're driven to be a better business – one that delivers not only strong and sustainable value to our shareholders, but also supports our whānau (family/community), our whenua (land) and our environment.

Our sustainability strategy is built on two key pillars, where we believe we can provide the most impact.

Supporting the transition of the New Zealand light vehicle fleet to a cleaner, lower emission future.

Enhancing the wellbeing of our staff, customers, stakeholders and the communities in which we operate.

We have identified key pathways and initiatives and are making good progress on achieving our goals.

Turners Automotive Group Limited is a climate-reporting entity under the Financial Markets Conduct Act 2013 and will report against the Aotearoa New Zealand Climate Standards for the FY24 reporting period.

During the year our focus has been on further developing our reporting to align to these standards by expanding the boundary of our GHG emissions inventory and conducting scenario analysis to identify the climate related physical and transition risks and opportunities. This is so we better understand how climate change is currently impacting our business and how it may do so in the future.

Turners intends to publish its first Climate Related Disclosures at https://www.turnersautogroup.co.nz/climate-related-disclosure/ by 31 July 2024.

SUPPORTING THE TRANSITION OF THE NEW ZEALAND LIGHT VEHICLE FLEET TO A CLEANER, LOWER EMISSIONS FUTURE

At Turners, we recognise the critical role the transport sector plays in New Zealand's greenhouse gas emissions. As the leader in used and end-of-life vehicle sales, we are able to support the transition to a cleaner, lower-emissions light vehicle fleet for New Zealand.

We know that becoming a more sustainable society will take time. Turners can play a role in helping people shift from older, high-polluting vehicles to newer, cleaner options. Over 90% of the vehicles we sell come from within New Zealand's existing fleet. Through our damaged and end-of-life services, we significantly contribute to retiring older high-emitting vehicles.

The good news? While still small, sales of electric and hybrid vehicles are on the rise at Turners. As more large fleets (companies and government agencies) transition to low emitting vehicles, this trend is only going to accelerate. We're also keeping a close eye on the development of alternative fuels like hydrogen, anticipating they'll become more mainstream in the future.

Our focus is on targeting the most emission-intensive parts of our operations. We believe that by doing this, we'll not only deliver value to our shareholders, but also support our employees, communities, and the environment – a win-win-win for everyone.

OUR GOALS

The following goals and targets were published in our FY23 annual report. For transparency and consistency, we've chosen to continue reporting our progress against them. We acknowledge that these targets do not meet the criteria for the Science Based Targets initiative standards.

Reduction in total aggregate emissions from vehicles imported by Turners.[1]

Our target is to reduce the estimated annual aggregate emissions of Turners 'first time import' (FTI) vehicles to below 7,000 tonnes of CO_2 by 2025. In FY24, the FTI emissions were 3,016 tonnes of CO_2. This represents a 65% reduction from our 2019 levels.

Increase the proportion of Low Emitting Vehicles in the Turners Subscription fleet. [2]

In 2020, we launched Turners Subscription, and in partnership with EECA, we expanded our subscription EV fleet. We currently have around 300 vehicles on subscription of which around 180 are EVs or Hybrids. There is high demand for these subscription cars… helped by the "try before you buy" philosophy. Our target is to have low emitting vehicles make up 50% of our Subscription fleet by 2025.

Reduce the average emissions from vehicles financed.[1]

By assisting people to buy newer, lower emitting cars, we are supporting a reduction in vehicle related emissions. Since 2019, this measure has reduced year on year. Our target is a 25% reduction in estimated average annual emissions per financed vehicle in 2025 (from 2019 levels).

Reducing operational emissions across our business.

Our target is to reduce Scope 1 and 2 emissions by 20% in 2025 (from 2022 levels). Primarily, this will be achieved by transitioning our company vehicle fleet to lower emitting vehicles over time and by identifying opportunities to increase renewable electricity generation at our premises.

[1] These targets are based solely on CO_2 tailpipe emissions, using carbon emissions data provided by the Energy Efficiency and Conservation Authority (EECA) and assumes an annual average distance travelled of 14,000km per vehicle. As this data set only covers CO_2 emissions, it does not include any additional Scope 2 or 3 CO_2e emissions as defined by the Greenhouse Gas Protocol. In particular, the data does not incorporate emissions from other greenhouse gases such as methane (CH_4) or nitrous oxide (N_2O) and does not account for emissions from electricity consumption by plug-in hybrid electric vehicles (PHEVs) and battery electric vehicles (BEVs). Turners has used this data set for a number of years, as it facilitates a direct match to unique vehicle identification numbers (matching accuracy: First time Imports 99%, Vehicles financed 95%). Turners has elected to continue to report on this basis in the interests of accuracy, comparability and consistency.

[2] Low emitting vehicles include Hybrid Electric Vehicle (HEV), Plug-in Hybrid Electric Vehicle (PHEV) and Battery Electric Vehicle (BEV).

YEAR ON YEAR PROGRESS AGAINST TARGETS

Reduction in aggregate emissions from vehicles imported and sold by Turners (10.2% target)	Turners achieved a **43% reduction** in the annual CO_2 emissions (in aggregate) for vehicles imported in FY24 over those imported in FY23 (refer footnote on page 22)
Increase proportion of low emitting vehicles in Turners Subscription Fleet to 50%	The proportion of low emitting vechicles (Hybrids and EV's) in Turners Subscription Fleet has **increased to 59%**
Target 5% reduction in average CO_2 emissions of vehicles financed (vs prior year)	Turners has achieved a **6% reduction** in the average annual CO_2 emissions for vehicles financed in FY24 over those financed in FY23 (refer footnote on page 22)
Achieve a further 5% reduction in operational (Scope 1 & 2) emissions	Turners achieved a **1.4% reduction** in absolute operational Scope 1 and 2 emissions in FY24 from FY23 Turners experienced significant growth in FY24. Using a revenue-based intensity target takes this growth into account. Turners achieved a **8% reduction** in Scope 1 and 2 emissions per $M of revenue in FY24 compared to FY23

ENHANCING THE WELLBEING OF OUR PEOPLE, CUSTOMERS, STAKEHOLDERS AND THE COMMUNITIES IN WHICH WE OPERATE

DEVELOPING LEADERS

Turners offers employees the opportunity to realise their potential through a range of different programmes.

A new cross training programme was set up for Auto Retail during the year, delivering over 4,000 training hours. Leadership capability is a key focus, with numerous opportunities being offered. We were particularly proud of Andrey Dyblenko, who was the recipient of the Turners' Leadership Award, and completed a mini MBA.

- 36 team members were selected to complete Turners' Aspiring Leaders and Blue Step programmes over 14 weeks, graduating in August 2023.
- 19 new managers attended BravaTrak (high performance coaching) training, with 90 managers attending the BravaTrak refresher training.
- A specialised health and safety training programme was attended by 30 employees.

OUR GOALS

Maintain employee engagement in the top 5% category

Having a strong culture and an engaged team is very important to us and a key advantage for our business. Our people deliver day in day out for our customers and for our shareholders. They are totally committed and prepared to go above and beyond.

The engagement level of the Turners' team ranks in the top 5% of consumer businesses who use the Peakon system and our goal is to maintain this ranking. An indication of this engagement is demonstrated by a further reduction in our employee turnover rate.

It is important to us that we support our people, both at work through career development and training opportunities, as well as their mental and physical wellbeing. We provide our team members with access to EAP services, which helps them to navigate issues at work or home and to support their general health and wellbeing. We have promoted this service heavily this year and are pleased to see our team take advantage of this valuable support.

Training and development remains a key focus for us, with a year on year 25% increase in training hours in FY24. We were very pleased to fill 58% of our leadership positions internally and expect to see this grow further as our talent management and succession program ramps up.

Promote a diverse and inclusive culture across the organisation

Our team of more than 700 people encompasses different ethnicities, gender, age, experiences and ways of thinking. We firmly believe this diversity adds value to our business, leads to better decision making and contributes to our collective success. Our purpose is to help our people realise their potential by fostering a culture where everyone feels they belong and can be their true self at work.

Using the Peakon system, we were pleased to score in the top 5% globally for Diversity and Inclusion across all our business divisions, and Turners as a whole.

Turners has also recently been recognised as a finalist for the 'Respectful Culture Award' in the 2024 Diversity Awards NZ. We encourage self identity, the celebration of different cultures and for people to be themselves at work.

As part of our initiatives this year, we have launched e-learning modules on different themes, cultures, topics and days of celebration.

Employee development training hours	20,000-plus
Employee turnover	23%
Number of sessions employees have accessed through EAP services	174
Employee notifiable injury/incidents	Nil
Employee health and safety reportable injury incidents	94

Employee Engagement

9.1/10

Diversity & Inclusion

9.4/10

Health & Wellbeing

9.2/10

CELEBRATING OUR PEOPLE

NEAVE SINES

SALES MANAGER – TURNERS CARS, NORTH SHORE

From vehicle groomer to sales consultant, sales supervisor and now her latest roles as Sales Manager, Neave has been on the fast track at Turners Cars North Shore since starting at the branch in late-2021. In her current role, she trains, develops and oversees the sales team at the North Shore, and has overall branch responsibility in the weekends.

Initially planning to study at University, Covid and a change of life plans set Neave on a journey towards customer success. While her first employer was reluctant to promote her at the age of 18, she moved to Turners where her talent and leadership skills were instantly recognised.

Highlights to date include successfully increasing Buy Now numbers, improving customer ratings to one of the highest in the branch network and working hard to create an enjoyable, positive and supportive environment for her team. In particular, Neave notes the nomination for Customer Service branch of the year at the Turners' annual awards.

"I love working at Turners for a number of reasons, the main one being that they have allowed me to progress with my career at such a young age. Turners looked purely at my achievements and talents and did not see my age as a disadvantage. I am very focused on upskilling and continuing my promising career path at Turners. It's amazing to see what I have achieved with Turners in under three years, I can't wait to see where I am in another three!"

"I love working at Turners for a number of reasons, the main one being that they have allowed me to progress with my career at such a young age. Turners looked purely at my achievements and talents and did not see my age as a disadvantage."

NIA TUA

LENDING MANAGER – COMMERCIAL

Nia joined Oxford Finance in 2013, initially as a Credit Controller before joining the Lending team in 2015. She quickly became a key member of the Oxford Finance team and was promoted to manage both Commercial and Direct Lending in 2021, after helping to establish the Direct Lending team. She has been influential in driving Oxford's direct lending strategy over the last 24 months, growing the team from three to six lenders in response to increasing demand.

Nia is a motivational leader and works closely with her team to ensure customers' lending goals are achieved. This can range from buying their vehicle to debt consolidation and, in particular, to help better their current financial position. Treating customers with respect and understanding is at the heart of Nia's work ethos.

She has built a high performing team, dedicated to delivering exceptional results. Nia is passionate about creating better outcomes for customers and empowering team members to do so.

"At Oxford Finance, we make lending about people. What we do can make such a difference in people's lives and this drives me and my team to create better outcomes for our customers."

"At Oxford Finance, we make lending about people. What we do can make such a difference in people's lives and this drives me and my team to create better outcomes for our customers."

NICK STONE

AUTO RETAIL PRODUCT MANAGER

Nick is one of Turners' long standing team members, having been with the company since 2012 – his first 'real' job after University. His first role was part time on the help desk, before he moved into full time work as a website tester and trainer, then Business Analyst for six years before his current role as Product Manager for Auto Retail.

Nick works with the digital team across Turners Auto Group, helping to develop new ideas and applications, and steer internal application development so it aligns with business goals and digital strategy. While a lot of the successes are behind the scenes, Nick notes the creation of the completely automated Turners' Live auction process used by the Damaged and End of Life Vehicles business, the development of TRIM – an application that manages the process of getting vehicles ready for sale, and InfoNow – a new vendor portal that integrates into Turners' other systems.

Nick took a year out in 2023 to travel the world, before returning to the Turners' fold in January.

"We have an amazing team, both within TAG Digital as well as the Auto Retail branch network. Everyone is passionate about doing the best they can and helping others."

"We have an amazing team, both within TAG Digital as well as the Auto Retail branch network. Everyone is passionate about doing the best they can and helping others."

SERVING OUR CUSTOMERS

Our team is passionate about exceeding customer expectations and creating an unparalleled experience. This commitment to customer excellence is what drives our success and builds trust.

MARKET SHARE AND BEYOND

When measuring our success, we go beyond mere volumes and market share. We actively seek customer feedback and reviews, taking great pride in consistently receiving positive evaluations. This year, our commitment to exceptional service was further validated by outstanding results in the Buyerscore awards, with recognition for both individual salespeople and branches. By prioritising customer satisfaction, we cultivate long-term loyalty and establish ourselves as a trusted leader in the automotive market.

BUILDING TRUST THROUGH COMMUNICATION

Effective advertising is ingrained in our DNA. It not only raises brand awareness and helps us to source high-quality vehicles but also plays a vital role in attracting customers. Our award-winning Tina campaign continues to galvanise and connect with customers and our team, building the trust that saw Turners named the Most Trusted Brand in the used car sector for the fifth year in a row.

INVESTING IN THE CUSTOMER JOURNEY

Our customer-centric strategy focuses on continuous improvement. We invest heavily in our people, providing ongoing training and development to ensure they deliver exceptional service throughout the entire customer journey. Additionally, by expanding our network of branches, we enhance accessibility and convenience for our customers.

OUR EXECUTIVE TEAM

TODD HUNTER
Group Chief Executive Officer

AARON SAUNDERS
Group Chief Financial Officer

GREG HEDGEPETH
CEO Turners Automotive Retail

JAMES SEARLE
Group General Manager Insurance

JEREMY ROOKE
Group Chief Digital Officer

MATTHEW GANNAWAY
CEO EC Credit Control

MARYANNE BURNS
Group General Manager People & Culture

GUY BRYDEN
COO Oxford Finance

TODD HUNTER
Group Chief Executive Officer
Todd is a strong and experienced senior executive, with a background in marketing, sales and accounting in both large global and domestic businesses. Before joining Turners Auctions in 2006 Todd worked for Microsoft NZ and Ernst and Young. He was appointed CEO of NZX listed Turners Auctions in 2013, and took on the CEO role for the wider Turners Automotive Group in 2016. In 2023 Todd was appointed to the Chair role for the Financial Services Federation, which represents the non-bank lending industry in NZ. Todd is a chartered accountant and holds a Bachelor and Diploma of Commerce from Auckland University.

AARON SAUNDERS
Group Chief Financial Officer
Aaron joined Turners Group NZ in 2006. He has a strong background in financial and management accounting, at both a strategic and operating level in local and international markets. Over the last 30 years, Aaron has worked across a broad range of company sizes and industries including vehicle importation and distribution, broadcasting and the finance sector. Aaron is a full member of the New Zealand Institute of Chartered Accountants and holds a Bachelor of Commerce from Auckland University.

GREG HEDGEPETH
CEO Turners Automotive Retail
Greg joined Turners in 2017 as CEO of the Automotive Retail division, with responsibility for Turners Cars, Trucks & Machinery and the Damaged & End of Life business. He is an experienced automotive executive and has previously held a number of senior roles with BMW Group NZ and Armstrong Motor Group. With a Bachelor of Commerce majoring in marketing from Auckland University he has successfully completed numerous marketing roles, followed by a number of years working for Saatchi & Saatchi in NZ and other advertising agencies overseas. Greg brings a strong strategic sales and marketing focus to his current role.

JAMES SEARLE
Group General Manager Insurance
James is responsible for the sustainable and profitable growth of DPL Insurance, leading the company's focus on delivering outstanding outcomes for customers.

With over 35 years of experience in the New Zealand insurance industry, James has held various roles encompassing all aspects of insurance, including sales and underwriting, intermediated distribution management, as well as managing several portfolio acquisitions. He joined Turners Automotive Group in 2011 and holds a Diploma of Business (Marketing) from Auckland University.

JEREMY ROOKE
Group Chief Digital Officer
Jeremy joined Turners Automotive Group in 2009. His current role involves leading the operation of our group technology services and product functions, as well as leading the adoption of new technologies, business models, and channels to transform Turners' digital capabilities. Jeremy brings almost 25 years of experience, including several large transformational technology programmes across NZ and Australia prior to Turners. Jeremy holds degrees in Law and Arts from Auckland University.

MATTHEW GANNAWAY
CEO EC Credit Control
Matt joined EC Credit Control in 2003 and has worked in many different areas of the business prior to becoming CEO in 2021. He holds a business degree from Massey University and has a strong technology focus to drive better outcomes. With a long career in the credit management industry, Matt brings a wealth of experience and expertise.

GUY BRYDEN
CEO Oxford Finance
Guy joined Oxford Finance in 2018 as Finance Manager, later becoming COO in 2020, and ultimately CEO in 2024. Guy is a strong finance professional, with over a decade of banking and finance experience across the NZ and UK markets prior to joining Turners. Guy is a chartered accountant and holds a Bachelor of Commerce from Otago University.

MARYANNE BURNS
Group General Manager People & Culture
Maryanne joined Turners in 2019. She has 20 years of experience as a Human Resources Professional in a broad range of industries in New Zealand. These include automotive, financial services, insurance, environmental solutions, importation and distribution. Maryanne has led multiple transformational people projects across a number of businesses.

OUR BOARD

Turners is governed by a Board of Directors who are passionate about the business and the industry. As at 1 April 2024, the Board comprised of six directors including a non-executive chairman, three independent directors and two non-executive directors.

Martin Berry, who was appointed in 2018, stepped down from the Board on 31 March 2024. We believe that having Directors with relevant industry, commercial and governance skills is essential for the continuing success of the Turners' group, along with diversity of thought and broader commercial acumen. Turners currently has Directors with hands on experience in the finance, insurance and debt management sectors as well as Directors with expertise in governance and very diverse experience and entrepreneurial skills in sales, digital marketing and communications and business growth.

Profiles on each Director are available at https://www.turnersautogroup.co.nz/about/.

GRANT BAKER
Non-executive Chairman
Appointed September 2009

MATTHEW HARRISON
Non-executive Director
Appointed December 2012

ALISTAIR PETRIE
Non-executive Director
Appointed February 2016

LAUREN QUAINTANCE
Independent Director
Appointed April 2023

JOHN ROBERTS
Independent Director
Appointed July 2015

ANTONY VRIENS
Independent Director
Appointed January 2015

Turners.
Automotive Group

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

INDEPENDENT AUDITOR'S REPORT
for the year ended 31 March 2024

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Turners Automotive Group Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Turners Automotive Group Limited and its subsidiaries ('the Group') on pages 42 to 80, which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and International Financial Reporting Standards ('IFRS').

Our report is made solely to the Shareholders of the Group. Our audit work has been undertaken so that we might state to the Shareholders of the Group those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Shareholders of the Group as a body, for our audit work, for our report or for the opinions we have formed.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor and provider of other assurance services we have no relationship with, or interests in, Turners Automotive Group Limited or any of its subsidiaries. The provision of these other assurance services has not impaired our independence.

In addition to this, principals, and employees of our firm deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. This has not impaired our independence.

INDEPENDENT AUDITOR'S REPORT cont.
for the year ended 31 March 2024

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>
Impairment of Goodwill and Other Indefinite Life Intangible Assets
As disclosed in Note 7 of the Group's consolidated financial statements the Group has goodwill of $92.5m allocated across four of the Group's cash-generating units ('CGUs') and brand assets of $67.1m allocated across two of those CGUs.
Goodwill and brand assets were significant to our audit due to the size of the assets and the subjectivity, complexity, and uncertainty inherent in the measurement of the recoverable amount of these CGUs for the purpose of the required annual impairment test. The measurement of a CGUs recoverable amount includes the assessment and calculation of its 'value in-use'.
Management has completed the annual impairment test for each of these four CGUs as at 31 March 2024.
This annual impairment test involves complex and subjective estimation and judgement by Management on the future performance of the CGUs, discount rates applied to the future cash flow forecasts, the terminal growth rates, and future market and economic conditions.
Management has also engaged an external valuation expert to assist in the annual impairment testing of the four CGUs.
</td><td>
Our audit procedures among others included:

Understanding and evaluating the Group's internal controls relevant to the accounting estimates used to determine the recoverable value of the Group's CGUs.
Evaluating Management's determination of the Group's four CGUs based on our understanding of the nature of the Group's business and the economic environment in which the segments operate. We also analysed the internal reporting of the Group to assess how the CGUs are monitored and reported.
Evaluating the competence, capabilities, objectivity and expertise of Management's external valuation expert and the appropriateness of the expert's work as audit evidence for the relevant assertions.
Challenging Management's assumptions and estimates used to determine the recoverable value of its indefinite life intangible assets, including those relating to forecasted revenue, cost, capital expenditure and discount rates, by adjusting for future events and corroborating the key market related assumptions to external data in accordance with NZ IAS 36 Impairment of Assets.
Procedures included:

Evaluating the logic of the value-in-use calculations supporting Management's annual impairment test and testing the mathematical accuracy of these calculations;
Evaluating Management's process regarding the preparation and review of forecasts;
Comparing forecasts to Board approved forecasts;
Evaluating the historical accuracy of the Group's forecasting to actual historical performance;
Challenging and evaluating the forecast growth assumptions;
Evaluating the inputs to the calculation of the discount rates applied;
Engaging our own internal valuation experts to evaluate the logic of the value-in-use calculation and the inputs to the calculation of the discount rates applied;
Evaluating the forecasts, inputs, and any underlying assumptions with a view to identifying Management bias;
Evaluating Management's sensitivity analysis for reasonably possible changes in key assumptions; and
Performing our own sensitivity analyses for reasonably possible changes in key assumptions, the two main assumptions being: the discount rate and forecast growth assumptions.

