



FY23 Interim Results Presentation

23 FEBRUARY 2023

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This presentation does not take into account any specific investors objectives and does not constitute financial or investment advice. Investors are encouraged to make an independent assessment of *thl*. The information contained in this presentation should be read in conjunction with *thl*'s latest financial statements, which are available at: www.thlonline.com.

Explanatory note to presentation of financial measures

- As the Scheme of Arrangement with Apollo Tourism & Leisure Ltd (**ATL or Apollo**) completed on 30 November 2022, **thl's** interim FY23 consolidated financial statements (prepared in accordance with NZ GAAP and IAS 34 Interim Financial Reporting) do not include ATL's result for the five month period prior to 30 November 2022.
- Given the materiality of ATL's future earnings contribution to **thl**, measures of financial performance for H1 FY23 in this presentation are set out from three perspectives:
 - **thl H1 (including ATL's December):** **thl's** results for the six months ending 31 December 2022 inclusive of ATL's result for December 2022.
 - **ATL H1:** ATL's results for the six months ending 31 December 2022. This includes five months in which ATL was not under **thl** ownership (July – November 2022), and one month in which ATL was under **thl** ownership (December 2022).
 - **Pro Forma Consolidated H1:** The consolidated results of both **thl** and ATL across the six months ending 31 December 2022.
- Unless indicated otherwise, figures in this Investor Presentation represent **thl's** H1 (including ATL's December). Figures that represent ATL H1 or Pro Forma Consolidated H1 are also identified with a red border.
- These views include non-GAAP measures and are provided as **thl** believes that they provide useful information to assist readers to better understand the financial performance during the period. These should not be viewed in isolation and should be read in conjunction with the NZ GAAP measures in the reported interim consolidated financial statements.
- The transaction accounting for the acquisition of ATL has not yet been completed and therefore only provisional values have been included in this presentation. This also relates to the divisional reporting as the determination of cash-generating units (**CGU's**) has not yet been completed. Refer to slide 25 for more information.

Executive Summary

- Statutory net profit after tax (NPAT) of \$25.2M (underlying NPAT of \$26.3M), an increase of \$29.6M on the pcp
- Completion of merger with Apollo Tourism & Leisure Ltd (ATL) on 30 November 2022
- Sale of services (rental) revenue increased by 167% to approximately \$134M, reflective of the positive recovery of international tourism and strong average rental yields achieved
- Record fleet sales margins achieved in New Zealand, Australia, Canada and the UK/Europe
- Action Manufacturing increased revenue in its commercial vehicle arm (non-*thl*) by 64%, to approximately \$22M
- Based on our current performance expectations for FY23, *thl* expects to be in a position in August 2023 to declare a dividend. In recognition of the need to balance funding the rebuild of the global fleet with returns to shareholders, any dividend will be smaller than *thl*'s historical dividend policy¹
- As previously advised on 15 February 2023, on a pro forma basis² (inclusive of ATL's NPAT for the five months prior to completion of the merger), *thl* currently expects underlying NPAT for FY23 to be above NZ\$75 million³

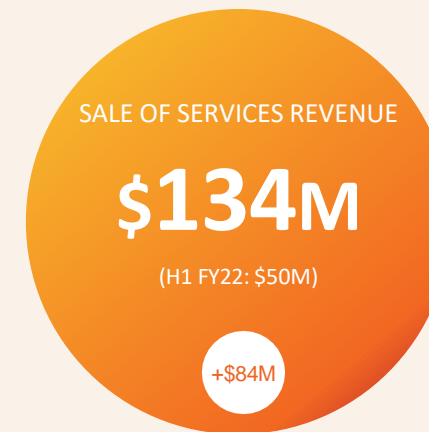
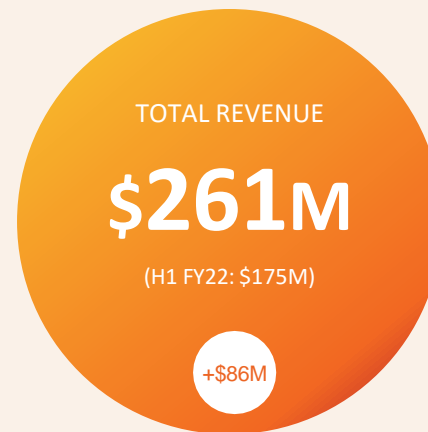
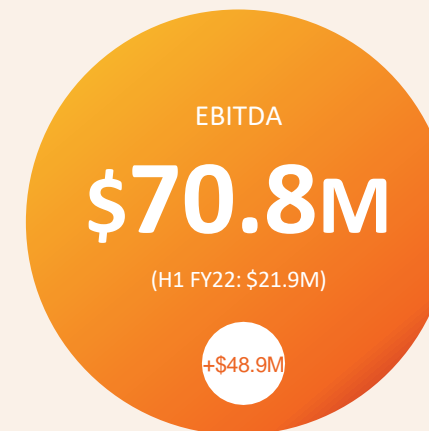
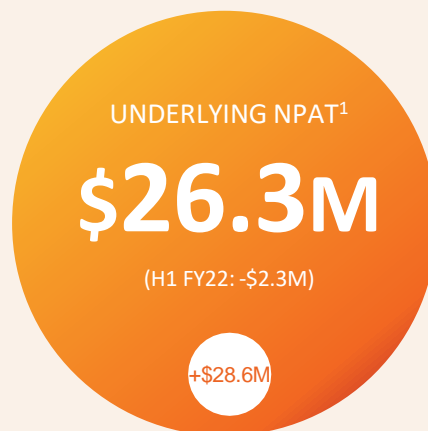
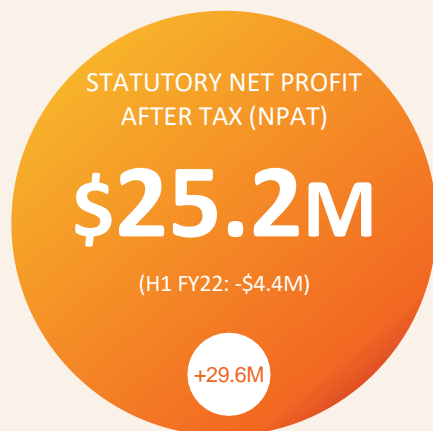
¹ *thl*'s historical dividend policy targeted a pay out ratio of 75 – 90% of NPAT. ^c

² The merger of *thl* and ATL completed on 30 November 2022. Consequently, ATL's FY23 results for the period prior to completion of the merger will not be reflected in *thl*'s statutory financial statements for FY23. 'Pro forma underlying NPAT' includes ATL's results for the five months prior to completion of the merger. Both 'Underlying NPAT' and 'Pro Forma Underlying NPAT' are non-NZ GAAP financial measures and should not be considered in isolation from other financial measures determined in accordance with NZ GAAP or NZ IFRS.

³ Pro forma guidance includes underlying profit of NZ\$27 million attributable to ATL for the five-month period to 30 November 2022. Excluding ATL's profit for the period before completion of the merger but including ATL's contribution for the seven months after, *thl*'s expected underlying NPAT for FY23 is above NZ\$48 million. Guidance assumes exchange rates for the remainder of FY23 of NZD:AUD \$0.93, NZD:USD \$0.62, NZD:CAD \$0.85 and NZD:GBP \$0.52.

Half year in review

As at 31 December 2022



¹ Excludes non-recurring items. Refer to slide 9 for a reconciliation to statutory NPAT and slide 31 for further information on non-recurring items.

