

26 October 2022

MEDIA | NZX RELEASE

TOURISM HOLDINGS LIMITED (*thl*)

RELEASE OF REPLACEMENT SCHEME BOOKLET

thl advises that the Supreme Court of Queensland has today approved for release a Replacement Scheme Booklet in relation to the proposed merger of *thl* and Apollo Tourism & Leisure Ltd (**ATL**) by way of scheme of arrangement (**Scheme**). A copy of the Replacement Scheme Booklet provided by ATL to its shareholders is included with this announcement and *thl* recommends shareholders to read the Replacement Scheme Booklet in full for information relating to the Scheme, including a revised Scheme timeline.

Increase in quantum of expected synergies

As noted in section 9.2 of the Replacement Scheme Booklet, following an updated analysis of the expected synergies relating to the merger, these synergies are now expected to deliver a steady-state EBIT uplift of NZ\$23–24m (or a steady-state pre-tax cash synergy of NZ\$27–31m) on an annually recurring basis. This compares to earlier expectations set out in the Scheme Booklet released in February 2022 of a steady-state EBIT uplift of NZ\$17 – 19m (or a steady-state pre-tax cash synergy of NZ\$18 – 20m) on an annually recurring basis. The increased synergy expectations relate primarily to:

- the impact of inflation on the costs identified as synergies;
- the identification of a larger quantum of corporate overhead synergies compared to earlier expectations; and
- the devaluation of the New Zealand Dollar.

Additionally, the pre-tax cash synergy range now includes an annually recurring interest saving synergy that was not previously quantified. The above estimates do not include any potential synergies relating to the North American or United Kingdom/Europe businesses.

Further detail on expected synergies is available in section 9.2 of the Replacement Scheme Booklet.

Updated Independent Expert's Report and ATL Director recommendation

The Replacement Scheme Booklet includes a replacement independent expert's report prepared by Grant Thornton Finance Pty Ltd, who has concluded that the Scheme is fair and reasonable and in the best interests of ATL shareholders, in the absence of a superior proposal.

The Supreme Court of Queensland has also ordered that the postponed meeting of ATL's shareholders be held on Friday, 11 November 2022, at which ATL shareholder approval for the Scheme will be sought. As noted in section 1.6 of the Replacement Scheme Booklet, the ATL directors have stated that they consider the Scheme to be in the best interests of ATL shareholders and have recommended that shareholders vote in favour of the Scheme, in each case in the absence of a superior proposal (as defined



in the Replacement Scheme Booklet) and subject to the independent expert continuing to conclude that the Scheme is in the best interests of ATL shareholders.

Revised timeline for Scheme

Subject to all conditions being satisfied (including requisite approval from ATL shareholders), it is currently expected that the Scheme will be implemented on 30 November 2022, being the date that the new ordinary shares in **thl** will be issued to ATL shareholders. A detailed revised timeline is available on page 6 of the Replacement Scheme Booklet.

Cleansing notice

Also provided with this announcement is a cleansing notice dated 26 October 2022 provided under subclause 20(1)(a) of Schedule 8 of the Financial Markets Conduct Regulations 2014.

References to ATL shareholders in this announcement excludes **thl** as a shareholder of ATL.

ENDS

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About **thl** (www.thlonline.com)

thl is a global tourism operator. We are listed on the NZX and are the largest commercial provider of RVs for rent and sale in Australia and New Zealand, and the second largest in North America. In the USA, we own Road Bear RV Rentals & Sales and El Monte RV Rentals & Sales, and in the United Kingdom, we own Just go Motorhomes. Within New Zealand, we own Kiwi Experience and operate the Discover Waitomo group, which includes Waitomo Glowworm Caves, Ruakuri Cave, Aranui Cave and The Legendary Black Water Rafting Co. **thl** also owns Action Manufacturing, a leading motorhome and specialist vehicle manufacturer in New Zealand.