Evaluating the related disclosures (including the material accounting policy information and accounting estimates) about indefinite life intangible assets which are included in Note 7 in the Group's consolidated financial statements.

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INDEPENDENT AUDITOR'S REPORT
for the year ended 31 March 2024

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Key Audit Matter	How our audit addressed the key audit matter
Valuation of Finance Receivables As disclosed in Note 4 of the Group's consolidated financial statements, the Group has finance receivable assets of $430.3m. Finance receivable assets were significant to our audit due to the size of the assets and the subjectivity, complexity, and uncertainty inherent in the recognition of expected credit losses and the amount of those expected credit losses. Management has prepared expected credit loss models to complete its assessment of expected credit losses for the Group's finance receivables as at 31 March 2024 (including an economic overlay of $2.3m). This assessment involves complex and subjective estimation and judgement by Management on credit risk and the future cash flows of the finance receivables.	Our audit procedures among others included: • Understanding and evaluating the Group's internal controls relevant to the accounting estimates used to determine the recoverable value of the Group's finance receivables. • Evaluating the design and operating effectiveness of the key controls over finance receivable origination, ongoing administration and expected credit losses impairment model data and calculations. • Evaluating and challenging the logic, key assumptions, and calculation of Management's expected credit losses provision for impairment for each finance receivable, examining those finance receivables and forming our own judgements as to whether the expected credit losses provision for impairment recognised by Management is appropriate. Procedures included: o Agreeing a representative sample of finance receivables to the signed loan agreement and client acceptance documents; o Inspecting security documentation to ensure that the Group holds a valid charge on security; o Evaluating the logic of the discounted cash flow calculations supporting Management's expected credit losses provision for impairment and testing the mathematical accuracy of these calculations; o Evaluating the key assumptions and inputs into these discounted cash flow calculations; o Evaluating and challenging Management's sensitivity analysis' for reasonably possible changes in key assumptions and inputs into the discounted cash flow calculations; and o Inspecting the borrowers' payment history for indicators of difficulties in the borrowers' ability to meet the loan obligations. • Evaluating the selection of estimation methods, inputs, and any underlying assumptions with a view to identifying Management bias. • For individually assessed finance receivables, examining those finance receivables, and forming our own judgements as to whether the expected credit losses provision recognised by Management was appropriate. • For the collectively assessed finance receivables, challenging, and evaluating the logic of Management's expected credit losses models and the key assumptions used with our own experience. Also, testing key inputs used in the expected credit losses models and the mathematical accuracy of the calculations within the models. • Evaluating the changes made to the provisioning model to capture the effect of the changing economic environment at 31 March 2024 compared to the economic environment at the date when the historical data used to determine the expected credit losses was collected (described in Note 4 to the Group's consolidated financial statements). • Evaluating the related disclosures (including the material accounting policy information and accounting estimates) about finance receivable assets, and the risks attached to them, which are included in Note 4 and 12 in the Group's consolidated financial statements.
Valuation and completeness of Insurance Contract Liabilities As disclosed in Note 9 of the Group's consolidated financial statements the Group has insurance contract liabilities of $60.1m. The Group's insurance contract liabilities were significant to our audit due to	Our audit procedures among others included: • Understanding and evaluating the Group's internal controls relevant to the accounting estimates used to determine the valuation of the Group's insurance policyholder liabilities. • Evaluating the design and operating effectiveness of the key controls over insurance contract origination, ongoing administration, claims management and reporting and the integrity of the related data. • Understanding and evaluating the Group's adoption and transition to NZ IFRS 17 *Insurance Contracts* (which includes understanding and evaluating the and its

INDEPENDENT AUDITOR'S REPORT cont.
for the year ended 31 March 2024

Key Audit Matter	How our audit addressed the key audit matter
the size of the liabilities and the subjectivity, complexity, and uncertainty inherent in estimating the impact of claims events that have occurred but for which the eventual outcome remains uncertain. Management has engaged an external actuarial expert to estimate the Group's insurance contract liabilities as at 31 March 2024.	subsidiaries' implementation process, adequacy of its systems and controls, and the accuracy and completeness of its insurance contract measurements on adoption). • Evaluating the competence, capabilities, objectivity and expertise of Management's external actuarial expert and the appropriateness of the expert's work as audit evidence for the relevant assertions. • Agreeing the data provided to Management's external actuarial expert to the Group's records. • Engaging our own actuarial expert to assist in understanding and evaluating: o the work and findings of the Group's external actuarial expert engaged by Management (which includes the Group's adoption of and transition to NZ IFRS 17 and the accuracy and completeness of insurance contract measurements on adoption); and o the Group's actuarial methods and assumptions to assist us in challenging the appropriateness of actuarial methods and assumptions used by Management. • Evaluating the selection of methods and assumptions with a view to identifying Management bias. • Evaluating the related disclosures (including the material accounting policy information and accounting estimates) about insurance contract liabilities, and the risks attached to them, which are included in Note 9 in the Group's consolidated financial statements, including evaluating disclosures relating to the Group's adoption of NZ IFRS 17 *Insurance Contracts* effective 1 April 2022 and the restated comparative financial information.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 March 2024 (but does not include the consolidated financial statements and our auditor's report thereon).

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated Financial Statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the Directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

INDEPENDENT AUDITOR'S REPORT
for the year ended 31 March 2024

the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent fairly the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT cont.
for the year ended 31 March 2024

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We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Matters Relating to the Electronic Presentation of the Audited Consolidated Financial Statements

This audit report relates to the consolidated financial statements of Turners Automotive Group Limited and its subsidiaries for the year ended 31 March 2024 included on Turners Automotive Group Limited's website. The Directors of Turners Automotive Group Limited are responsible for the maintenance and integrity of Turners Automotive Group Limited's website. We have not been engaged to report on the integrity of Turners Automotive Group Limited's website. We accept no responsibility for any changes that may have occurred to the consolidated financial statements since they were initially presented on the website.

The audit report refers only to the consolidated financial statements named above. It does not provide an opinion on any other information which may have been hyper linked to or from these consolidated financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication, they should refer to the published hard copy of the audited consolidated financial statements and related audit report dated 27 June 2024 to confirm the information included in the audited consolidated financial statements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of consolidated financial statements may differ from legislation in other jurisdictions.

The engagement partner on the audit resulting in this independent auditor's report is S N Patel.

Baker Tilly Staples Rodway

BAKER TILLY STAPLES RODWAY AUCKLAND

Auckland, New Zealand

27 June 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2024

	Notes	2024 $'000	Restated 2023 $'000
Revenue	3.1	**416,145**	389,027
Other income	3.1	**823**	608
Cost of goods sold		**(177,175)**	(173,986)
Interest expense	3.2	**(27,842)**	(19,933)
Impairment provision expense	3.2	**(4,616)**	(3,740)
Subcontracted services expense		**(15,466)**	(11,927)
Employee benefits		**(66,365)**	(60,709)
Commission		**(11,070)**	(12,024)
Advertising expense		**(5,650)**	(4,934)
Depreciation and amortisation expense	3.2	**(11,968)**	(11,478)
Systems maintenance		**(5,384)**	(5,109)
Claims *		**(21,901)**	(21,827)
Other expenses *		**(20,392)**	(18,544)
Profit before taxation		**49,139**	45,424
Taxation expense *	11.1	**(16,173)**	(12,941)
Profit for the year		**32,966**	32,483
Other comprehensive income/(loss) for the year (which may subsequently be reclassified to profit/loss), net of tax			
Cash flow hedges		**(4,118)**	415
Revaluation of financial assets at fair value through OCI		**(73)**	(91)
Foreign currency translation differences		**21**	(7)
Total other comprehensive income/(loss)		**(4,170)**	317
Total comprehensive income for the year		**28,796**	32,800
Earnings per share (cents per share)			
Basic earnings per share	10.5	**37.71**	**37.54**
Diluted earnings per share	10.5	**37.61**	**37.65**

* Restatements due to the adoption of NZ IFRS 17, 'Insurance Contracts'

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

	Notes	Share capital $'000	Share options $'000	Translation reserve $'000	Revaluation of financial assets at fair value through OCI $'000	Cash flow hedge reserve $'000	Retained earnings $'000	Total $'000
Balance at 31 March 2022		205,482	472	(32)	(1,085)	5,477	42,083	252,397
Adjustments on initial application of NZ IFRS 17, 'Insurance Contracts', net of tax *		-	-	-	-	-	(1,754)	(1,754)
Restated balance at 1 April 2022		205,482	472	(32)	(1,085)	5,477	40,329	250,643
Transactions with shareholders in their capacity as owners								
Employee share based payments	10.3	1,594	(188)	-	-	-	296	1,702
Dividend paid	10.4	-	-	-	-	-	(14,732)	(14,732)
Total transactions with shareholders in their capacity as owners		1,594	(188)	-	-	-	(14,436)	(13,030)
Comprehensive income								
Profit		-	-	-	-	-	32,483	32,483
Other comprehensive income/(loss)		-	-	(7)	(91)	415	-	317
Total comprehensive income for the year, net of tax		-	-	(7)	(91)	415	32,483	32,800
Balance at 31 March 2023		207,076	284	(39)	(1,176)	5,892	58,376	270,413
Transactions with shareholders in their capacity as owners								
Dividend reinvestment plan	**10.3**	**5,134**	**-**	**-**	**-**	**-**	**-**	**5,134**
Employee share based payments		**1,012**	**(41)**	**-**	**-**	**-**	**-**	**971**
Dividend paid/payable	**10.4**	**-**	**-**	**-**	**-**	**-**	**(27,090)**	**(27,090)**
Total transactions with shareholders in their capacity as owners		**6,146**	**(41)**	**-**	**-**	**-**	**(27,090)**	**(20,985)**
Comprehensive income								
Profit		**-**	**-**	**-**		**-**	**32,966**	**32,966**
Other comprehensive income/(loss)		**-**	**-**	**21**	**(73)**	**(4,118)**	**-**	**(4,170)**
Total comprehensive income for the year, net of tax		**-**	**-**	**21**	**(73)**	**(4,118)**	**32,966**	**28,796**
Balance at 31 March 2024		**213,222**	**243**	**(18)**	**(1,249)**	**1,774**	**64,252**	**278,224**

* Restatements due to the adoption of NZ IFRS 17, 'Insurance Contracts'

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 March 2024

	Notes	**2024** $'000	Restated 2023 $'000	Restated 1 April 2022 $'000
Assets				
Cash and cash equivalents	11.2	**17,523**	11,845	13,373
Financial assets at fair value through profit or loss	11.3	**69,558**	66,730	70,274
Trade receivables	11.4	**7,277**	7,800	7,506
Inventories	11.5	**25,051**	26,057	31,980
Finance receivables	4	**430,299**	424,621	422,870
Other receivables, deferred expenses and contract assets *	11.6	**13,782**	9,144	9,520
Derivative financial instruments		**1,774**	5,887	5,414
Financial assets at fair value through OCI		**157**	230	225
Reverse annuity mortgages	11.7	**2,489**	2,925	3,242
Property, plant and equipment	5	**113,948**	105,993	67,569
Right-of-use assets	6	**20,716**	22,226	23,497
Investment property	11.8	**-**	5,800	5,950
Intangible assets	7	**163,084**	163,556	164,453
Total assets		**865,658**	852,814	825,873
Liabilities				
Other payables	11.9	**48,352**	56,008	50,103
Contract liabilities	11.10	**1,297**	1,562	1,848
Tax payables		**5,183**	6,773	4,016
Deferred tax *	11.1	**15,037**	12,412	12,564
Borrowings	8	**425,318**	412,035	412,761
Lease liabilities	6	**24,924**	27,120	28,209
Life investment contract liabilities	12.3.1	**7,188**	7,042	8,153
Insurance contract liabilities *	9	**60,135**	59,449	57,576
Total liabilities		**587,434**	582,401	575,230
Shareholders' equity				
Share capital	10	**213,222**	207,076	205,482
Other reserves		**750**	4,961	4,832
Retained earnings *		**64,252**	58,376	40,329
Total shareholders' equity		**278,224**	270,413	250,643
Total shareholders' equity and liabilities		**865,658**	852,814	825,873

For and on behalf of the Board

J.A. Roberts
Director

A. Vriens
Director

Authorised for issue on 27 June 2024

* Restatements due to the adoption of NZ IFRS 17, 'Insurance Contracts'

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2024

	Notes	2024 $'000	2023 $'000
Cash flows from operating activities			
Interest received		**56,183**	51,639
Receipts from customers		**359,265**	334,105
Receipt of government subsidies		**13**	100
Interest paid - borrowings		**(25,954)**	(17,653)
Interest paid - lease liabilities		**(1,483)**	(1,548)
Payment to suppliers and employees		**(330,265)**	(286,783)
Income tax paid		**(15,259)**	(10,394)
Net cash outflow from operating activities before changes in operating assets and liabilities		**42,500**	69,466
Net increase in finance receivables		**(11,117)**	(6,814)
Net decrease in reverse annuity mortgages		**673**	572
Net (increase)/decrease of financial assets at fair value through profit or loss		**(2,293)**	3,872
Net (withdrawals)/contributions from life investment contracts		**(92)**	(304)
Changes in operating assets and liabilities arising from cash flow movements		**(12,829)**	(2,674)
Net cash (outflow)/inflow from operating activities	11.13	**29,671**	66,792
Cash flows from investing activities			
Proceeds from sale of property, plant, equipment and intangibles		**3,180**	942
Purchase of property, plant, equipment and intangibles		**(18,641)**	(44,177)
Purchase of investments		**-**	(96)
Sale of investments		**5,526**	-
Net cash inflow/(outflow) from investing activities		**(9,935)**	(43,331)
Cash flows from financing activities			
Net bank loan advances/(repayments)		**13,283**	(553)
Principal elements of lease payments		**(6,303)**	(5,976)
Proceeds from the issue of shares		**918**	1,436
Dividend paid		**(21,956)**	(19,896)
Net cash inflow/(outflow) from financing activities		**(14,058)**	(24,989)
Net movement in cash and cash equivalents		**5,678**	(1,528)
Add opening cash and cash equivalents		**11,845**	13,373
Closing cash and cash equivalents		**17,523**	11,845
Represented By:			
Cash at bank	11.2	**17,523**	11,845
Closing cash and cash equivalents		**17,523**	11,845

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

1. GENERAL INFORMATION

1.1 Basis of Preparation

Reporting Entity
The consolidated financial statements are for Turners Automotive Group Limited and its subsidiaries (together 'the Group').

The Group's principal activities are:
- Auto retail (second hand vehicle retailer)
- Finance and insurance (loans and insurance products); and
- Credit management (collection services).

Statutory Basis and Statement of Compliance
Turners Automotive Group Limited, ('the Company') is incorporated and domiciled in New Zealand. The Company is registered under the Companies Act 1993 and is a FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013. The Company is listed on the NZX Main Board ('NZX'). The consolidated financial statements have been prepared in accordance with the requirements of the NZX and Part 7 of the Financial Conducts Act 2013.

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and other applicable Financial Reporting Standards, as appropriate for for-profit entities. These financial statements also comply with International Financial Reporting Standards ('IFRS'). The Group is a Tier 1 for-profit entity in accordance with XRB A1 Application of the Accounting Standards Framework.

The consolidated statement of financial position for the Group is presented on the liquidity basis where the assets and liabilities are presented in the order of their liquidity. Due to the diverse nature of the Group's activities presentation on the liquidity basis gives a clearer representation of the financial position of the Group.

Functional and Presentation Currency
These financial statements are presented in New Zealand Dollars ($) which is the Company's functional currency. All values are rounded to the nearest thousand ($000), except when otherwise indicated.

Basis of measurement
The financial report has been prepared under the historical cost convention, as modified by revaluations for certain classes of assets and liabilities to fair value and life insurance contract liabilities and related assets to net present value as described in the accounting policies.

Legislative Changes Impacting the Consolidated Financial Statements
On 26 March 2024, the Government substantively enacted legislation which removes the deductibility of depreciation on commercial and industrial buildings for tax purposes. Effective from 1 April 2024, the tax depreciation rate will revert to 0%. The change in tax legislation effective from 1 April 2024 eliminates the tax base for these assets, thereby creating a temporary difference that leads to a deferred tax liability. The impact of this change has been recognised in the Group's consolidated financial statements for the year ended 31 March 2024, which includes a one-off non-cash deferred tax liability of $3.1m with a corresponding tax expense within the statement of comprehensive income.

Key Accounting Estimates and Judgements
The Board and management are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are described in the following notes:
- Fair value measurement (note 1.2.1);
- Provision for impairment of finance receivables (note 4);
- Right-of-use assets and lease liabilities – determining lease term (note 6);
- Impairment of goodwill and corporate brands (note 7); and
- Liabilities arising under insurance contracts (note 9).

New and Amended Accounting Standards and Interpretations
All mandatory new and amended standards and interpretations have been adopted in the current year. The new and amended standards and interpretations that have had an impact on the Group have been described below. The Group has not early adopted any new standards, amendments or interpretations to existing standards that are not yet effective.

Insurance Contracts
The Group has adopted NZ IFRS 17, 'Insurance Contracts', retrospectively from 1 April 2023 and has restated certain comparative amounts, the retrospective restatement does not have a material effect on the information in the statement of financial position at the beginning of the preceding period.

NZ IFRS 17, "Insurance Contracts', establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. It introduces a model that measure groups of contracts based on the Group's estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and a contractual service margin (CSM).

Under NZ IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows. In addition, investment components are no longer included in insurance revenue and insurance service expenses.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

The Group measures the funeral plan and annuity insurance life contracts based on the Group's estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and a contractual service margin (CSM).

For all other insurance products the Group uses the Premium Allocation Approach ('PAA') to simplify the measurement of groups of contracts when the Group reasonably expects that such simplification would produce a measurement of the liability for remaining coverage for the group that would not differ materially from the result of applying the accounting policies described above.

Under NZ IFRS 17, only directly attributable insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised.

The change in accounting policy only relates to the insurance segment and has affected the following items in the Statement of financial position:

	1/04/2022
	$'000
Increase in Other receivables, deferred expenses and contract assets	180
Increase in Insurance contract liabilities	2,561
Decrease in deferred tax impact	627
Decrease in Retained earnings	1,754

Climate-Related Disclosures
The XRB issued its first climate disclosure standards in December 2022. The standards are effective for annual reporting periods beginning on or after 1 January 2023. These disclosures do not form part of the financial statements but are rather contained in a separate standalone climate statement. These standards affect entities known as Climate Reporting Entities ('CREs'), including:

- Large, listed companies with a market capitalisation of more than $60 million;
- Listed issuers of quoted debt securities with a combined face value of quoted debt exceeding $60 million;
- Large, licensed insurers, registered banks, credit unions, building societies and managers of investment schemes with more than $1 billion in assets;
- Some Crown financial institutions (via letters of expectation).

CREs will be required to prepare an annual climate statement that discloses information about the effects of climate change on their business or any fund they manage. They will need to obtain independent assurance about the part of the climate statement that relates to the disclosure of greenhouse gas (GHG) emissions, generally in the second year of reporting.