Global footprint

As at 31 December 2022

EUROPE & UK

RENTAL FLEET

455 (7%)

RV RENTALS

EX-RENTAL RV SALES

SOUTH AFRICA

FRANCHISEE

AUSTRALIA

RENTAL FLEET

1,855 (29%)

RV RENTALS

NEW AND EX-RENTAL RV
SALES

RV MANUFACTURING

JAPAN

FRANCHISEE

CANADA

RENTAL FLEET

1,162 (18%)

RV RENTALS

EX-RENTAL RV SALES

NEW ZEALAND

RENTAL FLEET

1,485 (24%)

RV RENTALS

NEW AND EX-RENTAL RV SALES

RV AND COMMERCIAL MANUFACTURING

TOURISM ATTRACTIONS & ACTIVITIES

USA

RENTAL FLEET

1,434 (22%)

RV RENTALS

EX-RENTAL RV SALES

Key achievements

Transformational Merger

Completion of Scheme of Arrangement between *thl* and Apollo Tourism & Leisure Ltd on 30 November 2022

Synergy Realisation

On track to exceed the planned synergies for FY23, including consolidation of all Australasian branches by June 2023

Record NPAT Guidance

Provided guidance for an expected pro forma underlying FY23 NPAT above \$75M

Successful Divestment

Successfully divested 310 motorhomes and five locations to Jucy Rentals as part of NZCC/ACCC approval

Rental Yields

Strong rental yields being achieved in all regions

Financing Arrangements

New financing structure implemented with reduction of ten lenders and realization of interest saving synergies

Record Sales Margins

Achieved record *thl* fleet sales margins in New Zealand, Australia, Canada and UK/Europe



Investing in future growth

Beyond the merger with Apollo, over the pandemic period we have completed several M&A projects to consolidate the group and continued investment in core business improvement projects. We believe this positions *thl* well for future growth

M&A activity

- 1 Sale of peer-to-peer businesses, Highway and ShareACamper, for A\$7.4 million, in return for shareholding in Camplify
- 2 Acquisition of the remaining 51% shareholding in Just go motorhomes in the UK for £5.4 million
- 3 Action Manufacturing's acquisition of Freighter New Zealand from MaxiTRANS for NZ\$2.5 million
- 4 Sale of the minority shareholding in Roadpass Digital for NZ\$23.9 million
- 5 Acquisition of the remaining 40% shareholding in triptech

Core business development

- 6 TRX 25, a global customer experience improvement project
- 7 New Zealand RV Super Centre business expansion project
- 8 Investment in new fleet designs and vehicle models
- 9 Investment in the Future Fleet (electric RV) programme
- 10 Growing and embedding non-tourism rentals as a core business
- 11 Opening of new site and consolidation of motorhome production in Hamilton, New Zealand

Statutory and underlying results summary

- Underlying net profit after tax of \$26.3M (Apollo December contribution of \$0.5M), an increase of \$28.6M on the underlying net loss of \$2.3M in the pcp.
- Statutory net profit after tax of \$25.2M (Apollo December contribution of \$0.5M), an increase of \$29.6M on the pcp.
- Business activity has shifted back to rentals, with sale of services (rental) revenue increasing by \$83.8M to \$134.1M. Sale of goods revenue increased from \$124.6M in the pcp to \$127.0M.
- EBIT of \$42.3M, up \$43.4M on the pcp.
- Refer to slide 31 for details on non-recurring items in the financial periods.
- Transaction accounting for the acquisition of ATL has not yet been completed. Consequently, provisional values have been included in this presentation. This also relates to divisional reporting in this presentation, as the determination of cash-generating units has not yet been completed. Refer to slide 25 for more information.

<i>thl</i> H1 (including ATL's December)	6 Months to 31 December			
NZD \$M	FY23	FY22	VAR	%
Operating revenue	261.0	174.9	86.1	49%
Earnings before interest and tax*	42.3	(1.1)	43.4	N/A
Operating profit before tax	36.4	(4.9)	41.3	N/A
Statutory net profit after tax*	25.2	(4.4)	29.6	N/A

* includes non-recurring items

<i>thl</i> H1 (including ATL's December)	6 Months to 31 December			
NZD \$M	FY23	FY22	VAR	%
Underlying net profit/loss after tax	26.3	(2.3)	28.6	N/A
Gain on re-valuation of 49% shareholding in Just go	3.5	–	3.5	N/A
Gain on re-valuation of existing shareholding in Apollo	0.6	–	0.6	N/A
Merger transaction costs	(5.2)	(2.1)	(3.1)	N/A
Statutory net profit/loss after tax	25.2	(4.4)	29.6	N/A

Financial review

Divisional performance – *thl*/H1 (including ATL's December)



2023 INTERIM RESULTS
PRESENTATION

<i>thl</i> H1 (including ATL's December)	6 Months to 31 December 2022					6 Months to 31 December 2021					
	\$M NZD	REVENUE	DIVISIONAL EBITDA	DIVISIONAL EBIT	AVE FUNDS EMPLOYED	OPERATING CASHFLOW	REVENUE	DIVISIONAL EBITDA	DIVISIONAL EBIT	AVE FUNDS EMPLOYED	OPERATING CASHFLOW
<i>thl</i> Rentals & Sales New Zealand		45.7	10.5	4.7	78.5	(4.9)	48.0	(0.3)	(7.0)	85.2	26.0
Action Manufacturing		61.6	5.5	3.9	45.9	(2.5)	30.5	4.8	3.6	29.2	(4.8)
<i>thl</i> Rentals & Sales Australia		57.6	26.0	18.8	56.8	19.6	31.9	5.5	(1.0)	60.1	(7.1)
<i>thl</i> Rentals & Sales USA		94.7	27.7	17.2	190.3	(6.6)	79.9	18.0	11.2	115.8	24.5
Just go (Oct - Dec 2022)		2.9	(0.4)	(0.8)	16.8	3.2	–	–	–	–	–
Tourism Group		9.4	2.5	1.5	12.4	5.7	0.8	(1.4)	(2.4)	16.7	(0.9)
Apollo Group (December 2022)		28.1	3.8	2.3	216.6	(4.1)	–	–	–	–	–
Group Support Services/Other		(38.8)	(3.7)	(4.2)	128.3	(3.8)	(16.2)	(2.6)	(3.5)	48.1	(0.6)
Non-recurring Items		–	(1.1)	(1.1)	–	–	–	(2.1)	(2.1)	–	–
<i>thl</i> 100% owned entities		261.0	70.8	42.3	745.6	6.6	174.9	21.9	(1.1)	355.0	37.0
Associates (Just go, Jul - Sep 2022)		–	–	0.8	–	–	–	–	1.2	4.9	–
Group Total		261.0	70.8	43.1	745.6	6.6	174.9	21.9	0.0	360.0	37.0

Notes: Divisional reporting excludes non-recurring items, which are reported in "Non-recurring items". Operating cash flow includes the sale and purchase of rental assets. Action Manufacturing's results include intercompany transactions with *thl* rentals, which are eliminated in "Group Support Services/Other". "Just go" includes results for October – December, during which the business was wholly-owned by *thl*. Just go's result for July – September, during which the business was a 49% joint venture, is included in "Associates".

Divisional performance – ATL H1

ATL H1 \$MNZD	6 months to 31 December 2022			6 months to 31 December 2021		
	REVENUE	DIVISIONAL EBITDA	DIVISIONAL EBIT	REVENUE	DIVISIONAL EBITDA	DIVISIONAL EBIT
Apollo New Zealand (Jul - Nov)	23.2	9.6	8.0			
Apollo New Zealand (Dec)	2.5	1.2	1.0			
Apollo New Zealand (Jul - Dec)	25.7	10.8	9.0	8.8	(0.6)	(3.2)
Apollo Australia (Jul - Nov)	142.0	25.8	19.9			
Apollo Australia (Dec)	22.5	2.9	1.9			
Apollo Australia (Jul - Dec)	164.6	28.7	21.8	113.7	6.4	(0.6)
Apollo Canada (Jul - Nov)	31.8	19.7	17.2			
Apollo Canada (Dec)	2.5	(0.0)	(0.3)			
Apollo Canada (Jul - Dec)	34.3	19.6	16.9	18.0	6.3	4.0
Apollo Europe (Jul - Nov)	7.2	2.7	2.3			
Apollo Europe (Dec)	0.5	(0.3)	(0.4)			
Apollo Europe (Jul - Dec)	7.7	2.4	1.9	8.1	2.6	2.1
Other/eliminations (Jul - Nov)	(0.4)	(0.2)	(0.2)			
Other/eliminations (Dec)	0.1	0.1	0.1			
Other/eliminations (Jul - Dec)	(0.3)	(0.1)	(0.1)	0.4	(0.3)	(0.3)
Total (Jul - Nov)	203.9	57.6	47.2			
Total (Dec)	28.1	3.8	2.3			
Non-recurring items	–	(5.5)	(5.5)		(0.9)	(0.9)
Group Total (Jul - Dec)	231.9	55.9	44.0	149.1	13.5	1.1

Notes: Divisional reporting excludes non-recurring items, which are reported in “Non-recurring items”. Apollo Canada (Jul – Nov) includes EBITDA/EBIT of \$1.8M in FY23 and EBITDA/EBIT of \$0.7M in FY22 relating to the hibernation of Apollo’s USA business. Approximately NZ\$4.6M of Apollo New Zealand’s Jul – Nov EBITDA/EBIT, and NZ\$8.7M of Apollo Australia’s Jul – Nov EBITDA/EBIT, is attributable to the gain on the sale of 310 motorhomes to Jucy Rentals in the ordinary course, prior to merger completion. Non-recurring items includes NZ\$5.5M of merger transaction costs in FY23 and \$0.9M in FY22, which have been recognised in the Apollo Australia division. Certain Apollo group head office costs are included in the Apollo Australia division.

