DEPUTY CHAIRMANS ADDRESS

TURNERS LIMITED ANNUAL MEETING

26 SEPTEMBER 2018

SLIDE 1. WELCOME

Welcome and thank you for joining us at the 2018 annual meeting of shareholders of Turners Limited.

My name is Paul Byrnes and I am the deputy chairman of Turners. Chairman Grant Baker and Matt Harrison will be attending the meeting remotely.

I would like to introduce my fellow directors who are here today, Alistair Petrie, John Roberts and Anthony Vriens. I am pleased to introduce Martin Berry who was recently appointed to the board and who is standing for election by shareholders today. You will have an opportunity to hear from Martin later in the meeting.

With us ‘on the bench’ is Todd Hunter, our CEO and Aaron Saunders, the company’s CFO.

There are a number of dedicated senior managers and staff in attendance. Welcome to you all.

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

We will start today with presentations from myself and Todd Hunter on our strategic direction, the opportunities we see available to us and our progress towards achieving our goals.

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

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

The Notice of Meeting and 2018 Annual Report and financial statements have been circulated and made available to shareholders. A quorum is present and I therefore declare the meeting open.

DEPUTY CHAIR'S ADDRESS

SLIDE 2. OUR OPPORTUNITY

The New Zealand used vehicle market is large and continues to grow. There have been more than 765,000 transactions so far this year, slightly above 2017. Due to the age of the fleet, we believe there are years of inherent demand. More than 20% of the current used vehicle fleet is at or very close to scrapping age. There are hundreds of thousands of vehicles expected to need replacing over the next decade. Also compared to the new car industry the used car market tends to be far less discretionary.

There are more than 3,500 used vehicle dealers in New Zealand. Turners has by far the biggest share, but still well under 10% of the total market - so there is plenty of room for consolidation. While our focus is now more on organic growth and expanding existing businesses and services, we continue to carefully assess potential acquisitions that could add value to our business. We particularly monitor the more disruptive and innovation space.

Electric vehicles are still being sold in low numbers with over 9,000 EVs in the country out of a total fleet of 3.85 million. A reliable source of good second hand EVs and further investments in infrastructure will be critical to driving more serious adoption. We continue to assess what is happening from both a supply and demand perspective with a view to participation in emerging innovation opportunities.

There will always be a need for a trusted business like Turners which can provide multiple channels for customers to buy and sell the standard internal combustion or EV cars both online and 'on yards'. We are able to offer all the add-ons that customers are looking for – finance, insurance and auto care services.

SLIDE 3. NET PROFIT AFTER TAX UP 33%

We continue to set ourselves challenging business growth targets and have achieved and generally exceeded these over the last 5 years.

FY18 was no exception and we delivered a 32% increase in revenue to $330 million; and a 33% increase in net profit after tax to $23.4 million.

Todd will cover some of the highlights and milestones achieved in the FY18 year in his address.

SLIDE 4. FULL YEAR DIVIDEND UP 7% TO 15.5 CPS

Shareholders have benefited from our profit growth with a higher dividend of 15.5 cents per share in FY 18, providing a fully imputed return, so after tax yield, of over 5%.

SLIDE 5. SHARE PRICE

The only area of performance that has disappointed is our languishing share price. As it must be a concern for all shareholders we should take some time to discuss possible reasons and market feedback.

As most will know both First NZ Capital and Craigs Investment Partners commenced analyst coverage of Turners in 2016 with regular in-depth analysis of our full year and interim results, providing guidance for their respective clients. As part of these regular market research reports, analysts include their forecast of future profits for 3 years out and a share price target for the next 12 months based on their analysis.

The most recent research reports following the release of our profit result to 31 March 2018, had 12 month target share prices of $3.29 and $3.35, so an average of $3.32. Forecast profit for this current year FY19 from the 2 reports were similarly close to each other with an average profit before tax of $34.5 million, just under the mid-point of our current guidance of between $34 million and $36 million. We would also expect actual earnings per share for FY19 to come close to assumptions included in these reports.

So why is our share price currently around $2.85, well below the price suggested by conventional analysis in these reports? And trading at a level at which the Board sees value – you will have seen directors and senior executives including Grant, Todd and myself recently buying at around $3.00 per share.