The new Climate Standards issued are:

- **Aotearoa New Zealand Climate Standard 1: Climate related Disclosures (NZ CS 1)**
  This standard requires disclosures explaining how the entity manages its climate-related risks and opportunities. The disclosure requirements cover four key areas (Governance, Strategy, Risk Management and Metrics and Targets). Entities must obtain assurance over the GHG emissions disclosures.
- **Aotearoa New Zealand Climate Standard 2: Adoption of Aotearoa New Zealand Climate Standards (NZ CS 2)**
  This standard provides optional disclosure exemptions that entities may apply during the first few periods of climate reporting.
- **Aotearoa New Zealand Climate Standard 3: General Requirements for Climate-related Disclosures (NZ CS 3)**
  This standard includes the principles for climate-related disclosures (such as relevance, accuracy, and verifiability), general requirements for how the information is disclosed, and guidance on topics such as materiality and estimation uncertainty.

The Group meets the requirements of a CRE as it is a large, listed company with a market capitalisation of more than $60 million. The Group's climate statement as at 31 March 2024 will be released before 31 July 2024. Independent assurance about the part of the climate statement that relates to the disclosure of GHG emissions will not be obtained in the first year in line with the assurance requirements of NZ CS 1.

Disclosure of Accounting Policies (Amendments to NZ IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2)
Entities are now required to disclose their 'material' accounting policies instead of 'significant' accounting policies. The Group has adopted this new standard for the financial reporting period beginning 1 April 2023. The adoption of this new standard did not have a financial impact on the Group's financial statements but has resulted in the updating of accounting policies disclosed in the Group's financial statements.

Definition of Accounting Estimates (Amendments to NZ IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors)
The Group has adopted this new standard for the financial reporting period beginning 1 April 2023. The adoption of this new standard did not have a financial impact on the Group's financial statements, or the accounting estimates disclosed in the Group's financial statements.

1.2 Accounting Policies Information
Material accounting policies which are relevant to understanding the consolidated financial statements are disclosed in each of the applicable notes. They have been applied on a consistent basis across all periods presented in these consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

Two other relevant policies are provided as follows:

1.2.1 Fair Value Measurement

Accounting policy information
For financial reporting purposes, 'fair value' is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants (under current market conditions) at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or liability, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Input to valuation techniques used to measure fair value are categorised into three levels according to the extent to which the inputs are observable:

Level 1 the fair value is calculated using quoted prices in active markets.
Level 2 the fair value is estimated using inputs other than quoted prices in level 1 that are observable for the assets or liabilities, either directly (as prices) or indirectly (derived from prices).
Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

Further information about assumptions made in measuring fair values is included in note 12.5.

1.2.2 Derivative financial instruments
The Group enters into derivative financial instruments (interest rate swaps and foreign exchange contracts) to manage its exposure to interest rate and foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting
The Group designates certain derivatives as hedging instruments in respect of foreign currency and interest rate risk in cash flow hedges.

Further information about assumptions made in measuring the fair value of financial derivatives is included in note 12.5.

1.3 Climate Change Risk

The Group recognizes that climate change poses potential risks to its operations and financial performance. The Group is committed to monitoring and reporting on climate related risks and opportunities in its financial statements and other public disclosures. The Group acknowledges that climate change is an ongoing and evolving issue and will continue to take appropriate steps to identify and manage potential impacts on its operations, financial performance and assets.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

2. SEGMENT INFORMATION

Management has determined the operating segments based on the components of Turners Automotive Group Limited and its subsidiaries ('the Group') that engage in business activities, which have discrete financial information available and whose operating results are regularly reviewed by the Group's chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors. The Board of Directors makes decisions about how resources are allocated to the segments and assesses their performance. Geographically the Group's business activities are in New Zealand and Australia.

Five reportable segments have been identified as follows:

- Auto 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 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.

Revenue	Total segment revenue **2024** **$'000**	Inter-segment revenue **2024** **$'000**	Revenue from external customers **2024** **$'000**	Total segment revenue 2023 $'000	Inter-segment revenue 2023 $'000	Revenue from external customers 2023 $'000
Auto retail	**300,366**	**(1,750)**	**298,616**	283,354	(5,189)	278,165
Finance	**62,416**	**-**	**62,416**	58,634	-	58,634
Insurance	**47,838**	**(1,765)**	**46,073**	45,282	(1,717)	43,565
Credit management	**9,794**	**(10)**	**9,784**	9,259	(36)	9,223
Corporate & other	**79**	**-**	**79**	48	-	48
	420,493	**(3,525)**	**416,968**	396,577	(6,942)	389,635

Revenue from external customers reported to the Board of Directors is measured on the same basis as revenue reported in the profit or loss. Inter-segment transactions are done on an arm's length basis. The Group has no customers representing 10% or more of the Group's revenues.

Operating profit	**2024** **$'000**	Restated 2023 $'000
Auto retail	**31,807**	24,985
Finance	**12,228**	14,956
Insurance	**14,287**	12,468
Credit management	**3,121**	2,865
Corporate & other	**(12,304)**	(9,850)
Profit/(loss) before taxation	**49,139**	45,424
Income tax	**(16,173)**	(12,941)
Net profit attributable to shareholders	**32,966**	32,483

	Interest revenue **2024** **$'000**	Interest revenue 2023 $'000	Interest expense **2024** **$'000**	Interest expense 2023 $'000	Depreciation and amortisation expense **2024** **$'000**	Depreciation and amortisation expense 2023 $'000
Auto retail	**687**	225	**(3,583)**	(2,349)	**(9,700)**	(9,141)
Finance	**54,551**	51,508	**(18,399)**	(13,281)	**(775)**	(725)
Insurance	**3,505**	2,138	**(50)**	(61)	**(1,173)**	(1,211)
Credit management	**5**	4	**(9)**	(11)	**(162)**	(258)
Corporate & other	**31**	20	**(6,174)**	(4,261)	**(158)**	(143)
	58,779	53,895	**(28,215)**	(19,963)	**(11,968)**	(11,478)
Eliminations	**(373)**	(30)	**373**	30	**-**	-
	58,406	53,865	**(27,842)**	(19,933)	**(11,968)**	(11,478)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

Other material non-cash items

	2024	2023
	$'000	$'000
Finance - impairment provisions	(4,562)	(3,741)

Segment assets and liabilities	Assets		Liabilities	
		Restated		Restated
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Auto retail	163,917	155,850	96,478	73,689
Finance	457,041	453,869	340,080	344,786
Insurance	151,002	136,896	78,511	79,576
Credit management	35,432	34,035	2,927	3,943
Corporate & other	255,178	238,577	100,174	84,618
	1,062,570	1,019,227	618,170	586,612
Eliminations	(196,912)	(166,413)	(30,736)	(4,211)
	865,658	852,814	587,434	582,401

Acquisition of property, plant & equipment, intangible assets and other non-current assets

	Other	
	2024	2023
	$'000	$'000
Auto retail	17,884	42,927
Finance	579	862
Insurance	84	227
Credit management	50	21
Corporate & other	2	140
	18,599	44,177
Eliminations	-	-
	18,599	44,177

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

3. OPERATING PERFORMANCE

3.1 Revenue

Accounting policy information

(i) Revenue from contracts with customers
Sales of goods
Sales of goods comprise sales of motor vehicles and commercial goods owned by the Group. Sales of goods are recognised when the customer gains control of the goods and the sole performance obligation is met. This normally occurs on full payment or approval of financing.

Sales-related warranties associated with goods cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications and cover the standard period established by legislation. There is no material amount of variable consideration under these contracts nor is there the existence of a significant financing component.

Sales of service
Auction commission is recognised at a point in time in the accounting period in which the service is rendered. Payment for services is normally deducted from the proceeds from the sale. Other than those provided by legislation no warranties are provided by the Group. There is no material amount of variable consideration under these contracts nor is there the existence of a significant financing component.

Other sales revenue comprises services rendered preparing the assets for sale and commission earned on the sale of third-party products. Services rendered while preparing the assets for sale are recognised over time in which the service is rendered, and a contract asset is recognised for amounts relating to services rendered not yet invoiced. Payment for services rendered is either deducted from the proceeds from the sale or raised as a trade receivable. Other than those provided by legislation no warranties are provided by the Group. There are no rebates or volume discounts. Commissions earned on the sale of third-party products are recognised at a point in time when the sale is made. Payment is usually received when the sale is made.

(ii) Finance Receivables
Interest *income and expense*
Interest income and expense is recognised in the profit or loss using the effective interest method.

(iii) Insurance Contracts
Premium income and acquisition costs
Revenue on funeral plan and annuity insurance life contracts for each year includes the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows.

Other insurance contracts revenue is recognised based on an allocation of expected premium receipts to each period of coverage, which is based on the passage of time.

	2024	2023
	$'000	$'000
Revenue from continuing operations includes:		
Interest income		
Bank accounts, short term deposits and investments	**3,891**	2,026
Finance receivables	**54,224**	51,552
Reverse annuity mortgages	**291**	287
Total interest income	**58,406**	53,865
Operating revenue		
Sales of goods	**215,054**	205,916
Commission and other sales revenue	**87,549**	74,980
Loan fee income	**2,669**	2,988
Insurance and life investment contract income	**39,181**	38,514
Collection income	**9,810**	9,204
Bad debts recovered	**1,879**	1,832
Other revenue	**1,597**	1,728
Total operating revenue	**357,739**	335,162
Revenue from continuing operations	**416,145**	389,027

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

	2024 $'000	2023 $'000
Other income comprises:		
Gain on sale of property, plant and equipment	**233**	378
Rental income	**386**	-
Other	**204**	230
	823	608
Revenue from contracts with customers		
Over time		
Auto retail		
Commission and other sales revenue	**21,874**	16,425
Finance		
Other sales revenue	**3,306**	2,434
At a point in time		
Auto retail		
Sales of goods	**215,054**	205,916
Auction commissions	**60,640**	54,922
Credit management		
Collection income	**9,510**	8,704
Voucher income	**300**	500
Insurance		
Motor vehicle insurance commissions	**1,729**	1,199

3.2 Expenses

	Note	2024 $'000	2023 $'000
Interest expense			
Bank borrowings and other		**27,842**	19,933
Movement in impairment provisions			
Provisions for:			
Specific impaired finance receivables	4	**1,333**	446
Collective impairment provision for finance receivables	4	**2,699**	2,784
Movement in COVID-19 overlay	4	**-**	(1682)
Movement in economic overlay provision	4	**345**	1,965
Collective impairment on reverse annuity mortgages	11.7	**57**	32
Finance receivables bad debts written off		**182**	195
Movement		**4,616**	3,740
Net operating profit includes the following specific expenses			
Depreciation			
- Buildings		**380**	299
- Plant, equipment & motor vehicles		**1,456**	1,118
- Leasehold improvements, furniture, fittings & office equipment		**1,027**	1,075
- Computer equipment		**1,427**	1,274
- Signs & flags		**145**	198
Amortisation of right-of-use asset		**6,179**	5,895
Intangible amortisation			
- Amortisation of software		**834**	1,099
- Amortisation of customer relationships		**520**	520
		11,968	11,478

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	2024	2023
	$'000	$'000
Tax advisory fees	**415**	223
Donations	**93**	10
Directors' fees	**920**	632
Post-employment benefits	**1,765**	1,612
Loss on sale of property, plant and equipment	**29**	75

Fees paid to auditor		
Baker Tilly Staples Rodway Auckland (auditor of the Group)		
Audit of financial statements		
Audit of annual financial statements	**551**	479
Other services		
Other assurance services		
- Audit of DPL Insurance Limited solvency return	**12**	11
- Agreed Upon Procedures in relation to the EC Credit Control Limited trust account	**7**	7
Total other services	**19**	18
Total fees paid to Baker Tilly Staples Rodway Auckland	**570**	497

4. FINANCE RECEIVABLES

4.1 Accounting policy information

Finance receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method. The company assesses impairment at each reporting date. Finance receivables are derecognized when the contractual rights to cash flows expire or the receivables are transferred along with substantially all the risks and rewards of ownership. Finance receivables are generally secured over the assets they finance.

Impairment of finance receivables
The Group assesses finance receivables for impairment using a forward-looking expected credit loss (ECL) model. Finance receivables are classified into three categories to determine the allowance for credit losses:

- Performing finance receivables with 12-month ECL.
- Finance Receivables with a significant increase in credit risk, recognizing lifetime ECL.
- Credit-impaired receivables with lifetime ECL

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a finance receivable. 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a finance receivable that are possible within 12 months after the reporting date. Homogeneous finance receivables are assessed on a collective basis (collective impairment provision) and non-homogeneous finance receivables are assessed individually (specific impairment provision).

(i) Significant increase in credit risk

The Group assesses whether a significant increase in credit risk has occurred for finance receivables at each reporting date. This assessment is based on quantitative and qualitative indicators:

- Quantitative Criteria: for non-homogenous loans significant changes in the value of collateral supporting the loan and for all finance receivables when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise, such as outstanding insurance payments for damaged collateral.
- Qualitative Criteria: factors such as significant adverse changes in the borrower's operating results and industry-specific economic conditions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria can identify significant increase in credit risk before the amount becomes past due.

(ii) Definition of default
The Group considers that default has occurred when a finance receivable is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that another default criteria is more appropriate, such as borrower bankruptcy.

(iii) Credit-impaired finance receivables
Credit-impaired finance receivables are identified based on a combination of quantitative and qualitative criteria, including significant financial difficulty of the borrower, default or delinquency in payments, loss of security and observable market indicators of credit risk deterioration.

(iv) Write-off policy
The Group writes off a finance receivable when they are 180+ days in arrears or have not made a payment for 180 days and earlier if there is information indicating that the borrower is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the borrower has been placed under liquidation or has entered bankruptcy proceedings. Finance receivables written off may still be subject to enforcement activities under the Group's recovery procedures, considering legal advice where appropriate. Any recoveries made are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

v) Measurement and recognition of ECL
The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

The exposure at default is the finance receivable's gross carrying amount at the reporting date. No further advances are allowed against finance receivables in default.

The expected credit loss for a finance receivable is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows, after collection/realisation costs, that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a finance receivable at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gains or losses in profit or loss for all finance receivables with a corresponding adjustment to their carrying amount through an impairment provision account.

4.2 Key Accounting Estimates and Judgements
When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on forecasts of economic conditions employment and their expected impacts on the ability of borrowers to service their debt. The probability of default calculations, a key input in measuring ECL, includes historical data, assumptions and expectations of future conditions. The estimate of the expected loss arising on default, is based on the difference between the contractual cash flows due and those that the Group expects to receive, taking into account cash flows from collateral and integral credit enhancements.

Economic overlay provision
Due to the uncertain economic environment, management have retained the economic overlay provision relating to the impairment for finance receivables. The provision has increased from $2.0m to $2.3m.

4.3 Finance Receivables

	2024	2023
	$'000	$'000
Commercial loans	**66,746**	84,126
Consumer loans	**359,978**	335,037
Property development & investment loans	**2,676**	2,851
Gross finance receivables	**429,400**	422,014
Deferred fee revenue and commission expenses	**10,111**	11,276
Specific impairment provision	**(1,639)**	(774)
Collective impairment provision	**(5,263)**	(5,930)
Economic overlay provision	**(2,310)**	(1,965)
	430,299	424,621
Current	**144,489**	137,142
Non-current	**285,810**	287,479
	430,299	424,621
Gross financial receivables are summarised as follows:		
Performing	**423,130**	416,694
Doubtful	**2,748**	2,562
In default	**3,522**	2,758
	429,400	422,014
Movement in receivables subject to specific impairment assessment		
Opening balance	**1,829**	2,898
Additions	**2,151**	1,545
Amounts recovered	**(677)**	(1,309)
Amounts written off	**(454)**	(1,305)
	2,849	1,829

NOTES TO THE FINANCIAL STATEMENTS
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The aging of loans specifically assessed are as follows:

	2024	2023
	$'000	$'000
The aging of loans specifically assessed are as follows:		
Past due up to 30 days	**1,332**	1,034
Past due 30 – 60 days	**288**	156
Past due 60 – 90 days	**106**	89
In default	**1,123**	550
	2,849	1,829

The following table shows the Group's provision matrix for finance receivables collectively assessed for impairment. The provision for loss allowance based on past due status is not presented by customer segments as the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments.

31 March 2024	**Expected loss rate %**	**Gross finance receivables $'000**	**Collective impairment provision $'000**
Current	**0.53**	414,102	**2,182**
Past due up to 30 days	**7.55**	7,697	**581**
Past due 30 – 60 days	**15.59**	1,796	**280**
Past due 60 – 90 days	**25.09**	558	**140**
In default	**86.74**	2,398	**2,080**
		426,551	**5,263**

31 March 2023	Expected loss rate %	Gross finance receivables $'000	Collective impairment provision $'000
Current	0.85	409,949	**3,503**
Past due up to 30 days	6.88	5,712	**393**
Past due 30 – 60 days	14.29	1,813	**259**
Past due 60 – 90 days	27.63	503	**139**
In default	74.09	2,208	**1,636**
		420,185	**5,930**

If the ECL rates on performing financial receivables increased/(decreased) by 1%, the loss allowance on receivables would be $4.1m higher/($2.2m lower) (2023: $4.1m higher/($3.5m lower)).

	2024	2023
	$'000	$'000
Movement in the impairment provisions:		
Specific impairment provision		
Opening balance	**774**	1,632
Impairment charge/(release) through profit or loss	**1,333**	446
Amounts written off	**(468)**	(1304)
	1,639	774
Collective impairment provision		
Opening balance	**5,930**	7,706
Impairment charge/(release) through profit or loss	**2,699**	2,784
Amounts written off	**(3,366)**	(4,560)
	5,263	5,930

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

	2024 $'000	2023 $'000
Economic overlay provision		
Opening balance	**1,965**	-
Impairment charge/(release) through profit or loss	**345**	1,965
	2,310	1,965
Total impairment provision	**9,212**	8,669

Interest rate and foreign exchange risk
A summarised analysis of the sensitivity of finance receivables to interest rate risk can be found in note 5.4.2.

The Group's finance receivables are all denominated in NZD.

Fair value and credit risk	Carrying amount **2024** **$'000**	Fair value **2024** **$'000**	Carrying amount 2023 $'000	Fair value 2023 $'000
Finance receivables	**430,299**	**432,065**	424,621	425,900

The fair values are based on cash flows discounted using a weighted average interest rate of 13.07% (2023: 11.81%).

The maximum exposure to credit risk is represented by the carrying amount of finance receivable which is net of any provision for impairment. The reported credit risk exposure does not consider the fair value of any collateral, in event of the counterparties failing to meet their contractual obligation.

Refer to note 12 for more information on the risk management policies of the Group.

Securitisation
The Group has two Trusts under which it securitises finance receivables. The Trusts are special purpose entities set up solely for the purpose of purchasing finance receivables originated by the finance sector. The New Zealand Guardian Trust Company Limited has been appointed Trustee and NZGT Security Trustee Limited as the security trustee for both Trusts. The Company is the sole beneficiary of both Trusts.

The Group has power over the Trusts, exposure, or rights, to variable returns from its involvement with the Trusts and the ability to use its power over the Trusts to affect the amount of the Group's returns from the Trusts. Consequently, the Group controls the Trusts and has consolidated the Trusts into the Group's financial statements.

The Group retains substantially all the risks and rewards relating to the finance receivables sold and therefore the finance receivables do not qualify for derecognition and remain on the Group's consolidated statement of financial position.

Turners Marque Warehouse Trust 1 (the Trust)
The Trust has a wholesale funding facility with the Bank of New Zealand (BNZ) which is secured by finance receivables sold to the Trust. The facility is $355m and with a 1-year term that will be renewed annually. BNZ fund up to 90% (31 March 2023: 85%) of the purchase price of the finance receivables with the balance funded by sub-ordinated notes from the Group.

During the reporting period $202.4m finance receivables were sold to the Trust (31 March 2023: $215.5m) and the Trust sold $100.0m finance receivables to the Turners Marque ABS 2023-1 Trust. As at 31 March 2024 the carrying value of finance receivables in the Trust was $281.2m (31 March 2023: $314.4m).