Divisional performance – Pro Forma Consolidated H1

Pro Forma Consolidated H1 \$M NZD	6 Months to 31 December 2022			6 Months to 31 December 2021		
	REVENUE	DIVISIONAL EBITDA	DIVISIONAL EBIT	REVENUE	DIVISIONAL EBITDA	DIVISIONAL EBIT
Rentals & Sales New Zealand	71.4	21.3	13.7	56.8	(1.0)	(10.1)
Action Manufacturing	61.6	5.5	3.9	30.5	4.8	3.6
Rentals & Sales Australia	222.1	54.7	40.7	145.6	11.9	(1.6)
Rentals & Sales USA	94.7	27.7	17.2	79.9	18.0	11.2
Rentals & Sales Canada	34.3	19.6	16.9	18.0	6.3	4.0
Rentals & Sales UK/Europe	10.6	2.0	1.0	8.1	2.6	2.1
Tourism Group	9.4	2.5	1.5	0.8	(1.4)	(2.4)
Group support	(38.8)	(3.7)	(4.2)	(16.2)	(2.6)	(3.5)
Other/eliminations	(0.3)	(0.1)	(0.1)	0.4	(0.3)	(0.3)
Non-recurring items	–	(6.6)	(6.6)		(3.0)	(3.0)
Total	464.9	122.9	84.0	324.0	35.5	(0.0)

Notes: Action Manufacturing's results include intercompany transactions with thl rentals, which are eliminated in "Group support". "Rentals & Sales UK/Europe" includes the three-month period in which the business was wholly-owned by thl. The Just go result the period in which Just go was a joint venture was NZ\$0.8M and is not included in the above table. Rentals & Sales Canada includes EBITDA/EBIT of \$1.8M in FY23 and EBITDA/EBIT of \$0.7M in FY22 relating to the hibernation of Apollo's USA business. Approximately NZ\$4.6M of Rentals and Sales New Zealand's EBIT, and NZ\$8.7M of Rentals & Sales Australia's EBIT, is attributable to the gain on the sale of 310 motorhomes to Jucy Rentals in the ordinary course, prior to merger completion. "Group support" include thl group support costs, whereas certain Apollo group head office costs are included in the Rentals & Sales Australia pro forma divisional segment.

New Zealand Rentals and Sales

Returns to profitability with borders re-opening to international travellers

- A strong recovery to profitability with EBIT of \$5.7M (including Apollo December EBIT contribution of NZ\$1.0M), an improvement of \$12.7M on the loss in the pcp.
- On a pro forma consolidated basis, the New Zealand businesses delivered \$13.7M of EBIT in H1, with approximately EBIT NZ\$4.6M of this result attributable to the gain on the sale of 110 motorhomes to Jucy Rentals in the ordinary course, prior to merger completion.
- Business activity shifted from vehicle sales to rentals as borders opened and international tourism returned. Rental revenue increased by \$20.3M on the pcp while sale of goods revenue declined by \$21.1M, resulting in overall revenue remaining broadly in line with the pcp.
- The New Zealand performance was driven by both strong yields in the rentals business and elevated gross sales margins. Average yield for the half in the *thl* rentals business was up approximately 55% on the equivalent period in FY19. These elevated yields are also seen in the current forward bookings for the second half of FY23.
- Average gross fleet sales margins were \$28.5k, up on \$20.3k in the pcp (*thl* fleet sales only).¹ Pricing and margins continue to be elevated as supply remains constrained. Pricing on new motorhomes have increased due to higher build and shipping costs, which comparatively elevates pricing on used motorhomes.
- Non-tourism bookings contributed revenue of \$0.7M, down approximately \$0.8M on the pcp. The reduction reflects vaccination van bookings during lockdown in the pcp and the ability this year to utilise constrained fleet in higher-yielding tourism bookings.
- Ancillary revenue streams are continuing to grow although at slower rates than previous years. The RV Super Centre retail accessories business had approximately \$3.1M in revenue (38% of which was generated online), a 9% lift on the pcp. Vehicle servicing revenue increased by 16% on the pcp.
- With the inclusion of the Apollo fleet, on 31 December 2022 the total fleet size in New Zealand had increased to 1,485.
- Current forward bookings are showing a positive trend with the elevated yield trends in the first half sustaining for the remainder of FY23 bookings.

¹ Average gross fleet sales margins reflect sales revenue (net of any dealer commissions) less the net book value of the vehicles sold. It excludes other costs of sale.

<i>thl</i> H1 (including ATL's December)		6 Months to 31 December		
NZD \$M	FY23	FY22	VAR	VAR %
Rental revenue	26.5	6.2	20.3	330%
Sale of goods revenue	21.8	41.9	(20.1)	(48%)
Costs	(42.6)	(55.0)	12.4	23%
EBIT	5.7	(7.0)	12.7	182%

Pro Forma Consolidated H1		6 Months to 31 December		
NZD \$M	FY23	FY22	VAR	VAR %
Rental revenue	32.1	8.4	23.7	284%
Sale of goods revenue	39.4	48.6	(9.2)	(19%)
Costs	(57.8)	(67.1)	9.3	14%
EBIT	13.7	(10.1)	23.8	236%

Vehicle Fleet		6 Months to 31 December		
Units:	FY23	FY22	VAR	VAR %
Opening Fleet - 30 Jun	1,009	1,547	(538)	(35%)
Fleet Sales ⁽¹⁾	(147)	(385)	(238)	(62%)
Fleet Purchases - Apollo Acquisition	322	-	322	N/A
Fleet Purchases - Other	301	12	289	2,408%
Closing Fleet - 31 Dec	1,485	1,174	311	26%
Retail RV Sales	(49)	(44)	5	11%
Total RV Sales	(196)	(429)	(233)	(54%)

⁽¹⁾ Includes vehicles written off.

Note: In the vehicle fleet table, FY23 opening fleet reflects the *thl* fleet and FY23 closing fleet reflects the combined *thl* and Apollo fleet. FY23 sales and purchases include *thl* across the six months, plus Apollo for December 2022. All FY22 metrics reflect *thl* only.



Action Manufacturing Group

Ongoing growth in earnings and scale despite operational challenges

- Action as a standalone business (inclusive of intercompany transactions) delivered EBIT of \$3.9M, up \$1.4M on the pcp. With the elimination of intercompany transactions, Action delivered EBIT of \$1.7M, up \$0.6M or 54% on the pcp.¹
- The acquisition of Freighter from MaxiTrans New Zealand completed on 8 July 2022 with a purchase price of NZ\$2.5M.
- Continued growth in the commercial manufacturing segment with \$22.1M in non-motorhome/third party revenue, a significant increase of 64% on the pcp.
- The group has lifted scale and capacity with nearly 350 crew today, compared to under 250 crew before the pandemic. This increase is partly attributable to the acquisition of Freighter.
- Motorhome production has been relocated to Hamilton following the closure of Albany at the end of 2022 (due to the sale of the building), alongside the opening of a new Hamilton factory. Production for *thl* occupies ~8000m² and Action can produce 90 vehicles a month for *thl*.
- Supply chain challenges and inflation pressures are ongoing, making production and labour planning challenging. Pricing on shipping has stabilised but the global supply of goods remains unsettled. There are recent indications that cost increases are diminishing.

¹ "EBIT – pre intercompany elimination" includes intercompany revenue and costs relating to the sale of vehicles to the *thl* rentals businesses.

