

### **Turners tracking for 10%+ earnings growth**

Turners Automotive Group is pleased to provide an update on its outlook for the first half of FY26 (HY26). As communicated at the Annual Shareholders Meeting on 21 August, despite a challenging economic backdrop, low levels of consumer confidence, restrictive interest rates, and rising unemployment, Turners remains on track to deliver a record first-half performance.

The company expects HY26 Net Profit Before Tax (NPBT) to be more than 10% ahead of HY25 which was a record at \$26.9M.

### **Automotive Retail**

The first half of trading for the Auto Retail Division is ahead of FY25 and a reduction in consignment vehicles has been offset by higher sales of owned vehicles. There were some temporary headwinds from the opening of Christchurch branch expansion projects during Q1, but those sites are now gaining momentum. The launch of Tina from Turners 2.0 marketing campaign has resulted in a \$600k upweighted media investment to support the new campaign, with benefits to accrue over coming quarters.

These initiatives are expected to drive stronger vehicle margins and volumes in 2H26, with benefits from the brand campaign flowing through, combined with the expanded Christchurch footprint and an improving economic environment to operate in. Our branch expansion plans continue to gather momentum and we have a several "live" negotiations underway.

### **Finance**

In our finance business we have seen strong book growth in the first 4 months of FY26 with the loan book up 5% over Mar-25 levels. Maintaining our credit discipline remains a key priority, and we anticipate solid book growth for the remainder of FY26. The tailwind of lower interest rates is expected to underpin interest margins.

### **Insurance**

Our insurance business continues to perform well, with earned premium holding up and claims ratios remaining stable. New distribution arrangements and direct sales channels are gaining momentum, and our motor vehicle insurance portfolio underwritten by Vero is expected to continue its strong growth trajectory.

### **Credit Management**

The struggling NZ economy is leading to increased consumer arrears, and our level of debt referred is increasing. We have also onboarded a significant new corporate customer in April and are well positioned to help NZ businesses for the next phase of the New Zealand credit cycle.

### **Outlook**

While macroeconomic conditions remain patchy, Turners is confident in its growth plan. We are on track to achieve our mid-term target of \$65M NPBT in FY28 ahead of schedule.

### **For further information, please contact:**

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