Turners Marque ABS 2023-1 Trust (the 2023-1 Trust)
During the current financial year, the Group created the 2023-1 Trust. The 2023-1 Trust is a closed pool trust and issued $100m notes comprising $70m Class A1 notes and $20.7m Class A2 notes both rated AAAsf (Fitch) and $9.3m unrated Class B notes, the Class A2 notes, and B notes are held by the Group. The 2023-1 Trust purchased $100.0m finance receivables from the Trust. As at the 31 March 2024 the carrying value of finance receivables in the 2023-1 Trust was $72.9m.

5. PROPERTY, PLANT AND EQUIPMENT

5.1 Accounting policy information
Property, plant and equipment are recognised in the statement of financial position at cost less accumulated depreciation and impairment losses. Land is not depreciated. Depreciation is calculated on all other property, plant and equipment on a diminishing value or straight-line basis to allocate the costs, net of any residual amounts, over their useful lives.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

The rates for the following asset classes are:

	Diminishing value	Straight line
Buildings	-	50 & 33.3 years
Leasehold improvements, furniture and fittings, office equipment	7.5 - 60.0%	3 - 15 years
Computer equipment	31.2 - 48.0%	3 - 5 years
Motor vehicles and equipment	26.0 - 31.2%	3 - 7 years
Signs and flags	-	3 - 12 years

5.2 Property, plant and equipment

	Land & buildings	Plant, equipment & motor vehicles	Leasehold improvements, furniture, fittings & office equipment	Computer equipment	Signs & flags	Total
	$'000	$'000	$'000	$'000	$'000	$'000
2024						
At cost	**92,948**	**9,454**	**8,670**	**5,808**	**995**	**117,875**
Accumulated depreciation	**(837)**	**(2,902)**	**(4,158)**	**(3,448)**	**(537)**	**(11,882)**
Opening carrying amount	**92,111**	**6,552**	**4,512**	**2,360**	**458**	**105,993**
Additions	**8,014**	**5,527**	**1,079**	**451**	**312**	**15,383**
Disposals	**(8)**	**(2,973)**	**(9)**	**(3)**	**-**	**(2,993)**
Depreciation	**(380)**	**(1,456)**	**(1,027)**	**(1,427)**	**(145)**	**(4,435)**
Closing carrying amount	**99,737**	**7,650**	**4,555**	**1,381**	**625**	**113,948**
At cost	**100,954**	**11,152**	**9,720**	**6,181**	**1,307**	**129,314**
Accumulated depreciation	**(1,217)**	**(3,502)**	**(5,165)**	**(4,800)**	**(682)**	**(15,366)**
Closing carrying amount	**99,737**	**7,650**	**4,555**	**1,381**	**625**	**113,948**
WIP included above	**6,678**	**8**	**180**	**190**	**36**	**7,092**
2023						
At cost	58,283	5,635	7,387	4,935	983	77,223
Accumulated depreciation	(538)	(2,545)	(3,560)	(2,522)	(489)	(9,654)
Opening carrying amount	57,745	3,090	3,827	2,413	494	67,569
Additions	34,676	5,424	1,836	1,245	165	43,346
Disposals	(11)	(844)	(76)	(24)	(3)	(958)
Depreciation	(299)	(1,118)	(1,075)	(1,274)	(198)	(3,964)
Closing carrying amount	92,111	6,552	4,512	2,360	458	105,993
At cost	92,948	9,454	8,670	5,808	995	117,875
Accumulated depreciation	(837)	(2,902)	(4,158)	(3,448)	(537)	(11,882)
Closing carrying amount	92,111	6,552	4,512	2,360	458	105,993
WIP included above	739	-	1	480	28	1,248

6. LEASES

6.1 Accounting policy information

Right-of-use Assets
Right-of-use assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Right-of-use assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease Liabilities
Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

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Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. Interest expense on lease liabilities is recognised in profit or loss (as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12 Months or less and leases of low value assets
Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

6.2 Key accounting estimates and judgements
Extension and termination options are included in several leases across the Group. These terms are used to maximise the operational flexibility of contracts. Most of the extension and termination options are exercisable only by the Group and not by the respective lessor. The Group has 23 lease extension options covering 14 sites which have been assessed as more likely than not, but not reasonably certain, to be renewed.

The Group applied incremental borrowing rates of 3.91% to 8.28% (2023: 4.16% to 7.07%), with maturities up to 10 years (2023: up to 10 years). 1 new lease was entered into during the year (2023:4) and 7 leases were modified or cancelled during the year (2023: 6).

6.3 Right-of-use assets

	2024	2023
	$'000	$'000
Properties	**20,679**	22,154
Equipment	**37**	72
	20,716	22,226
Opening balance	**22,226**	23,497
Additions	**78**	2,344
Modifications and reassessments	**4,591**	2,280
Depreciation	**(6,179)**	(5,895)
Closing carrying amount	**20,716**	22,226

6.4 Lease Liabilities

	2024	2023
	$'000	$'000
Lease liabilities	**24,924**	27,120
Current	**6,823**	6,130
Non-current	**18,101**	20,990
	24,924	27,120

The carrying amounts of the lease liabilities are denominated in the following currencies:

Australian dollars	**60**	30
New Zealand dollars	**24,864**	27,090
	24,924	27,120
Interest expense in profit or loss	**1,484**	1,548

7. INTANGIBLE ASSETS

7.1 Accounting policy information
Intangible assets comprise goodwill, acquired separable corporate brands, acquired customer relationships and computer software. Goodwill and corporate brands are indefinite life intangibles subject to annual impairment testing.

Corporate brands and customer relationships acquired as part of a business combination are capitalised separately from goodwill as intangible assets if their value can be measured reliably on initial recognition and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group.

NOTES TO THE FINANCIAL STATEMENTS
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Goodwill and corporate brands are allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill and corporate brands arose, identified according to operating segment.

Corporate relationship assets are amortised on the straight-line basis over the expected life (10 years) of the relationship and are recognised in the statement of financial position at cost less accumulated amortisation and impairment losses.

Computer software is recognised in the statement of financial position at cost less accumulated amortisation and impairment losses.

Direct costs associated with the purchase and installation of software licences and the development of software for internal use are capitalised where project success is probable, and the capitalisation criteria is met. Cost associated with planning and evaluating computer software and maintaining a system after implementation are expensed. Computer software costs are amortised on a diminishing value basis (rate of 50%) or on a straight-line basis (one to five years).

7.2 Key accounting estimates and judgements

Goodwill and brand are allocated to four cash-generating units ('CGU') as follows:

	2024	2023
	$'000	$'000
Goodwill		
Allocated to the insurance CGU/segment	**12,777**	12,777
Allocated to collection services CGU/segment	**23,973**	23,983
Allocated to the finance CGU/segment	**9,272**	9,272
Allocated to the auto retail CGU/segment	**46,487**	46,487
	92,509	92,519
Brand		
Allocated to the insurance CGU/segment	**21,500**	21,500
Allocated to the auto retail CGU/segment	**45,600**	45,600
	67,100	67,100

The recoverable amount of all CGUs has been determined based on value-in-use calculations. These calculations use five-year pre-tax cash flow projections based on budgets approved by the Board for year one and forecast for subsequent years. Cash flows beyond the projected period are extrapolated using the estimated long-term growth rates stated below. The cash flows for the Auto retail and Collection services CGUs are free cash flows to the firm, while the Insurance and Finance CGU is free cash flows to equity. For each of the CGUs with goodwill and brand the key assumptions, long term growth rate and discount rate used in the value-in-use calculations are as follows:

Key assumptions:
Sales, price and operating cost assumptions where based on the Board's best estimate of the range of economic conditions the CGUs are likely to experience during the forecast period. The forecasts for each CGU cover a period of a minimum of 5 years. Annual capital expenditure, the expected cash costs in CGUs, was based on historical experience and planned expenditure.

2024 Forecast cash flow growth rates (%)	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Auto retail CGU (weighted average cost of capital)	**22.3**	**4.7**	**4.1**	**2.4**
Insurance CGU (cost of equity)	**3.9**	**10.1**	**11.1**	**10.5**
Finance CGU (cost of equity)	**31.5**	**26.5**	**14.9**	**4.4**
Collection services CGU (weighted average cost of capital)	**39.8**	**27.9**	**23.0**	**21.1**

2023 Forecast cash flow growth rates (%)	Year 2	Year 3	Year 4	Year 5
Auto retail CGU (weighted average cost of capital)	50.7	3.3	7.0	3.0
Insurance CGU (cost of equity)	(12.5)	4.0	7.9	8.9
Finance CGU (cost of equity)	307.9	23.4	37.8	17.6
Collection services CGU (weighted average cost of capital)	32.1	29.1	24.6	24.0

Long-term growth rate	**2.05%**	2.05%
Pre-tax discount rate		
Auto retail CGU (weighted average cost of capital)	**12.20%**	12.60%
Insurance CGU (cost of equity)	**12.30%**	12.80%
Finance CGU (cost of equity)	**15.50%**	17.60%
Collection services CGU (weighted average cost of capital)	**17.50%**	17.60%

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The long-term growth rate is the weighted average growth rate used to extrapolate cash flows beyond the forecast period and is based on the current implied inflation rates and does not exceed the long-term average growth rate for the products, industries, or country or countries in which the CGUs operate. The discount rates were established by considering the specific attributes and size of the CGUs.

In assessing the impairment of the goodwill and brand value in the CGUs, a sensitivity analysis for reasonably possible changes in key assumptions was performed. This included increasing and reducing the terminal growth rate by 0.25% (2023: 0.25%) and increasing and decreasing the discount rate by 1% (2023: 1%).

These reasonably possible changes in rates did not cause any impairment in the CGUs.

7.3 Intangible assets

	2024	2023
	$'000	$'000
Brand		
Carrying amount	**67,100**	67,100
Goodwill		
Opening carrying amount at cost	**92,519**	92,517
Foreign exchange adjustment	**(10)**	2
Closing carrying amount	**92,509**	92,519
Software		
At cost	**6,992**	6,430
Accumulated amortisation	**(5,521)**	(4,580)
Opening carrying amount	**1,471**	1,850
Additions	**893**	731
Disposals	**(1)**	(11)
Amortisation	**(834)**	(1,099)
Closing carrying amount	**1,529**	1,471
At cost	**7,457**	6,992
Accumulated amortisation	**(5,928)**	(5,521)
Closing carrying amount	**1,529**	1,471
Corporate relationships		
At cost	**6,510**	6,510
Accumulated amortisation	**(4,044)**	(3,524)
Opening carrying amount	**2,466**	2,986
Amortisation	**(520)**	(520)
Closing carrying amount	**1,946**	2,466
At cost	**6,510**	6,510
Accumulated amortisation and impairment provision	**(4,564)**	(4,044)
Closing carrying amount	**1,946**	2,466
Total intangible assets carrying amount	**163,084**	163,556
WIP included in software	**-**	252

The amortisation and impairment charges are recognised in other operating expenses in profit or loss.

8. BORROWINGS

8.1 Accounting policy information

Borrowings are initially measured at fair value and subsequently at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing, using the effective interest method.

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8.2 Borrowings

	2024	2023
	$'000	$'000
Secured bank borrowings	373,710	412,035
Deferred borrowing costs	-	-
	373,710	412,035
Non-bank borrowings		
Turners Marque ABS 2023-1 Trust - Class A notes	51,608	-
Total borrowings	425,318	412,035
Current	39,627	-
Non-current	385,691	412,035
	425,318	412,035

Secured bank borrowings
At March 2024 the Group has a syndicated funding facility, including an 18 month working capital facility, with the Bank of New Zealand, ASB Bank and Westpac New Zealand, a self-liquidating trade finance facility and three year term facility with ASB Bank and a securitisation facility with the Bank of New Zealand.

The bank borrowings are secured by a first-ranking general security agreement over the assets of the Company and its subsidiaries, excluding DPL Insurance Limited, Turners Finance Limited and EC Credit (Aust.) Limited. The bank funded securitisation financing arrangement is described under finance receivables.

Borrowing covenants
The Group has complied with all borrowing covenants in both the current and prior financial year.

Non-bank borrowings
The Group's non-bank securitisation arrangement with the Accident Compensation Corporation is described under finance receivables.

Foreign currency risk
All the Group's borrowings are in NZD.

Fair value

	Carrying amount 2024 $'000	Fair value 2024 $'000	Carrying amount 2023 $'000	Fair value 2023 $'000
Borrowings	425,318	423,539	412,035	406,127

The fair values are based on cash flows discounted using a weighted average borrowing rate of 5.58% (2023: 4.97%). The fair value of borrowings considers the impact of interest rate swaps as referred to in note 12.3.2.

Contractual repricing dates	2024 $'000	2023 $'000
1 year or less	20,000	-
Over 1 to 2 years	258,710	322,035
Over 2 to 5 years	95,000	90,000
Over 5 years	51,608	-
	425,318	412,035

NOTES TO THE FINANCIAL STATEMENTS
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9. INSURANCE CONTRACT LIABILITIES

Audited financial statements for DPL Insurance Limited are available on the Companies Office website. The financial statements for the year ended 31 March 2024 will be lodged by 31 July 2024.

9.1 Accounting policy information
Insurance contracts are those contracts that transfer significant insurance risk and are accounted for in accordance with the requirements of NZ IFRS 17 Insurance Contracts. The Group issues the following insurance contracts:
- Long-term insurance contracts with fixed and guaranteed terms, these contracts insure events associated with human life (for example, death) over a long duration;
- Temporary life insurance contracts covering death disablement, disability and redundancy risks; and
- Short term motor vehicle contracts covering mechanical breakdown risks.

The Group classifies insurance contracts into the following categories:
- Life - not measured under PAA (funeral plans, annuity products and participation fund)
- Life - measured under PAA (all other life products)
- Consumer – measured under PAA (mechanical breakdown and GAP products)

Insurance contracts are initially recognised at the earliest of the beginning of the coverage period of the contract, the date when the first payment from the policyholder becomes due, or on the date the contract is onerous. At initial recognition, the Group identifies and recognises homogeneous groups of insurance policies and determines the contractual service margin (‘CSM’), which represents the unearned profit the Group will recognise as it provides services. Contracts are onerous if the total fulfillment cash flows exceed the carrying amount on the liability for remaining coverage.

Measurement – Contracts not measured under the Premium Allocation Approach (PAA)
Subsequent to initial recognition, the Group will adjust the CSM for changes in estimates of future cash flows related to future service, time value of money and risk adjustments. Insurance revenue is recognised for the insurance services provided during the period and a loss recognised immediately in profit or loss if a group of contracts are considered onerous. This approach is applied to funeral plans and annuity insurance products.

Measurement – Contracts measured under the PAA
PAA is a simplified model that recognizes insurance revenue of the coverage period in a way that reflects the insurance services provided. The Group uses PAA for the measurement of groups of contracts when the Group reasonably expects the measurement of the liability for remaining coverage for the group of contracts does not differ materially from the result of applying the accounting policies described under Measurement – Contracts not measured under PAA.

Derecognition
The Group derecognises a contract when the specified obligations in the contract expire, are discharged or cancelled.

Presentation
Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. All rights and obligations arising from a portfolio of contracts are presented on a net basis; therefore, balances such as insurance receivables and payables are no longer presented separately. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts (including any assets for insurance acquisition cash flows) are also presented in the same line item as the related portfolios of contracts.

9.2 Key accounting estimates and judgements
The Group makes several key estimates and judgments due to the inherent uncertainty and complexity of insurance contracts. These estimates and judgments significantly impact the measurement, recognition, and disclosure of insurance contract liabilities and revenue. The Group engages an independent actuary to calculate the insurance contract liabilities.

Contracts not measured under PAA
Key estimates and judgements, include but are not limited to, estimation of future cash flows, selection of appropriate discount rates, selection of appropriate models and techniques to quantifying risk adjustment for non-financial risk, determining CSM, determining onerous contracts, determining the quantity of benefits provided under a contract which affect the allocation of CSM over the coverage period, estimating the impact of reinsurance contracts and changes in assumptions, including but not limited to, mortality rates, morbidity rates lapse rates, expense levels, inflation rates and policyholder behaviour.

Contacts measured under PAA
Key estimates and judgements include assessing eligibility for the PAA, estimating future cash flows and incurred claims, selecting discount rates, identifying onerous contracts, and determining the pattern of revenue recognition.

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for the year ended 31 March 2024

9.3 Analysis insurance revenue and expenses by segment.

2024 **In $'000**	**Life Not measured under PAA**	**Life Measured under PAA**	**Consumer Measured under PAA**	**Total**
Insurance revenue	**1,380**	**5,363**	**32,994**	**39,737**
Claims expense	**(531)**	**(3,068)**	**(18,297)**	**(21,896)**
Other insurance expenses	**(528)**	**(1,186)**	**(9,537)**	**(11,251)**
Insurance result	**321**	**1,109**	**5,160**	**6,590**
Insurance finance result	**(175)**	**-**	**-**	**(175)**
Reinsurance expense	**(260)**	**(354)**	**-**	**(614)**
Reinsurance recovery	**142**	**1,215**	**-**	**1,357**
	(118)	**861**	**-**	**743**
Net underwriting result	**28**	**1,970**	**5,160**	**7,158**
Other income				**6,856**
Profit before taxation				**14,014**

2023 - restated In $'000	**Life Not measured under PAA**	**Life Measured under PAA**	**Consumer Measured under PAA**	**Total**
Insurance revenue	1,579	5,449	32,280	39,308
Claims expense	(491)	(3,031)	(18,927)	(22,449)
Other insurance expenses	(587)	(1,065)	(8,592)	(10,244)
Insurance result	501	1,353	4,761	6,615
Insurance finance result	(175)	-	-	(175)
Reinsurance expense	(252)	(350)	-	(602)
Reinsurance recovery	78	1,332	-	1,410
	(174)	982	-	808
Net underwriting result	152	2,335	4,761	7,248
Other income				5,100
Profit before taxation				12,348

Reconciliation of Profit before tax to Operating Profit (note 2)

	2024 **$'000**	Restated 2023 $'000
Profit before tax	**14,014**	12,348
Revaluation adjustment of investment property disclosed as property, plant and equipment in the Group financial statement at cost	**413**	260
Depreciation on investment property disclosed as property, plant and equipment	**(140)**	(140)
	14,287	12,468

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for the year ended 31 March 2024

9.4 Insurance contract liabilities and assets

	Insurance contract assets		Insurance contact liabilities	
		Restated		Restated
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Asset/(liability) for remaining coverage				
Life risk - not measured under PAA	**903**	964	**5,526**	5,973
Life risk - measured under PAA	**-**	-	**5,668**	5,705
Consumer - measured under PAA	**-**	-	**41,263**	40,585
Asset/liability for incurred claims				
Life risk - not measured under PAA	**217**	223	**448**	395
Life risk - measured under PAA	**1,733**	1,737	**3,429**	3,199
Consumer - measured under PAA	**-**	-	**3,801**	3,592
	2,853	2,924	**60,135**	59,449

Analysis by measurement component - asset/liability for remaining coverage not measured under the PAA

Value of fulfilment cash-flows	**124**	290	**1,738**	1,960
Risk adjustment	**189**	166	**2,635**	2,803
CSM	**590**	508	**1,153**	1,210
	903	964	**5,526**	5,973

Movement in asset/liability for remaining coverage not measured under the PAA

Opening balance	**964**	1,050	**5,973**	6,329
Expected revenue in year	**197**	200	**747**	798
Expected expense in year	**(99)**	(92)	**(997)**	(765)
Release of CSM	**(46)**	(50)	**(149)**	(209)
Insurance finance result	**41**	39	**216**	214
Expected closing balance	**1,057**	1,147	**5,790**	6,367
Experience movement	**(87)**	(12)	**48**	378
Change in assumptions	**(60)**	(153)	**(309)**	(764)
New business contracts recognised	**(7)**	(18)	**(3)**	(8)
Closing balance	**903**	964	**5,526**	5,973

Expected recognition of CSM (number of years expected until recognised)

	Insurance contract assets		Insurance contact liabilities	
	2024	2023	**2024**	2023
1	**35**	30	**104**	109
2	**35**	30	**92**	97
3	**35**	30	**92**	97
4	**30**	25	**81**	85
5	**30**	25	**69**	73
6 - 9	**112**	97	**231**	242
10+	**313**	271	**484**	507
	590	508	**1,153**	1,210

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for the year ended 31 March 2024

9.5 Financial strength rating
The Insurance (Prudential Supervision) Act 2010 requires all licensed insurers to have a current Financial Strength Rating, given by an approved rating entity. DPL Insurance Limited has been issued a Financial Strength Rating of B++ (Good) and an Issuer Credit Rating of bbb (Good), with the outlook assigned to both ratings as 'Positive' by A.M. Best. The rating was issued by A.M. Best on 18 August 2023

Financial Strength Rating scale:

A++, A+ Superior	**B, B-** Fair	**D** Poor
A, A- Excellent	**C++, C+** Marginal	**E** Under Regular Supervision
B++,B+ Good	**C, C-** Weak	**F** In liquidation
		S Suspended

Issuer Credit rating scale:

Investment Grade	*Non-Investment Grade*
aaa (Exceptional)	bb (Fair)
aa (Superior)	b (Marginal)
a (Excellent)	ccc, cc (Weak)
bbb (Good)	c (Poor)
	rs (Regulatory Supervision/Liquidation)

10. SHAREHOLDER EQUITY

10.1 Share capital

	2024	2023
Number of ordinary shares		
Opening balance	**86,700,247**	86,069,248
Shares issued for staff options	**300,000**	525,000
Shares issued for employee share scheme	**95,305**	105,999
Shares issued under DRP	**1,258,137**	-
Total issued and authorised capital	**88,353,689**	86,700,247

	2024	2023
	$'000	$'000
Dollar value of ordinary shares		
Opening balance	**207,076**	205,482
Shares issued for staff options	**696**	1,208
Shares issued for employee share scheme	**340**	401
Shares issued under DRP	**5,134**	-
Share issue costs	**(24)**	(15)
Total issued capital	**213,222**	207,076

Ordinary shares are fully paid with no par value. All ordinary shares have equal voting rights and share equally in dividends and surplus on winding up.