<i>thl</i> H1 (including ATL's December)	6 Months to 31 December			
	NZD \$M	FY23	FY22	VAR
Sales of goods - external	22.1	13.5	8.6	64%
Costs - external	(20.4)	(12.4)	(8.0)	65%
EBIT - post intercompany elimination	1.7	1.1	0.6	54%
Sales of goods - intercompany	39.5	17.0	22.4	132%
Costs - intercompany	(37.3)	(15.7)	(21.6)	138%
EBIT - pre intercompany elimination¹	3.9	2.5	1.4	57%

Tourism

Returns to profitability with borders re-opening to international travellers

- Combined EBIT of \$1.5M between Discover Waitomo and Kiwi Experience, up \$3.9M on the loss in the pcp.
- Revenue has increased by \$8.5M to \$9.4M but remains well below pre-COVID levels of circa \$18M.
- The Kaimahi for Nature programme, in partnership with the Department of Conservation, is contracted to continue in Waitomo for the remainder of FY23.
- The return of international tourists from China is expected to have a positive impact for the Waitomo business at some point in FY23, with China being a key origin market.
- Kiwi Experience is recovering well with tours operating at high utilisation and average yields exceeding pre-COVID levels. The business has a lower operating cost base currently, having recently come out of hibernation.
- Labour challenges have resulted in limited capacity at times over the peak periods for both businesses.

thl H1	6 Months to 31 December				
	NZD \$M	FY23	FY22	VAR	%
Revenue		9.4	0.8	8.6	1011%
Costs		(7.9)	(3.3)	(4.6)	(140%)
EBIT		1.5	(2.4)	3.9	160%

Kaimahi for Nature



thl is partnering with the Department of Conservation under the Kaimahi for Nature programme to protect the environment and save jobs in the Waitomo community.

The programme retained 26 jobs, with our crew remaining within the community and with their hapū, learning new skills, and achieving significant conservation outcomes.

Australian Rentals & Sales

A stellar performance from the largest division of the merged group

- Australian division delivers an excellent EBIT result of A\$18.9M (with Apollo December contribution of A\$1.8M), up \$19.8M on the pcp loss.
- On a pro forma consolidated basis, the Australian businesses delivered A\$37.4M EBIT in H1 – up from a loss of A\$2.4M in the pcp. A\$7.9M of the EBIT result reflects the gain on the sale of 200 motorhomes to Jucy Rentals in the ordinary course, prior to the merger completing.¹
- Strong rental performance driven by elevated yields. Average rental yield was nearly 70% up on the same period in FY19, in line with earlier guidance provided.
- A material uplift in average gross fleet sales margins from A\$24.7k in the pcp to A\$36.1k (reflects *thl* fleet sales only). The business has successfully held price given market supply shortages. Margin lift also reflects a greater proportion of *thl* sales volumes through the retail channel (65% vs 20% in pcp) with the opening of RVSC in Brisbane in 2022.
- Non-tourism bookings contributed approximately A\$5.7M in revenue to the result, an increase of A\$3.6M on the pcp. Non-tourism included a booking of scale across the six-month period in relation to the NSW floods.
- Inclusive of the Apollo fleet, the total Australian fleet as of 31 December 2022 was 1,855.

¹ The pro forma result includes certain Apollo group head office costs that Apollo have historically recognised in the Australian region division and excludes A\$4.9M in non-recurring merger transaction costs that were incurred by Apollo between July – November 2022 (prior to completion of the merger).



<i>thl</i> H1 (including ATL's December)	6 Months to 31 December			
AUD \$M	FY23	FY22	VAR	VAR %
Rental revenue	42.0	14.9	27.1	182%
Sale of goods revenue ⁽¹⁾	30.9	15.4	15.5	100%
Costs	(54.1)	(31.3)	(22.8)	(73%)
EBIT	18.9	(0.9)	19.8	2,148%

⁽¹⁾ Excludes buyback fleet sales revenue

Pro Forma Consolidated H1	6 Months to 31 December			
AUD \$M	FY23	FY22	VAR	VAR %
Rental revenue	63.2	26.9	36.3	135%
Sale of goods revenue ⁽¹⁾	138.6	111.4	27.1	24%
Costs	(164.3)	(140.8)	(23.5)	(17%)
EBIT¹	37.4	(2.4)	39.8	1,644%

⁽¹⁾ Excludes buyback fleet sales revenue

Vehicle Fleet	6 Months to 31 December			
Units:	FY23	FY22	VAR	VAR %
Opening Fleet - 30 Jun	1,207	1,208	(1)	(0%)
Fleet Sales ⁽¹⁾	(165)	(214)	(49)	(23%)
Buyback Sales	(167)	(100)	67	67%
Fleet Purchases - Apollo Acquisition	706	-	706	N/A
Fleet Purchases - Other	225	164	61	37%
Buyback Purchases	49	60	(11)	(18%)
Closing Fleet - 31 Dec	1,855	1,118	737	66%
Retail/Non-fleet RV Sales	(198)	(2)	196	N/A
Total RV Sales⁽²⁾	(363)	(216)	147	68%

⁽¹⁾ Includes vehicles written off.

⁽²⁾ Total sales excludes buyback sales.

Note: In the vehicle register table, FY23 opening fleet reflects the *thl* fleet and FY23 closing fleet reflects the combined *thl* and Apollo fleet. FY23 sales and purchases include *thl* across the six months, plus Apollo for December 2022. All FY22 metrics reflect *thl* only.

USA Rentals & Sales

Growth despite peak season supply challenges

- EBIT of US\$10.5M, up US\$2.6M or 34% on the pcp. At the NZD level, EBIT growth was approximately 54% on the pcp due to favourable movements in the NZD:USD exchange rate.
- Total revenue increased by US\$1.5M to US\$57.3M, as growth in rental revenue exceeded the reduction in vehicle sales revenue.
- As previously advised, peak season fleet size was constrained as 200 vehicles scheduled for delivery in Q4 FY22 were delayed. Despite this, the rentals business delivered a strong result, driven by a 55% increase in average rental yields compared to the first half of FY19.
- The closing fleet balance of 1,434 is an increase of 296 vehicles on the prior corresponding period. Uncertainty on new unit production timelines has resulted in delaying fleet sales to maintain a desired fleet size for 2023.
- Gross average vehicle sales margins in the half were down US\$1.2k on the pcp to approximately US\$21.5k, a smaller decline than earlier expectations. Sales margins are expected to continue to reduce throughout FY23 as retail demand declines.
- Forward booking intake for the 2023 summer has been positive with strong international demand. Current bookings are at similar yield growth trends as seen in the first half.
- Supply chain challenges and inflation in the cost of new vehicles are ongoing. Supply issues are expected to remain for the coming months with potential improvements in Q3 CY23.

<i>thl</i> H1	6 Months to 31 December			
USD \$M	FY23	FY22	VAR	VAR %
Rental income	30.9	18.8	12.1	64%
Sale of goods	26.4	37.0	(10.6)	(29%)
Costs	(46.7)	(47.9)	1.2	(2%)
EBIT	10.5	7.9	2.6	34%

Vehicle Fleet	6 Months to 31 December			
Units:	FY23	FY22	VAR	VAR %
Opening Fleet - 30 Jun	1,642	1,487	155	10%
Fleet Sales ⁽¹⁾	(319)	(559)	(240)	(43%)
Fleet Purchases	111	210	(99)	(47%)
Closing Fleet - 31 Dec	1,434	1,138	296	26%

⁽¹⁾ Includes vehicles written off.

EL MONTE RV



mighty
CAMPERS

Canada Rentals & Sales

Growth despite peak season supply challenges

- On a pro-forma basis showing year-on-year performance, the Canada business delivered EBIT of CAD\$12.3M, up CAD\$9.5M on the pcp.
- The contribution to the statutory *thl* result was an EBIT loss of CAD\$0.2M (reflecting December trading only), being a low season month.
- Pro forma rental revenue increased CAD\$11.4M due to growth in hire days on the pcp, while average rental yield was in line with the pcp (but 40%+ higher than the corresponding period in FY19). The growth in days enabled the business to achieve a significant lift in utilisation over the peak period.
- Shortage of used RV inventory in the marketplace increased used prices for both wholesale and retail consumers in Q1 FY23. Average gross fleet sales margins in the half were CAD\$37.5k, compared to CAD\$20.9k in the pcp, reflecting the older fleet (with lower net book value) sold in the half.
- Forward bookings for 2023 season are maintaining higher yields than expected. We expect yields to continue to increase into the 2023 season due to strong domestic demand and the return of international guests.
- Supply chain issues continue to impact RV manufacturers and chassis producers. Uncertainty on new unit production timelines has resulted in delaying fleet sales to maintain a desired fleet size for 2023.
- Inflation and fears of recession are showing signs of impacting the sales markets. As 2023 progresses, sales margins are expected to decline.

Note: The statutory result includes only one month of performance (December 2022). As such, *thl* considers that it does not provide useful information and has not provided this breakdown.

