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TOURISM HOLDINGS LIMITED (*thl*)

FY25 INTERIM RESULTS

Summary:

- Underlying net profit after tax of \$26.5M, down 33%.¹
- Statutory net profit after tax of \$25.3M, down 36%.
- Group Return on Funds Employed (trailing 12 months) of 8.1%.
- Underlying EBITDA of \$113.3M, down 5%.¹
- Continued recovery in international tourism underpins rental fleet growth of 11% and rental revenue growth of 8%.
- Ongoing vehicle sales challenges result in 4% decrease in sale of goods revenue and lower margins for ex-rental and retail RV sales.
- Interim FY25 dividend of 2.5 cents per share, 100% imputed and 0% franked.
- Progressing cost-out and optimisation initiatives, continued confidence in delivering at least a \$12M NPAT benefit in FY27.
- We remain focused on increasing underlying NPAT in FY25, but acknowledge the risks and uncertainty in the coming period.
- Market factors, including a more prolonged downturn in RV sales, may delay our recovery until FY26 and prevent us from delivering underlying NPAT growth in FY25.
- We intend to provide FY25 earnings guidance in the fourth quarter of FY25 when there is more clarity.

thl today releases its results for the six months ending 31 December 2024.

Cathy Quinn, **thl** Chair, said “the underlying net profit after tax for the period was \$26.5M, down \$13.2M on the prior corresponding period. The core rental business has grown, with rental revenue increasing by 8% and the rental fleet expanding by 11%. However, the decline reflects the persisting challenges in RV sales.

¹ Underlying performance excludes non-recurring items. Refer to the Investor Presentation for further information.



“This has been a period marked by significant challenges, but also opportunities and improvements. By some measures, this has been the most difficult period for the RV sales industry in decades. We believe that **thl** has maintained its performance relatively well compared to many counterparts in the RV industry”.

Grant Webster, **thl** CEO, said “pleasingly, New Zealand Rentals & Sales has gone from strength to strength and grown EBIT. New Zealand increased rental revenue by 25% during a period in which inbound visitor growth was only 6%. The most notable decline has been in our Australian division, mainly due to challenges in the Retail Dealerships, which have seen the greatest impact from the current cycle.

“We have remained active with numerous projects, including the transition to a single digital platform across multiple areas and investments in new properties like Waitomokia in Auckland and Perth in Australia. In Canada we also launched Motek, our bespoke fleet management and booking system. This marks the first time all our rental divisions are operating on the same system globally. We believe that all of this activity, combined with the experience of our leadership team, positions **thl** well ahead of a recovery.

“We are also pleased with the progress we’re making in our cost reduction and optimisation initiatives and are on track to meet our goal to deliver an NPAT benefit of at least \$12M in FY27. We continue to seek out and harvest the benefits from the merger.”

Dividend

An interim dividend of 2.5 cents per share, 100% imputed and 0% franked, will be payable on Friday 4 April 2025. The Dividend Reinvestment Plan (DRP) is available to eligible shareholders that wish to participate, and a 2% discount is available. The record date is Friday 21 March 2025 and the final date for DRP elections is Monday 24 March 2025.

As previously advised, we expect the split of annual dividends between interim and final to be approximately ~30% to ~70%.



Outlook Commentary

We remain focused on increasing underlying NPAT in FY25, but acknowledge the risks and uncertainty in the coming period.

We are growing global rental hire days and we are on track to deliver our cost-out targets which should add significant benefit in the coming years. New Zealand and Australian rentals have been positive, with robust demand and fleet growth.

Countering this growth is a more prolonged downturn in RV sales. In particular, the Australian market remains under pressure on volumes and margin and is not yet showing signs of a recovery from the bottom of the cycle.

Considering the impacts, both actual and potential, across the various operating jurisdictions results in a range of possible outcomes for FY25. The key factors driving variability in the second half of FY25 include:

- the degree of recovery in North American vehicle sales in the 2025 sales season, which typically commences around May;
- opportunities in North America for non-tourism bookings related to the LA fires and ongoing discussions concerning larger wholesale vehicle sales opportunities;
- short-term impacts from North American tariffs. The announcement has seen increased demand for our Canadian fleet, as dealers and customers anticipate an upcoming tariff on imports from the USA;
- performance at several major RV sales shows across New Zealand and Australia in the coming months; and
- rentals for the Easter and ANZAC day period, which fall in the same week in 2025. This has historically led to an increase in late domestic rental demand in Australia and New Zealand.

Although we will be driving to achieve the best of these outcomes, market factors may delay our recovery until FY26 and prevent us from delivering underlying NPAT growth in FY25 overall.

The uncertainty in vehicle sales and potential outcomes from these factors also make it difficult to provide an accurate profit guidance range for FY25 at this time. We will have more certainty on vehicle sales and several of these other factors in the fourth quarter of FY25, at which point we intend to provide earnings guidance for FY25.



We remain confident in the global rental outlook and continue to reinforce that there are no indicators of a structural change in the demand for RVs in our operating markets. This combined with our ongoing efforts in cost out and optimisation, efficiencies, investment in people and leveraging merger benefits, underpins our confidence in a strong rebound in future performance.

The FY25 interim financial statements, as well as a letter from the Chair and CEO and an investor presentation, are available on **thl's** website and on NZX and ASX.

ENDS

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

***thl** is a global tourism operator listed on the NZX and ASX (code: THL) and is the largest commercial RV rental operator in the world. In New Zealand/Australia, **thl** operates rental brands (Maui, Britz, Apollo, Mighty, Hippie, Cheapa Campa), manufacturing (Action Manufacturing, Apollo), retail brands (Talvor, Kea, Winnebago, Adria, Coromal, Windsor), retail dealerships (RV Super Centre, Apollo RV Sales, Kratzmann, George Day, Sydney RV, Camperagent), travel technology (Triptech) and tourism attractions (Kiwi Experience and the Discover Waitomo Group, which includes Waitomo Glowworm Caves, Ruakuri Cave, Aranui Cave and The Legendary Black Water Rafting Co.). In North America, **thl** operates the Road Bear RV, El Monte RV, CanaDream, Britz and Mighty rental brands. In UK and Europe, **thl** operates the Just go, Apollo and Bunk Campers rental brands.*