Capital management
The Group's capital consists of share capital, share option reserve, translation reserve, cash flow reserve and retained earnings. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. The allocation of capital between its specific business operations and activities is primarily driven by optimisation of the return on the capital allocated. The process of allocating capital to specific operations and activities is undertaken independently of those responsible for the operation. The Group's strategies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

10.2 DPL Insurance Limited
In terms of the Insurance (Prudential Supervision) Act 2010, effective from 1 April 2023, DPL Insurance Limited is required to maintain a solvency margin, in accordance with the "Interim Solvency Standard 2023" issued 1 October 2022 (as updated from time to time) of at least $0. Effective from 1 April 2023, DPL Insurance Limited is required to maintain a solvency margin in respect of every Statutory Fund, in accordance with the "Interim Solvency Standard 2023" issued 1 October 2022 (as updated from time to time) of at least $0.

		Restated*
	2024	2023
	$'000	$'000
Solvency capital	**80,234**	82,571
Adjusted prescribed capital requirement	**51,395**	54,632
Adjusted solvency margin	**28,839**	27,939
Adjusted solvency ratio	**1.56**	1.51

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	2024 **$'000**	Restated* 2023 $'000
Non-life insurance		
Solvency capital	**70,311**	69,052
Adjusted prescribed capital requirement	**45,577**	45,577
Adjusted solvency margin	**24,734**	23,475
Adjusted solvency ratio	**1.54**	1.52
Life insurance		
Solvency capital	**9,923**	13,519
Adjusted prescribed capital requirement	**5,818**	9,055
Adjusted solvency margin	**4,105**	4,464
Adjusted solvency ratio	**1.71**	1.49

* Restatements due to the adoption of NZ IFRS 17, 'Insurance Contracts' and the introduction of the new 'Interim Solvency Standard 2023

Restriction on access to capital
The Group's access to the capital and retained profits in the statutory fund, held for the benefit of policyholders, is restricted by the Insurance (Prudential Supervision) Act 2010.

10.3 Share options

In July 2020, the Board approved the grant of 2,300,000 options to Senior Executives of the Group at an exercise price of $2.00 under the Group's Share Option Plan. The grant is split into four tranches of 575,000 options with the following vesting dates; 1 June 2021, 1 June 2022, 1 June 2023 and 1 June 2024. Each tranche expires two years after the vesting date. During the year ended 31 March 2021, 200,000 options were cancelled. During the year ended 31 March 2024 300,000 options (2023: 525,000 options) were exercised.

The weighted average fair value of the options granted, using the Binomial Tree option pricing model, is $0.31 per option. The significant inputs in the model were, the share price at grant date of $2.19, the exercise price of $2.00, volatility of 27.5%, an expected exercise date for all tranches of, 80% at vesting date and 20% at expiration date and an annual risk-free rate between 0.24% - 0.63%. Volatility is measured as the standard deviation of changes in the Company's share price over a 12-month period.

If a participant in the Group Share Option Plan leaves (by any means and for any reason) the employment of the Company or any applicable subsidiary, the participant's options which have reached their vesting date, together with any other options as may be nominated at the discretion of the Board of Directors of the Company in extraordinary circumstances (such as the redundancy, permanent disablement or death of a participant), may be exercised within a period of 60 days (following which they will lapse) and the participant's other Options will lapse immediately.

The share-based payment for the current financial year is $55,000 (2023: $265,000).

Movement in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Weighted average exercise price **2024** **$**	Options **2024** **000's**	Weighted average exercise price 2023 $	Options 2023 000's
Opening balance	**2.00**	**1,050**	2.00	2,965
Granted		**-**	-	-
Exercised	**2.00**	**(300)**	2.00	(525)
Cancelled		**-**	4.20	(1,390)
Closing balance	**2.00**	**750**	3.03	1,050

The weighted-average share price at the date of exercise for share options exercised in the year ending 31 March 2024 was $3.66 for 245,000 options and $3.65 for 55,000 options (2023: $3.73).

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Share options outstanding at balance sheet have the following expiry dates and exercise prices:

Expiry date	Exercise price $	Options **2024** **000's**	Options 2023 000's
31 May 2025	2.00	**225**	525
31 May 2026	2.00	**525**	525

10.4 Dividends

	2024 **$'000**	2023 $'000
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 for the year ended 31 March 2023 of $0.07 (31 March 2022: $0.07) per fully paid ordinary share, imputed paid on 28 July 2023 (2023: 28 July 2022).	**6,085**	6,062
Quarterly dividend for the year ended 31 March 2024 of $0.06 (31 March 2023: $0.05) per fully paid ordinary share, imputed, paid on 27 October 2024 (2023: 28 October 2022).	**5,251**	4,335
Quarterly dividend for the year ended 31 March 2024 of $0.06 (31 March 2023: $0.05) per fully paid ordinary share, imputed, paid on 26 January 2024 (2023: 26 January 2023).	**5,267**	4,335
Quarterly dividend for the year ended 31 March 2024: $0.06 per fully paid ordinary share, imputed, paid on 27 March 2024.	**5,285**	-
	27,090	14,732

Dividend not recognised at year end
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 $0.075 (31 March 2023: $0.07) per fully paid ordinary share, imputed, payable on 26 July 2024 (2022: 28 July 2023).	**6,627**	6,085

10.5 Earnings per share

Basic earnings per share
The calculation of basic earnings per share at 31 March was based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding, as follows:

	2024	Restated 2023
Profit for the year ($'000)	**32,966**	32,483
Weighted average number of ordinary shares at 31 March	**87,423,304**	86,518,327
Basic earnings per share (cents per share)	**37.71**	37.54

	2024	2023
Weighted number of shares		
Opening balance	**86,700,247**	86,069,248
Shares issued for staff options	**211,858**	385,479
Shares issued for employee share scheme	**56,246**	63,599
Shares issued under DRP	**454,954**	-
	87,423,304	86,518,327

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Diluted earnings per share
The calculation of diluted earnings per share at 31 March was based on the diluted profit attributable to shareholders and a diluted weighted average number of ordinary shares outstanding as follows:

	2024 **$'000**	Restated 2023 $'000
Continuing operations	**32,966**	32,483
Add: Long term incentive expense related to options	**55**	265
Profit for the year	**33,021**	32,748
Weighted number of ordinary shares (diluted)		
Weighted average number of shares (basic)	**87,423,304**	86,518,327
Effect of the exercise of options	**376,944**	467,052
Weighted average number of shares (diluted)	**87,800,249**	86,985,379
Diluted earnings per share (cents per share)	**37.61**	37.65

11. OTHER DISCLOSURES

11.1 Income tax

	2024 **$'000**	Restated 2023 $'000
Net operating profit before taxation	**49,139**	45,424
Income tax expense at prevailing rates (NZ: 28%; Aust: 30%)	**(13,761)**	(12,720)
Tax impact of income not subject to tax	**193**	284
Tax impact of expenses not deductible for tax purposes	**(2,610)**	(502)
(Over)/under provision in prior years	**5**	(3)
Taxation (expense)/benefit	**(16,173)**	(12,941)
Comprising:		
Current	**(13,909)**	(12,939)
Deferred	**(2,626)**	158
Under provision in prior years	**362**	(160)
	(16,173)	(12,941)

Deferred taxation
Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset assets against liabilities and when the deferred income taxes relate to the same fiscal authority. The movement on the deferred tax account is as follows:

	2024 **$'000**	Restated 2023 $'000
Opening balance	**12,412**	12,564
Translation difference	**(1)**	6
Charge to profit or loss	**2,626**	(158)
Closing balance	**15,037**	12,412
The charge to profit or loss is attributable to the following items:		
Corporate relationships	**(146)**	(146)
Loan impairment provision	**(237)**	634
Insurance deductible reserves	**122**	122
Property, plant and equipment	**3,171**	(15)
Lease liability	**614**	305
Right of use asset	**(424)**	(356)
Provisions and accruals	**(474)**	(702)
	2,626	(158)

NOTES TO THE FINANCIAL STATEMENTS
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	2024 $'000	Restated 2023 $'000
Deferred tax (assets)/liabilities to be recovered after more than 12 months	**18,067**	14,016
Deferred tax (assets)/liabilities to be recovered within 12 months	**(3,030)**	(1,604)
Closing balance	**15,037**	12,412

The deferred tax asset/liabilities have been recognised at 28%, the tax rate at which it is expected to reverse.

Deferred tax relates to the following:		
Deferred tax assets:		
Loan impairment provision	**3,245**	3,008
Lease liability	**6,979**	7,593
Provisions and accruals	**3,294**	3,077
Insurance reserves	**241**	363
Total deferred tax asset	**13,759**	14,041
Deferred tax liabilities:		
Brand	**18,788**	18,788
Corporate relationships	**545**	691
Right of use asset	**5,800**	6,224
Deferred expenses and accruals	**3,663**	750
	28,796	26,453
Net deferred tax liabilities	**15,037**	12,412

Deferred tax impact from reversal of depreciation on buildings
On 26 March 2024, the Government substantively enacted legislation which removes the deductibility of depreciation on commercial and industrial buildings for tax purposes. Effective from 1 April 2024, the tax depreciation rate will revert to 0%. The change in tax legislation effective from 1 April 2024 eliminates the tax base for these assets, thereby creating a temporary difference that leads to a deferred tax liability (DTL). As part of recognising the DTL, a one-off tax expense of $3.1m has been recognised within the year ended 31 March 2024.

Deferred tax assets are recognised for deductible temporary differences as Management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

Imputation credit memorandum account

	2024 $'000	2023 $'000
Opening balance	**32,978**	21,647
Income tax payments/(refunds received)	**8,209**	16,380
Imputation credits utilised	**(7,321)**	(5,049)
Closing balance	**33,866**	32,978

11.2 CASH AND CASH EQUIVALENTS

	2024 $'000	2023 $'000
The carrying value of cash and cash equivalents are denominated in the following currencies:		
Australian dollars	**158**	136
New Zealand dollars	**17,365**	11,709
	17,523	11,845

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 to meet solvency requirements, consequently all cash and cash equivalents and term deposits, disclosed in financial assets through 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 2024 were $2.1m (2023: $2.0m).

Cash and cash equivalents at 31 March 2024 of $6.7m (2023: $4.3m) belongs to the Turners Marque Warehouse Trust 1 and the Turners Marque ABS 2023-1 Trust and may not all be available to the Group.

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11.3 FINANCIAL ASSETS THROUGH PROFIT AND LOSS

	2024	2023
	$'000	$'000
Insurance:		
Investments in unitised funds	**7,508**	7,305
Term deposits	**61,975**	59,350
Other:		
Deposits	**75**	75
Total	**69,558**	66,730
Investments in unitised funds comprise:		
New Zealand and overseas equities	**3,067**	3,102
Fixed Interest securities	**1,679**	1,678
Cash - deposits	**1,083**	933
New Zealand and overseas property securities	**1,679**	1,592
Total	**7,508**	7,305
Investments with external investment managers		
ANZ New Zealand Investments Limited - Unitised Funds	**7,508**	7,305

The carrying amounts of the financial assets fair value through profit or loss are denominated in NZD.

All term deposits held in the insurance business may not be available for use by the wider Group (refer note 11.2). DPL Insurance's term deposits at 31 March 2024 were $62.0m (2023: $59.4m). Investments in unitised funds, disclosed in financial assets through profit or loss, underwrite the Life investment policies and are not available for use by the wider Group.

Interest rate and currency risk
A summarised analysis of the sensitivity of financial assets at fair value through profit or loss, excluding investments in unitised funds (as market risk on unitised funds is transferred to the policy holder), to interest rate risk and currency risk can be found in note 12.3.

Credit risk
The maximum exposure to credit risk from financial assets at fair value through profit or loss at reporting date, excluding investments in unitised funds, is the carrying value. The financial assets in this category, excluding equity investments, are invested in term deposits with banks. For Life investment linked contracts (investment in unitised funds) the investments credit risk is borne by the policy holder, there is no significant credit risk assumed by the Group.

Refer to note 12 for more information on the risk management policies of the Group.

11.4 TRADE RECEIVABLES

	2024	2023
	$'000	$'000
Performing	**6,567**	5,691
Doubtful	**1,156**	2,471
In default	**16**	47
	7,739	8,209
Impairment provision	**(462)**	(409)
Net trade receivables	**7,277**	7,800

Trade receivables are a current asset, with terms of trade usually 30 days or less.

Impaired receivables
If a trade receivable falls overdue and the Group is unable to enter into an arrangement to recover the amount owed then the receivable is classified as impaired.

	2024	2023
	$'000	$'000
The age of doubtful trade receivables is as follows:		
Past due up to 30 days	**895**	2,016
Past due 30 – 60 days	**174**	335
Past due 60 – 90 days	**29**	100
Past due 90+ days	**58**	20
	1,156	2,471

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	2024	2023
	$'000	$'000
Movement in the impairment provision:		
Opening balance	**409**	478
Impairment charge/(release) included in other operating expenses	**56**	(57)
Amounts written off	**(3)**	(12)
	462	409

The Group recognises lifetime expected credit loss for trade receivables. The expected credit loss rate is 6.0% (2023: 5.0%). Amounts charged to the impairment provision are generally written off when there is no expectation of recovering additional cash.

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

Australian dollars	**453**	321
New Zealand dollars	**6,824**	7,260
	7,277	7,800

Currency risk
A summarised analysis of the sensitivity of financial assets included in trade receivables to currency risk can be found in note 12.3.

Fair value and credit risk
Due to the short-term nature of trade receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk from trade receivables at the reporting date is the carrying amount of trade receivables. Credit risk is concentrated predominantly in New Zealand within the motor trade sector and private household sector, there is no concentration of credit risk on any individual customer.

Refer to note 12 for more information on the risk management policies of the Group.

11.5 INVENTORY

	2024	2023
	$'000	$'000
Motor vehicles	**27,161**	27,726
Less provision for stock obsolescence	**(2,110)**	(1,669)
	25,051	26,057

Inventories are a current asset.

Movement in provisions for stock obsolescence		
Opening balance	**1,669**	1,678
Movement (included in Cost of goods sold)	**441**	(9)
Closing balance	**2,110**	1,669

11.6 OTHER RECEIVABLES, DEFERRED EXPENSES AND CONTRACT ASSETS

		Restated
	2024	2023
	$'000	$'000
Other receivables and prepayments	**4,305**	1,581
Insurance contract assets*	**2,853**	2,924
Accrued interest	**2,882**	1,228
Contract assets		
- Amount relating to services rendered not yet invoiced	**3,535**	3,239
- Contract fulfilment costs	**207**	172
	13,782	9,144
Current	**10,318**	8,670
Non-current	**3,464**	474
	13,782	9,144
Carrying amount of financial assets included in other receivables	**10,350**	7,739

** Restatements due to the adoption of NZ IFRS 17, 'Insurance Contracts'*

Expected credit losses on contract assets and other receivables is 0%.

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Fair value and credit risk
The carrying value of these receivables is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the fair value of the financial assets included in other receivables. There is no concentration of credit risk to any individual customer or sector.

Refer to note 12 for more information on the risk management policies of the Group.

11.7 REVERSE ANNUITY MORTGAGES

	2024	2023
	$'000	$'000
Reverse annuity mortgages	**2,728**	3,107
Provision for impairment	**(239)**	(182)
	2,489	2,925
Current	**-**	350
Non-current	**2,489**	2,575
	2,489	2,925
Movement in provisions for impairment		
Opening balance	**182**	150
Impairment charge/(release) through profit or loss	**57**	32
Closing balance	**239**	182

Interest rate
A summarised analysis of the sensitivity of reverse annuity mortgages to interest rate risk can be found in note 12.3.2.

The Group's reverse mortgage annuities are all denominated in NZD.

Fair value and credit risk	Carrying amount **2024** **$'000**	Fair value **2024** **$'000**	Restated Carrying amount 2023 $'000	Restated Fair value 2023 $'000
Reverse annuity mortgages	**2,489**	**2,835**	2,925	3,289

The fair value of reverse annuity mortgages is estimated using a discounted cash flow model based on a current market interest rate for similar products after making allowances for impairment.

The maximum exposure to credit risk is represented by the carrying amount of reverse annuity mortgages which is net of any provision for impairment. The reported credit risk exposure does not consider the fair value of any collateral, in event of the counterparties failing to meet their contractual obligation. All reverse annuity mortgages are secured by residential property in New Zealand.

11.8 INVESTMENT PROPERTY

	2024	2023
	$'000	$'000
Investment property	**-**	5,800
Movements in carrying amounts		
Opening balance	**5,800**	5,950
Net change in fair value	**-**	(150)
Proceed from sale of property	**(5,526)**	-
Loss on sale	**(274)**	-
Closing balance	**-**	5,800

The investment property at 358 Worsleys Road, Christchurch was sold during the financial year.

At 31 March 2023, the investment property was valued at the purchase price included in a conditional sale and purchase agreement for property.

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11.9 OTHER PAYABLES

	2024 $'000	2023 $'000
Accounts payable	**20,963**	24,743
Employee entitlements (short term)	**4,674**	5,485
Employee entitlements (long term)	**1,459**	376
Other payables and accruals	**21,256**	25,404
	48,352	56,008
Carrying value of financial liabilities in other payables	**31,443**	40,693
The carrying amounts of the Group's financial liabilities in other payables are denominated in the following currencies:		
Japanese Yen	**116**	867
Australian dollars	**81**	166
New Zealand dollars	**31,246**	39,660
	31,443	40,693

Currency risk
A summarised analysis of the sensitivity of financial liabilities included in other payables to currency risk can be found in note 12.3.3.

Fair value
Due to the short-term nature of the financial liabilities in other payables, their carrying value is assumed to approximate their fair value.

11.10 CONTRACT LIABILITIES

	2024 $'000	2023 $'000
Unredeemed debt and PPSR voucher liability	**1,036**	1,339
Motor vehicle insurance rebate liability	**261**	223
	1,297	1,562
Movement in contract liabilities		
Unredeemed debt and PPSR voucher liability		
Opening balance	**1,339**	1,635
Charge/(release) to profit or loss	**(303)**	(296)
	1,036	1,339
Motor vehicle insurance rebate liability		
Opening balance	**223**	213
Additions	**38**	10
	261	223

11.11 INVESTMENT IN SUBSIDIARIES

		Ownership Interest Held 2024	2023
Subsidiary			
Carly NZ Limited	Vehicle subscription services	**100.0%**	100.0%
DPL Insurance Limited	Insurance	**100.0%**	100.0%
EC Credit Control (Aust) Pty Limited	Collection services	**100.0%**	100.0%
EC Credit Control (NZ) Limited	Collection services	**100.0%**	100.0%
Estate Management Services Limited	Collection services	**100.0%**	100.0%
Oxford Finance Limited	Finance	**100.0%**	100.0%
Payment Management Services Limited	Collection services	**100.0%**	100.0%
Turners Finance Limited	Finance	**100.0%**	100.0%
Turners Fleet Limited	Vehicle and commercial goods trade	**100.0%**	100.0%
Turners Group NZ Limited	Auctions	**100.0%**	100.0%
Turners Property Holdings Limited	Property	**100.0%**	100.0%
Turners Staff Share Plan Trustees Limited	Trustee	**100.0%**	100.0%

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All subsidiaries have a balance date of 31 March and, all subsidiaries are incorporated in New Zealand, except for EC Credit Control (Aust) Pty Limited which is incorporated in Australia.