ATL H1		6 Months to 31 December		
CAD \$M	FY23	FY22	VAR	VAR %
Rental revenue	22.2	10.8	11.4	106%
Sale of goods revenue	5.7	3.9	1.9	49%
Costs	(15.7)	(11.9)	(3.8)	32%
EBIT	12.3	2.7	9.5	348%

Vehicle Fleet		6 Months to 31 December		
Units:	FY23	FY22	VAR	VAR %
Opening Fleet - 30 Jun	-	-	-	N/A
Fleet Purchases - Apollo Acquisition	1,182	-	1,182	N/A
Fleet Sales	(20)	-	(20)	N/A
Closing Fleet - 31 Dec	1,162	-	1,162	N/A

UK/Europe Rentals & Sales

Growth despite peak season supply challenge

- On a pro forma consolidated basis, the UK/Europe businesses had an EBIT of £1.6M, down £0.9M on the pcp.¹
- Both Just go and Bunk/Apollo operated a lower than planned peak fleet size due to vehicle delivery delays, impacting high season performance in H1.
- Average rental yield for the Just go business is tracking in excess of 40% above FY19 levels. Relative to the pcp, average yields have slightly reduced due to the mix of direct and indirect bookings taken.
- Vehicle sales margins in the half (in the Just go business) were £19.5k compared to £9.8k in the pcp, however volumes were down from 73 to 51 (excluding five sold by Apollo in December), largely due to uncertainty on new production.
- The statutory EBIT loss in this market was £0.6M, being the Just go result for October - December 2022 (post the acquisition of the remaining 51% shareholding by *thl*), and the Apollo result for December 2022 (post the merger with *thl*). It therefore does not provide any meaningful information on a year-on-year basis.
- Just go's contribution to *thl* up to September 2022 is included in *thl*'s statutory results as an equity investment. The 49% shareholding in Just go for that period contributed NPAT of £0.4M.

¹ Pro forma includes 100% of Just go's result, despite Just go being a part-owned business that was equity accounted by *thl* up to September 2022.



Pro Forma Consolidated H1 ¹	6 Months to 31 December			
	GBP £M	FY23	FY22	VAR
Rental revenue	5.7	5.5	0.2	4%
Sale of goods revenue	2.1	2.1	(0.1)	(4%)
Costs	(6.1)	(5.1)	(1.0)	21%
EBIT	1.6	2.6	(1.0)	(38%)

Vehicle Fleet	6 Months to 31 December			
	Units:	FY23	FY22	VAR
Opening Fleet - 30 Jun	204	212	(8)	(4%)
Fleet Sales ⁽¹⁾	(56)	(73)	(17)	(23%)
Fleet Purchases - Apollo Acquisition	231	–	231	N/A
Fleet Purchases - Other	76	28	48	171%
Closing Fleet - 31 Dec	455	167	288	172%

⁽¹⁾ Includes vehicles written off.

Note: In the vehicle fleet table, FY23 opening fleet reflects the thl fleet and FY23 closing fleet reflects the combined thl and Apollo fleet. FY23 sales and purchases include Just go across the six months, plus Apollo for December 2022. All FY22 metrics reflect thl only.

Funding arrangements

- *thl*'s funding is sourced from multiple lenders through various facility types, including a syndicated corporate debt facility, asset financiers and floor plan finance. This structure aims to provide an effective balance of certainty, quantum and cost of funding, recognising the profile of *thl*'s mobile, saleable assets.
- Asset financiers include a number of existing ATL lenders providing total facilities of approximately \$402M. Floor plan facilities are used to fund the dealership inventory in Australia. The range of asset and floor plan financiers has been further rationalised since 31 December with facilities being repaid or consolidated.
- On 31 December, *thl* had approximately \$308.1M in drawn debt, with an additional \$335.9M in undrawn facilities.
- Syndicated corporate debt makes up the majority of funding in NZ and the USA. Asset financing is the predominant method of funding utilised in Australia and sole funding source in Canada and UK/Europe.
- Expectations are that the improved strength of the combined balance sheet due to recent debt repayment and forecast earnings will result in lending rate margin reduction. However, with ongoing central bank rate increases any margin reduction may be offset by base rate increases.
- *thl* is subject to a range of customary covenants under its syndicated corporate debt facility and asset finance facilities. For further information, refer to note 11 of the consolidated interim FY23 financial statements.

31 December 2022	Total facility size	Drawn	Undrawn
Syndicated corporate debt	\$148.4M	\$98.6M	\$49.8M
Asset finance	\$401.9M	\$140.5M	\$261.4M
Floor plan finance	\$60.3M	\$37.3M	\$23.0M
Other loans ¹	\$33.4M	\$31.7M	\$1.7M
Total	\$644.0M	\$308.1M	\$335.9M

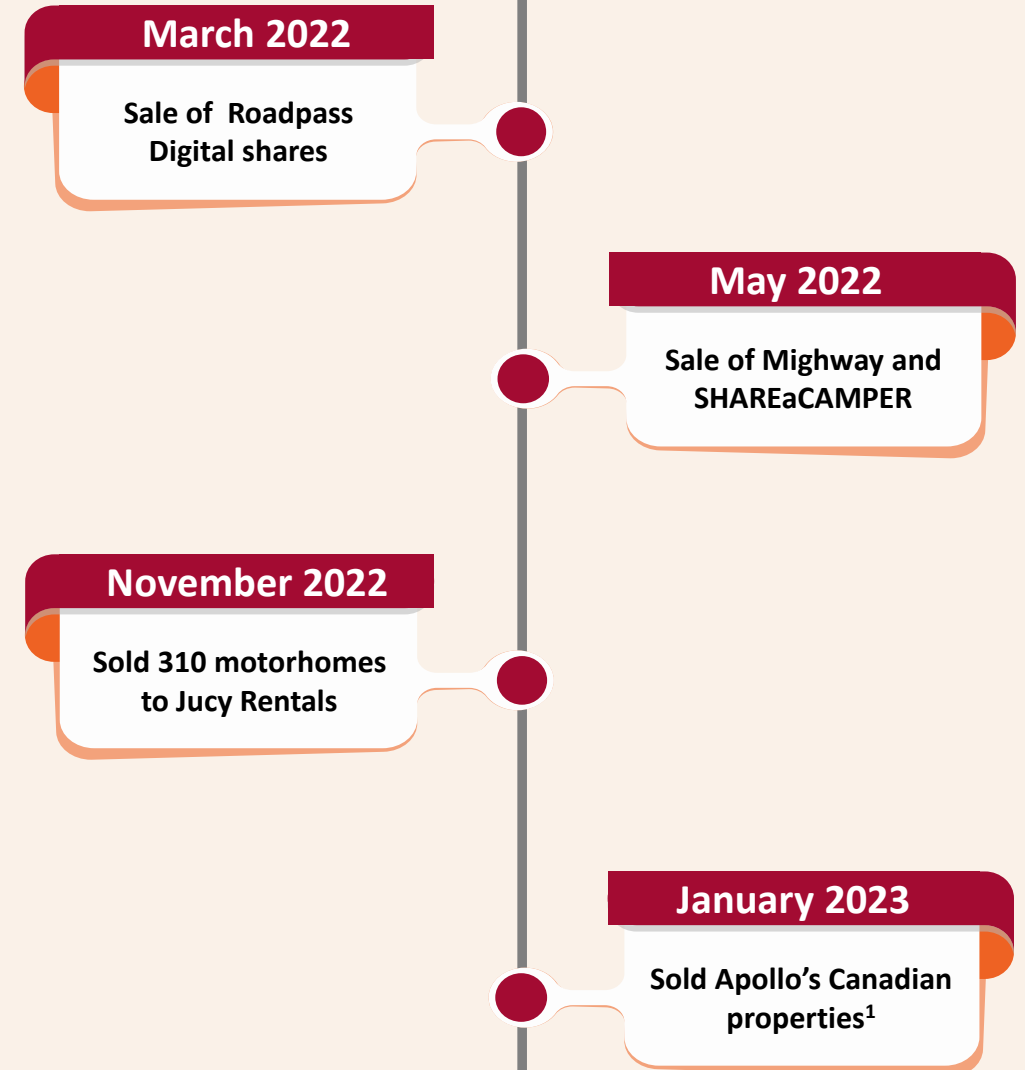
¹ These facilities have largely been repaid post 31 December. This includes repayment of the Canadian property mortgage following the sale of the Canadian properties in January 2023.