Of course there will be a number of factors influencing a share price in any dynamic stock exchange market, and no doubt some of you will have other ideas that we would be happy to hear about. But feedback from shareholders and market commentators suggest 3 possible issues at play;

1. Strategy in a more complex Turners business
2. Concern about the tightening credit cycle
3. Negative sentiment from last year's capital raise

So perhaps it is worth making a few points on these issues.

1. Strategy

As both Todd and I will reinforce, our strategy remains growth focused across our automotive and related financial services group. At a conceptual level we currently have 4 main earning streams;

(i) we trade in used vehicles
(ii) we provide finance, mainly on vehicles
(iii) we provide insurance, mainly on vehicles
(iv) we collect debts on behalf of banks and other clients and receive commissions

It gets more complex where we cross-sell our group product offerings, for instance providing finance and/or insurance as part of a vehicle sale. But that cross selling to an acquired customer is a real competitive advantage of the Turners integrated business structure.

Management have been working hard to share with shareholders and potential shareholders what our business is all about in recent months with an inaugural Retail Shareholder Roadshow visiting 9 centres and talking to up to 200 shareholders. We also published our first shareholder newsletter and have met individually with a large number of institutional investors in New Zealand and Australia to discuss our business and strategy.

2. **Concern about Tightening Credit Cycle**
   Both management and the board are very conscious of the credit cycle and related lead indicators. We are fortunate to have John Roberts as an independent director, having spent 10 years as Managing Director of credit bureau Veda International. So John spent a decade living and breathing credit cycle analytics. You would have already seen references in the Annual Report to tightened credit criteria to position the business for the anticipated downward shift in the credit cycle. And you will continue to see references to the current focus on higher quality new lending rather than a more simple focus on growth of our loan volumes and receivables.

3. **September 2017 Capital Raising**
   We raised $30 million of new equity late last year through a $25 million placement and $5 million share Purchase Plan. We explained our reasons and preference for a conservative approach at the time and I don't propose to re-justify the Board's decision now. We made what we believed was the right call at that time. However, with headlines such as *"Growing Pains for Existing Shareholders"* and *"Dilutive Capital Raise"* some loss of retail broker support has been an unintended consequence. We have subsequently engaged with quite a number of shareholders and are aware of sentiments about broader participation and dilution which we will factor in to our considerations on future capital raising. There are no current plans to raise further equity.

SLIDE 6. DIVERSIFIED FUNDING ENABLING GROWTH

Having strong and diversified funding arrangements in place, with headroom, is essential for our business especially in a tightening credit cycle.

Our funding portfolio includes bank funding from 2 banks, bonds and a 40% equity component. A $140 million banking syndication with ASB and BNZ was finalised in May and is now in place, providing adequate headroom for forecast business growth. In addition the securitisation model implemented last year provides further growth headroom and reduces our overall cost of funds.

Bonds have proven to be a cost effective and successful source of funds and we have had strong support from shareholders for this listed security.

Pleasingly, 50% of existing bondholders have opted to convert into shares their bonds maturing in the next few days, further strengthening Turners' capital position.

We recently announced a new $25 million, three-year bond offer to replace the existing programme. Given we raised equity last year, and the sensitivity to dilution we are aware of, we chose to offer more vanilla secured subordinated bonds with no equity conversion option, and a longer term of 3 years. We can confirm the $25 million program has been fully subscribed.

SLIDE 7. INTEGRATED AUTOMOTIVE FINANCIAL SERVICES GROUP

Our vision remains building an integrated financial services business, primarily focused in the automotive industry.

We have defined strategies for growing our current businesses and are constantly looking at further opportunities to deliver higher and sustainable profits for the group.

With relatively low market shares in our businesses we are able to build through organic growth (including cross-selling) and where appropriate additional growth through smart acquisitions.

We have confirmed profit guidance for FY19 of a Net Profit before Tax of between $34 million and $36 million, the mid-point representing a healthy 13% increase over FY18.

Turners has never been in better financial shape, with a conservative equity ratio and an improved diversified funding platform to support growth, with some headroom.

On behalf of the board and management, I would like to acknowledge our team of more than 800 people spread across New Zealand and Australia for their contributions to our performance and success. We operate in competitive markets and attention, effort and skill are all required from our people to achieve our plans and forecasts.

