

TURNERS AUTOMOTIVE GROUP LIMITED

NOTICE OF ANNUAL MEETING

Notice is given that the 2019 annual meeting of shareholders of Turners Automotive Group Limited (*Turners* or the *Company*) will be held in the Showroom, Turners Group, cnr Penrose & Leonard Roads, Penrose, New Zealand on Wednesday 18 September 2019 commencing at 10.30am.

AGENDA

Chairman and Chief Executive Officer Presentations

Shareholder Discussion

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass the following ordinary resolutions:

Auditors

Resolution 1

That Staples Rodway be reappointed as auditors of the Company and that the Directors be authorised to fix the auditors' remuneration.

Directors

Resolution 2

That **Grant Baker**, who retires by rotation and has offered himself for re-election, be re-elected as a Director of the Company.

Resolution 3

That **Alistair Petrie**, who retires by rotation and has offered himself for re-election, be re-elected as a Director of the Company.

SPECIAL RESOLUTION

Constitution

Resolution 4

To amend the Company's constitution in the form and manner described in the explanatory notes, with effect from the close of the Annual Meeting.

Explanatory notes regarding each of these resolutions are attached to this notice of meeting.

Notes on Voting

- 1 The resolutions will be voted on by shareholders of the Company as ordinary resolutions.
- 2 An ordinary resolution is a resolution passed by a simple majority of the votes cast of the shareholders entitled to vote and voting.
- 3 A special resolution is a resolution passed by a majority of 75% of the votes of those shareholders entitled to vote and voting on the question.
- 4 The only persons entitled to vote at the annual meeting are registered shareholders as at 5:00 pm on Monday 16 September 2019 and only the ordinary shares registered in those shareholders' names may be voted at the annual meeting.

- 5 Any shareholder who is entitled to vote at the annual meeting may appoint a proxy to attend and vote on their behalf. A shareholder wishing to appoint a proxy should complete the enclosed Voting/Proxy form and send it to Computershare Investor Services Limited, Private Bag 92119, Auckland 1142, New Zealand, fax it to +64 9 488 8787, or lodge online using Computershare's investortvote facility so as to ensure that it is received at least 48 hours before the time for holding the meeting. A proxy does not have to be a shareholder in the Company. A shareholder may appoint any person to act as a proxy. The Chairman or any of the other Directors is prepared to, act as a discretionary proxy for any shareholder. If, in appointing a proxy, you have inadvertently not named someone to be your proxy (either online or on the enclosed proxy form), or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy and will vote in accordance with your express direction. If appointed as a discretionary proxy, each Director intends to vote in favour of all resolutions.
- 6 To direct your proxy how to vote on each resolution, you should tick the appropriate box on the enclosed proxy form. Except as set out in the proxy form, if you appoint a proxy, but do not tick one of the boxes in relation to a resolution, you will be deemed to have granted your proxy the discretion to cast your votes as he or she decides.
- 7 Any corporation that is a shareholder may appoint a person as its representative to attend the annual meeting and vote on its behalf, in the same manner as that in which it could appoint a proxy. A corporation wishing to appoint a person must ensure that the representative brings an original of the notice appointing him or her to the meeting. To assist administration, the Company would be grateful if notices appointing representatives are delivered to Computershare Investor Services Limited, Private Bag 92119, Auckland 1142, New Zealand, at least 48 hours before the time of the meeting. If the notice of appointment is not delivered to the Company's Share Registrar prior to the meeting, the representative must bring to the meeting an original copy of the notice of appointment signed by the relevant Company or body corporate.

For and on behalf of the Board

Barbara Badish
Company Secretary

19 August 2019

EXPLANATORY NOTES TO NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

AUDITORS

Resolution 1

Staples Rodway is automatically reappointed as auditor of the Company under section 207T of the Companies Act 1993 (the *Act*). The proposed resolution seeks shareholder confirmation of this and empowers the Directors to set the remuneration of the auditors.

DIRECTORS

Under rule 2.7.1 of the NZX Main Board Listing Rules (the *Listing Rules*), a director must not hold office past the third annual meeting following appointment or three years, whichever is longer, without being re-elected by shareholders. Accordingly, Grant Baker and Alistair Petrie retire and, being eligible, offer themselves for re-election. The Board unanimously supports this re-election.

Brief biographies outlining Grant Baker and Alistair Petrie's histories and experience are set out below.

Resolution 2

Grant Baker retires by rotation pursuant to the Listing Rules, and being eligible, has offered himself for re-election.

Grant Baker has been a director and chairman of Turners Automotive Group Limited since September 2009. As businessmen go, Grant Baker is probably at the more unconventional end of the spectrum. The co-founder of The Business Bakery has a number of successes under his belt, including the 42 Below vodka venture and Trilogy International, which recently sold to Chinese Citic Group, amongst a number of other ventures he has been involved in.

With a 7.02% shareholding, Grant is long term committed investor in Turners Automotive Group. As an avid collector of specialist vehicles and motor racing enthusiast, both as a competitor and as a backer of young up and coming drivers, he is passionate about the strong Turners brand and its focus on cars. He has wide experience at a senior level in both public and private New Zealand companies and has been Chairman of Turners Automotive Group since September 2009.

In terms of the Listing Rules, the Board considers that Grant Baker is a non-executive Director but is not independent.

Resolution 3

Alistair Petrie retires by rotation pursuant to the Listing Rules, and being eligible, has offered himself for re-election.

Alistair Petrie have been a director of Turners Automotive Group Limited since February 2016 and has over 15 years of senior management experience in both private and listed companies in the agribusiness sector. He has extensive knowledge in sales and marketing in both international and domestic environments, which is particularly useful for some of the challenges and opportunities Turners has importing vehicles from Japan. He has a number of directorships with companies that have a focus on growth and innovation, and he represents the interests of Bartel Holdings, which has a 10.99% shareholding in Turners Automotive Group. Alistair worked for many years at Turners & Growers, the original parent company of Turners Auctions, which provides a nice connection at Board level back to those foundational brand values of "trust and integrity". Alistair has a BSC (hons) from Newcastle Upon Tyne University and an EMBA from Melbourne University.

In terms of the Listing Rules, the Board considers that Alistair Petrie is a non-executive Director but is not independent.

CONSTITUTION

Resolution 4

This special resolution seeks shareholder approval to amend the Company's constitution. The amendments are procedural in nature and are required in order to comply with the Listing Rules. The key changes reflect the following:

1. Including a provision requiring the Company to comply with the minimum board composition requirements of the Listing Rules.
2. Amending the clauses relating to director rotation to incorporate the requirements of the Listing Rules by reference to the Listing Rules.
3. To remove provisions relating to a Managing Director as the Company does not have such a position and in any event the constitution does not need to contain that level of detail.
4. Inserting a requirement that voting at meetings of shareholders will be conducted by poll and deleting clauses which addressed shareholders rights to demand polls.

Shareholders can view all proposed amendments in mark-up at <https://www.turnersautogroup.co.nz/About+Us/Corporate+Governance.html>

The proposed amendments do not impose or remove a restriction on the Company's activities, and accordingly no rights arise under section 110 of the Companies Act 1993.

The Board unanimously recommends that shareholders vote in favour of the amendments to the Company's constitution.