Region	Key lenders
Australasia	ANZ, Westpac, Mercedes, Toyota, DLL
USA	ANZ, Westpac, Wells Fargo
Canada	Royal Bank of Canada
UK/Europe	HSBC

Balance sheet and debt

- Net debt on 31 December 2022 was \$249M, up approximately \$190M since the commencement of the financial year.
- A key focus for **thl** is the strengthening of its balance sheet. While the expected improvement in earnings will be able to support this, **thl** has taken several other steps recently to strengthen its balance sheet:
 - **Sale of Roadpass Digital shares** for NZ\$23.9M
 - **Sale of Mighway and SHAREaCAMPER** for A\$7.4M in shares in Camplify Holdings Limited and divestment of a loss-making business unit. **thl**'s current shareholding in Camplify has an approximate value of A\$16M
 - **Sale of 310 motorhomes to Jucy Rentals** for net proceeds of ~NZ\$42.8M, at retail pricing and margins
 - **Sale of Apollo's Canadian properties** for CA\$51M, with CA\$25.6M in net proceeds (after sales expenses and mortgage repayment) used for debt repayment¹
- Approximately NZ\$101M of debt has been repaid since the completion of the merger from the sale of motorhomes to Jucy Rentals and sale of Canadian properties.¹ The lending group has been rationalised through the removal of ten of Apollo's former lenders.
- With the funding available under the current structure, we do not currently expect to require additional equity to undertake our re-fleeting plan.
- While debt is expected to rise through the regrowth plan, the **thl** Board and management are focused on retaining an appropriate net debt to EBITDA ratio.

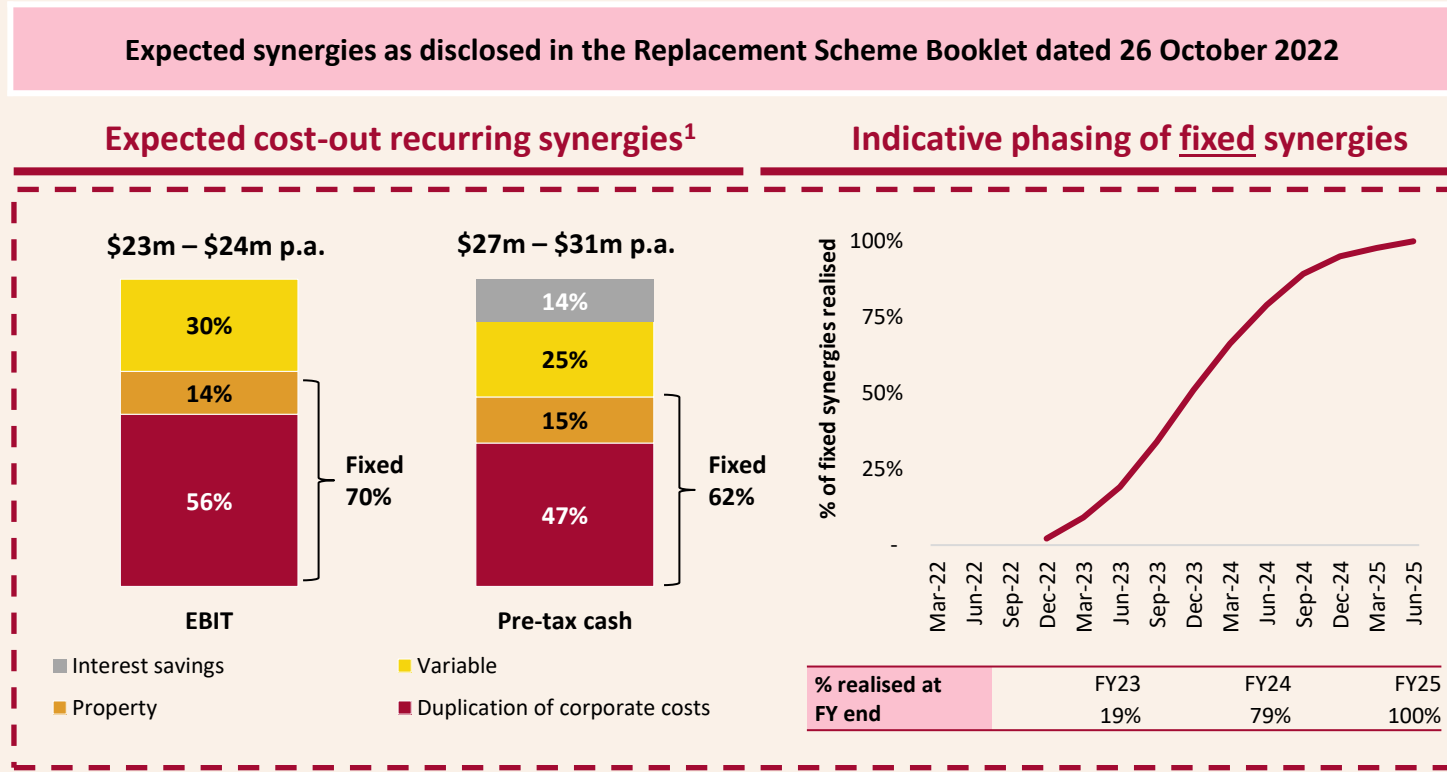
¹ Includes the repayment of debt following the sale of Apollo's Canadian properties on 6 January 2023, being after the end of the financial period on 31 December 2022.



Integration with Apollo

Realisation of merger synergies

- The Board and management are strongly focused on synergy realisation as part of the integration programme – *Project Orange*.
- We have established timelines and targets to guide synergy realisation while minimising business interruption.
- All rental branches in New Zealand and Australia are on track to be consolidated by June 2023.
- We believe we are on track to realise the previously stated synergies or potentially more.
- The identified synergy opportunities are a benefit over the counterfactuals (at the time of the merger) of *thl* and Apollo continuing to operate as standalone businesses. The further we progress, the more difficult it becomes to accurately measure against these hypothetical counterfactual scenarios. Potential fleet synergies between the two North American businesses are being scoped and are expected to be implemented for CY2024. These will be challenging to quantify against a counterfactual.
- Initial synergies for the UK/Europe businesses have been established and include one branch consolidation. The expected savings will be material for the region but not for the *thl* group.



1. Percentages based on mid point of synergy range

Project
orange

Apollo acquisition accounting

- Provisional transaction accounting values for the ATL acquisition have been included in the FY23 interim results. The provisional opening balance sheet is shown in the financial statements.
- As part of the acquisition accounting, *thl* is required to fair value all of the assets and liabilities that have been acquired as part of the transaction. The process that *thl* is undertaking to conclude the acquisition accounting includes:
 - assessing and identifying the tangible and intangible assets and liabilities acquired;
 - determining an appropriate valuation methodology for each of the assets and liabilities;
 - undertaking the valuations;
 - identification of the cash-generating units (CGU);
 - allocation of the goodwill to CGU's; and
 - audit of the transaction accounting values.
- *thl* has up to 12 months to finalise the acquisition accounting and will therefore complete the process prior to the FY24 interim results.
- The provisional acquisition accounting balances included in the interim financial statements primarily reflect the carrying book values of ATL. Fair value adjustments have been included for the Camplify investment and Canadian properties that were held by ATL as fair values were readily available.
- The impact of the remaining fair value adjustments will likely be to increase asset values and reduce the goodwill value currently shown in the provisional acquisition values.
- Once the acquisition accounting is finalised, this will have a flow on impact on the financial statements, particularly on values and depreciation expense on fleet, and the gain on sale of fleet when sold. Until valuations are completed, it is not possible to quantify these changes.

The accounting outcome does not change the cash or economic performance of the business

Outlook



Key performance drivers and outlook

	New Zealand	Australia	USA	Canada	UK/Europe
Yields ¹	Yields in 1H23 up ~55% on 1H19	Yields in 1H23 up ~70% on 1H19	Yields in 1H23 up ~40% on 1H19	Yields in 1H23 up ~40% on 1H19 and remained in line with 1H22	Yields in 1H23 up ~55% on 1H19 but slightly down from 1H22
Fleet sales margins ^{1,2}	Margins in 1H23 up ~NZ\$8.2k on 1H22 - expected to remain stable in CY23 as business sells older fleet	Margins in 1H23 up ~A\$11.4k on 1H22 - expected to remain stable in CY23 as business sells older fleet	Margins in 1H23 down ~US\$1.2k on 1H22 – expected to continue to normalise across FY23 and FY24	Margins in 1H23 up ~CAD\$16.6k on 1H22 – expected to normalise across FY23 and FY24	Margins in 1H23 up ~£9.7k on 1H22 – expected to remain stable in FY23 and normalise in FY24
Fleet sales volumes ³	Fleet sales volumes in 1H23 reduced by 238 on 1H22	Fleet sales volumes in 1H23 reduced by 49 on 1H22	Fleet sales volumes in 1H23 reduced by 240 on 1H22	Fleet sales volumes in 1H23 up by 6 on 1H22	Fleet sales volumes in 1H23 down 17 on 1H22

¹ For New Zealand, Australia, USA and UK/Europe, figures reflect those of the **thl** business units.

