



TOURISM &  
LEISURE LTD

# Proposed merger of *thl* and Apollo

November 2022

# Disclaimer and Notes to Materials



## IMPORTANT NOTICES

This presentation has been prepared by Tourism Holdings Limited (**thl**) in connection with the proposed merger between **thl** and Apollo Tourism & Leisure Ltd ACN 614 714 742 (**ATL**) by way of scheme of arrangement (**Scheme**) under Part 5.1 of the *Corporations Act 2001* (Cth) (**Corporations Act**).

## SUMMARY INFORMATION

This presentation contains summary information and statements about **thl**, **ATL** and their respective related bodies corporate, businesses and activities as at the date of this presentation. The information in this presentation is general in nature and does not purport to be exhaustive. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of **thl**, **ATL** nor their respective directors, employees, agents or advisers, or any other person, accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it.

This presentation should be read in conjunction with **thl**'s other periodic and continuous disclosure announcements lodged with the NZX, which are available on the NZX website (at [www.nzx.com](http://www.nzx.com)), the **thl**'s website at <https://www.thlonline.com>.

## FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements concerning **thl**, **ATL** and the merger group following implementation of the Scheme (**Merged Group**) which are made as at the date of this presentation unless otherwise specified, including statements about intentions, beliefs and expectations, plans, strategies and objectives of **thl**, **ATL** and the Merged Group, the anticipated timing for and outcome and effects of the Scheme (including expected benefits to shareholders of **thl** and **ATL**), indications of and guidance on synergies, future earnings or financial position or performance, expectations for the ongoing development and growth potential of the Merged Group and the future operation of **thl**, **ATL** and the Merged Group. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those contemplated by the forward-looking statements as a result of a variety of risks, uncertainties and other factors, many of which are outside the control of **thl**, **ATL** and the Merged Group. Such factors may include, among other things, risks relating to funding requirements, COVID-19 impacts including border closures and travel restrictions, competition and market risks, regulatory restrictions and risks associated with general economic conditions. Any forward-looking statements, as well as any other opinions and estimates and statements regarding synergies, market and industry trends, provided in this presentation are based on assumptions and contingencies which are subject to change without notice and may prove ultimately to be materially incorrect. Synergy estimates are based on fixed foreign exchange rates across its operating geographies at the time of calculation. Variations in foreign exchange rates will impact the degree to which synergies are able to be realised or how they are reflected in the Merged Group's reporting currency. There can be no assurance that the Scheme will be implemented or that the plans for the Merged Group will proceed as currently expected or will ultimately be successful. You are cautioned not to place undue reliance on forward-looking statements, including in respect of the financial or operating outlook for **thl**, **ATL** or the Merged Group (including the realisation of any expected synergies), particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the ongoing COVID-19 pandemic.

Except as required by law or the NZX or ASX listing rules, **ATL** and **thl** assume no obligation to provide any additional or updated information or to update any forward-looking statements, whether as a result of new information, future events or results, or otherwise. Nothing in this presentation will, under any circumstances (including by reason of this presentation remaining available and not being superseded or replaced by any other presentation or publication with respect to **thl**, **ATL** or the Merged Group, or the subject matter of this presentation), create an implication that there has been no change in the affairs of **thl**, **ATL** since the date of this presentation.

## PAST PERFORMANCE

You should note that past performance metrics and figures (including any data about past share price performance of **thl** and **ATL**) in this presentation are given for illustrative purposes only and cannot be relied upon as an indicator of (and provide no guidance as to) future performance, including future share price performance of the Merged Group.

## NOT AN OFFER, AND NOT INVESTMENT OR FINANCIAL PRODUCT ADVICE

This presentation is not a prospectus, product disclosure statement or other disclosure document under the Financial Markets Conduct Act 2013, or other offering document under New Zealand law or any other law. This presentation has not been lodged with any regulatory authority in any jurisdiction. This presentation, and the information contained in it, is provided for information purposes only and is not an offer or solicitation or an invitation or recommendation to subscribe for, acquire or buy securities of **thl**, or any other financial products or securities, in any place or jurisdiction, or a solicitation of any vote or approval in connection with the Scheme.

This presentation, and the information provided in it, does not constitute, and is not intended to constitute, financial product or investment advice (nor tax, accounting or legal advice) or a recommendation to acquire any securities of **thl**, or a solicitation of any vote or approval in connection with the Scheme. It has been prepared without taking into account the objectives, financial or tax situation or particular needs of any individual.

## NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

This presentation may not be released to U.S. wire services or distributed in the United States. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction, and neither this presentation or anything attached to this presentation shall form the basis of any contract or commitment. Any securities described in this presentation have not been, and will not be, registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States except in transactions registered under the U.S. Securities Act of 1933 or exempt from, or not subject to, the registration of the U.S. Securities Act of 1933 and applicable U.S. state securities laws.

---

## EFFECT OF ROUNDING

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. The actual calculation of these figures may differ from the figures set out in this presentation.

## FINANCIAL DATA

All dollar values are in New Zealand dollars (NZ\$) unless stated otherwise. To the extent an exchange rate is used to convert foreign currency to New Zealand dollars, the assumed exchange rate has been shown in this presentation. This presentation may contain a number of non-GAAP financial measures, including Earnings Before Interest and Tax (**EBIT**). Because they are not defined by NZ GAAP or IFRS, **thl**'s calculation of these measures may differ from similarly titled measures presented by other companies and they should not be considered in isolation from, or construed as an alternative to, other financial measures determined in accordance with NZ GAAP. You are cautioned, therefore, not to place undue reliance on any such financial information included in this presentation.

## REGULATORY BODIES REFERRED TO IN MATERIALS

Australian Competition and Consumer Commission (**ACCC**)

Australian Foreign Investment Review Board (**FIRB**)

New Zealand Commerce Commission (**NZCC**)

# Overview



# Strategic Rationale

## Global reach

*Entry to Canadian market and expansion into Europe – Canada is highly complementary to **thl**'s existing United States operations*

## Synergies

*Material synergy opportunity for the Merged Group*

*(Estimated \$27m to \$31m recurring pre-tax cash synergy across Australia and New Zealand)*

***Better positioned to capitalise on the anticipated post-COVID recovery of international tourism***

## Vertically integrated across Australasia

*Manufacturing capability in both Australia and New Zealand supported by acquisition of Australian dealership operations*

## Platform for future growth

*Geographically diversified, access to capital and supply derisked by manufacturing*

# Global RV Leader – Snapshot of Merged Group

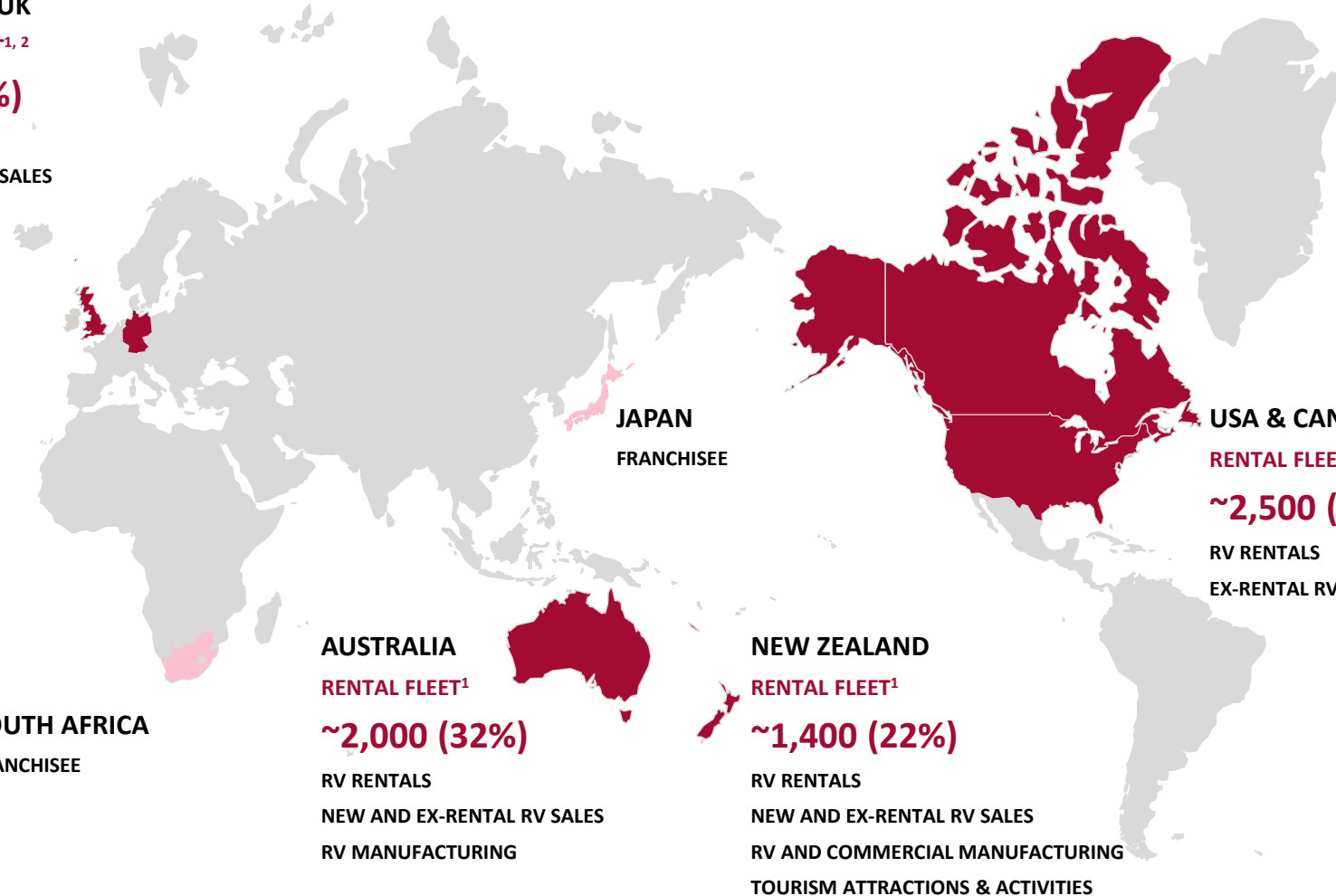
## EUROPE & UK

RENTAL FLEET<sup>1, 2</sup>

~400 (6%)

RV RENTALS

EX-RENTAL RV SALES



JAPAN  
FRANCHISEE

USA & CANADA

RENTAL FLEET<sup>1</sup>

~2,500 (39%)

RV RENTALS

EX-RENTAL RV SALES

AUSTRALIA

RENTAL FLEET<sup>1</sup>

~2,000 (32%)

RV RENTALS

NEW AND EX-RENTAL RV SALES

RV MANUFACTURING

NEW ZEALAND

RENTAL FLEET<sup>1</sup>

~1,400 (22%)

RV RENTALS

NEW AND EX-RENTAL RV SALES

RV AND COMMERCIAL MANUFACTURING

TOURISM ATTRACTIONS & ACTIVITIES



NZ\$1.1bn

FY22 Total Assets<sup>3</sup>



NZ\$502m

FY22 Net Assets<sup>3</sup>

1. Rental fleet sizes represent fleet sizes and percent of thl and Apollo as at 30 June 2022 less 110 motorhomes in New Zealand and 200 in Australia in relation to the Asset Divestment

2. Europe & UK includes thl fleet from Just go motorhomes, which was a 49% joint venture as at 30 June 2022

3. FY22 Merged Group figures refer to pro forma consolidated balance sheet, as shown on page 28

# Investment Rationale

1

The Merged Group will be well positioned to capitalise on the anticipated strong recovery in tourism, and operates in a segment of tourism that has experienced category growth through the pandemic

2

The Merged Group is expected to realise material cost synergies and other strategic benefits from the merger of *thl* and Apollo

3

The Merged Group will operate a business model that has proven flexibility through the pandemic, and has a history of disciplined balance sheet management by the *thl* Board and management

4

The Merged Group should benefit from *thl's* balance sheet strength and has support from several long-term lending partners

5

The Merged Group will continue *thl's* history as an aspirational company with long-term growth ambitions

# Summary of Key Transaction Changes

“Before” represents the proposed merger as at 10 December 2021 upon initial announcement.

