



CONTINUOUS DISCLOSURE POLICY

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1. Introduction

Turners Automotive Group Limited ("**Turners**") is committed to providing, fair and full disclosure of material information in accordance with Turners legal obligations.

This policy sets out the responsibilities, processes and guidance to be followed by Turners to ensure that it provides, immediately and equally to all investors, fair and full disclosure of material information in accordance with Turners legal obligations and for which an exception to the Listing Rules does not apply.

2. Application

This policy, as updated from time to time, applies to all directors and employees of Turners. The policy and accompanying information is provided to all directors and employees on joining.

Directors review the policy on an annual basis and approve any necessary changes at that time and staff are reminded of the policy requirements by presentation, email or both on an annual basis. The policy is also available on the internet, to staff on the various intranet sites and to the general public on Turners website: www.turnersautogroup.co.nz

3. General Rule

Turners is required by the NZX Listing Rules ("**Listing Rules**") to immediately disclose any information that a reasonable person would expect, if it were generally available to the market, to have a material effect on the prices of Turners Listed securities ("**Material Information**").

3.1 INFORMATION THAT IS LIKELY TO BE MATERIAL INFORMATION

The Listing Rules provide that, amongst other things, any of the following information is likely to be Material Information:

- any change in the financial forecast or expectation of the company;
- any transaction for consideration that is a significant proportion of the company's consolidated assets (and in this respect an amount of 5% or more would be considered significant, but a smaller amount may be significant in a particular case);
- any proposed change in the general nature of the business of the company or its group; or
- an acquisition or sale of an asset for consideration that is more than 10% of the company's average market capitalisation.
- any significant change within the Senior Leadership Team

3.2 EXCEPTIONS TO THE GENERAL RULE

There are exceptions to the general rules set out above. Material Information does not need to be disclosed where:

- a reasonable person would not expect the information to be disclosed; **and**
- the information is confidential and its confidentiality is maintained; **and**
- any of the following apply:
 - the release of the information would be a breach of the law;

- the information concerns an incomplete proposal or negotiation;
- the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
- the information is generated for the company's internal management purposes; or
- the information is a trade secret.

The Listing Rules provide that a reasonable person would not expect the disclosure of information where the information provided with an obligation to maintain its confidentiality, and such information is used by the party to whom it was provided solely for the purpose for which it was provided.

4. Key Concepts

4.1 MATERIAL EFFECT ON THE PRICE OF THE COMPANY'S SECURITIES

NZX guidance suggests that information that results in a movement in the price of a company's securities of:

- less than 5% will generally be considered to have not had a material effect;
- between 5% and 10% may be considered to have had a material effect; or
- more than 10% will generally be considered to have had a material effect.

These percentage limits are not "magic numbers", and all circumstances surrounding the event or circumstance that has the Material Effect should be taken into account.

Turners understands that a reasonable person would undertake basic, but not sophisticated, accounting, financial and other relevant analyses so as to determine whether or not the information will have a material effect (5% or more) on the price of Turners securities. Generally, it is expected that a conservative approach will be taken, favouring disclosure.

4.2 REASONABLE PERSON

A reasonable person is someone who commonly invests in securities, and holds such securities for a period of time, based on a view of the intrinsic value of the security. Turners understands a reasonable person to be someone who has a reasonable, but not a sophisticated knowledge of accounting, finance and the stock market and is competent to undertake the analyses referred to in Section 4.1.

4.3 IMMEDIATELY

Immediately means promptly and without delay or as soon as possible.

NZX believes that while broad oversight of continuous disclosure is important, this needs to be balanced against the requirement to immediately disclose Material Information.

Accordingly, NZX considers that it may not always be possible for the board as a whole to be involved in decision making in relation to disclosure where, for example, the company has unexpectedly become aware of Material Information.

Furthermore, NZX recognises that the immediate release of Material Information is not always possible. In certain circumstances, NZX will permit the company to request a trading halt until such time as an announcement can be prepared and released.

5. Making and Disseminating Announcements

Once approved, Material Information should be announced immediately to NZX. Following receipt of confirmation of lodgement and after the announcement has been published by NZX for at least 10 minutes during usual NZX trading hours, relevant information is then published on Turners website (subject to any legal restrictions on general public dissemination such as the restrictions under securities law which apply to capital raising transactions).

6. Administrative Trading Halts and Release of Announcements

Turners is required to confirm when releasing information to the market whether the information included in the announcement contains material information or falls within a prescribed category. Where Turners confirms the announcement contains material information and it is released in, or immediately before, trading hours, all of Turners quoted securities will be placed in an administrative trading halt when the announcement is released.

If the category chosen by Turners is a prescribed category, Turners will not be required to confirm whether the announcement contains material information. An administrative trading halt will then be applied to all of Turners quoted securities on release, if the announcement is released in, or immediately before, trading hours. The prescribed categories include interim preliminary financial statements, full year preliminary financial statements, half year report and annual report.

This trading halt does not impact other trading halts, including trading halts requested by Turners. The Chair of the Audit and Risk Committee, together with the Chief Executive Officer, is responsible for ensuring the correct category is selected for the announcement.

7. Trading Halts Requested by Turners

Turners may request a trading halt to avoid a situation where Turners securities are being traded speculatively by the market; speculative in the sense that the market does not have all Material Information and is trading on an assumed state of affairs.

By way of example, Turners would usually request NZX to put a trading halt in place in the following circumstances:

- If confidential information is inadvertently made public (regarding a takeover, for example) and Turners requires time to prepare an appropriate announcement to the market.
- If preparing for a major announcement, Turners may need time to arrange press conferences and briefings in advance of a formal announcement being made.
- If a proposed capital raising has been announced to the market, and the pricing for the raising is to be determined by a competitive process during the subsequent day or days.

8. Responsibilities

The Board, and when they are unavailable, the Chief Executive Officer, and in his absence the Chief Financial Officer, is responsible for the disclosure of Material Information. Whenever the Board are unavailable, the Chief Executive Officer or Chief Financial Officer will consult with the Chair, and in his absence the Chair of the Audit and Risk Committee regarding the disclosure of Material Information.

All directors and employees of Turners are responsible for immediately reporting to the Chief Executive Officer and/or Chief Financial Officer any information they consider to be, or likely to be, Material Information. If any employee fails to report to the Chief Executive Officer and/or Chief Financial Officer any such information, then appropriate disciplinary action will be taken.