The Group securitises finance receivables through The Turners Marque Warehouse Trust 1 and the Turners Marque ABS 2023-1 Trust (the Trusts). The Group has power over the Trust, exposure or rights to variable returns from its involvement with the Trusts and the ability to affect the amount of the Group's returns from the Trusts. Consequently, the Group controls the Trusts and has consolidated the Trusts into the Group financial statements.

11.12 TRANSACTIONS WITH RELATED PARTIES

Major shareholders, directors and closely related persons to them are considered related parties of the Group.

Key management personnel compensation

The key management personnel are all the Directors of the Company and the Leadership team. Compensation paid to the Leadership team in the years ended 31 March 2024 and 31 March 2023 were as follows:

($'000)	Short term benefits $'000	Long term benefits $'000	Share based payments $'000	Total $'000
Year ended 31 March 2024	3,780	113	55	3,948
Year ended 31 March 2023	3,686	110	72	3,868

Key management personnel that resigned during the year received no termination benefits and were paid only contractual employment obligations. Key management do not have any post-employment entitlements.

Directors that resigned during the year did not receive any termination benefits and directors do not have any post-employment entitlements.

The Group has no transactions or loans with key management personnel, other than what is reported above and detailed in the statutory information section on pages 81 to 84. Directors' fees are detailed in note 3 and in the shareholder and statutory information section. The details of the director's share purchases are included in the statutory and shareholder information section.

11.13 CASH FLOW RECONCILIATIONS

Reconciliation of net surplus with cash flows from operating activities	**2024 $'000**	Restated 2023 $'000
Profit for the year *	**32,966**	32,483
Adjustment for non-cash and other items		
Impairment charge on finance receivables, reverse annuity mortgages and other receivables	**4,627**	3,659
Net loss/(profit) on sale fixed assets	**(204)**	(290)
Depreciation and amortisation	**11,968**	11,478
Capitalised reverse annuity mortgage interest	**(291)**	(287)
Deferred revenues	**713**	628
Fair value adjustments on assets/liabilities at fair value through profit and loss	**(573)**	(444)
Net annuity and premium change to policyholder's accounts *	**394**	(656)
Non-cash adjustments to finance receivables effective interest rates	**-**	(3)
Deferred expenses *	**765**	1,105
Revaluation loss on investment property	**-**	150
Adjustment for movements in working capital		
Net (increase)/decrease receivables and pre-payments	**(1,870)**	937
Net decrease in inventories	**389**	5,923
Net (decrease)/increase in payables	**(7,033)**	12,580
Net decrease in contract liabilities	**(265)**	(345)
Net increase in finance receivables	**(11,117)**	(6,814)
Net decrease in reverse annuity mortgages	**673**	572
Net (increase)/decrease of insurance assets at fair value through profit or loss	**(2,293)**	3,872
Net withdrawals from life investment contracts	**(92)**	(304)
Net increase/(decrease) in deferred tax liability *	**2,327**	(212)
Net (decrease)/ increase in tax payable	**(1,413)**	2,760
Cash flows from operating activities	**29,671**	66,792

** Restatements due to the adoption of NZ IFRS 17, 'Insurance Contracts'*

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Reconciliation of cash flows arising from financing activities
The table below details changes in the Group's cash flows arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Borrowings $'000	Lease liabilities $'000
Balance as at 31 March 2022 - restated	412,761	28,209
Changes from financing cash flows	(553)	-
Other changes		
Netted off finance receivables	(173)	-
Interest paid	(17,653)	(1,548)
Interest expense (excl. accrued interest)	17,653	1,548
Non-cash lease movements	-	(1,089)
	(173)	(1,089)
Balance at 31 March 2023	412,588	27,120

	Borrowings $'000	Lease liabilities $'000
Balance at 31 March 2023	412,035	27,120
Changes from financing cash flows	**13,283**	
Other changes		
Interest paid	**(25,954)**	**(1,483)**
Interest expense (excl. accrued interest)	**25,954**	**1,483**
Non-cash lease movements	**-**	**(2,196)**
	-	**(2,196)**
Balance at 31 March 2024	**425,318**	**24,924**

12. RISK MANAGEMENT

The financial condition and operating results of the Group are affected by key financial and non-financial risks. Financial risks include credit risk, liquidity risk and market risk and the non-financial risk insurance risk.

Financial instruments by category and insurance assets and liabilities subject to interest rate risk

Carrying value	**2024** **$'000**	Restated 2023 $'000
Financial assets		
Financial assets at fair value through profit or loss		
Cash and cash equivalents	**17,523**	11,845
Financial assets at fair value through profit or loss	**69,558**	66,730
Amortised cost		
Trade receivables	**7,277**	7,800
Finance receivables	**430,299**	424,621
Other receivables and deferred expenses	**10,350**	7,739
Reverse annuity mortgages	**2,489**	2,925
Financial assets at fair value through OCI		
Derivative financial instruments	**1,774**	5,887
Financial assets at fair value through OCI	**157**	230
	539,427	527,777
Insurance assets		
Insurance contract assets *	**903**	964

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Carrying value	**2024**	Restated 2023
	$'000	$'000
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Life investment contract liabilities	**7,188**	7,042
Amortised cost		
Other payables	**31,443**	40,693
Borrowings	**425,318**	412,035
Lease liabilities	**24,924**	27,120
	488,873	486,890
Insurance liabilities		
Insurance contract liabilities *	**5,526**	5,973

* Restatements due to the adoption of NZ IFRS 17, 'Insurance Contracts'

12.1 Credit risk
Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash and cash equivalents, financial assets at fair value through profit or loss (excluding equities held in unitised funds), trade receivables, finance receivables, reverse annuity mortgages, and other receivables.

The Group's cash and cash equivalents and financial assets at fair value through profit or loss (excluding equities in unitised funds) are placed with registered banks.

To manage the credit risk on trade receivables management assesses the credit quality of trade customers, considering their financial position, past experience and other factors. Individual risk limits are set based on these assessments. The use of credit limits by trade customers is regularly monitored by management. Sales to public customers are settled in cash, bank transfer or using major credit cards, mitigating the credit risk.

To manage credit on finance receivables the Group performs credit evaluations on all customers requiring advances. The approval process considers a number of factors including: borrower's past performance, ability to repay, amount of money to be borrowed against the security and the creditworthiness of the guarantor/co-borrower involved.

The Group operates a lending policy with various levels of authority depending on the size of the loan. A lending and credit committee operates, and overdue loans are assessed on a regular basis by this body.

Risk grades categorise loans according to the degree of risk of financial loss faced and focus management on the attendant risks. The current risk grading framework consists of four grades reflecting varying degrees of risk of default and the availability of collateral or other credit risk mitigation. They are as follows:
- performing – the counterparty has a low risk of default and does not have any past due amounts greater than 30 days;
- doubtful – amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition;
- in default - amount is > 90 days past due or evidence indicating the asset is credit impaired; and
- write-off – there is evidence indicating the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.

The Group implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for finance receivables are:
- mortgages over properties, with the maximum loan to value rate being 75%;
- mortgages over residential property for reverse annuity mortgages, with a maximum loan to value ratio of 30% at inception (no new reverse annuity mortgages have been advanced since 2009);
- charges over vehicle stock for dealer floorplans;
- chattel paper where the Group acts as a wholesale funder;
- charges over business assets such as equipment; and
- charges over motor vehicles.

For finance receivables secured by collateral, estimates of the value of collateral are assessed at the time of borrowing, and are not updated unless the receivable is being assessed for specific impairment. The allowance for impairment includes the Group's estimate of the value of collateral held.

For life investment linked contracts the investments credit risk is appropriate for each product and the risk is borne by the policy holder and there is no significant risk assumed by the Group.

12.2 Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its obligations associated with financial liabilities as they fall due.

The Group endeavors to maintain sufficient funds to meet its commitments based on forecasted cash flow requirements. Due to the dynamic nature of the underlying businesses, flexibility is maintained by having diverse funding sources and adequate committed credit facilities. Management has internal control processes and contingency plans to actively manage the lending and borrowing portfolios to ensure the net

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exposure to liquidity risk is minimised. The exposure is reviewed on an on-going basis from daily procedures to monthly reporting as part of the Group's liquidity management process.

The liquidity risk for cash flows payable on the life investment contracts liabilities that are unit linked contracts is managed by holding a pool of readily tradable investment assets (included in financial assets at fair value through profit or loss) and deposits on call. The liability and supporting assets have been excluded from the maturity analysis below because there is no contractual or expected maturity date for the life investment contracts and the readily tradable investment assets offset any liquidity risk. The liquidity risk on other insurance cash flows is managed by holding designated percentages of insurance reserves in liquid assets such as cash and cash equivalents.

The table below analyses the Group's financial liabilities and net settled derivative financial instruments into relevant maturity groupings based on the remaining period at reporting date to contractual maturity date. The amounts disclosed in the tables are the contractual and the expected undiscounted cash flows. Contractual and expected amounts agree, except for borrowing where expected maturity is the facility maturity date.

	0-6 months $'000	7-12 months $'000	13-24 months $'000	25-60 months $'000	60+ months $'000	Total $'000
2024						
Contractual undiscounted cash flows:						
Other payables	**31,443**	**-**	**-**	**-**	**-**	**31,443**
Borrowings	**48,180**	**25,671**	**290,169**	**101,608**	**-**	**465,628**
Lease liabilities	**3,923**	**3,827**	**5,847**	**9,920**	**5,126**	**28,643**
	83,546	**29,498**	**296,016**	**111,528**	**5,126**	**525,714**
Expected undiscounted cash flows:						
Other payables	**31,443**	**-**	**-**	**-**	**-**	**31,443**
Borrowings	**49,685**	**27,356**	**48,324**	**74,453**	**477,799**	**677,617**
Lease liabilities	**3,923**	**3,827**	**5,847**	**9,920**	**5,126**	**28,643**
	85,051	**31,183**	**54,171**	**84,373**	**482,925**	**737,703**
2023						
Contractual undiscounted cash flows:						
Other payables	40,693	-	-	-	-	40,693
Borrowings	13,099	13,099	414,869	-	-	441,067
Lease liabilities	3,905	3,582	6,304	10,852	7,444	32,087
	57,697	16,681	421,173	10,852	7,444	513,847
Expected undiscounted cash flows:						
Other payables	40,693	-	-	-	-	40,693
Borrowings	13,093	13,093	26,187	78,560	543,021	673,954
Lease liabilities	3,905	3,582	6,304	10,852	7,444	32,087
	57,691	16,675	32,491	89,412	550,465	746,734

12.3 Market Risk
Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments.

12.3.1 Life investment liabilities
The market risk on life investment liabilities is transferred to the policy holder. The Group earns fees on investment linked policies that are based on the amount of assets invested and it may receive lower fees should markets fall. The asset allocation for investment linked policies is decided by the Policy Holder. Refer to note 11.3 for information on the investments in unitised funds that back the life investment liabilities.

12.3.2 Interest rate risk
Interest rate risk is the risk of loss to the Group arising from adverse changes in interest rates. The Group's financing activities are exposed to interest rate risk in respect of its interest-earning assets and interest-bearing liabilities. Changes to interest rates can impact on the Group's financial results by affecting the interest earned on these assets and liabilities. Discount rates are used to determine the Group's life insurance contacts assets and liabilities not measured under PAA and changes to these rates can impact the value of the insurance contract liabilities.

Interest rates are managed by assessing the demand for funds, new lending, expected debt repayments and maintaining a portfolio of finance receivables and liabilities, including derivative financial instruments, with a sufficient spread between the Group's lending and borrowing activities. Exposure to interest rates is monitored by the Board of Directors monthly.

The interest rates earned on finance receivables are fixed over the term of the contract. When approving interest rates for individual loan advances, interest rate risk is measured in accordance with the approved lending policy. The Group uses interest rate swap contracts to convert a portion of its variable rate debt to fixed rate debt. No exchange of principal takes place. The notional principal amount of interest rate swaps at 31 March 2024 was $256.9m (2023: $200.0m) and weighted average interest was 3.87% (2023: 2.64%). There was no hedge ineffectiveness recognised in profit or loss during the period (2023: $nil).

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The table below summarises the sensitivity of the Group's financial assets and liabilities to interest rate risk.

	Carrying amount $'000	-1% Profit $'000	-1% Equity $'000	+1% Profit $'000	+1% Equity $'000
2024					
Financial Assets					
Cash and cash equivalents	**17,523**	**(175)**	**(126)**	**175**	**126**
Financial assets at fair value through profit or loss	**69,558**	**(696)**	**(501)**	**696**	**501**
Finance receivables	**430,299**	**(4,303)**	**(3,098)**	**4,303**	**3,098**
Derivative financial instruments	**1,774**	**19**	**(2,568)**	**(19)**	**2,511**
Reverse annuity mortgages	**2,489**	**(25)**	**(18)**	**25**	**18**
Insurance assets					
Insurance contract assets	**903**	**(143)**	**(103)**	**135**	**97**
Financial Liabilities					
Borrowings	**425,318**	**4,253**	**3,062**	**(4,253)**	**(3,062)**
Insurance liabilities					
Insurance contract liabilities	**5,526**	**445**	**320**	**(420)**	**(303)**
Total increase/(decrease)		**(625)**	**(3,032)**	**642**	**2,986**
2023					
Cash and cash equivalents	11,845	(118)	(85)	118	85
Financial assets at fair value through profit or loss	66,730	(667)	(480)	667	480
Finance receivables	424,621	(4,246)	(3,057)	4,246	3,057
Derivative financial instruments	5,887	(47)	(2,595)	33	2,562
Reverse annuity mortgages	2,925	(29)	(21)	29	21
Insurance assets					
Insurance contract assets	964	(209)	(151)	198	142
Financial Liabilities					
Borrowings	412,035	4,120	2,966	(4,120)	(2,966)
Insurance liabilities					
Insurance contract liabilities	5,973	495	356	(468)	(337)
Total increase/(decrease)		(701)	(3,067)	703	3,044

12.3.3 Currency risk

Currency risk is the risk of financial loss to the Group arising from fluctuations in exchange rates between different currencies. The Group has exposure to the Australian Dollar ('AUD') through EC Credit Control (Aust) Pty Limited and Japanese Yen ('JPY') from the purchase of motor vehicle inventory.

To ensure the net exposure to EC Credit Control (Aust) Pty Ltd, which has AUD as its functional currency, is kept to an acceptable level, the Group has a comprehensive transfer pricing policy and converts the AUD unredeemed voucher liability into a NZD liability by selling the AUD liability to the New Zealand entity that will be providing the relevant services to settle the liability when the voucher is redeemed.

The Group limits its exposure to JPY by hedging the anticipated cash flows (mainly purchased inventory) when the commitment is made. All projected purchases qualify as 'highly probable' forecast transactions for hedge accounting purposes.

The table below summarises the Group's financial exposure to currency risk.

in NZD'000	**2024** NZ$'000	2023 NZ$'000
Net exposure to AUD	671	997
Net exposure to JPY	116	867

In NZD'000	-10% Profit	-10% Equity	+10% Profit	+10% Equity
2024				
AUD	**-**	**75**	**-**	**(61)**
JPY	**(171)**	**(123)**	**204**	**147**
2023				
AUD	-	111	-	(91)
JPY	206	149	(169)	(178)

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12.4 Insurance risk
Insurance risk is the risk of financial loss in the insurance business due to the uncertainty of future events and claims. The Group manages this risk through various strategies to ensure the Group can meet its obligations to policyholders while maintaining financial stability and profitability.

Life insurance
Life risk management activities involve managing risks concerned with the pricing, acceptance and management of the mortality, and longevity risks accepted from policyholders. These risks are controlled using underwriting procedures and adequate premium rates and policy charges, all of which are approved by the Actuary. Tight controls are also maintained over claims management practices to ensure the correct and timely payment of insurance claims.

Non-life insurance
Non-life risk management activities include prudent underwriting, pricing, and management of risk, together with claims management, reserving and investment management. The objective of these disciplines is to enhance the financial performance of the insurance operations and to ensure sound business practices are in place for underwriting risks and claims management.

Claims
Variations in claim levels will affect reported profit and equity. The impact may be magnified if the variation leads to a change in actuarial assumptions which cannot be absorbed within the present value of planned margins for a group of related products. Insurance risk may arise through the reassessment of the incidence of claims, the trend of future claims and the effect of unforeseen events, such as epidemics. Insurance risk is controlled by ensuring underwriting standards adequately identify potential risk, retaining the right to amend premiums on risk policies where appropriate and purchasing reinsurance. The experience of the Group's life insurance business is reviewed regularly.

The table below illustrates how changes in key assumptions would impact the reported profit and liabilities of the Group:

Change in key assumptions ($'000)	Effect on life risk contract assets	Effect on life risk contract liabilities	Effect on future profit
2024			
Increase in expenses of 10%	**-**	**13**	**(13)**
Decrease in expenses of 10%	**-**	**(13)**	**13**
Increase in mortality by 10%	**(5)**	**(27)**	**22**
Decrease in mortality by 10%	**5**	**27**	**(22)**
Increase in cancellation rates by 10%	**(12)**	**(25)**	**13**
Decrease in cancellation rates by 10%	**12**	**25**	**(13)**
2023			
Increase in expenses of 10%	-	25	**(25)**
Decrease in expenses of 10%	-	(25)	**25**
Increase in mortality by 10%	50	(29)	**79**
Decrease in mortality by 10%	(49)	29	**(78)**
Increase in cancellation rates by 10%	6	(21)	**27**
Decrease in cancellation rates by 10%	(6)	21	**(27)**

12.5 Assets and liabilities carried at fair value
The fair value of assets and liabilities carried at fair value as well as the methods used to calculate fair value are summarised in the table below.
Level 1 the fair value is calculated using quoted prices in active markets.
Level 2 the fair value is estimated using inputs other than quoted prices in level 1 that are observable for the assets or liabilities, either directly (as prices) or indirectly (derived from prices).
Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2024				
Fair value assets:				
Financial assets at fair value through profit or loss - insurance	**-**	**7,508**	**-**	**7,508**
Financial assets at fair value through profit or loss - term deposits	**61,975**	**-**	**-**	**61,975**
Derivative financial instruments	**-**	**1,774**	**-**	**1,774**
	61,975	**9,282**	**-**	**71,257**

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	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2023				
Fair value assets:				
Financial assets at fair value through profit or loss - insurance	-	7,305	-	7,305
Financial assets at fair value through profit or loss - term deposits	59,425	-	-	59,425
Investment property	-	-	5,800	5,800
Derivative financial instruments	-	5,887	-	5,887
	59,425	13,192	5,800	78,417

Fair value - insurance
The financial assets in this category back life investment contract liabilities and are investments in managed funds. The fair value of the investments in the managed funds are determined by reference to published exit prices, being the redemption price based on the market price quoted by the fund manager, ANZ New Zealand Investments Limited (refer note 12.3.1).

Fair value - term deposits and fixed interest securities
Term deposits are recognised at fair value based on the interest rate set at inception of the term deposit (refer note 12.3.2).

These financial assets are exposed to interest rate risk as disclosed above.

Derivative financial instruments
The fair value of forward exchange contracts is determined using forward exchange rates at balance date, with the resulting value discounted to present value. The fair value of interest rate swaps is calculated as the present value of estimated future cash flows based on observable yield curves.

During the year there were no movements of fair value assets or liabilities between levels of the fair value hierarchy.

13. COMMITMENTS AND CONTINGENT LIABILITIES

Capital Expenditure:
At the reporting date the Group had commitment for $15,457,000 for the purchase of two sites (2023: $4,400,000 capital commitment for the development of one site).

Future Lease Commitments:
The Group has 2 lease commitments commencing after the balance date (2023: nil).