“Now” represents the updated status of the transaction

Key change	Description
<b>Proposed divestment</b>	<p><b>Before:</b> Not applicable</p> <p><b>Now:</b> Divestment of certain Apollo assets to Jucy, most notably 200 and 110 4-6 berth motorhomes in Australia and New Zealand respectively, Apollo’s Star RV brand and property leases for Apollo depots in Auckland, Perth, Alice Springs, Darwin and Hobart</p>
<b>Synergies</b>	<p><b>Before:</b> Expected steady-state pre-tax cash benefit of \$18m – \$20m per annum (excluding interest benefits), expected one-off implementation costs of \$4m – \$7m, and fleet rationalisation delivering at least \$40m of net debt benefit</p> <p><b>Now:</b> Expected steady-state pre-tax cash benefit of \$27m – \$31m per annum (including expected interest synergies of \$3m – \$5m per annum), expected one-off implementation costs of \$7m – \$11m, and fleet rationalisation delivering at least \$25m of net debt benefit. Synergy realisation expected to be delayed by ~12 months relative to previous disclosure with some derisking as certain property synergies realised immediately through divestment to Jucy (as above)</p>
<b>Merger ratio</b>	<p><b>Before:</b> 1 new ordinary <i>thl</i> share for every 3.680818 ordinary Apollo shares held by Apollo shareholders (excluding <i>thl</i>)<sup>1</sup> – Apollo shareholders (excluding <i>thl</i>) receive 24.9% of the Merged Group<sup>2</sup></p> <p><b>Now:</b> 1 new ordinary <i>thl</i> share for every 3.210987 ordinary Apollo shares held by Apollo shareholders (excluding <i>thl</i>)<sup>1</sup> – Apollo shareholders (excluding <i>thl</i>) receive 27.0% of the Merged Group<sup>2,3</sup>. Revised merger ratio recognises the impact of Australia’s faster recovery from the COVID-19 pandemic than anticipated (leading to a stronger outlook) together with Apollo’s relatively larger Australian operations, and the increase in value in the Apollo Canadian properties</p>
<b>Lender engagement</b>	<p><b>Before:</b> Limited engagement</p> <p><b>Now:</b> Established the go-forward lending structure of the Merged Group, comprising existing <i>thl</i> banks alongside asset financiers which also results in confidence of interest synergies achievable</p>

- 1) The consideration shares of shareholders with an address other than in Australia, New Zealand, the United Kingdom or other jurisdictions agreed by Apollo and *thl* will be issued to a nominee and sold with the proceeds paid to the shareholder
- 2) *thl* currently holds 898,150 ordinary shares in Apollo, representing 0.5% of Apollo ordinary shares on issue as at the date of the Scheme Implementation Deed. This results in Apollo shareholders (excluding *thl*) receiving a slightly lower proportion of the Merged Group than disclosed in the headline merger ratios of 25.0% “Before” and 27.5% “Now”. The total number of *thl* ordinary shares on issue may change prior to completion of the Scheme in the event that any shares vest under existing LTI schemes
- 3) Includes 2,941,857 *thl* shares issued on 4 October 2022 for the acquisition of the remaining 51% of Just go and any additional *thl* shares issued between the Deed of Variation to the SID and the date of this presentation

# Asset Divestment to Jucy

## Divesting 200 vehicles in Australia and 110 vehicles in New Zealand

As a condition to the regulatory approvals obtained from NZCC and ACCC, *thl* and Apollo have agreed to sell the following to car and campervan rental business operator, Jucy:

- 200 4-6 berth motorhomes from Apollo's rental fleet in Australia and 110 4-6 berth motorhomes from Apollo's rental fleet in New Zealand, including a proportion of the forward bookings associated with that fleet
- Apollo's Star RV motorhome brand (currently used only in Australia and New Zealand)
- Property leases for surplus Apollo rental depots in Auckland, Perth, Alice Springs, Darwin and Hobart – this effectively derisks the property synergy associated with these leases

*thl* and Apollo have also agreed with Jucy that the Merged Group will:

- Supply (or procure supply) Jucy with 40 motorhomes in each of Australia and New Zealand in the 12 months post divestment, with an option for an additional 40 motorhomes in each of Australia and New Zealand in the subsequent 12 months (at Jucy's option). These motorhomes are expected to be supplied through the retail channel and to not have a material impact on earnings
- At the request of Jucy, use best endeavours to introduce Jucy to wholesalers who currently market motorhomes under the Star RV brand and who do not have an existing relationship with Jucy
- Provide certain transitional services to Jucy

The divestment is to occur prior to completion on the Implementation Date (30 November 2022)

## Impact of Divestment on Merged Group

### P&L impact

- Reduction in hire days – smaller fleet base (200 divested motorhomes in Australia and 110 divested motorhomes in New Zealand)
- Average rental yield declines – 4-6 berth motorhomes have a slightly higher rental rate than the weighted average fleet rental rate (which includes smaller vehicles)
- D&A reduction – a smaller fleet base

Recurring NPAT  
impact

Given the P&L impact of the divestment is highly dependent upon prevailing market conditions<sup>1</sup> and external variables outside of the Merged Group's control (such as rental demand), the P&L impact is difficult to precisely quantify with sufficient certainty

### Cash proceeds / sales pricing

- Estimated one-off cash receipt of ~\$18.1m from the sale of the motorhomes at time of divestment (net sales proceeds of ~\$42.7m less repayment of borrowings of ~\$24.6m)<sup>2</sup>
- Sales prices are consistent with retail pricing and slightly higher than the weighted average fleet sale price (which includes smaller vehicles) – expected total gain on sale of ~\$13.7m<sup>2</sup>

FY23 cash  
impact

1. Prevailing market conditions are likely to also influence other factors such as mix of fleet or length of time vehicles remain on fleet. This in turn influences average rental yields, effective depreciation rates and operating costs, amongst other factors  
2. Assumes exchange rate of NZD:AUD 0.9260. Variance to numbers reported earlier in the Replacement Scheme Booklet relates to finalisation of list of vehicles, sales pricing and fluctuation in exchange rates.



# Significant Value Creation through expected Synergy Realisation (1 / 2)

Expected pre-tax cash synergies have materially increased since the initial announcement in December 2021. They are now expected to be \$27m – \$31m per annum on a post-divestment basis

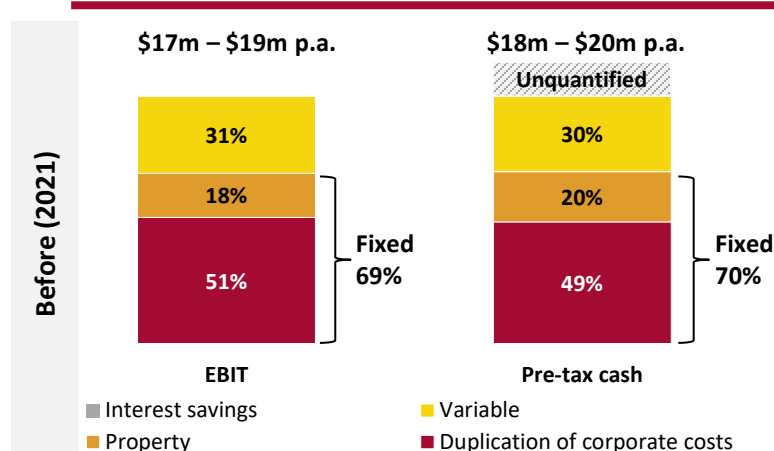
## 1

- Material synergies are expected to arise in the Merged Group due to recurring cost reduction across Australia and New Zealand
- Such synergies are expected to deliver a steady-state<sup>2</sup> pre-tax cash uplift of \$27m – \$31m per annum, or an EBIT uplift of \$23m – \$24m per annum
- The increase in expected EBIT synergy range of approximately \$6m relative to December 2021 relates primarily to an increase in the costs previously identified as synergies due to inflation, identifying a larger quantum of corporate overhead synergies and the devaluation of the New Zealand Dollar
- Synergies are shown on the basis that the 310 motorhomes divested to Jucy are permanently removed from the Merged Group's fleet base
- There has been some derisking as certain property synergies are realised immediately through divestment to Jucy
- The majority of the fixed cost synergies are expected to be fully implemented by the end of FY25, while the variable cost synergies are expected to increase in line with activity returning to pre-COVID levels and to be materially realised by the end of FY25
- Total one-off implementation costs are expected to be \$7m – \$11m, with the majority of these incurred by the end of FY24. The increase in one-off implementation costs from 2021 primarily arises from additional integration spend and general operating expenses

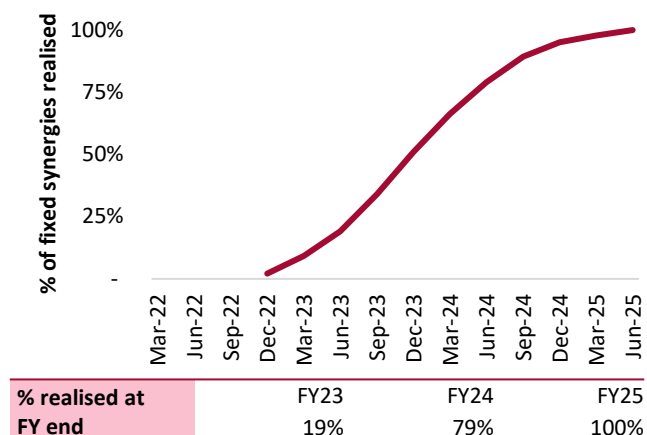
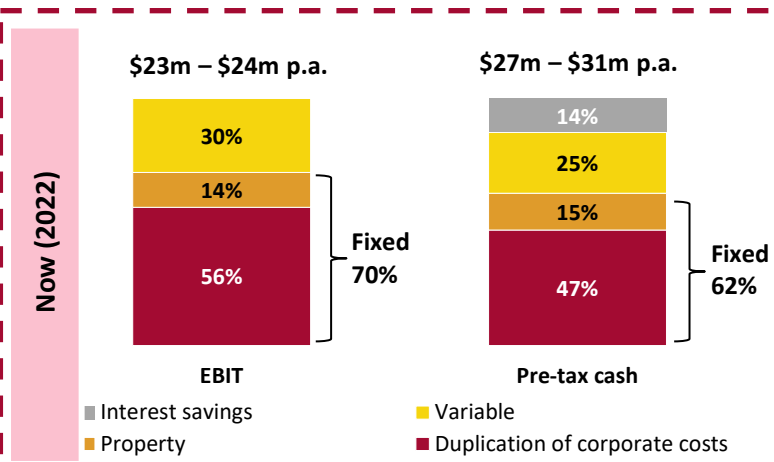
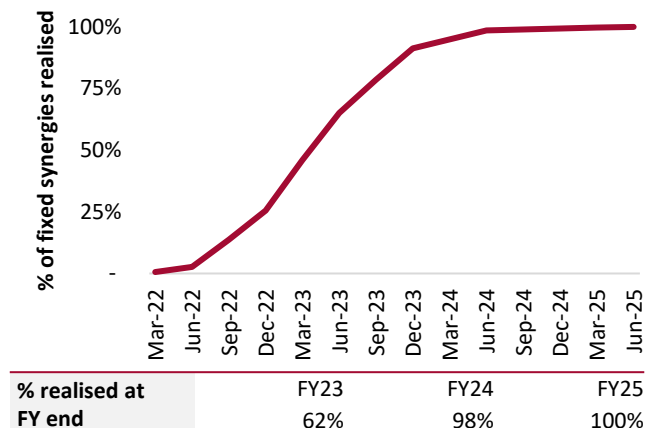
## 2