We sincerely thank you, our shareholders, for your continued support of Turners. We are confident that sustainable and growing profit will translate into higher dividend per share payouts for all shareholders. And we will be working diligently to try and correct what we believe is an undervalued share price.

I will now pass you over to Todd Hunter to talk in more detail about our performance, progress and some of the initiatives we have in place. We will then be happy to take any questions on our presentations.

SLIDE 8. CEO'S ADDRESS

Thank you Paul.

I'd like to start today with a quick look back at FY18. We have provided quite a lot of commentary on last year's performance already so I'll keep it quite short.

SLIDE 9. FY18 YEAR AT A GLANCE

Highlights for the year included the successful integration of Buy Right Cars into the group, and the merger of our three separate finance operating brands into a single entity under Oxford Finance. We also successfully merged Autosure into our insurance business.

We changed the company name to Turners Automotive Group Limited and dual listed on the ASX. We also completed a $30 million capital raising to support our growth initiatives. These include the expansion of our property footprint and we opened four new retail sites for Cars and Trucks & Machinery as well as the acquisition of a further three sites for retail development. Our property footprint has grown 8% or 19,000m2 in FY18 and we expect this to grow a further 22,000m2 over the next 12 months with the projects we currently have underway.

As Paul mentioned, we also finalised the banking syndication with ASB and BNZ in May this year. This has been a big project, taking over a year to bring to completion, and along with our other funding provides us with significant capacity to continue our growth strategy.

SLIDE 10. FY18 SECTOR RESULTS

Automotive retail remains the largest individual contributor to our business, generating 68% of revenue and 41% of Operating Profit.

The acquisition of Buy Right Cars at the end of the last financial year delivered a step up in results for the division. We took over management of this business in September last year with the new management team tasked to deal with some legacy issues around aged stock which were impacting on performance. Pleasingly, we are now starting to see the turn around we expected and we remain confident in the long term growth prospects of this business. As we have discussed previously the earn-out to the owners was reduced accordingly.

The insurance business also delivered a big step up last year, following the acquisition of Autosure. Together the finance and insurance businesses now generate more operating profit than the retail sector.

EC Credit Control continued to provide solid and consistent returns.

SLIDE 11. OPERATING ENVIRONMENT

There have been several one-off events which have impacted on the used vehicle market over the last 6 to 9 months.

Firstly, there was the issue with the Brown Marmorated Stink Bug which impacted on the flow of cars into NZ. Units of used imports coming into the country are down 9.6% Aug 2018 YTD. Whilst stakeholders have put lot of effort into resolving the issue, the success of these measures will play out over the next few months with the Stink Bug risk about to start again. We expect to see the increased cost of heat treating, and safely storing and transporting cleaned cars to have a short term impact on margin with these costs to eventually flow through to the end consumer. We believe this will place significant pressure on smaller operators.

Secondly, the compulsory Takata airbag recall has also affected the used vehicle industry. Cars cannot be sold until they have repair certificates, and some manufacturers are being slow to deal with used import repairs.

The final event affecting the industry is the increase in fuel prices, and we expect to see smaller vehicles returning to favour, which inevitably impacts the pricing in both segments – small car pricing goes up and big car pricing goes down.

For Turners retail division we are able to draw on our variety of sourcing relationships, which has reduced the impact of these events on our business.

SLIDE 12. STRATEGIC IMPERATIVES

We continue to make good progress on our business objectives.

We are focused on growing market share by leveraging the strength and unique benefits of our integrated business model, and offering more products and services to more customers across more channels. We will still consider mergers and acquisitions where there is a strategic benefit, however, we see the majority of our medium-term growth being organic and coming from within our existing group assets.

An essential ingredient in our success will be building on the “trust” kiwis have in the Turners brand, established over more than 50 years of doing business in New Zealand.

The used vehicle market remains strong and the large number of end of life vehicles needing replacement continues to grow. As automotive sales increase, so does the demand for automotive finance and insurance products.

We are targeting several key areas this year which will drive our growth:

Within Auto Retail we are putting the customer at the heart of all we do, with significant investments in training and people development, further investments into retail re-configuration, and other ways to improve the quality of the customer experience, both physically and online, across all our businesses.

In finance, we will be continuing the transition to higher quality and more profitable lending with a focus on improving our loan origination platform and credit scoring decisions. We have a big focus on ensuring robust affordability assessments are completed, and providing tools to assist our originators to do this.

