



NZSA calling for retail shareholders to stand up and be counted at NZ Automotive Investments

July 29th 2022

The NZ Shareholders' Association (NZSA) remains concerned about the recent events at NZ Automotive Investments (NZA) and their impacts on retail shareholders. Early last week, all Board Members, except for 46% shareholder Yusuke (David) Sena, announced their resignation from the Board to take effect from August 20th.

NZSA believes that minority shareholders are once again exposed to the consequence of tensions between a Board and a major shareholder. NZSA is mindful that retail shareholders are caught in the crossfire in such situations, as we observed with retail shareholders in QEX Logistics during 2021/22.

“We believe that retail shareholders should be mindful of the risk associated with investment in a company with near-majority shareholders”, says Oliver Mander, NZSA CEO. “We also recognise the potential benefit of a founder-shareholder on a Board. However, we believe that investors should be able to rely on a major shareholders full commitment to the shareholder culture and governance standards associated with being a public company. We question whether this full commitment has been demonstrated at NZ Automotive Investments.”

NZSA will not support the director nominations for NZ Automotive Investments, nominated by David Sena. A majority of independent directors is a critical factor in protecting the rights

of retail shareholders, regardless of the ownership structure associated with the company. Given the situation, NZSA does not consider that the directors proposed by David Sena to be independent.

Shareholders in NZ Automotive Investments can support the NZSA's position by appointing NZSA as their proxy for the upcoming NZ Automotive Investments shareholder meeting using the Computershare standing proxy form available at www.nzshareholders.co.nz/your-proxy-counts/ or completing the proxy form that will be attached with the Notice of Meeting.

About NZ Shareholders' Association

Since its formation in 2001, the NZSA mission is to represent, promote and protect the interests of investors in shares and other investment products. We aim to promote and encourage an active, efficient, fair, and transparent market for raising capital, trading shares and other investment products.

For further information or comment, please contact Oliver Mander (CEO) on 021 190-5343 or at ceo@nzshareholders.co.nz.