Based on funding rates received from lenders in relation to the proposed merger, there is also an additional \$3m – \$5m annual recurring interest synergy now expected at steady-state<sup>2</sup>. This was previously unquantified in 2021

### Expected cost-out recurring synergies<sup>1</sup>



### Indicative phasing of fixed synergies



1. Percentages based on mid point of synergy range  
2. Steady-state refers to normal trading conditions following a post-COVID recovery

# Significant Value Creation through expected Synergy Realisation (2 / 2)

Fleet rationalisation opportunity through servicing the Merged Group's rental operations using a smaller, more optimized fleet base to deliver a one-off debt reduction of up to \$42m<sup>1</sup>, with additional potential upside from recurring net capex savings

## 3

- Fleet rationalisation opportunity of up to ~350 vehicles is expected due to the ability of the Merged Group to service rental operations on a smaller, more optimised fleet base (i.e. enhanced utilisation)
- The ability for the Merged Group to rationalise fleet has reduced relative to the December 2021 assessment owing to both **thl** and Apollo having already reduced their respective fleets in ordinary course trading, as well and the fleet divestment of the Merged Group
- This fleet rationalisation synergy comprises both:
  - A one-off reduction in net debt as fleet are permanently removed
  - An assumed ongoing reduction in annual replacement fleet capex required due to smaller fleet size

### Current and steady state

	Before (2021)	Now (Nov 2022)	
<b>Current + steady state</b>	<b>Current fleet reduction:</b> No vehicles extracted from the Merged Group immediately	<b>~300 vehicles</b>	<b>~0 vehicles</b>
	<b>Steady state fleet reduction:</b> Additional vehicles which can be extracted from the Merged Group in a steady state environment	<b>~600 vehicles</b>	<b>~200 vehicles</b>
	<b>One-off debt reduction:</b> Total cash flow impact of the current and steady state fleet reduction	<b>~\$40m<sup>2</sup></b>	<b>~\$25m<sup>2</sup></b>

### Potential upside

	Before (2021)	Now (Nov 2022)	
<b>Potential upside</b>	<b>Additional upside fleet reduction:</b> Additional vehicles which can potentially be extracted subject to further operational efficiency improvements in North America <sup>3</sup>	<b>Up to ~350 Vehicles, or ~\$30m<sup>2</sup> one-off debt reduction</b>	<b>Up to ~150 Vehicles, or ~\$18m<sup>2</sup> one-off debt reduction</b>
	<b>Recurring savings including net capex reduction:</b> Ongoing cashflow benefits of assumed lower net replacement capex resulting from a smaller fleet base	<b>Not quantified</b>	<b>Not quantified</b>

1. Total one-off debt reduction of up to \$42m differs to the sum of the current and steady state one-off debt reduction of \$25m and the potential upside one-off debt reduction of \$18m due to rounding  
 2. Debt reduction per vehicle differs between current and steady state and potential upside due to differences in age of vehicles, mix of vehicles and differences in changes to both purchases and sales  
 3. Total fleet size is expected to continue to grow over time as the post-COVID operating environment recovers. Additional upside fleet reduction is relative to steady state fleet size

# Key Merger Metrics

*thl* shareholders receive 73.0% of the Merged Group

## Resulting ownership of Merged Group

- Reflects Apollo shares currently owned by *thl*
- Reflects *thl* shares issued on 4 October for the remaining 51% of Just go and other subsequent shares issued

apollo TOURISM & LEISURE LTD

Apollo shareholders receive 27.1% of Merged Group



## Merged Group share composition

Apollo current shares on issue	186,150,908
Apollo shares held by <i>thl</i>	898,150
<b>Apollo current shares on issue (excl. <i>thl</i> held)</b>	<b>185,252,758</b>
Conversion ratio	3.210987
<b><i>thl</i> shares issued to Apollo shareholders (excl. <i>thl</i>)<sup>2</sup></b>	<b>57,693,401</b>
<i>thl</i> shares on issue prior to Just go <sup>3</sup>	153,130,632
<b>Merged Group shares on issue</b>	<b>210,824,033</b>
<i>thl</i> current shares on issue (incl. Just go) <sup>4</sup>	156,320,113
<b>Merged Group shares on issue</b>	<b>214,013,514</b>

## Merger consideration

- As consideration, *thl* will issue **1 new ordinary *thl* share for every 3.210987 ordinary Apollo shares** held by Apollo shareholders (excluding *thl*) as at the date of Deed of Variation to the SID<sup>1</sup>
- thl* holds 898,150 ordinary shares in Apollo being 0.5% of Apollo ordinary shares on issue at the date of the Deed of Variation to the SID. No new shares will be issued to *thl* in relation to its shareholding in Apollo
- The merger will result in Apollo shareholders (excluding *thl*) owning 27.0% of the Merged Group<sup>4,5</sup> and *thl* shareholders owning 73.0% of the Merged Group<sup>4,5</sup>. The Trouchet Family (who are currently 53.4% of Apollo) will become 14.5% shareholders of the Merged Group<sup>4,5</sup>

1) The consideration shares of shareholders with an address other than in Australia, New Zealand, the United Kingdom or other jurisdictions agreed by Apollo and *thl* will be issued to a nominee and sold with the proceeds paid to the shareholder

2) Any entitlements to a fraction of a new *thl* share arising under the calculation of scheme consideration will be rounded to the nearest new *thl* share (and if the fractional entitlement would include one-half of a *thl* consideration shares, the entitlement will be rounded up)

3) Prior to 2,941,857 *thl* shares issued on 4 October 2022 for the acquisition of the remaining 51% of Just go

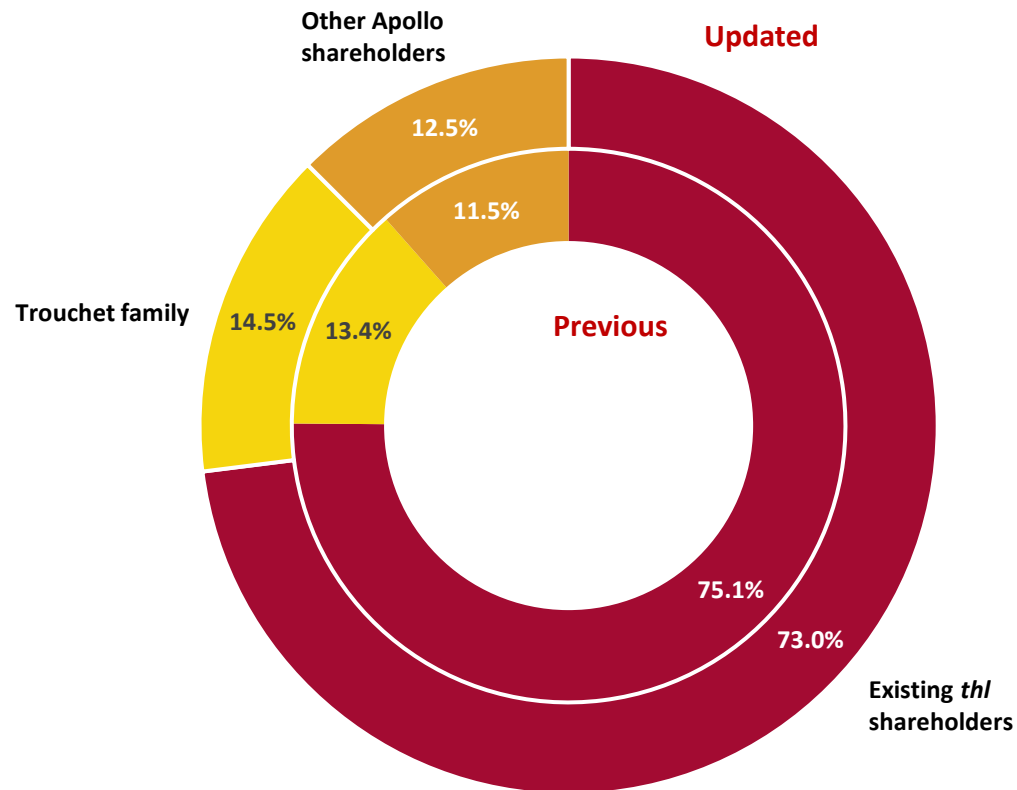
4) As at the date of this presentation. The total number of *thl* ordinary shares on issue may change prior to completion of the Scheme in the event that any shares vest under existing LTI schemes

5) Based on *thl* and Apollo current shares on issue as at date of this presentation

# Merged Group Shareholdings and the Trouchet Family

Existing *thl*/shareholders will receive 73.0% of the Merged Group, the Trouchet family will receive 14.5% of the Merged Group subject to certain escrow terms with the remaining 12.5% of the Merged Group attributed to other Apollo shareholders

## Merged Group indicative shareholdings<sup>1</sup>



## Trouchet family

- Luke Trouchet’s global RV experience will continue to be available to the business with his ongoing involvement in the Merged Group
- Post-merger, the Trouchet family will hold a 14.5% shareholding in the Merged Group<sup>1</sup>
- Subject to regulatory and other requirements, it is proposed that the Trouchet family will escrow:
  - a) 90% of their *thl* consideration shares for 12 months after the Implementation Date; and
  - b) 50% of their *thl* consideration shares for 24 months after the Implementation Date.
- The Trouchet family are strongly aligned with the continued growth of the Merged Group and have evidenced their intent to be a long-term, supportive shareholder by:
  - Entry into voluntary escrow
  - Luke Trouchet’s role in the Merged Group as Executive Director – M&A and Global Transitions
  - High degree of cultural alignment between *thl* and Apollo

1) “Updated” Merged Group indicative shareholdings based on Merged Group shares on issue of 214,013,514 (refer page 11)

# Summary of Key Borrowing Facilities

Mix of banking facilities and asset financing under the proposed arrangements is expected to provide the Merged Group with capital access for fleet growth plans, non-fleet capital expenditure and general operating requirements to support growth across the business

## Merged Group funding process

- **thl** has entered into new funding arrangements to take effect on commencement of the merger. These involve existing **thl** banks and selected asset financiers
- Asset financiers have been appointed on a geographic basis based on their knowledge of the sector and the support they have previously shown to Apollo and/or financing of motorhomes
- Selected regionally-based asset financiers, combined with existing banks, expected to provide a stable and flexible source of debt funding into the future
- Finance remains subject to the satisfaction of conditions precedent and completion deliverables in the financing documentation.