In Insurance we continue to develop new features on our existing products to increase customer choice and ensure these remain market leading, as well as developing new products for new risk classes such as EV. We will also remain focused on being as efficient as possible and ensure we are pricing correctly for the risk we are taking.

Within Credit management we are targeting growth from Australia in both the corporate and SME segments.

We have a wealth of valuable data within our business that informs us about our customers and the markets we operate in. Transactional data, data about which cars need repairing, purchasing habits, industry trends and more. We will be looking to leverage this to engage with our customers, deliver better service and identify new opportunities to do what we do better.

SLIDE 13. AUTOMOTIVE RETAIL

Moving on now to each of our divisions. Given Automotive Retail is our largest business sector, let's start with that.

Our goal is to be the retailer of choice for anyone wishing to buy or sell a used vehicle, be it a car, a truck or a unit of machinery. Our multi-channel platform ensures we are where our customers are – online, on Trade Me, and in our physical branches nationwide. At the same time, our finance and insurance offer allows us to meet all our customer needs at the time of purchase.

We operate under two retail brands – Turners and Buy Right Cars – and were involved in more than 50,000 customer transactions last year for cars, trucks & machinery and damaged & end of life vehicles.

The ongoing transition from wholesale to higher margin retail customers continues, with 70% of transactions now with retail customers (65% in FY17). These sales provide us with more opportunities to sell finance and insurance contracts. In addition, the percentage of 'owned vehicles' – those purchased and onsold by Turners – increased to 50% of transactions, up from 15% four years ago. These also generate better margins and more finance opportunity.

Organic growth is coming from our Damaged and End of Life offer, and we recently signed an agreement with another large insurance brand to dispose of damaged and end of life vehicles on their behalf.

SLIDE 14. PROGRESS ON AUTO RETAIL INITIATIVES

We have introduced the net promoter score measure into Turners Cars and will roll this out throughout the retail business over the next year. The initial feedback is very positive and this gives us a good benchmark to measure investments in the area of customer experience. Our website visits continue to build and we believe we are a clear second in auto focused web traffic behind TradeMe Motors.

In another move, from 2H19, all loans originated through Turners Cars will be redirected into Oxford Finance. This will see circa $4m a month redirected away from MTF to Oxford with the benefit to the wider group of slightly more margin and an increase in fee revenue.

SLIDE 15. EXPANDING PROPERTY FOOTPRINT

The development of our national network continues to be a priority both in expanding our footprint and relocations and refurbishment of existing premises. This opens up additional ongoing and repeatable opportunities for profit contribution.

While the number of customers researching and buying online is growing, the majority of buyers still prefer the “in-person” experience. Being able to view different cars on offer, take them for a test drive and buy in-person remains the preference for most people. Ensuring we have retail sites in strategic locations across the country is a significant advantage for our business, and will be a key enabler of growth moving forward.

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

We currently have 25 Turners sites across Cars, Trucks and Machinery and Damaged Vehicles and 11 Buy Right sites and we will continue to invest into new sites, relocations and refurbishments to ensure we are in the right places and can offer the best possible customer experience. Having our own retail network also opens up additional opportunities for profit contribution from the sale of finance and insurance products.

Since the start of 2018 calendar year, we have:

- Relocated our Wellington branch to Porirua;

- Extended and redeveloped our existing Napier site;
- Acquired land for two further relocations in Whangarei and North Shore;
- Negotiated a lease for a new site in New Plymouth which is a new market for the business;
- Developing a leased Turners Cars retail site in Wellington City;
- Opened two new Buy Right Cars sites, including one in Hamilton which is our first expansion of this brand outside of Auckland.

We have a pipeline of five years of property opportunities ahead, including large projects in Auckland and Christchurch. We plan to access capital out of the insurance reserves and will recycle the pool of property capital regularly to enable further projects to be taken on.

SLIDE 16. FINANCE AND INSURANCE

It is estimated that more than 80% of used car buyers require finance of some kind. Similarly, the majority of buyers will need insurance cover.

Turners provides for this, offering a range of finance and insurance products through our own retail channels, but also through a network of more than 1,500 dealers and brokers throughout New Zealand.