² Average gross fleet sales margins reflect sales revenue (net of any dealer commissions) less the net book value of the vehicles sold. It excludes other costs of sale. The methodology may differ to sales margin metrics previously reported by **thl**.

³ Volumes for New Zealand, Australia and UK/Europe include volumes sold by Apollo in December 2022. Canada reflects the underlying sales by CanaDream in the respective periods. For completeness, **thl** did not operate a Canadian business prior to the merger with ATL on 30 November 2022.

Key performance drivers and outlook for yield

We are closely following key factors we believe are driving elevated yields

		New Zealand	Australia	USA	Canada	UK/Europe
Transitory impact	International tourism trends	Airline/accommodation capacity expected to remain constrained in CY23 and start to increase in CY24	Airline/accommodation capacity expected to start increasing slowly in CY23 with some pricing pressure returning in CY24 as supply increases	Airline/accommodation capacity has been increasing and could increase beyond pre-pandemic levels by end of CY24	Airline/accommodation has been increasing but remains well below pre-pandemic levels	Airline capacity is less relevant to performance in this market. General tourism pricing (car rentals, accommodation) are reducing but remain above pre-pandemic levels
	Rental industry RV capacity	Capacity expected to be stable in CY23 but is expected to start growing in late CY23, however market capacity to remain ~40% below pre-pandemic levels into CY24	Capacity expected to be stable with little to no growth expected across CY23. Capacity in CY24 remains uncertain	Capacity expected to be stable with ongoing supply shortages in CY24. Capacity in CY24 remains uncertain	Capacity expected to be stable with little to no growth expected across CY23. Capacity in CY24 remains uncertain	Capacity is expected to grow across CY23, while supply trends in CY24 remain uncertain
Permanent impact	Inflation	Elevated rental fleet utilisation expected to remain while vehicle supply and capacity is constrained				
	Structural shifts in rental market	We believe that yields will remain 5 – 10% higher than pre-COVID on an ongoing basis as a result of general inflation				Lifts in 'break out yield' across shoulder seasons (reflecting underlying demand elasticity) have been maintained in FY23 and are expected to be a permanent shift

Outlook

- As previously advised on 15 February 2023, on a pro forma basis¹ (inclusive of ATL's NPAT for the five months prior to completion of the merger), **thl** currently expects underlying NPAT for FY23 to be above NZ\$75 million.²
- This pro forma guidance includes underlying profit of NZ\$27 million attributable to ATL for the five-month period to 30 November 2022. ATL's underlying five-month result also includes a NZ\$9 million gain on the sale of 310 motorhomes to Jucy Rentals on 30 November 2022. We consider the Jucy fleet sale to be an ordinary course of business item, as those vehicles would have been sold at some point in the coming year(s).
- Excluding ATL's profit for the period before completion of the merger but inclusive of ATL's contribution for the seven months after, **thl's** expected underlying NPAT for FY23 is above NZ\$48 million. This guidance also accounts for the reduction of rental revenue resulting from 310 fewer vehicles available for rent.
- We previously indicated that if dividends resumed, it would likely be at a lower pay-out ratio. We are committed to establishing a dividend policy range that allows **thl** to maintain an appropriate gearing ratio during the expected fleet regrowth phase and recognises the higher proportion of overseas earnings of the group.
- Based on our current performance expectations for FY23, we expect that **thl** will be in a position in August to declare a dividend. Any dividend payment at this time will need to balance funding the rebuild of the global fleet with returns to shareholders. The longer-term dividend policy is being reviewed post merger and will be provided to the market by the full year results.
- Following completion of the merger, combined fleet plans in all regions are currently under review. We expect net debt at 30 June 2023 to be around NZ\$275 million, however there may be significant shifts in the timing of vehicle purchases and sales across all markets between now and then, which would impact this number and any capital expenditure guidance that would be provided.

¹ The merger of **thl** and ATL completed on 30 November 2022. Consequently, ATL's FY23 results for the period prior to completion of the merger will not be reflected in **thl's** statutory financial statements for FY23. 'Pro forma underlying NPAT' includes ATL's results for the five months prior to completion of the merger. Both 'Underlying NPAT' and 'Pro Forma Underlying NPAT' are non-NZ GAAP (Generally Accepted Accounting Practice in New Zealand) financial measures.

² Assumes exchange rates for the remainder of FY23 of NZD:AUD \$0.93, NZD:USD \$0.62, NZD:CAD \$0.85 and NZD:GBP \$0.52.

Notes



Important notes

General

- All financials are in NZ dollars unless stated otherwise (throughout presentation).
- All comparisons are against prior corresponding period (**pcp**) unless stated otherwise.
- The average NZD:AUD cross-rate (average of the six months rates) for H1 FY23 was 0.9045 (H1 FY22 - 0.9518).
- The average NZD:USD cross-rate (average of the six months rates) for H1 FY23 was 0.6075 (H1 FY22 - 0.6969).
- Return On Funds Employed (ROFE) is a non-GAAP measure that **thl** uses to measure performance of business units, and the Group, in relation to the financial resources utilised. ROFE is calculated as EBIT divided by average monthly net funds employed. Net funds employed are measured as total assets, less non-interest bearing liabilities and cash on hand. Lease liabilities resulting from IFRS 16 are not considered in determining funds employed. Accordingly, the interest expense arising from IFRS 16 is also deducted from EBIT for the purposes of ROFE. The calculation is done in NZ dollars.
- Net debt refers to interest bearing loans and borrowings less cash and cash equivalents.
- The balance sheet is converted at the closing rate as at 31 December 2022. The USD cross-rate used was 0.6335 (H1 FY22 – 0.6832); the AUD cross-rate used was 0.9366 (H1 FY22 – 0.9421); the CAD cross-rate used was 0.8588; and the GBP cross-rate used was 0.5252 (H1 FY22 – 0.5061).
- H1 FY23 includes the following non-recurring items:
 - \$5.2M in transaction costs relating to the merger with Apollo;
 - a \$3.5M gain on **thl**'s equity investment in Just go held prior to the acquisition of the remaining shareholding, as a result of the acquisition; and
 - a \$0.6M gain on **thl**'s equity investment in Apollo held prior to the merger, as a result of the merger.
- H1 FY22 includes a non-recurring expense of \$2.1M in transaction costs relating to the merger with Apollo.
- The depreciation expense and interest expense recognised in H1 FY23 in relation to IFRS 16 Leases is \$6.4M (H1 FY22: \$4.8M) and \$2.7M (H1 FY22: \$1.7M), respectively. The actual lease payments during the period were \$8.1M (H1 FY22: \$6.5M).

Supplementary information



Divisional EBIT – *thl*/H1 (including ATL's December)

<i>thl</i> H1 (including ATL's December)	6 Months to 31 December				
	\$M	FY23	FY22	VAR	VAR %
<i>thl</i> Rentals					
New Zealand		4.7	(7.0)	11.7	167%
Australia		18.8	(1.0)	19.8	2062%
USA		17.2	11.2	6.0	54%
UK		(0.8)	0.0	(0.8)	NA
Total <i>thl</i> Rentals		39.9	3.3	36.7	1120%
Action Manufacturing		3.9	1.1	2.8	248%
Tourism Group		1.5	(2.4)	3.9	160%
Apollo Group (December 2022)		2.3	0.0	2.3	N/A
Total operating divisions		47.6	2.0	45.6	2326%
Group Support Services		(5.3)	(3.1)	(2.2)	(71%)
Total EBIT		42.3	(1.1)	43.4	3846%
EBIT before non-recurring items		43.4	1.0	42.4	4369%
Non-recurring items					
Merger transaction costs		(5.2)	(2.1)	(3.1)	148%
Gain on equity investments		4.1	0.0	4.1	NA
Total non-recurring items		(1.1)	(2.1)	1.0	(48%)

Income statement summary – *th*/H1 (including ATL's December)