## Overview of Facilities<sup>1</sup>

- **Banking facility:** NZ\$150 million from **thl**'s current lenders (Westpac and ANZ)
- **COVID loans:** to be repaid shortly after completion
- **Canada:** continued funding of the Canadian business approved by Apollo's Canadian lenders at current funding levels
- **Asset finance:** remainder of the Merged Group's funding requirement intended to be provided through asset financing, including select Apollo existing lenders
  - Asset finance facilities are typically uncommitted until drawn upon
  - Available asset financing is expected to exceed the intended Merged Group fleet growth requirements through to the end of FY24

1) Refer to the pro forma balance sheet on page 28 for indicative debt levels of the Merged Group

# FY23 Outlook

## FY23F capex



- Gross capex ~NZ\$270m – \$300m
- Net capex ~NZ\$120m
- Fleet expected to grow by ~20% in FY23



- Gross capex ~NZ\$178m
- Net capex ~NZ\$93m

## Merged Group

- Divestment impact – net capex reduction of ~NZ\$42m

## FY23F NPAT

- Upgraded NPAT guidance to above NZ\$30m, inclusive of estimated one-off transaction costs of NZ\$3.5m
- Upgraded NPAT guidance to above ~NZ\$21.3m, excluding estimated one-off transaction costs of ~NZ\$3.3m
- Negative impact of synergy implementation costs and subsequent benefit from synergy realisation
- Reduction in revenue, vehicle depreciation and costs for 7 months from divestment impact

## Indicative FY22 – FY23 fleet bridge<sup>3</sup>



1. thl FY23F capex guidance as per its FY22 results presentation (and includes immaterial non-fleet capex) and FY23F NPAT guidance as per its NZX announcement on 12 October 2022  
 2. Apollo FY23F capex guidance as per its FY22 results presentation (and excludes non-fleet capex of ~NZ\$3.3m) and FY23F NPAT guidance as per its ASX announcement on 18 October 2022. Apollo financial information has been currency adjusted at 0.9380 NZD / AUD  
 3. Not to scale  
 4. thl FY22 closing rental fleet balance of ~4,000 reflects thl's reported FY22 closing balance of ~3,850 plus Just go fleet (thl acquired the remaining 51% of Just go on 4 October 2022)  
 5. Net sales proceeds from the sale of 310 motorhomes in New Zealand and Australia to Jucy

# Management, Board and Shareholders



# Board and Executive Management

The Merged Group will be governed by a Board of eight directors, comprising the existing *thl* board as well as two Independent Directors from the Apollo Board, Grant Webster and Luke Trouchet as Executive Directors. Cathy Quinn will retain her position as Chair

## New additions to the *thl* Board



**Grant Webster**  
CEO and Managing Director

Grant was appointed to the position of Chief Executive Officer of *thl* in December 2008. Grant has served on various industry and Government bodies including nine years on the Tourism Industry Aotearoa Board including periods as Chair and Deputy Chair. Grant was also co-Chair for the New Zealand Government’s Tourism Futures Taskforce in 2020. Grant joins the Board as Managing Director



**Luke Trouchet**  
Non-Independent, Executive Director

Luke Trouchet has been a non-independent director of Apollo since September 2016. Luke was appointed as the Chief Executive Officer and Managing Director of Apollo’s predecessor entities in 2001, and of Apollo in September 2016 (when Apollo was incorporated). Since that time he has led the organisation through a strong growth period, expanding internationally into NZ, USA, Canada, United Kingdom and Europe



**Sophie Mitchell**  
Independent Director

Sophie has been an independent director of Apollo since September 2016. She is a non-executive director of Corporate Travel Management Limited, Morgans Holdings (Australia) Limited and is also a member of the Queensland Advisory Board for AustralianSuper, a board member of the Australia Council for the Arts, and a board member of Myer Family Investments Pty Ltd. Sophie is a former member of the Australian Takeovers Panel



**Robert Baker**  
Independent Director

Robert joined the Apollo Board as an independent director in January 2020. Rob is an experienced director with current ASX roles including independent director and Chair of the Audit & Risk committee of Flight Centre Travel Group Ltd and independent chairman of RightCrowd Limited. He is also Chairman of Goodman Private Wealth Ltd and has several pro bono Board or Advisory Board roles with not-for-profit organisations

## Continuing Board members



**Cathy Quinn (ONZM)**  
Chair



**Debbie Birch**  
Independent Director



**Rob Hamilton**  
Independent Director



**Gráinne Troute**  
Independent Director

## Executive Management

- The Merged Group’s Executive team will include Grant Webster remaining in the role of Chief Executive Officer, in addition to joining the Board as Managing Director
- Luke Trouchet will also be appointed to the new role of Executive Director – M&A and Global Transitions. In this role, Luke will oversee a number of business projects that are contemplated over the coming years, including transitional projects in relation to chassis procurement, manufacturing, dealerships and technology solutions, as well as exploration of global M&A opportunities
- Nick Judd will be the Chief Financial Officer of the Merged Group
- The specific Executive structure of the Merged Group, including how duplicate Executive roles between Apollo and *thl* are to be addressed, are currently under review. Once determined, the remaining Executive structure will be implemented following a transitional period after completion of the Scheme



# Overview of Merged Group

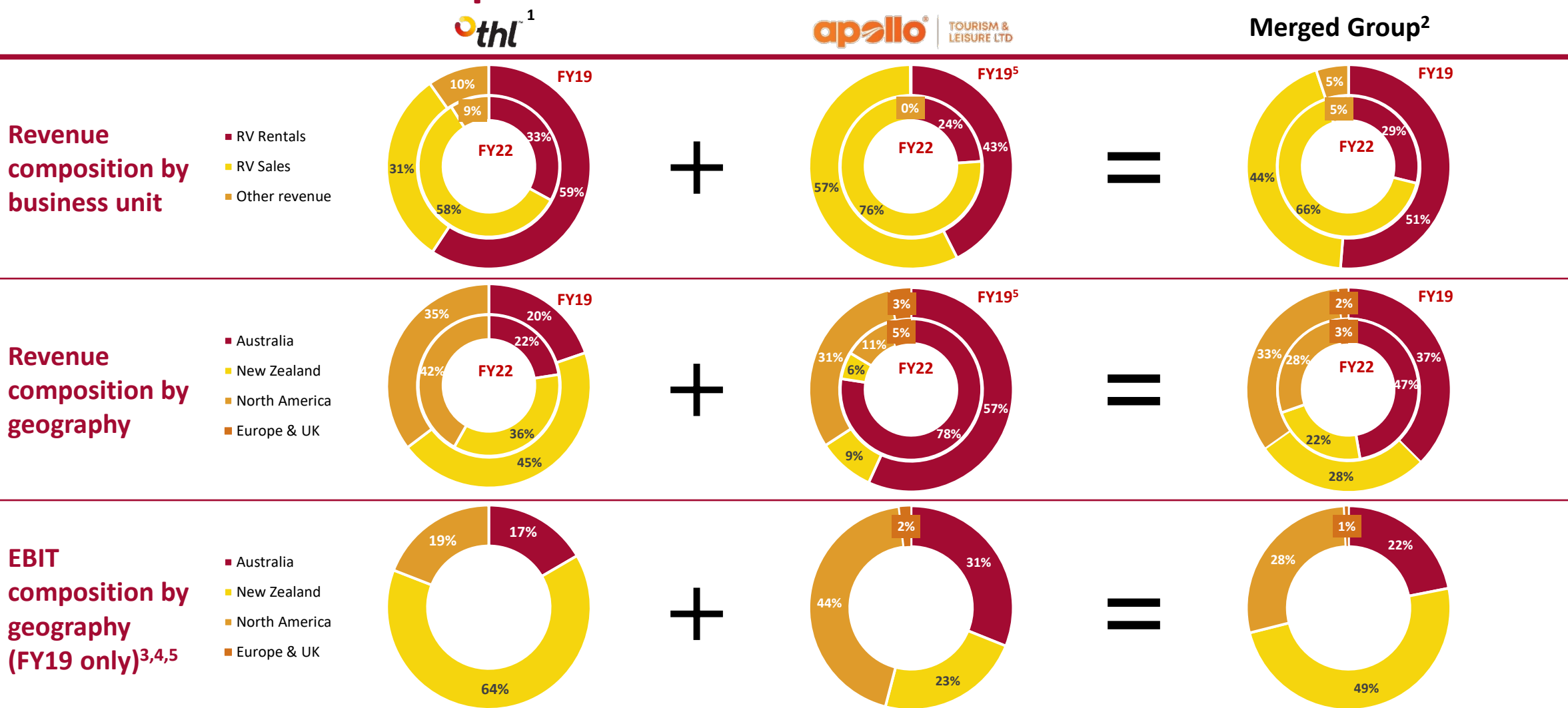


# Shared RV Business Model

- Both **thl** and Apollo operate a Build/Buy, Rental and Sell model
- RVs are built at each company's own manufacturing facilities or purchased directly from third-party manufacturers or dealers
- Both operate multiple RV rental brands across each of its operational jurisdictions, targeting specific segments of the rental market
- Both own retail sales centres and also sells vehicles through a network of dealers



# Illustrative Financial Impact of the Transaction



**FY19 revenue and earnings contribution reflects a pre-COVID operating environment, whilst FY22 reflects actions taken specifically as a result of the COVID environment**

Note: the above metrics are based on combined, unadjusted, as reported financial metrics (i.e. thl + Apollo = Merged Group). FY22 financials do not reflect the proposed divestment to Jucy (refer page 8)

1. thl revenue and EBIT excludes earnings of joint ventures Just go and Togo Group (exited in 2020)