The Group has other material commitments or contingent liabilities at the reporting date.

14. EVENTS SUBSEQUENT TO REPORTING DATE

The Group had no reportable events subsequent to reporting date (2023: the Group announced the adoption of a Dividend Reinvestment Plan on 23 May 2023).

STATUTORY INFORMATION

Directors' remuneration and other benefits for the financial year ended 31 March 2024.

	Directors' fees $	DPL[1] $	ARMS[2] $	LCC[3] $
Grant Baker	190,000			
Martin Berry	95,000			
Matthew Harrison	95,000			20,000
Lauren Quaintance	95,000	20,000		
Alistair Petrie	95,000		10,000	10,000
John Roberts	95,000	20,000	20,000	10,000
Antony Vriens	95,000	40,000	10,000	

1. Directors' fees for DPL Insurance Limited
2. Fees for serving on the Audit, Risk Management and Sustainability Committee
3. Fees for serving on the Lending and Credit Committee

Specific disclosure of interest
Grant Baker disclosed that he had a potential conflict of interest in relation to sponsorship arrangements between Turners and Liam Lawson Management Limited, due to his directorship of that company.

Dealings in Turners Automotive Group Limited shares by Directors

	Date of transaction	Shares (disposed)/acquired	Consideration (received)/ paid $	Nature of relevant interest
Alistair Petrie	16/06/2023	470,000	1,214,500	Note 1
John Roberts	28/07/2023	1,838	6,507	Registered holder and beneficial owner
Alistair Petrie	28/07/2023	195,281	691,295	Note 1
John Roberts	27/10/2023	1,389	5,681	Registered holder and beneficial owner
Alistair Petrie	27/10/2023	147,541	603,443	Note 1
Grant Baker	14 & 15/12/2023	(450,000)	(2,107.514)	Note 2
Matthew Harrison	15/12/20223	(207,000)	(968,760)	Note 3
Alistair Petrie	26/01/2024	137,765	611,677	Note 1
John Roberts	26/01/2024	1,296	5,754	Registered holder and beneficial owner
Martin Berry	1 – 14/03/2024	(95,209)	(449,650)	Registered holder and beneficial owner
Alistair Petrie	27/03/24	134,646	619,372	Note 1
John Roberts	27/03/2024	1,268	5,833	Registered holder and beneficial owner
Martin Berry	15 – 28/03/2024	(126,124)	(583,855)	Registered holder and beneficial owner

Notes:
1. Controller of shares held by Bartel Holdings Limited. Alistair Petrie is the legal owner of 100% of the shares in Bartel Holdings Limited.
2. Grant Baker as a joint trustee of the Baker Investment Trust No. 2 holds 20% or more of the shares in Montezemolo Holdings Limited and has the power to control dealings and, where applicable, voting of the shares held by Montezemolo Holdings Limited.
3. Beneficial owner of shares held by Harrigens Investments Limited.

Directors' relevant interest in quoted shares as at 31 March 2024

	Shares
Grant Baker	6,000,000
Martin Berry	278,667
Matthew Harrison	4,972,294
Alistair Petrie★	11,267,886
John Roberts	105,691
Antony Vriens	7,800

★ Mr Petrie controls 11,227,875 shares held by Bartel Holdings Limited in a trustee capacity (so does not have beneficial ownership of those shares) and 40,011 shares as beneficial owner.

STATUTORY INFORMATION

Other Directorships
Mr Baker and Mr Harrison are directors of Turners Staff Share Plan Trustees Limited which acts as Trustee of the Employee Share Purchase Scheme Trust.

The following represents interests of directors in other companies as disclosed to Turners Automotive Group Limited and entered in the Interests Register:

Grant Baker
The Home Bakery Limited
Montezemolo Holdings Limited
The Good Brand Company Limited
Velocity Capital GP Limited
Baker Consultants Limited
King Honey Limited
Me Today Limited
Stoneleigh Forestry Limited
MTL Securities Limited
Liam Lawson Supporters GP Limited
Liam Lawson Supporters GP Number 2 Limited
Liam Lawson Management Limited

Matthew Harrison
HDK Construction Limited
Harrigens Investments Limited
JHFT Trustees Limited
Northco Housing Group Limited
HDK Property Company Limited
HD Property Company Limited
Farne Investments Limited
MJH Consultants Limited
Harrigens Trustees Limited
Hawke's Bay Legal trustees (Harrison Trusts) Limited

Alistair Petrie
Jellicoe Enterprises Limited
Smiling Cabbage Limited
Puketapu Properties Limited
Bartel Holdings Limited
Darling Group Holdings Limited
26 Seasons Limited

Lauren Quaintance
Crusaders (GP) Limited
Christchurchnz Limited
Christchurchnz Holdings Limited

John Roberts
Global Strategic Services Limited
Centrix Group Limited
Apollo Foods Limited

Anton Vriens
Me Today Limited
Cropt Apparel Limited
Gut Cancer Foundation Limited

Employee remuneration
During the financial year ended 31 March 2024, the number of employees or former employees of the Group, not being directors of Turners Automotive Group Limited, who received remuneration and other benefits in their capacity as employees, the value of which exceeded $100,000 for the year was as follows:

Remuneration range	**2024**	**2023**	**Remuneration range**	**2024**	**2023**
100,000 - 109,999	42	38	270,000 - 279,999	-	2
110,000 - 119,999	20	16	280,000 - 289,999	1	1
120,000 - 129,999	33	20	290,000 - 299,999	3	2
130,000 - 139,999	19	16	300,000 - 309,999	-	1
140,000 - 149,999	14	10	310,000 – 319,999	-	1
150,000 - 159,999	10	7	330,000 – 339,999	2	-
160,000 - 169,999	11	8	340,000 - 349,999	1	1
170,000 - 179,999	3	3	360,000 – 369,999	2	-
180,000 - 189,999	7	5	370,000 - 379,999	-	1
190,000 - 199,999	5	2	420,000 – 429,999	-	1
200,000 - 209,999	2	1	480,000 - 489,999	-	1
210,000 - 219 999	1	2	500,000 - 509,999	-	1
220,000 - 229,999	-	2	510,000 - 519,999	1	-
230,000 - 239,999	2	-	830,000 - 839,999	1	1
240,000 - 249,999	1	3	1,300,000 – 1,309,999	1	-
250,000 - 259,999	-	1	1,530,000 – 1,539,999	-	1
260,000 – 269,999	2	1			

STATUTORY INFORMATION

LISTINGS

The Company's shares are listed on the NZX Main Board operated by NZX Limited (NZX) and as a foreign exempt entity on the Australian Securities Exchange operated by ASX Limited (ASX).

TOP 20 ORDINARY SHAREHOLDERS AS AT 31 MAY 2024

The following table shows the names and holdings of the 20 largest holdings of quoted ordinary shares (TRA) of the Company as at 31 May 2024.

Rank	Name	Shares	% of Issued shares
1	Bartel Holdings Limited	11,227,875	12.71
2	Custodial Services Limited <A/C 4>	7,112,466	8.05
3	Montezemolo Holdings Limited	6,000,000	6.79
4	Harrigens Trustees Limited	4,972,294	5.63
5	National Nominees Limited - NZCSD <NNLZ90>	3,749,448	4.24
6	BNP Paribas Nominees (NZ) Limited - NZCSD <BPSS40>	2,567,257	2.91
7	FNZ Custodians Limited	2,454,656	2.78
8	HSBC Nominees (New Zealand) Limited - NZCSD <HKBN90>	2,271,996	2.57
9	Stephen John Sinclair & Jacqueline Margaret Sinclair & Roger Frederick Wallis <The Sinclair Investment A/C>	2,021,461	2.29
10	Glenn Arthur Duncraft	1,269,565	1.44
11	Accident Compensation Corporation - NZCSD <ACCI40>	1,269,218	1.44
12	John Jeffers Harrison	1,253,782	1.42
13	Forsyth Barr Custodians Limited <1-CUSTODY>	1,223,222	1.38
14	JBWere (NZ) Nominees Limited <NZ Resident A/C>	1,189,850	1.35
15	Paul Anthony Byrnes	1,100,000	1.24
16	MMC - Queen Street Nominees Ltd ACF Salt Funds Management <SALT FUNDS MANAGEMENT>	1,036,730	1.17
17	PT (Booster Investments) Nominees Limited	891,243	1.01
18	TEA Custodians Limited Client Property Trust Account - NZCSD <TEAC40>	807,911	0.91
19	Ace Finance Limited	604,966	0.68
20	Cushla Mary Smithies	542,841	0.61

SPREAD OF ORDINARY SHAREHOLDERS AS AT 31 MAY 2024

Range	Total Holders	Shares	% of Issued capital
1 – 999	1,642	719,018	0.81
1,000 - 1,999	772	1,040,201	1.18
2,000 - 4,999	928	2,828,445	3.20
5,000 - 9,999	504	3,335,702	3.78
10,000 - 49,999	673	13,109,270	14.84
50,000 - 99,999	68	4,432,579	5.02
100,000 - 499,999	47	8,801,939	9.96
100,000 - 499,999	5	3,366,715	3.81
1,000,000 plus	16	50,719,820	57.40
	4,655	88,353,689	100.00

STATUTORY INFORMATION

DOMICILE OF ORDINARY SHAREHOLDERS AS AT 31 MAY 2024

	Shareholders number	%	Shares number	%
New Zealand	4,462	95.85	84,830,679	96.01
Australia	102	2.20	3,100,030	3.51
Other	91	1.95	422,980	0.48
Total	4,655	100.00	88,353,689	100.00

SUBSTANTIAL PRODUCT HOLDERS
The following information is given under section 293 of the Financial Markets Conduct Act 2013.

As at 31 March 2024 the following shareholders are registered by the company as Substantial Product Holders in the Company, having disclosed a relevant interest in quoted voting products under the Financial Markets Conduct Act 2013.

Range	Shares	% of Issued capital
Bartel Holdings Limited	11,227,875	12.71
Montezemolo Holdings Limited	6,000,000	6.79
Harrigens Trustees Limited	4,972,294	5.63

The total number of quoted voting products of the company on issue at 31 March 2024 was 88,353,689 paid ordinary shares.

CORPORATE GOVERNANCE REPORT

FY24 CORPORATE GOVERNANCE REPORT

Turners' Board of Directors has adopted a corporate governance framework which encourages the highest standards of ethical conduct and provides accountability and control systems commensurate with the risks involved.

The framework has been guided by the principles and recommendations set out in the NZX Corporate Governance Code (1 April 2023) (NZX Code) and the requirements set out in the NZX Listing Rules. The Board considers that this framework and governance practices for the year ended 31 March 2024 are generally in line with the NZX Code, except as stated below:

- Recommendation 2.5: An issuer should have a written diversity policy which includes requirements for the Board or relevant committee of the Board to set measurable objectives for achieving diversity. Turners has a diversity policy which encourages a culture of diversity and inclusiveness at Turners. While no measurable objectives are in place, the Board requires management to provide regular reporting and monitoring on diversity within the Turners workforce. The Board also uses tools such as the quarterly staff engagement survey to measure diversity and how the business is recognising, valuing and respecting differences to establish benchmark measures and progress.
- Recommendation 2.8: A majority of the Board should be independent Directors. For three days from 31 March 2023 to 3 April 2023, the Board consisted of three independent and three non-independent, non-executive Directors. An additional independent Director was appointed from 3 April 2023. The non-executive Directors are not involved in the day-to-day operations of Turners and do not have significant influence over operational decisions. Independent director, Martin Berry, stepped down from the Board from 31 March 2024. At the current time, there are an equal number of independent and non-independent directors. Turners remains in compliance with the NZX Listing Rules regarding Board composition, in that there are at least two independent directors.
- Recommendation 2.9: An issuer should have an independent chair of the Board. The chair of the Board is Grant Baker, who has been deemed to be a non-independent Director due to his 6.79% shareholding in Turners. This is the only reason the Board considers Grant to be non-independent, having considered a range of other factors including tenure and related party relationships. As such, his interests are directly aligned with all shareholder interests. The Chair is not the Chief Executive Officer (CEO) of Turners, is not involved in the day to day running of the business and does not have significant influence over operational decisions.
- Recommendation 3.3 and 3.4: An issuer should have a remuneration committee and a nomination committee. Due to the size of the Turners' Board, these matters are dealt with by the full Board.

Turners will continue to monitor best practice in the governance area and update its policies to ensure it maintains the most appropriate standards.

The information in this report is current as at 27 June 2024 and has been approved by the Board of Turners.

The Turners' Corporate Governance Code and other key policies are available on the Turners Automotive Group Limited website: https://www.turnersautogroup.co.nz/corporate-governance/

PRINCIPLE 1 – ETHICAL STANDARDS

Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation.

Code of Ethics

The Board recognises that high ethical standards and behaviours are central to good corporate governance, and it is committed to the observance of Turners' Code of Ethics. The Code of Ethics is the framework of standards by which Directors, employees, contractors for personal services and advisers to Turners and its related companies are expected to conduct their professional lives. It was last reviewed by the Board in July 2023.

The Code of Ethics is intended to facilitate decisions that are consistent with Turners values, business goals and legal and policy obligations, thereby enhancing performance outcomes, brand value and investor confidence. It covers conflicts of interest, gifts, confidentiality, corporate opportunities, behaviour, proper use of assets and information and compliance with laws and policies.

The Board believes that all Directors conformed to the Code of Ethics during the 2024 financial year.

A copy of the Code of Ethics is provided to all new employees at the start of the employment, is available on internal Group intranet, and on the Turners' website. Employees also receive an annual reminder to familiarise themselves with the policy. Turners will include ethics training for all employees in its Learning Management System by the end of FY24, and then once every three years or in any year the Code of Ethics is materially amended. Employees are expected to report any breaches, in line with the processes outlined in the Code of Ethics. Any breach will be dealt with in a consistent and even-handed manner and are reported to the Board. Turners has a Whistle Blower Policy to allow employees to raise the alarm on concerns they may have over serious wrong doings without fear of retribution from their colleagues or employer.

Turners has a Quoted Financial Product Trading Code of Conduct to mitigate the risk of insider trading in Turners financial products by employees and Directors. A copy of this is available on Turners' website. Additional trading restrictions apply to

CORPORATE GOVERNANCE REPORT cont.

Restricted Persons including Directors and certain employees. Details of Directors' share dealings are on page 81 of the 2024 Annual Report.

No donations were made to any political parties in FY24.

PRINCIPLE 2 – BOARD COMPOSITION AND PERFORMANCE

To ensure an effective Board, there should be a balance of independence, skills, knowledge, experience and perspectives.

The Turner' 'Board is responsible for setting the strategic direction of Turners, overseeing the financial and operational controls of the business, putting in place appropriate risk management strategies and policies and enhancing its value for shareholders in accordance with good corporate governance principles.

Board Charter

In addition to the Turners Corporate Governance Code, the Turners Board also operates under a written charter which sets out:

- the structure of the Board;
- the role and responsibilities of Directors;
- procedures for the nomination, resignation and removal of Directors;
- procedures to ensure that the Board meets regularly, conducts its meetings in an efficient and effective manner; and
- procedures to ensure that each Director is fully empowered to perform his or her duties as a Director of Turners and to fully participate in meetings of the Board.

Day to day management of Turners is undertaken by the executive team under the leadership of the Chief Executive Officer, through a set of delegated authorities which are reviewed annually.

In discharging their duties, Directors have direct access to and may rely on information, financial data and professional or expert advice provided by Turners' senior management and external advisers. Directors have the right, with the approval of the Chair or by resolution of the Board, to seek independent legal or financial advice at the expense of Turners for the proper performance of their duties.

Newly elected Directors are expected to familiarise themselves with their obligations under the constitution, Board Charter, Turners Corporate Governance Code and the NZX Listing Rules. Training is also provided to new and existing Directors where required to enable Directors to understand their obligations.

Nomination and appointment of Directors

The number of elected Directors and the procedure for their retirement and re-election at Annual Shareholder Meetings is set out in Turners Constitution. Turners considers that the nomination process for new Director appointments is the responsibility of the whole Board, and it does not have a separate nomination committee. The Board takes into consideration tenure, capability, independence, diversity and skills when reviewing Board composition and new appointments.

Directors will retire and may stand for re-election by shareholders every three years, in accordance with the NZX Listing Rules. A Director appointed since the previous annual meeting holds office only until the next annual meeting but is eligible for re-election at that meeting. At the Annual Shareholders' Meeting on 23 August 2023, John Roberts and Matthew Harrison were re-elected as Directors and Lauren Quaintance was elected as a director.

Turners supports the Emerging Directors programme and views it as an excellent way of building Board talent, knowledge and expertise and ensuring there is a succession plan in place when required. In line with this, Lauren Quaintance, who was selected as an Emerging Director in October 2021, was appointed to the Board as an independent Director from 3 April 2023.

Written agreements with newly appointed Directors

When a director is newly appointed, Turners will enter into a written agreement with them setting out the terms of their employment/appointment. Turners has arranged policies of Directors' and officers' liability insurance which, with a Deed of Indemnity entered with all Directors, ensure that generally Directors will incur no monetary loss because of actions undertaken by them as Directors. Certain actions are specifically excluded, for example, the incurring of penalties and fines which may be imposed in respect of breaches of the law.

CORPORATE GOVERNANCE REPORT cont.

Board composition and Director information

Information on Board members attendance at Board meetings and independence, is disclosed annually in the Turners' Annual Report.

For the FY24 year, the Board comprised of seven Directors, four independent Directors and three non-executive Directors including a non-executive Chair.

- Grant Baker, non-executive Chair: Appointed 10 September 2009.
- Martin Berry, independent Director: Appointed 17 August 2018; resigned 31 March 2024.
- Matthew Harrison, non-executive Director: Appointed 12 December 2012.
- Alistair Petrie, non-executive Director: Appointed 24 February 2016.
- John Roberts, independent Director: Appointed 1 July 2015.
- Antony Vriens, independent Director: Appointed 12 January 2015.
- Lauren Quaintance, independent Director: Appointed 3 April 2023.

Information on each Director is available on the Turners' website https://www.turnersautogroup.co.nz/about/

The table below summarises the current key skills and experience of the Board.

Industry knowledge/experience	**Highly skilled**	**Moderately skilled**
Industry & sector knowledge		
- Auto retail	●●●●	○○
- Finance	●●●●●	○
- Insurance	●●●●	○○
- Credit management	●●●	○○○
Technology/digital	●●●●	○○
Entrepreneurial growth and transformation	●●●●●	○
Sales, marketing and brand experience	●●●●●	○
People, culture and employee relations	●●●●●●	
Finance and capital markets	●●●●	○○
Risk management and regulatory	●●●●●	○
Governance	●●●●●●	
ESG	●●●	○○○
Climate	●●●	○○○

Director independence

For the FY24 year the majority of Turners' Board were independent Directors. For a director to be an independent Director, the Board has determined that the relevant Director must not be an executive of Turners and must have no disqualifying relationships. The Board follows the guidelines of the NZX Code. In particular, the Board takes into consideration shareholdings in Turners, tenure and other relationships and assesses whether a director's interest, position, association or relationship might interfere, or might reasonably be seen to interfere, with that Director's capacity to bring an independent judgment to bear on issues before the Board, to act in the best interests of Turners and to represent its shareholders generally. The Board assesses the independence of Directors on their appointment and at least annually thereafter.

The Board has determined, based on information provided by directors regarding their interests, which has been evaluated against the criteria in the Board Charter, that as at 31 March 2024 and the date of this Annual Report, Grant Baker, Matthew Harrison and Alistair Petrie are not independent directors, owing to their personal or related shareholdings in Turners. The Board feels that these investments further align directors' interests with those of shareholders. Arrangements are in place to ensure possible conflicts of interest are mitigated.

CORPORATE GOVERNANCE REPORT cont.

Independent director, Martin Berry, stepped down from the Board from 31 March 2024. At the current time, there are an equal number of independent and non-independent directors on the Board. Turners is in compliance with the NZX Listing Rules regarding Board composition, in that there are at least two independent directors.

While the Board is very active, non-executive Directors are not involved in the day to day running of the business and have no influence over operational decisions. Directors are all elected based on the value they bring to the Board and against set criteria detailed in Turners' Corporate Governance Code. The Board believes that the current Directors provide valuable expertise and experience and offer complementary skill sets. The mix of long-standing and newer Directors ensures that continuity of knowledge and organisational memory is balanced with fresh perspectives.