2023 INTERIM RESULTS
PRESENTATION

\$M	<i>th</i> / H1 (including ATL's December)	6 Months to 31 December		
	FY23	FY22	VAR	VAR %
Sale of services	134.1	50.3	83.8	167%
Sale of goods	127.0	124.6	2.4	2%
Total revenue	261.0	174.9	86.2	49%
Costs	190.2	152.9	37.3	24%
EBITDA	70.8	21.9	48.9	223%
Depreciation & Amortisation	28.5	23.1	5.5	24%
EBIT	42.3	(1.1)	43.4	(3,846%)
Interest	6.7	(4.9)	11.6	235%
Share of Associates	0.8	1.2	(0.4)	(31%)
Profit/(loss) before taxation	36.4	(4.9)	41.3	(843%)
Taxation	11.3	0.5	10.7	(2,001%)
Profit/(loss) for the period	25.2	(4.4)	29.6	676%
Profit/(loss) is attributable to:				
Equity holders of the Company	25.2	(4.0)	29.6	722%
Non-controlling interest	–	(0.3)	–	(100%)
Basic EPS (in cents)*	15.3	(2.7)		
Diluted EPS	15.3	(2.7)		

* Based on weighted average shares on issue across the financial period

Revenue – *thl*/H1 (including ATL's December)

<i>thl</i> H1 (including ATL's December)	6 Months to 31 December			
	\$M	FY23	FY22	VAR
<i>thl</i> Rentals - Rental Revenue				
New Zealand	24.9	6.2	18.7	304%
Australia	42.2	15.7	26.5	169%
USA	50.7	26.9	23.8	88%
UK/Europe	0.5	0.0	0.5	NA
	118.2	48.7	69.5	143%
<i>thl</i> Rentals - Sale of Goods Revenue				
New Zealand	20.9	41.8	-21.0	-50%
Australia	15.4	16.2	-0.8	-5%
USA	44.0	53.0	-9.0	-17%
UK/Europe	2.3	0.0	2.3	NA
	82.6	111.0	-28.4	-26%
Action Manufacturing	61.6	30.5	31.1	102%
Tourism Group	9.4	0.8	8.5	1007%
Apollo Group (December 2022)	28.1	0.0	28.1	NA
<i>thl digital</i>	0.5	0.7	(0.2)	-27%
Other (including intercompany elimination)	-39.4	-17.0	(22.4)	132%
Total Revenue	261.0	174.9	86.2	49%

Note: Action Manufacturing's results include intercompany transactions with *thl* rentals, which are eliminated in "Other". The December results of all of Apollo Group's business divisions are included in "Apollo Group (December 2022)".

EBITDA – *th*/H1 (including ATL's December)

<i>th</i> / H1 (including ATL's December)	6 Months to 31 December			
\$M	FY23	FY22	VAR	VAR %
EBIT	42.3	(1.1)	43.4	3846%
Add back non-cash items:				
Depreciation	27.5	22.1	5.4	24%
Amortisation	1.0	0.9	0.1	6%
EBITDA	70.8	21.9	48.9	223%

<i>th</i> / H1 (including ATL's December)	6 Months to 31 December			
\$M	FY23	FY22	VAR	VAR %
EBIT before non-recurring items	43.4	1.0	42.4	4369%
Add back non-cash items:				
Depreciation	27.5	22.1	5.4	24%
Amortisation	1.0	0.9	0.1	6%
EBITDA before non-recurring items	71.9	24.0	47.9	199%

Balance sheet – *th*/H1 (including ATL's December)

<i>th</i> / H1 (including ATL's December) - \$M	31 Dec 22	31 Dec 21	VAR
Equity	570.8	313.4	257.4
Non current liabilities	197.4	66.2	131.2
Current liabilities	270.9	45.8	225.1
Lease liabilities	120.2	81.1	39.0
Total source of funds	1,159.4	506.6	652.8
Intangible assets and goodwill	212.5	52.3	160.2
Retained interest in Togo Group	0.0	22.0	(22.0)
Financial Assets	20.3	0.0	0.0
Investments in associates and joint ventures	0.1	6.2	(6.0)
Property, plant and equipment	473.2	235.1	238.1
Right-of-use assets	130.4	70.1	60.3
Current assets	322.8	121.0	201.8
Total use of funds	1,159.4	506.6	652.8
Net debt position (excluding lease liabilities)	249.3	18.7	230.5
Net tangible assets	358.3	261.2	97.2
Net tangible assets per share*	\$1.67	\$1.72	
Book value of net assets per share*	\$2.67	\$2.06	
Debt / debt + equity ratio (net of intangibles)	41%	7%	
Equity ratio (net of intangibles)	38%	57%	
AUD exchange rate at period end	0.9366	0.9421	
USD exchange rate at period end	0.6335	0.6832	
GBP exchange rate at period end	0.5252	0.6032	
CAD exchange rate at period end	0.8588	n/a	

* Based on shares on issue at the relevant balance date

Note: The transaction accounting for the acquisition of ATL has not yet been completed and therefore only provisional values have been included in this presentation. This also relates to the divisional reporting as the determination of cash-generating units (CGU's) has not yet been completed. Refer to slide 25 for more information.

Gain on vehicle sales and gross profit – Pro Forma Consolidated H1

Pro Forma Consolidated H1	6 Months to 31 December			
\$M	FY23	FY22	VAR	VAR %
Proceeds from sale of fleet				
New Zealand	14.5	36.8	(22.3)	(61%)
Australia	18.6	22.5	(3.9)	(17%)
USA	44.0	51.9	(7.9)	(15%)
Canada	6.3	4.2	2.1	50%
UK/Europe	6.5	8.07	(1.6)	(20%)
Total proceeds from sale of fleet	89.8	123.4	(33.6)	(27%)
Net book value of fleet sold				
New Zealand	9.7	27.7	(18.0)	(65%)
Australia	11.7	15.8	(4.1)	(26%)
USA	32.0	33.7	(1.7)	(5%)
Canada	3.9	3.2	0.7	23%
UK/Europe	4.4	6.5	(2.1)	(33%)
Total net book value of fleet sold	61.7	86.9	(25.1)	(29%)
Gross margin on fleet sold				
New Zealand	4.8	9.1	(4.3)	(48%)
Australia	6.8	6.7	0.2	3%
USA	12.0	18.1	(6.2)	(34%)
Canada	2.4	1.0	1.4	133%
UK/Europe	2.1	1.6	0.5	32%
Total gross margin on fleet sold	28.1	36.5	(8.5)	(23%)

Pro Forma Consolidated H1	6 Months to 31 December			
\$k	FY23	FY22	VAR	VAR %
Average gross margin on fleet sold				
New Zealand	22.0	18.9	3.1	16%
Australia	31.7	19.7	12.0	61%
USA	37.5	32.5	5.1	16%
Canada	46.1	23.9	22.2	93%
UK/Europe	32.3	15.6	16.7	107%

Pro Forma Consolidated H1	6 Months to 31 December			
\$k	FY23	FY22	VAR	VAR %
Fleet vehicles sold (excluding buybacks)				
New Zealand	217	482	(265)	(55%)
Australia	216	338	(122)	(36%)
USA	319	559	(240)	(43%)
Canada	52	43	9	21%
UK/Europe	65	102	(37)	(36%)
Total fleet vehicles sold (excluding buybacks)	869	1,524	(655)	(43%)

Note: Gross fleet sales margins reflect sales revenue (net of any dealer commissions) less the net book value of the vehicles sold. It excludes other costs of sale. The methodology may differ to sales margin metrics previously reported by thl. The above figures are a Pro Forma Consolidated H1 view of thl and ATL across the six-month period and as such may differ to gross sales margins or sales volumes included in divisional reporting.

Funds employed

<i>thl</i> H1 (including ATL's December)	Average Funds*			
	\$M	31 Dec 22	31 Dec 21	VAR
<i>thl</i> Rentals				
New Zealand		78.5	85.2	(8%)
Australia		56.8	60.1	(5%)
USA		190.3	115.8	64%
Total <i>thl</i> Rentals		325.6	261.1	25%
Tourism Group		12.4	16.7	(26%)
Action Manufacturing		45.9	29.2	57%
Apollo Group - December		216.6	0.0	N/A
Just go		16.8	0.0	N/A
Associates		0.0	4.9	(100%)
Group Support Services and Others		128.3	48.1	167%
Total Net Funds Employed		745.6	362.9	105%

* Note: *thl* average funds calculated over a 12 month period. Apollo Group reflects December closing balance.

End



2023 INTERIM RESULTS
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