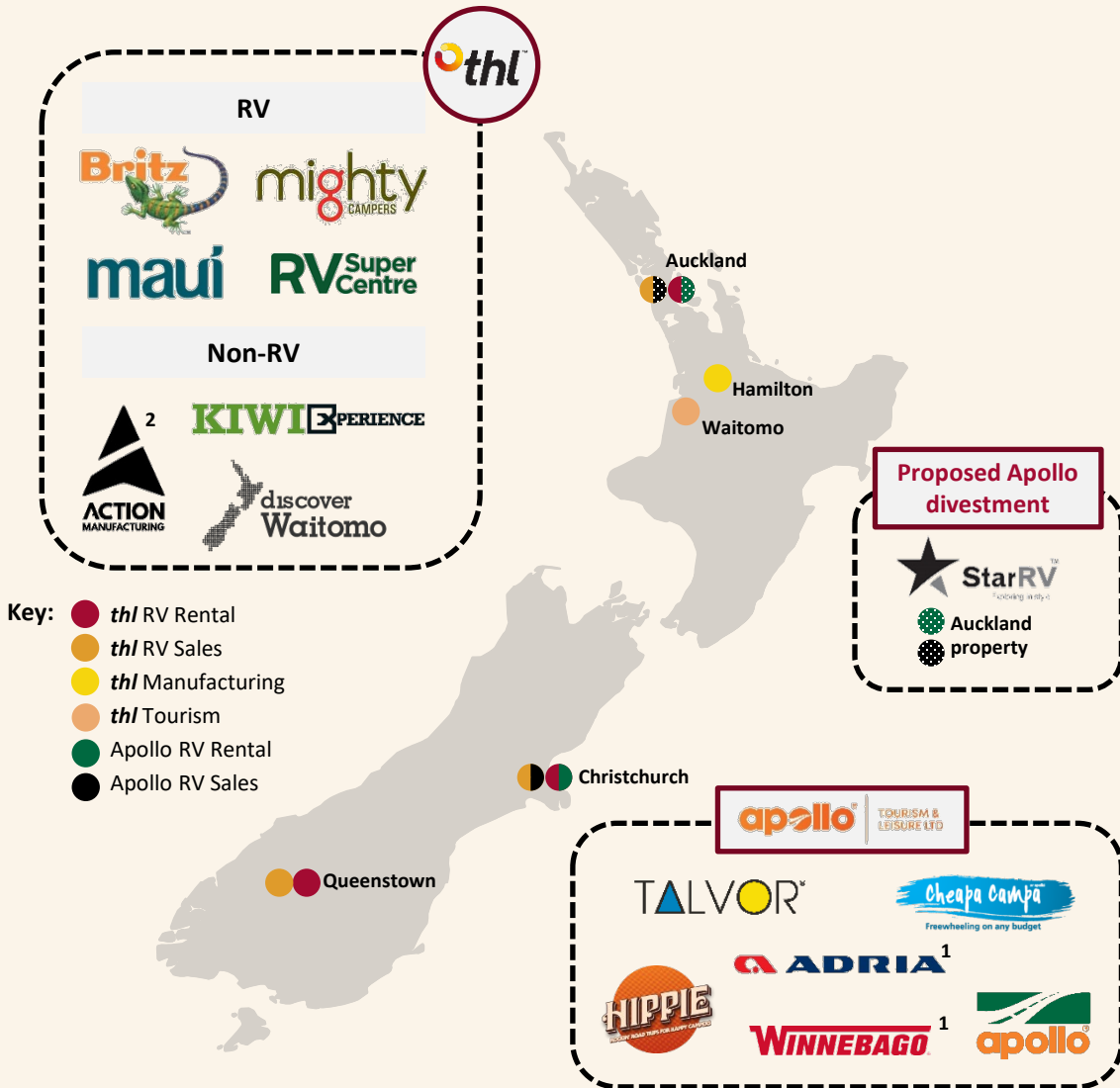
2. Merged Group metrics have been currency converted at an average exchange rate of 0.9383 and 0.9340 NZD / AUD in FY19 and FY22 respectively

3. thl FY19 reported EBIT composition by geography excludes Group Support Services & Other of NZ\$(6.0)m, Apollo FY19 underlying EBIT composition by geography excludes elimination of inter-entity charges, interest charged on loans between segments and amortisation of internally generated intangibles on acquisitions totaling NZ\$(1.9)m

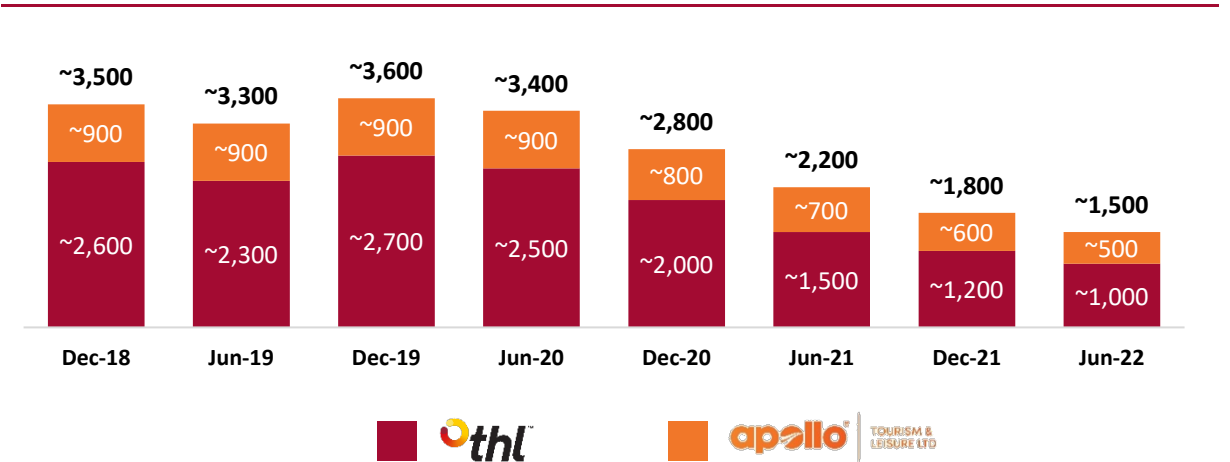
4. FY22 not shown as both businesses generated EBIT losses in FY22 as a result of the COVID impacted operating environment

5. Apollo FY19 financials include its US business. US fleet were sold in FY20 and the business put in hibernation

# New Zealand Business



## Closing rental fleet size<sup>3</sup>



## Current conditions and strategy

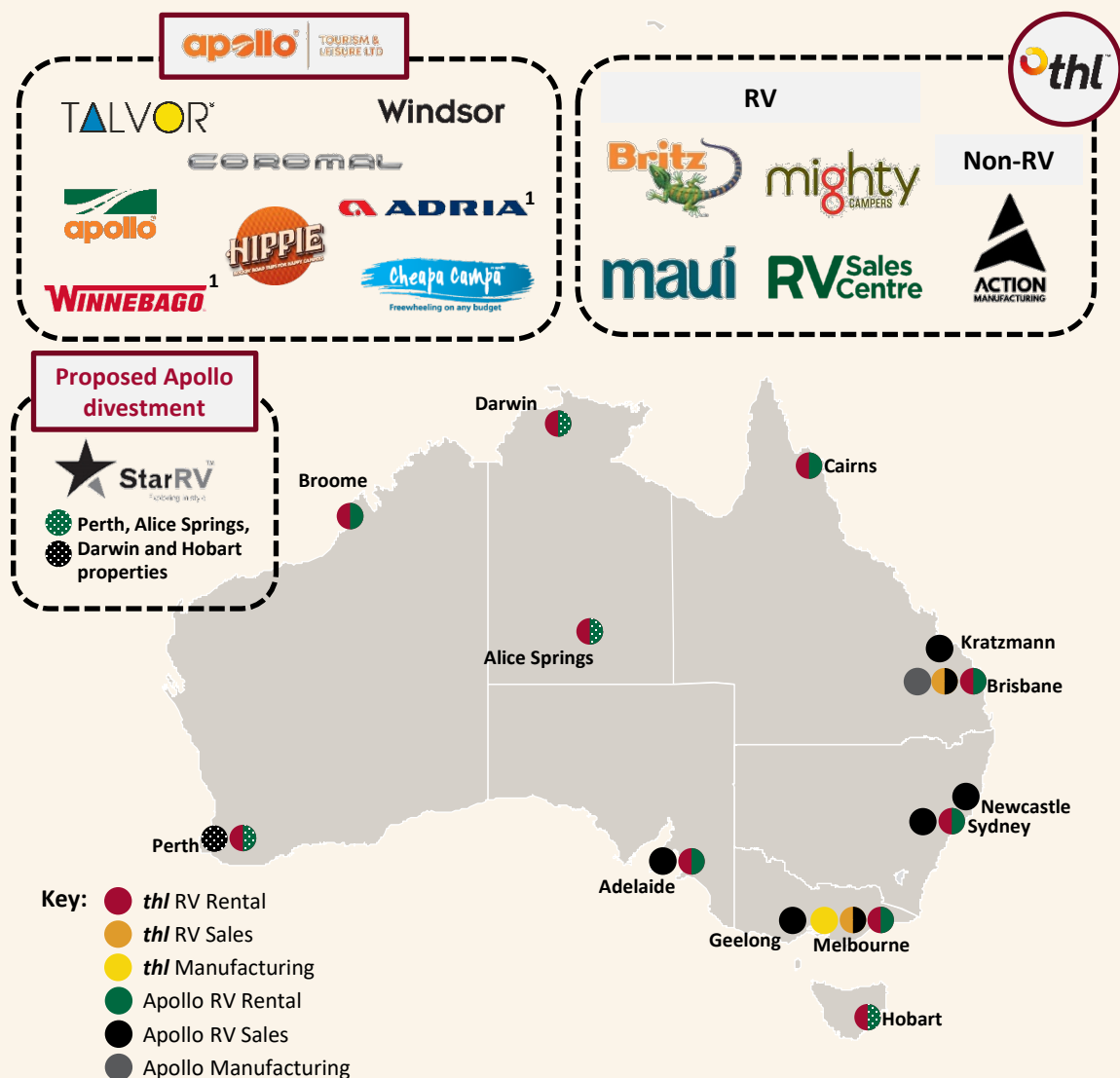
- To date, demand and rental yields for the upcoming high season have been above prior expectations, with yields (across the financial year to date and current summer bookings) up by more than 35% on FY19 levels over the same time period
- Focus on growth in non-rentals initiatives including growth of capacity for Action Manufacturing, third party non-RV work and RVSC retail
- Supply chain delays have been evident, resulting in a fleet size below optimal size for the upcoming summer period as the post-COVID recovery is stronger than anticipated at this time

1. Apollo has the exclusive right to import and distribute Adria in Australia and New Zealand; and the exclusive right to manufacture Winnebago in Australia and New Zealand

2. Action Manufacturing acquired Freighter NZ from MaxiTRANS in July 2022

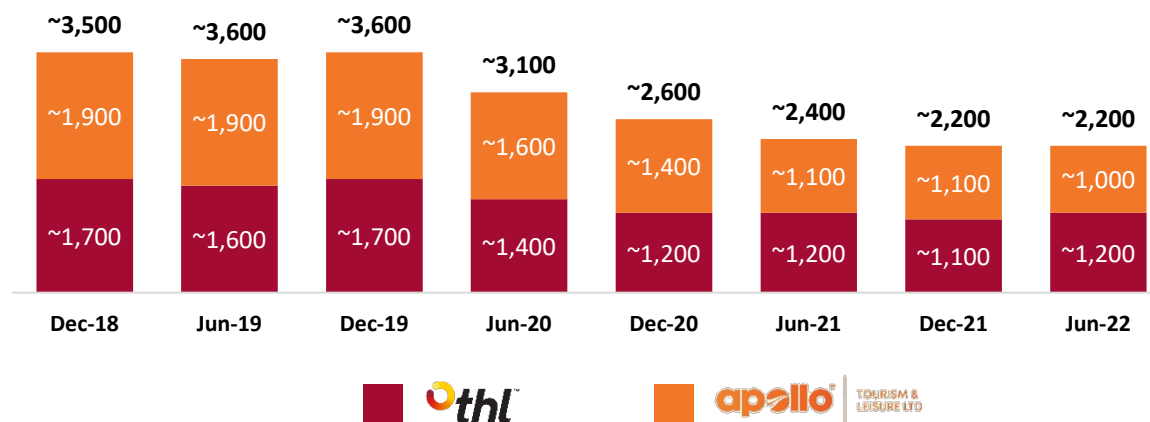
3. Total closing rental fleet size may differ to the sum of thl's fleet size and Apollo's fleet size due to rounding

# Australia RV Business



1. Apollo has the exclusive right to import and distribute Adria in Australia and New Zealand; and the exclusive right to manufacture Winnebago in Australia and New Zealand  
 2. Total closing rental fleet size may differ to the sum of thl's fleet size and Apollo's fleet size due to rounding

