

Tourism Holdings Limited
The Beach House
Level 1, 83 Beach Road
Auckland City
PO Box 4293, Shortland Street
Auckland 1140, New Zealand

Tel: +64 9 336 4299
Fax: +64 9 309 9269
www.thlonline.com



23 February 2023

NZX | ASX | MEDIA RELEASE
TOURISM HOLDINGS LIMITED (*thl*)

THL CONFIRMS STRONG HALF YEAR RESULTS AND RECORD GUIDANCE

Highlights:

- Statutory net profit after tax (NPAT) of \$25.2M (underlying NPAT of \$26.3M), an increase of \$29.6M on the prior corresponding period (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 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

thl today releases its results for the half year ended 31 December 2022.

thl Chair, Cathy Quinn said, "with the merger now complete and international borders open, we have a growth outlook for the business. Beyond the strong trading performance, we continue to remain confident in delivering the ~\$27 - \$31M in expected cash synergies as a merged entity. From what we see today, the outlook for tourism demand in all the jurisdictions we operate in is positive, despite general economic uncertainty. Tourism is still in recovery mode from a very low base of activity in recent years and has room to grow."

¹ *thl*'s historical dividend policy targeted a payout ratio of 75 – 90% of NPAT.

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 (Generally Accepted Accounting Practice in New Zealand) 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, *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.



thl CEO, Grant Webster, said “we have had a large number of successes in recent times, the merger and high confidence in the synergy delivery probably being the most notable. We have combined a number of properties in Australia and New Zealand, responded to the busiest summer season since 19/20 and delivered further records in vehicle sales margins. The compatibility of the cultures of both *thl* and ATL has been even better than expected and despite the degree of change, the crew are very enthusiastic.

“While some of the tailwinds may normalise over the coming years, we expect that *thl* will continue to experience ongoing growth through a significant re-fleeting programme, synergy realisation and a continuation of both existing and new growth projects.”

thl notes that there are a number of statutory one-off items included in the result, primarily relating to merger transaction costs and the acquisition of the remaining 51% shareholding in Just go. The results are further complicated by the inclusion of ATL’s trading for December 2022. A pro-forma view for the results of both *thl* and ATL across the six months are included in the investor presentation to assist shareholders to understand the performance of the combined business.

The FY23 NPAT guidance provided on 15 February 2023 contemplates a record result for *thl* for this financial year. Based on these current performance expectations, *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 policy. The longer-term dividend policy is being reviewed post-merger and will be provided to the market by the full year results.

Given the complexity of the results, shareholders are encouraged to review the investor presentation for further detail and a range of summary views of the results. *thl*’s interim financial statements, the investor presentation and letters from *thl*’s Chair and CEO are available on *thl*’s website.

ENDS

Authorised by:

Cathy Quinn
Chair, Tourism Holdings Limited

For further information contact:

Grant Webster
thl Chief Executive Officer
Direct Dial: +64 9 336 4255
Mobile: +64 21 449 210

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 November 2022, *thl* merged with Apollo Tourism & Leisure, creating a multi-national, vertically integrated RV manufacturing, rental, and retail business spanning motorhomes, campervans and caravans. *thl* also operates tourism adventure, travel technology, and commercial vehicle manufacturing businesses.



*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, E-Camperco), 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.*