The market is highly competitive but we are continuing to experience growth as we focus on delivering faster, better and easier solutions for our customers. This resulted in our finance book growing 39% in FY18. We have successfully merged the three operating finance companies into one and have put significant investment into our loan origination platform to help make it easier and faster for dealers to load applications and get a credit decision. Things like Electronic ID verification an address verification significantly speed up the process and have improved the overall customer experience.

We are focused on higher quality lending. Impairment levels from the MTF channel have been higher than anticipated and we have introduced stricter lending criteria progressively across the last 12 months which has significantly reduced the volume of loans we are writing through this channel. We continue to work closely with MTF to explore ways of rebuilding volume of an acceptable quality of lending.

Quality is also an important focus for our insurance business and we have recently completed a review to identify further opportunities for claims efficiencies. We believe we can reduce the cost of our insurance operations through the use of fintech and streamlining our processes. We also continue to remain focused on data analytics to ensure we are pricing correctly for the risk we are taking.

We were pleased to have A.M Best, the world’s oldest and most authoritative insurance rating and information source, recently reaffirm DPL Insurance’s Financial Strength Rating as B+.

SLIDE 17. PROGRESS ON KEY INITIATIVES FOR FINANCE AND INSURANCE

We have made some good progress in a short space of time in improving the quality of our lending by tightening up on our credit criteria in both the MTF and core OFL channels. The enhancements we have made in our loan origination platform have enabled us to win more customers and we have plans to introduce comprehensive credit reporting in the second six months of the year along with some automated affordability assessments utilising customers banking data. Our re-pricing work in insurance continues to happen at both a product and originator level. We have increased the pricing on a significant number of vehicles and implemented customised price increases for higher risk dealers. Our replacement for the insurance system has started and this project will be complete by the end of this financial year.

SLIDE 18. CREDIT MANAGEMENT

EC Credit Control offers total credit management services for its customers in New Zealand and Australia. It is a solid and consistent performer, delivering good cashflow and profitable returns, and has been a part of the Turners portfolio since 2012.

SLIDE 19. CREDIT MANAGEMENT PROGRESS ON KEY INITIATIVES

Australia remains a major opportunity for us and we are investing in senior sales expertise to acquire new corporate customers in this market. Our corporate debt load continues to grow nicely with some new customers coming on board and growing share from existing customers. Our SME product sales are tracking well.

We are very excited about what we can do with data to help improve results for our customers and our own efficiency. We can now generate a collection score for debtors based on data we have such as address, gender, age, contact points (landline, mobile, email) and past experience with ECCC. This allows us to prioritise those debtors who are more likely to pay.

We have also driven some efficiency in our operation with the implementation of the dialler. In the first 6 months of the year we have increased outbound calls, SMS texts and emails by 95% and actual customer connects by 20%

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

SLIDE 20. TRADING UPDATE AND GUIDANCE

We are coming to the end of the first half of the financial year and after a challenging first quarter we have seen a pleasing turn around in trading within Q2. We have also made a number of investments in people and property which will deliver benefits in the second half.

Turners Group is in-line with budget expectations whilst Buy Right Cars turnaround has taken slightly longer than we anticipated, however we are seeing positive momentum in the business. Finance is currently tracking behind expectations mainly due to the arrears performance in the MTF lending, however we expect to see some positives counter this, as we see the benefits from the Turners Cars lending in the second half. Within Insurance the team are doing a great job of winning new business and building growth in premium through re-pricing, and managing claims costs. We expect to see improvement in H2 as initiatives deliver and we realise some property gains as we recycle property capital to apply to new projects. EC Credit Control performs in-line with expectation.

For the full year, we are still expecting to deliver a Net Profit Before Tax of between $34 million and $36 million.

Whilst we have had a few challenges with Buy Right Cars and MTF we can see improvement in our monthly results and our confidence in the guidance and our long term prospects remain at high levels. Thank you for listening today. I'll now pass you back to Paul.

SLIDE 21. QUESTIONS AND DISCUSSION

Thank you Todd.

I would now like to invite questions in relation to the annual report or today's presentations. I may ask Todd to help respond to questions on operational issues. And I am sure Aaron will provide sounder responses to queries on any matters included after about page 6 of the Annual Accounts than I might be able to.

There will be an opportunity to ask questions about each resolution as they are put to shareholders to vote.