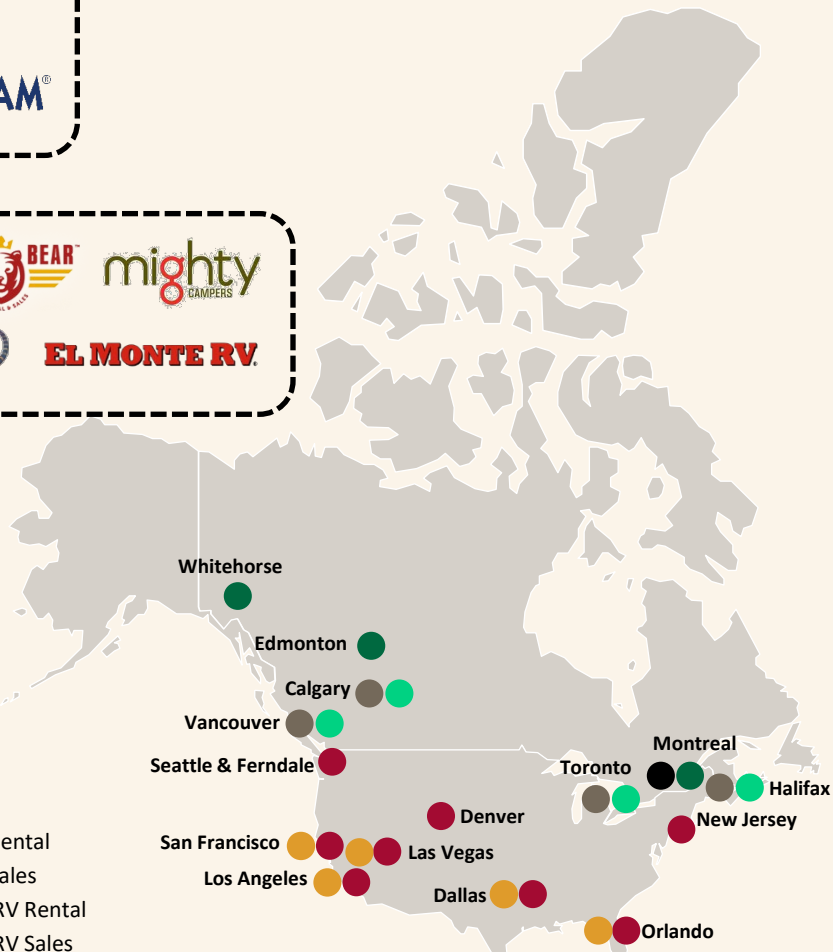
## Closing rental fleet size<sup>2</sup>



## Current conditions and strategy

- Australia is experiencing strong post-COVID recovery, with rental yields (across the financial year to date and current summer bookings) up by more than 70% on FY19 levels
- Material property synergies expected with the current overlap of rental branches
- Apollo is a material beneficiary of the current strength in the Australian vehicle sales market due to its distributed retail dealership network. The network offers significant scale benefit, while sales of third-party brands lends an element of downside protection

# North America RV Business

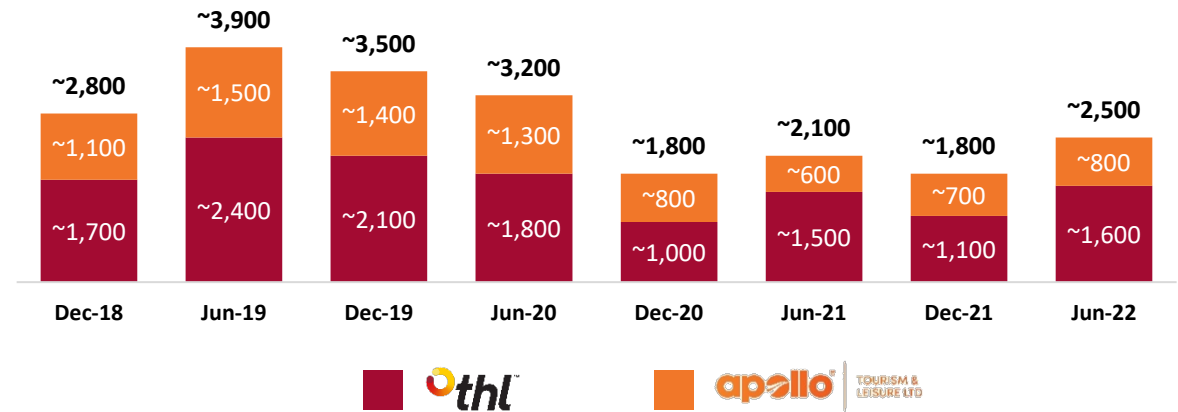


- Key:**
- thl RV Rental
  - thl RV Sales
  - Apollo RV Rental
  - Apollo RV Sales
  - Apollo RV Rental (sale & leaseback)
  - Apollo RV Sales (sale & leaseback)

Note: thl also has licensees in Reno, Corona, Sacramento, San Diego, Santa Cruz, Ventura / Oxnard, Victorville, Miami, Chicago, Salt Lake City and Denver

1. Total closing rental fleet size may differ to the sum of thl's fleet size and Apollo's fleet size due to rounding

## Closing rental fleet size<sup>1</sup>



## Current conditions and strategy

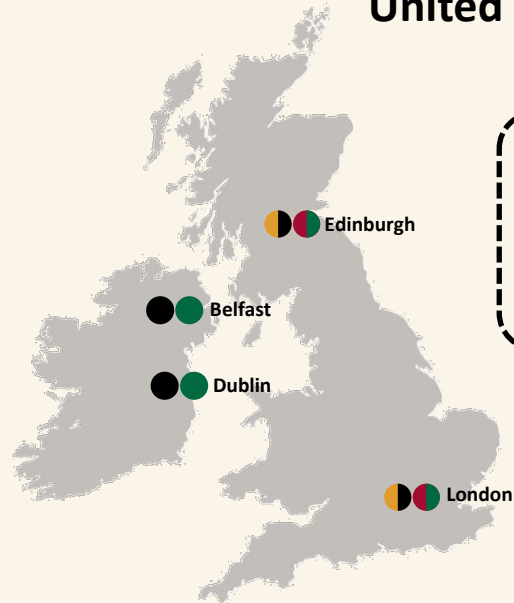
- The North American businesses operate on a more decentralised model than New Zealand and Australia. There are expected to be limited operational changes in the near to medium term
- Over time, there are expected to be opportunities to leverage the expertise and procurement capabilities of each business to realise synergies

## Apollo's Canadian properties

- Apollo is currently exploring a sale and leaseback arrangement of its owned Canadian properties in Vancouver, Calgary, Toronto and Halifax

# Europe and UK RV Business

## United Kingdom & Ireland

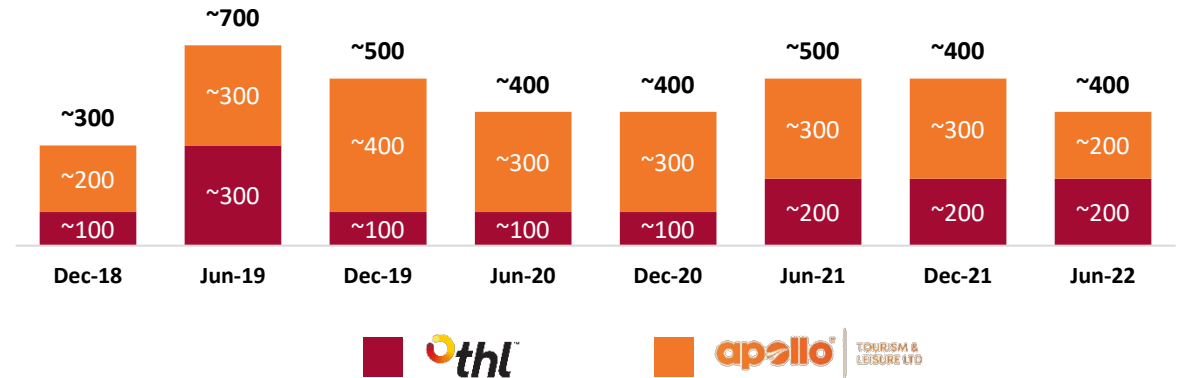


## Germany



- Key:
- thl RV Rental
  - thl RV Sales
  - Apollo RV Rental
  - Apollo RV Sales

## Closing rental fleet size<sup>2</sup>



## Current conditions and strategy

- There will be opportunities to align the businesses over time

## Just go motorhomes transaction

- On 4 October 2022, **thl** acquired the remaining 51% interest in its UK joint venture, Just go motorhomes for a purchase price of £5.355m (approximately NZ\$10.7m)
- The purchase price was satisfied through a cash payment of £1.35m and the issue of 2,941,857 ordinary shares in **thl** for the remaining £4.005m<sup>1</sup>

1. The issue price per share was \$2.618, being the 90 day volume weighted average price to 31 August 2022 of ordinary shares in thl  
 2. Total closing rental fleet size may differ to the sum of thl's fleet size and Apollo's fleet size due to rounding. thl owned 49% of Just go motorhomes until September 2022 when it acquired the remaining interest

# Dividend Policy

- Prior to being suspended due to the impact of the COVID-19 pandemic, **thl**'s dividend policy was a payout ratio of 75% to 90% of NPAT
- The dividend policy is to be reviewed by the Board of the Merged Group by the time of the FY23 results announcement in August 2023
- The current intention of the **thl** Board is that dividends will recommence, most likely at a lower payout ratio than was paid prior to the COVID-19 pandemic, once the Merged Group has delivered a full financial year of profit similar to pre-COVID performance and the leverage ratio is at a level where lender consent is no longer required for distributions to shareholders
- The review of the dividend policy will, among other matters, consider:
  - 1) the equity ratio of the Merged Group;
  - 2) the availability of tax imputation and franking credits; and
  - 3) the Merged Group's future growth capital requirements, including as it focuses on re-fleeting in the near-medium term to take advantage of expected recovery and other opportunities.



# A Future Fit Merger

The proposed merger is aligned with *thl*'s Future Fit programme to improve the sustainability of the business. Apollo shares our commitment to becoming a business that focuses on multiple stakeholder impacts and benefits.

Through site and fleet rationalisation, *thl* anticipates being able to service our customers using fewer resources and therefore less environmental impact.