Director's interests are disclosed on pages 81 to 84 of the 2024 Annual Report.

The Chair is not the CEO of Turners, is not involved in the day to day running of the business and does not have significant influence over operational decisions.

Board Meetings and Attendance

The Board has 11 scheduled meetings a year. The table below sets out Directors' attendance at Board and Committee meetings during FY24. In total, there were 12 Board meetings; 10 Audit, Risk Management & Sustainability Committee meetings; and 5 Lending and Credit Committee meetings.

	Board	**Audit, Risk Management & Sustainability committee**	**Lending & Credit committee**
Total Number of Meetings Held	**12**	**10**	**5**
Grant Baker	12		
Martin Berry	7		
Matthew Harrison	12		5
Alistair Petrie	12	9	4
John Roberts	12	10	5
Antony Vriens	12	10	
Lauren Quaintance	10		

Diversity

Turners believes that diversity and inclusion of background, experiences, thoughts and ways of working lead to greater creative and innovative solutions which ultimately lead to a superior outcome for its stakeholders socially, economically and environmentally. Diversity in Turners includes (but is not limited to) the following: gender, race, ethnicity and cultural background, thinking, physical capability, age, sexual orientation, and religious or political belief.

Turners' Diversity and Inclusion Policy is available on the Turners website. While no measurable objectives are in place, the Board requires management to provide regular reporting and monitoring on diversity within the Turners workforce. The Board also uses tools such as the quarterly staff engagement survey to measure diversity and how the business is recognising, valuing and respecting differences to establish benchmark measures and progress. The regular staff survey includes questions on equality with respondents rating Turners 9.4 out of 10 for diversity and inclusion (D&I).

As part of its ESG goals, Turners is working to promote a diverse and inclusive culture across the business. A Diversity and Inclusion Committee was established in September 2022 and D&I training has been undertaken by the Leadership team and will be rolled out across the business this year. Turners is also looking to rollout remuneration benchmarking to enable better measurement of gender pay equality.

CORPORATE GOVERNANCE REPORT cont.

As at 31 March 2024, the gender balance of Turners Directors and people was as follows:

	31 March 2024			31 March 2023		
	Female	Male	Gender-diverse	Female	Male	Gender-diverse
Directors	1	6	-	-	6	-
Emerging Director	-	-	-	1	-	-
Senior Leadership	7	33	-	7	35	-
Management	48	52		38	47	
Other Employees	274	304		223	270	

Board Training and Performance

Turners encourages all Directors to undertake appropriate training and education so that they may best perform their duties. This includes attending presentations on changes in governance, legal and regulatory frameworks; attending technical and professional development courses; and attending presentations from industry experts and key advisers. In addition, Directors receive updates on relevant industry and company issues, and briefings from key executives.

The Board regularly considers individual and collective performance, together with the skill sets, training and development and succession planning required to govern the business. A self-evaluation was conducted by the Chair in FY24.

PRINCIPLE 3 – BOARD COMMITTEES

The Board should use committees where this will enhance its effectiveness in key areas, while still retaining Board responsibility.

The Board has constituted two standing Committees being the Audit, Risk Management and Sustainability Committee and the Lending and Credit Committee. Due to the size of the Turners' Board, remuneration and director nomination and appointment matters are dealt with by the full Board.

Committees allow issues requiring detailed consideration to be dealt with separately by members of the Board with specialist knowledge and experience, thereby enhancing the efficiency and effectiveness of the Board. However, the Board retains ultimate responsibility for the functions of its committees and determines their responsibilities.

The Committees meet as required and have terms of reference (Charters), which are approved and reviewed by the Board. Minutes of each Committee meeting is forwarded to all members of the Board, who are all entitled to attend any Committee meeting. Management may only attend committee meetings at the invitation of the Committee. Committee performance is reviewed on a regular basis.

Each Committee is empowered to seek any information it requires from employees in pursuing its duties and to obtain independent legal or other professional advice. The membership and performance of each Committee is reviewed annually. From time to time, special purpose committees may be formed to review and monitor specific projects with senior management.

Audit, Risk Management & Sustainability Committee (ARMS Committee)

The role of the ARMS Committee is to assist the Board in carrying out its responsibilities relating to Turners' risk management and internal control framework, the integrity of its financial reporting, and Turners' internal and external auditing processes and activities. This responsibility includes providing the Board with additional assurance about the quality and reliability of the financial information issued publicly by Turners. All matters required to be addressed and for which the Committee has responsibility were addressed during the reporting period. In addition, the Committee oversees the strategies, activities and performance regarding sustainability, corporate social responsibility and the environment.

The Committee is comprised solely of non-executive Directors of Turners, has three members, has a majority of independent Directors and has at least one Director with an accounting or financial background. The Chair of the committee is not the Chair of the Board and does not have a long-standing association with Turners' external audit firm as a current, or retired, audit partner or senior manager at that firm.

Management and employees may only attend meetings at the invitation of the Committee and the Committee routinely has Committee-only time with the external and internal auditors without management present. The Committee Charter is available as Appendix B in the Turners Corporate Governance Code.

CORPORATE GOVERNANCE REPORT cont.

Members as at 31 March 2024 were John Roberts (Chair), Antony Vriens and Alistair Petrie. Their qualifications and experience can be found on the Turners; website https://www.turnersautogroup.co.nz/about/ .

Lending and Credit Committee

The Lending and Credit Committee assists the Board in fulfilling its responsibilities by providing oversight of the credit risk management of Oxford Finance, Turners' finance subsidiary, including reviewing internal credit risk policies and recommending portfolio limits for Board approval. It is also responsible for reviewing the quality and performance of the finance business' portfolio. The Lending and Credit Committee is governed by a charter which is available on the Group's website.

The Lending and Credit Committee members as at 31 March 2024 were Matthew Harrison (Chair), Alistair Petrie and John Roberts.

Takeovers

Turners is prepared in the event of a takeover. The Board has adopted a written Takeover Response Policy (contained within the Turners Corporate Governance Code) to follow if a takeover notice or scheme of arrangement proposal is imminent. This policy would involve Turners forming an Independent Takeover committee to oversee disclosure and response, and engaging expert legal and financial advisors to provide advice on procedure.

PRINCIPLE 4 – REPORTING AND DISCLOSURE

The Board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures.

Continuous Disclosure Policy

Turners' Directors are committed to keeping investors and the market informed of all material information about Turners and its performance and ensuring compliance with applicable legislative and the NZX Listing Rules. The release of material information is guided by the Reporting and Disclosure section in Turners Corporate Governance Code, and the Turners Continuous Disclosure Policy, which are available to view on Turners' website.

Copies of other key governance documents are also available on Turners' website.

In addition to all information required by law, Turners also seeks to provide sufficiently meaningful information to ensure stakeholders and investors are well informed, including financial and non-financial information.

Reporting

The Board demands integrity in reporting, and in the timeliness and balance of disclosures. Turners seeks to provide clear, concise financial statements and recognises the value of providing shareholders with financial and non-financial information, including information on environmental, social and governance (ESG) matters.

The Board is responsible for ensuring that the financial statements give a true and fair view of the financial position of Turners and have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements, estimates and for ensuring all relevant financial reporting and accounting standards have been followed.

The Board requires that, prior to its approval of financial statements, the CEO and CFO certify that, in their opinion Turners' financial records have been properly maintained and the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of Turners, and that their opinion has been formed on the basis of a sound system of risk management and internal control, which is operating effectively.

Turners has not adopted a formal ESG framework but has instead selected key matters to report on. Turners is reporting against the mandatory climate-related disclosures regime for the first time in FY24. This will be available on https://www.turnersautogroup.co.nz/climate-related-disclosure/ by 31 July 2024**.** Turners has an ESG Policy in section 14 of Turners' Corporate Governance Code.

Turners is committed to using its resources responsibly and will look for opportunities to reduce any negative environmental risk or impact from business operations, products and services. Turners is committed to providing fair and responsible products and services that includes adherence to the Responsible Lending Code, the Responsible Credit-Related Insurance Code, Insurance (Prudential Supervision) Act 2010 and various other Acts.

The Board encourages diversity and adheres to its Modern-Day Slavery Statement and will not knowingly participate in business situations where Turners could be complicit in human rights and labour standard abuses.

Turners discusses its strategic objectives and its progress against these in the Chair and CEO's commentary in shareholder reports, and at other investor events during the year including investor presentations and the Annual Shareholders' Meeting.

CORPORATE GOVERNANCE REPORT cont.

PRINCIPLE 5 – REMUNERATION

The remuneration of Directors and executives should be transparent, fair and reasonable.

The Board promotes the alignment of the interests of the Directors, the CEO and management with the long-term interests of shareholders. Remuneration policies and structure are reviewed regularly to ensure remuneration of management and Directors is fair and reasonable in a competitive market for the skills, knowledge and experience required by Turners.

The Board recognises that it is desirable that executive remuneration (including executive Directors) should include an element dependent upon the performance of both Turners and the individual and should be clearly differentiated from non-executive Director's remuneration.

Details of Directors and executives' remuneration and entitlements for the 2024 financial year are detailed on pages 74 and 81 of the Annual Report.

The Remuneration Policy is included in section 10 of Turners Corporate Governance Code. Turners does not have a remuneration committee and matters pertaining to remuneration are dealt with by the full Board.

Director Remuneration

The total remuneration pool available for Directors is fixed by shareholders. The Board determines the level of remuneration paid to Directors from the approved collective pool. Directors also receive reimbursement for reasonable travelling, accommodation and other expenses incurred while performing their duties. The annual fee pool limit is $920,000 and was approved by shareholders at the annual meeting in August 2023. Any proposed increases in non-executive Director's fees and remuneration will be put to shareholders for approval. If independent advice is sought by the Board, it will be disclosed to shareholders as part of the approval process. Board policy is that no sum is paid to a Director upon retirement or cessation of office.

While there is no formal requirement, most of Turners' Directors either directly or indirectly own shares in Turners. The Directors do not receive any performance or equity-based remuneration. Details of shareholdings are on page 81 of 2024 Annual Report.

Board Remuneration

- Chair $190,000
- Non-executive Director $95,000
- Chair of DPL Insurance Limited $40,000
- Directors of DPL Insurance $20,000
- Committee Chair $20,000
- Committee Member $10,000

DPL Insurance is legally required to operate a separate Board because it holds an insurance license with the Reserve Bank of New Zealand. Antony Vriens is the current Chair of the DPL Insurance Board and is also a non-executive Director of Turners.

Details of individual Directors' remuneration are detailed on page 81 of the 2024 Annual Report. Turners does not pay fees upon retirement of Directors.

Executive Remuneration

Executive remuneration consists of a fixed base salary, a variable short-term bonus paid annually and a long-term incentive, being a Share Option Plan. The short-term bonus is measured against a profit incentive target which is based on an annual profit budget for the relevant business including a stretch target. These targets are approved by the board.

Details of executives' remuneration and entitlements are detailed under Key Management Compensation on page 74 and Remuneration of Employees information on page 82 of the 2024 Annual Report. Details of the Group's Share Option Plan are detailed on page 66 and 67 of the 2024 Annual Report.

CEO Remuneration

The review and approval of the CEO's remuneration is the responsibility of the Board. The CEO's remuneration comprises a fixed base salary, a variable short-term bonus payable annually and a long-term incentive, being participation in the Group's Share Option Plan. Benefits include KiwiSaver contributions and any direct cash or non-cash benefits, for example, car park.

CORPORATE GOVERNANCE REPORT cont.

The CEO's remuneration can be summarised as follows:

	Salary	Benefits	Subtotal	Pay for Performance		Total Remuneration
				Cash STI	Share LTI	
FY24	746,724	66,554	813,278	390,000[1]	207,500[2]	1,410,778
FY23	722,576	64,435	787,011	350,000[3]	432,500[2]	1,569,511

1. *STI for FY24, paid in FY25, 109% of target achieved.*
2. *Taxable value of 250,000 and 125,000 options, with an exercise price of $2.00, exercised in FY23 and FY24 respectively.*
3. *3.STI for FY23, paid in FY24, 105% of target achieved.*

Short term bonus: A short-term bonus scheme is in place which rewards achievement against an incentive target, based on a dollar value, approved by the Board. The incentive target is based on projected profit before tax. At the minimum achievement level of 95% of the incentive target, 50% of the bonus is paid, increasing to a maximum of 150% at the achievement level of 105% or more.

Long term incentive (Group Share Option Plan): In July 2020, the CEO was granted 1,000,000 options at an exercise price of $2.00 under the Group's Share Option Plan. The grant is split into 4 tranches of 250,000 options with the following vesting dates: 1 June 2021, 1 June 2022, 1 June 2023 and 1 June 2024. Each tranche expires two years after the vesting date. Options are granted at the discretion of the Board and vesting is dependent on being employed by Turners on vesting date.

PRINCIPLE 6 – RISK MANAGEMENT

Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.

Risk management framework

Turners is committed to proactively and consistently managing risk. While this is the responsibility of the entire Board, the ARMS Committee assists the Board and provides additional oversight in regard to the risk management framework and monitoring compliance with that framework.

The Board's approach to risk management is incorporated in the ARMS Committee Charter which is included as Appendix B in Turners Corporate Governance Code. The Charter ensures that opportunities are pursued in an informed way and aligned with the Board's appetite for risk.

The Board delegates day to day management of the risk to the CEO. The executive team and senior management are required to regularly identify the major risks affecting the business and develop structures, practices and processes to manage and monitor these risks. Key risks and challenges, identified by the executive team and management, are included in the CEO's monthly board report. Ultimately, the responsibility for risk management and internal controls lies with the Board.

Key financial risks are set out on pages 75 to 80 of the 2024 Annual Report. More information on Climate related risks is included in Turners' Climate Related Disclosures which will published at https://www.turnersautogroup.co.nz/climate-related-disclosure/ by 31 July 2024

Turners maintains insurance policies that it considers adequate to meet its insurable risks.

Health and Safety

The Board recognises that effective management of health and safety is essential for the operation of a successful business, and its intent is to prevent harm and promote wellbeing for employees, contractors and customers.

The Board is responsible for ensuring that the systems used to identify and manage health and safety risks are fit for purpose, being effectively implemented, regularly reviewed and continuously improved.

Turners has a Health and Safety Policy which is monitored by a Health and Safety Manager. Health and Safety reports for all business units are included in the compliance section of Board papers.

CORPORATE GOVERNANCE REPORT cont.

PRINCIPLE 7 – AUDITORS

The Board should ensure the quality and independence of the external audit process.

The Board's approach to the appointment and oversight of the external auditor is outlined in Turners' External Audit Policy (section 9 of the Turners' Corporate Governance Code) and ensures that audit independence is maintained, both in fact and appearance, such that Turners external financial reporting is viewed as being highly reliable and credible.

The ARMS Committee provides additional oversight of the external auditor, reviews the quality and cost of the audit undertaken by the Turners' external auditors and provides a formal channel of communication between the Board, senior management and external auditors. The Committee also assesses the auditor's independence on an annual basis. Procedures are detailed in the ARMS Committee Charter (Appendix B of the Turners Corporate Governance Code).

For the financial year ended 31 March 2024, Baker Tilly Staples Rodway was the external auditor for Turners Automotive Group Limited. Baker Tilly Staples Rodway were first appointed as external auditor in 1999 and were automatically re-appointed under the Companies Act 1993 at the 2023 Annual Shareholder Meeting. Turners requires the lead audit partner to be rotated at least every five years, with the last audit partner rotation in the 2023 calendar year.

All audit work at Turners is fully separated from non-audit services, to ensure that appropriate independence is maintained. The amount of fees paid to Baker Tilly Staples Rodway for audit and other services is identified on page 53 of the 2024 Annual Report. Baker Tilly Staples Rodway has provided the Turners' Board with written confirmation that, in their view, they were able to operate independently during the year.

Baker Tilly Staples Rodway attends the Annual Shareholder Meeting, and the lead audit partner is available to answer questions from shareholders at that meeting.

Internal Audit

While Turners does not have a dedicated Internal Auditor role, it does have a number of internal controls overseen by the ARMS Committee, including controls for computerised information system, security, business continuity management, insurance, health and safety, conflicts of interest, and prevention and identification of fraud.

PRINCIPLE 8 – SHAREHOLDER RIGHTS AND RELATIONS

The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer.

Turners' Board is committed to open dialogue and to facilitating engagement with shareholders. The aim of Turners' investor relations programme is to provide shareholders with information about Turners and to enable them to actively engage with Turners and exercise their rights as shareholders in an informed manner.

Turners has a calendar of communications and events for shareholders, including but not limited to:

- Annual and Interim Reports
- Market announcements
- Annual Shareholder Meeting
- Financial results calls
- Other ad hoc investor presentations
- Easy access to information through the Turners website www.turnersautogroup.co.nz
- Access to management and the Board via email info@turnersautogroup.co.nz

Investor website

Turners maintains a comprehensive investor relations website which provides access to key corporate governance documents, copies of all major announcements, company reports and presentations.

Shareholder engagement

All shareholders are given the option to elect to receive shareholder communications in electronic form (by email) and this is actively encouraged.

Shareholders are encouraged to attend the Annual Shareholders' Meeting and may raise matters for discussion at this event. Turners live streams the annual meeting, which is accessible worldwide. In 2023, an in-person meeting was held, alongside a live webcast. Given the small size of Turners and the low participation rates, Turners opted for the meeting format above, believing

CORPORATE GOVERNANCE REPORT cont.

this balances shareholders' needs with costs. Online shareholders have the opportunity to present questions and vote by proxy prior to the meeting.

In accordance with the NZX Corporate Governance Code, the Board ensured that the notice of the 2023 Annual Shareholder Meeting was available to shareholders at least 20 working days prior to that meeting.

In addition to shareholders, Turners has a wide range of stakeholders and maintains open channels of communication for all audiences, including shareholders, brokers and the investing community, as well as staff, suppliers and customers.

Shareholder voting

Shareholders have the ultimate control in corporate governance by voting Directors on or off the Board. Voting is by poll, upholding the 'one share, one vote' philosophy. In accordance with the Companies Act 1993, Turners' constitution and the NZX Listing Rules, Turners refers major decisions which may change the nature of Turners to shareholders for approval.

Capital raising

Turners issued 1,258,137 shares via the Dividend Reinvestment Plan during the period.

DIRECTORY

CORPORATE DIRECTORY

DIRECTORS
Grant Baker
Chairman
Appointed 10 September 2009

Matthew Harrison
Non-executive director
Appointed 12 December 2012

Alistair Petrie
Non-executive director
Appointed 24 February 2016

John Roberts
Independent Director
Appointed 1 July 2015

Antony Vriens
Independent Director
Appointed 12 January 2015

Lauren Quaintance
Independent Director
Appointed 3 April 2023

REGISTERED OFFICE
Level 5, 70 Shortland Street, Auckland, New Zealand
PO Box 1232, Shortland Street, Auckland, 1140, New Zealand
Freephone: 0800 100 601
Email enquiries: info@turnersautogroup.co.nz
Web: www.turnersautogroup.co.nz

AUDITOR
Baker Tilly Staples Rodway

BANKERS
Bank of New Zealand, ASB Bank and Westpac Banking Corporation

LAWYERS
Chapman Tripp

SHAREHOLDER INFORMATION

COMPANY PUBLICATIONS
The Company informs investors of the Company's business and operations by issuing an Annual Report, an Interim Report and releasing announcements on the NZX's website.

Financial calendar	
First quarterly dividend	October
Annual meeting	September
Half year results announced	November
Second quarterly dividend	January
Third quarterly dividend	April
End of financial year	31 March
Annual results announced	May
Annual report	June
Final dividend	July

SHARE REGISTER
Computershare Investor Services Limited
Level 2, 159 Hurstmere Road, Takapuna, Auckland
Private Bag 92119, Auckland 1142, New Zealand
Telephone: +64 9 488 8777

ENQUIRIES
Shareholders with enquiries about transactions, change of address or dividend payments should contact Computershare Investor Services on +64 9 488 8777. Other questions should be directed to the Company at the registered address.

STOCK EXCHANGE
The Company's shares trade on the NZX Main Board operated by the NZX Limited under the code TRA and as an exempt foreign entity on the ASX operated by ASX Limited.

This annual report is dated 27 June 2024 and is signed on behalf of the board by:

J.A. Roberts
Director

A, Vriens
Director

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