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

SLIDE 22. RESOLUTIONS

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

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

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

Please use the voting paper you used in the mail or were given when you registered for this meeting,

If you do not have a voting paper, you will be able to request one from scrutineers when the voting takes place.

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

Resolution 1

The first resolution is to record the re-appointment of Staples Rodway as auditors of the Company and authorise the directors to fix the auditor's remuneration.

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

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

The next three resolutions are in regards to director appointments. We believe that having Directors with relevant industry, commercial and governance skills is essential for the continuing success of the Turners' group. Diversity of thought in particular and broader commercial acumen, are also taken into consideration by the Board when reviewing Board membership.

We currently have 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, marketing and business growth.

The most recent appointment to the Turners' Board is Martin Berry, a seasoned global financial services executive and entrepreneur.

Martin has run large international businesses for the likes of ANZ, Citibank, Barclays and Standard Chartered, and more recently has focused on entrepreneurial ventures. He has a successful track record of having built, acquired and sold several companies with values in excess of US$100m. He later founded and now runs venture capital firm Brandhaus Capital Partners out of Singapore investing across the region with a strong focus on fintech.

Martin has a strong focus on technology and emerging opportunities with networks and business relationships throughout the Pacific and Asian region. We believe Martin's experience in the financial services sector combined with his entrepreneurial acumen will be a real asset to the group

Resolution 2 is for shareholders to consider the election of Martin Berry as a director.

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

[Address from Martin]

Are there any questions?

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

Resolution 3 and 4

Under the listing rules, one third of the Company's directors must retire by rotation at the annual meeting. This year Antony Vriens and I retire by rotation and, being eligible, offer ourselves for re-election by shareholders at this annual meeting.

Antony Vriens

Antony has been a director and chairman of Turners' insurance subsidiary, DPL Insurance (now Autosure) since 2012. He is a highly experienced insurance industry professional, with demonstrated success as a senior executive and consultant in insurance and wealth management businesses within Australia and New Zealand. He brings a hands on, practical and commercial approach and a strong technology focus to his board role. His relationships across the insurance industry and regulators are highly valuable to the Turners business and his collaborative approach is embraced by both board and management.

I will now ask Antony to say a few words in support of his re-election.

[Address from Antony]

Are there any questions?

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

Paul Byrnes

The next resolution is in regards to my re-election, so I will hand over to John Roberts to chair this part of the meeting. Before he stands I would like to give you a bit of background on myself.

[Address from Paul]

John, the chair is yours.

Thank you. The board unanimously supports Paul's re-election. He has been a very valuable contributor to Turners, and was instrumental, along with others, in rescuing Dorchester Pacific through the GFC and growing it into the substantial company it is today. Paul also holds 4.44% of the company personally.

Do shareholders have any questions for Paul?

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

[Paul assumes chair]

Resolution 5

The final resolution today is for shareholders to consider an increase in Directors' remuneration to $665,000.

The last increase was approved by the shareholders three years ago. The increase allows for the appointment of Martin as an additional director.

The Board engaged Strategic Pay to review Director remuneration against market standards to ensure that our Directors receive remuneration which reflects the time and experience they contribute. The review considered the current position of Turners against other New Zealand publicly listed companies. Turners has doubled and trebled total assets and sales since fees were last set.

That growth includes acquisition of businesses that had their own boards and governance structures which Turners directors have had to assume.

So we acquired the Autosure insurance business from Vero 18 months ago. The Autosure subsidiary had governance oversight by resources within the significant Vero corporate structure. The additional time commitment required from directors following such an acquisition is quite different to that required from any organic growth of existing businesses.

Based on the market review and additional committed time now required, the Board considers the proposed increase will result in appropriate levels of director remuneration.

Before I take questions can I just note that directors cannot vote their own or representative shareholding for this resolution. So we are in your hands.

Do shareholders have any questions?

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

SLIDE 23. VOTING

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

I wish to advise that proxies have been received for 36.1million shares being 42.5% of total shares on issue.

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

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

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

3 minute pause

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

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

SLIDE 24. OTHER BUSINESS AND CLOSE OF MEETING

That brings the formal part of the meeting to a close.

Is there any other business shareholders would like to discuss in regards to today’s presentations or Turners’ progress?

I therefore call the 2018 annual meeting of shareholders closed.

Thank you all for your attendance today.

I would like to invite you to join Board and management for refreshments.