## Climate & Carbon Strategy

Future Fleet Programme

*Pooling of financial resources and improved scale accelerates progress on the electrification of our fleet*

## Sustainable Procurement

Circular Economy Pilots

*Aligned procurement practices and procedures that recognise social, economic and environmental factors*

## Accelerate

Partnership for Positive Impacts

*Bringing together expertise in operational excellence, industry health & safety and local community engagement in New Zealand and Australia*

## Ignition

Creating Future-Fit branches

*Consolidating and establishing large scale joint branches, incorporating Future Fit needs around water use, waste and emissions*

# Indicative Timetable

Key event	Indicative date
Enter in Scheme Implementation Deed	10 December 2021
Scheme Meeting	3.00pm (NZDT) on Friday, 11 November 2022
Second Court Date	12.00pm (NZDT) on Friday, 18 November 2022
Effective Date	Monday, 21 November 2022
Scheme Record Date	9.00pm (NZDT) on Wednesday, 23 November 2022
Completion of the Asset Divestment	Wednesday, 30 November 2022, <i>in any event prior to Scheme implementation</i>
Implementation Date	Wednesday, 30 November 2022
<b>thl</b> shares issued as consideration for the merger commence trading on the NZX	Thursday, 1 December 2022
Admission of <b>thl</b> to the ASX as a foreign exempt listing	Thursday, 1 December 2022
<b>thl</b> shares issued as consideration for the merger commence trading on the ASX	As soon as reasonably practicable following admission to ASX

*Note: All dates are indicative only and subject to change*

# Appendix: Pro Forma Accounts



# Merged Group FY22 Pro Forma Balance Sheet



<i>NZ\$m, as at 30 June 2022</i>	<i>thl</i>	<b>Apollo adjusted, translated and reclassified</b>	<b>Scheme adjustments</b>	<b>Divestment</b>	<b>Just go</b>	<b>Property sale</b>	<b>Merged Group pro forma consolidated BS</b>
<b>Assets</b>							
Cash and cash equivalents	38.8	40.3	(6.0)	16.6	7.7	32.9	130.4
Trade and receivables and other assets	33.1	13.7	(0.4)	-	2.6	-	48.9
Inventories	67.3	59.6	-	-	0.9	-	127.8
Property, plant and equipment	311.8	147.2	-	(29.0)	11.4	(40.4)	401.0
Right-of-use assets - Fleet	-	64.0	-	-	-	-	64.0
Right-of-use assets - Property	70.8	22.9	-	-	-	23.6	117.3
Intangible assets (including goodwill)	55.4	25.5	133.7	-	-	-	214.6
Investments in/advances to associates and JVs	6.0	-	-	-	(6.0)	-	-
Investments accounted for using equity method	-	2.8	-	-	-	-	2.8
Other assets	12.7	13.2	(7.9)	(2.8)	0.1	-	15.3
<b>Total assets</b>	<b>595.8</b>	<b>389.0</b>	<b>119.4</b>	<b>(15.1)</b>	<b>16.8</b>	<b>16.1</b>	<b>1,122.0</b>
<b>Liabilities</b>							
Interest bearing loans and borrowings	97.3	186.0	-	(25.3)	10.4	(29.2)	239.3
Trade and other payables	31.9	19.0	-	-	3.1	-	54.0
Revenue in advance	26.0	27.0	-	(0.3)	-	-	52.7
Lease liabilities	82.6	83.1	-	-	-	35.1	200.9
Other liabilities	26.3	35.5	4.6	1.1	1.9	3.3	72.7
<b>Total liabilities</b>	<b>264.2</b>	<b>350.7</b>	<b>4.6</b>	<b>(24.5)</b>	<b>15.4</b>	<b>9.3</b>	<b>619.7</b>
<b>Equity</b>							
Share capital	279.0	92.7	66.4	-	(6.0)	-	432.2
Retained earnings	37.7	(42.1)	36.1	9.4	7.3	6.8	55.2
Other equity	15.0	(12.3)	12.3	-	-	-	15.0
<b>Total equity</b>	<b>331.7</b>	<b>38.3</b>	<b>114.8</b>	<b>9.4</b>	<b>1.4</b>	<b>6.8</b>	<b>502.3</b>
<b>Total equity and liabilities</b>	<b>595.8</b>	<b>389.0</b>	<b>119.4</b>	<b>(15.1)</b>	<b>16.8</b>	<b>16.1</b>	<b>1,122.0</b>
<b>Key balance sheet metrics</b>							
<b>Equity ratio (net of intangibles)</b>	51.1%	3.5%					31.7%
<b>NTA per share<sup>1</sup></b>	\$1.82	\$0.07					\$1.34

Note: Pro forma statements have been consolidated for brevity. Refer to page 31 which details the basis of preparation of the Merged Group pro forma financial information

1) NTA per share has been calculated using the shares outstanding as at 30 June 2022 for each of thl (152,060,700) and Apollo (186,150,908). For the Merged Group, the Merged Group total shares on issue post-Scheme of 214,013,514 (refer page 11), which includes 2,941,857 thl shares issued on 4 October 2022 for the acquisition of the remaining 51% of Just go and any additional thl shares issued between the Deed of Variation to the SID and the date of this presentation, has been used for the calculation

# Merged Group FY22 Pro Forma P&L



<i>NZ\$m, twelve months ending 30 June 2022</i>	<i>thl</i>	<b>Apollo adjusted, translated and reclassified</b>	<b>Scheme adjustments</b>	<b>Divestment</b>	<b>Just go</b>	<b>Property sale</b>	<b>Merged Group pro forma consolidated P&amp;L</b>
Sales of services	118.9	67.7	-	-	8.6	-	195.2
Sales of goods	226.9	214.6	-	-	2.7	-	444.2
<b>Total revenue</b>	<b>345.8</b>	<b>282.3</b>	-	-	<b>11.4</b>	-	<b>639.5</b>
Cost of sales	(150.8)	(176.4)	-	-	(4.9)	-	(332.1)
<b>Gross profit</b>	<b>195.0</b>	<b>105.9</b>	-	-	<b>6.5</b>	-	<b>307.4</b>
Administration expense	(51.4)	(15.8)	(6.0)	-	(3.4)	-	(76.6)
Operating expenses	(147.5)	(88.6)	-	-	-	-	(236.0)
Other income	10.8	1.2	-	13.3	0.0	10.1	35.4
<b>Operating (loss) / profit before financing costs</b>	<b>6.9</b>	<b>2.8</b>	<b>(6.0)</b>	<b>13.3</b>	<b>3.0</b>	<b>10.1</b>	<b>30.1</b>
Net finance costs	(10.7)	(10.5)	-	-	(0.3)	-	(21.5)
Share of profit / (loss) from associates and joint ventures	1.1	-	-	-	(1.1)	-	-
<b>(Loss) / profit before tax</b>	<b>(2.7)</b>	<b>(7.6)</b>	<b>(6.0)</b>	<b>13.3</b>	<b>1.6</b>	<b>10.1</b>	<b>8.6</b>
Income tax benefit	0.6	2.7	-	(3.9)	(0.5)	(3.3)	(4.4)
<b>(Loss) / profit for the year</b>	<b>(2.1)</b>	<b>(5.0)</b>	<b>(6.0)</b>	<b>9.4</b>	<b>1.2</b>	<b>6.8</b>	<b>4.2</b>

Note: Pro forma statements have been consolidated for brevity. Refer to page 31 which details the basis of preparation of the Merged Group pro forma financial information

# Merged Group FY22 Pro Forma Cash Flow



<i>NZ\$m, twelve months ending 30 June 2022</i>	<i>thl</i>	<b>Apollo adjusted, translated and reclassified</b>	<b>Scheme adjustments</b>	<b>Divestment</b>	<b>Just go</b>	<b>Property sale</b>	<b>Merged Group pro forma consolidated CF</b>
<b>Cash flows from operating activities</b>							
Receipts from customers	128.3	300.6	-	(0.3)	21.4	-	449.9
Proceeds from sale of goods	227.3	34.6	-	42.3	(2.5)	-	301.6
Payments to suppliers and employees	(199.1)	(291.6)	(6.0)	-	(8.2)	-	(504.8)
Purchase of rental assets	(164.5)	(32.8)	-	-	-	-	(197.3)
Net interest paid / (received)	(10.5)	(11.0)	-	-	-	-	(21.5)
Taxation received / (paid)	(4.2)	0.1	-	-	-	-	(4.1)
Other operating cash flows	0.9	-	-	-	-	-	0.9
<b>Net cash flows from/(used in) operating activities</b>	<b>(21.6)</b>	<b>(0.2)</b>	<b>(6.0)</b>	<b>41.9</b>	<b>10.7</b>	<b>-</b>	<b>24.8</b>
<b>Cash flows from investing activities</b>							
Net sale / (purchase) on property, plant & equipment	(2.8)	(0.7)	-	-	(3.9)	62.1	54.7
Other investing cash flows	18.5	(1.1)	-	-	-	-	17.5
<b>Net cash flows from/(used in) in investing activities</b>	<b>15.8</b>	<b>(1.7)</b>	<b>-</b>	<b>-</b>	<b>(3.9)</b>	<b>62.1</b>	<b>72.2</b>
<b>Cash flows from financing activities</b>							
Payment for lease liability principal	(9.6)	(35.7)	-	-	-	-	(45.3)
Net proceeds / (repayments) from borrowings	12.9	26.8	-	(25.3)	(5.3)	(29.2)	(20.0)
Other financing cash flows	0.2	-	-	-	-	-	0.2
<b>Net cash flows from/(used in) financing activities</b>	<b>3.5</b>	<b>(8.9)</b>	<b>-</b>	<b>(25.3)</b>	<b>(5.3)</b>	<b>(29.2)</b>	<b>(65.1)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2.4)</b>	<b>(10.8)</b>	<b>(6.0)</b>	<b>16.6</b>	<b>1.6</b>	<b>32.9</b>	<b>31.9</b>
Opening cash and cash equivalents	38.1	48.5	n/a	-	6.1	-	92.7
Exchange (losses)/gains on cash and cash equivalents	3.1	2.6	n/a	n/a	0.1	n/a	5.7
<b>Closing cash and cash equivalents</b>	<b>38.8</b>	<b>40.3</b>	<b>(6.0)</b>	<b>16.6</b>	<b>7.8</b>	<b>32.9</b>	<b>130.4</b>

Note: Pro forma statements have been consolidated for brevity. Refer to page 31 which details the basis of preparation of the Merged Group pro forma financial information

# Notes related to the Historical Pro Forma Financial Information

*Section 1.2: Basis of preparation: The Merged Group pro forma financial information is non GAAP financial information. The Merged Group pro forma financial information is presented for informational purposes only and is not intended to present, or be indicative of, what results from operations or financial position would have been had the events actually occurred on the dates indicated, nor is it meant to be indicative of future results from operations or financial position for any future period or as of any future date. The Merged Group pro forma financial information does not give effect to the potential impact of current financial conditions, or any anticipated synergies that may result from the implementation of the Scheme and subsequent integration of the two businesses*

*Note 1: thl management performed an initial review of the accounting policies of Apollo to determine if any differences in accounting policies require reclassification or adjustment to the Merged Group Pro Forma Financial Information. As a result of that preliminary review, thl's management did not identify any material differences in accounting policy.*

*Note 2: Apollo's Apollo financial information has been currency adjusted at 0.9031 NZD / AUD for the purposes of the Balance Sheet, and currency adjusted at 0.9380 NZD / AUD for the purposes of the P&L and Cash Flow. Apollo's financial information has reclassified to align the presentation of certain financial statement captions with thl.*

*Note 3: Scheme adjustments relate to impacts on the financial statements arising from the implementation of the Scheme. For the purpose of the Merged Group pro forma financial information, the fair value of Apollo's identifiable assets acquired, and liabilities assumed, have been presented on a provisional basis at book value. The purchase price consideration is based on the closing share price for thl on the 6 October 2022. Any material changes in the share price between this date and the date of acquisition for accounting purposes will impact the purchase price consideration recognised for financial reporting purposes.*

*Note 4: Scheme adjustments for administration expenses and a reduction in cash and retained earnings relate to the balance of advisor costs which are expected to be incurred in FY23 as part of the Scheme implementation.*

*Note 5: No adjustment has been made for one-off and unusual items and the impact of the Covid-19 pandemic. This is on the basis that no items were recognised in the period and adjustment for Covid-19 could be misleading and the impact from the pandemic is not limited to one period.*

*Note 6: thl acquired shares in Apollo prior to 30 June 2022. This has been reflected in the pro forma trade and other receivables asset and share capital based on the market value of Apollo's shares as at 30 June 2022.*

*Note 7: At 30 June 2022, the Apollo tax consolidated group had carried forward Australian tax losses of approximately A\$10.3m. The transfer of carried forward tax losses in entities joining tax consolidated groups requires that modified versions of the continuity of ownership or business continuity test are satisfied. As the ability to use the balance of carried forward Australian tax losses will depend upon whether these loss utilisation tests will be satisfied (and, if so, the relevant available fraction), there is a risk that the carried forward Australian tax losses may not be available (or practically limited) at a future time for use by thl. As such, no deferred tax asset has been recognised in the Historic pro forma for the Australian tax losses. Apollo's tax losses in New Zealand and Australia should be available and sufficient to offset any gains resulting from the Divestment, this is discussed further in note 8.*

*Note 8: A pro forma adjustment for the divestment of Apollo fleet to meet Australian Consumer and Competition Commission ("ACCC") and New Zealand Commerce Commission ("NZCC") agreements is reflected as an increase in cash and retained earnings, and a reduction in current and non-current 'interest-bearing loans and borrowings', and the 'property, plant and equipment' asset. Any related forward bookings have been reflected in the pro forma unaudited statement of financial position as a reduction in 'revenue in advance' and cash. As the divestment to Jucy will occur immediately before the Scheme Implementation and the resulting change in the shareholding of Apollo's, Apollo's tax losses in New Zealand and Australia should be available and sufficient to offset the taxable gains arising on the divestment to Jucy, given those gains will arise prior to the Scheme Implementation. If it was determined that the tax losses could not be offset against the taxable gains in New Zealand and/or Australia, the approximate tax liabilities would be NZ\$1.6m and A\$5.0m respectively.*

*Note 9: Following the implementation of the Scheme, Apollo intends to sell its Canadian properties. These properties are included in Apollo's property plant & equipment balance. Pro forma adjustments have been made to reflect the intended sale of this property based on expressions of interest, inclusive of the entries related to the commencement of a proposed new property lease that will be expected upon sale.*

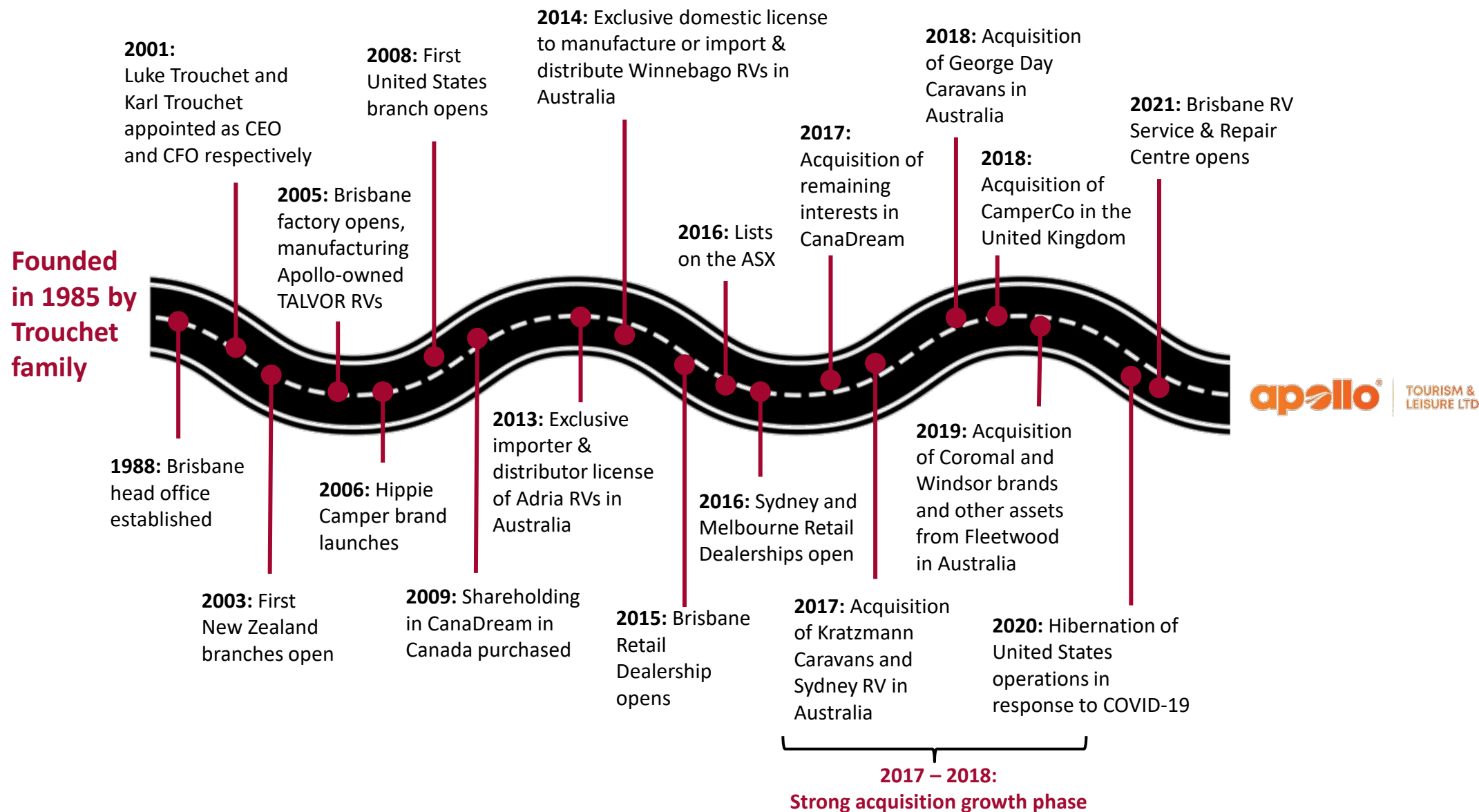
*Note 10: thl acquired the remaining 51% of shares in Skewbald Limited, trading as Just Go, on 4 October 2022. A pro forma adjustment has been made to reflect the Merged Group inclusive of Just Go as if it were a subsidiary company of the Merged Group. thl currently reports its investment in Just Go as an investment in an associate. The pro forma adjustment includes 100% of Just Go's 30 June 2022 financial performance, position and cash flows as if it were a subsidiary company, and reverses the earnings received from associates and the investment in associates. This pro forma adjustment does not include acquisition accounting which has yet to be determined.*

# Appendix: Overview of Apollo





# History of Apollo



# Trouchet Family

Brothers Luke and Karl Trouchet, whose parents founded Apollo in 1985 and who are currently the respective CEO & Managing Director and Executive Director (Strategy & Special Projects) of Apollo, will remain actively engaged in the Merged Group with a 14.5% shareholding<sup>1</sup>

- Gus and Carolyn Trouchet established Apollo in Brisbane in 1985, having developed a love for campervans during a family holiday in New Zealand. Both Luke and Karl Trouchet grew up in the family business and since taking over from their parents in 2001, have led Apollo on its next phase of growth as it evolved into a multi-national RV rental and sales company
- In the Merged Group, Luke Trouchet will move into the role of Executive Director – M&A and Global Transitions. Currently the majority shareholder of Apollo, the Trouchet family has illustrated its intent to continue to be a long-term supporter of and actively engaged in the Merged Group with a 14.5% stake<sup>1</sup>
- The Trouchet family have proposed to enter into voluntary escrow terms, the terms are outlined on page 12
- **thl** has a proud history of ongoing engagement with owner operators. Continuing with the business today are:
  - Former owner of Road Bear
  - Former owner of El Monte
  - Former joint venture partner with Just go
  - Former joint venture partner with Action Manufacturing

<sup>1</sup>) Includes 2,941,857 thl shares issued on 4 October 2022 for the acquisition of the remaining 51% of Just go and any additional thl shares issued between the Deed of Variation to the SID and the date of this presentation



Brothers Karl (left) and Luke Trouchet (right) on a family holiday with an early Apollo RV

“The two businesses have similar operations and like-minded cultures, and we both strongly believe in the potential of the global RV market. I am very much looking forward to joining the Board and executive of **thl** and am excited by the prospects of what the two companies can achieve together.”

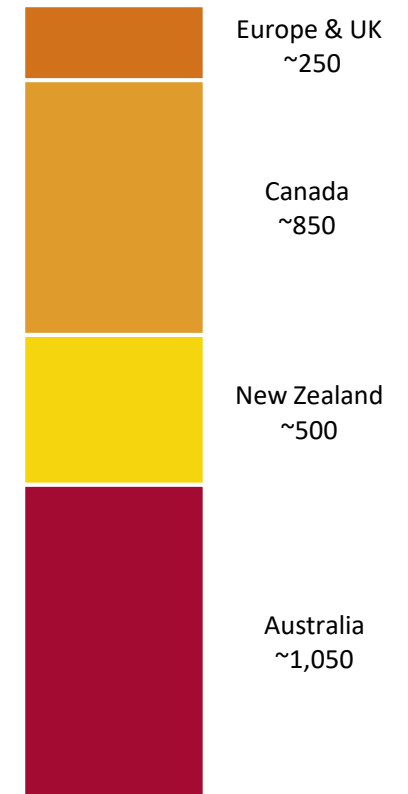
Luke Trouchet, Apollo Managing Director

# Apollo Business Overview



	Australia	New Zealand	Canada	Europe & UK
RV Sales	<ul style="list-style-type: none"> <li>New and ex-rental RVs distributed via eight owned retail sales centres</li> </ul>	<ul style="list-style-type: none"> <li>New and ex-rental RVs distributed via two operated sites<sup>1</sup> and third party dealers</li> </ul>	<ul style="list-style-type: none"> <li>Ex-rental RVs distributed via five operated sites<sup>1</sup> and third party dealers</li> </ul>	<ul style="list-style-type: none"> <li>Ex-rental RVs distributed via five operated sites<sup>1</sup> and third party dealers</li> </ul>
<i>Apollo RV rental brands</i>	<ul style="list-style-type: none"> <li>StarRV, Apollo, Cheapa Campa, Hippie</li> </ul>	<ul style="list-style-type: none"> <li>StarRV, Apollo, Cheapa Campa, Hippie</li> </ul>	<ul style="list-style-type: none"> <li>CanaDream</li> </ul>	<ul style="list-style-type: none"> <li>Bunk, Apollo</li> </ul>
Manufacturing / Fleet sourcing	<ul style="list-style-type: none"> <li>RVs manufactured by Apollo in its Brisbane manufacturing facility (some shipped to New Zealand for rental fleet), or acquired direct from manufacturers</li> <li>Brisbane manufacturing facility has an estimated current capacity of ~2,000<sup>2</sup></li> <li>Exclusive right to import and distribute Adria in Australia and New Zealand; exclusive right to manufacture Winnebago in Australia and New Zealand; owns TALVOR, Windsor and Coromal brands<sup>3</sup></li> </ul>		<ul style="list-style-type: none"> <li>RVs acquired direct from manufacturer or wholesale via intermediaries or dealers</li> </ul>	

## RV Rental fleet geographical split<sup>4</sup>



1. Apollo sites service both its rental and sales operations in New Zealand, Canada, Europe & UK

2. ~852 RVs produced for Apollo's Rental and Sales operations in FY22. This production figure was impacted by COVID-19 related staff shortages and absenteeism due to sickness, as well as supply chain issues and a cautious ramp up by Apollo in the early half of the year in conjunction with the reopening of global tourism and the subsequent demands on Apollo's Australian rental fleet

3. Winnebago, TALVOR and Windsor currently exclusively manufactured in Apollo's Brisbane manufacturing facility, Coromal currently contract manufactured by third party

4. As at 30 June 2022

End

