



# 2018

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**MORGANS ANNUAL  
QUEENSLAND CONFERENCE**

APOLLO TOURISM & LEISURE LTD



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**Who is Apollo?**

## VISION: The Global RV Solution

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Long, proud history, operating since 1985.

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Extremely capable management team with 'skin in the game'.

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Strategic acquisitions since listing in November 2016.

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One of the largest RV operators in the world.

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Positive growth prospects.

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Delivering upon strategy.



**What is Apollo's  
story?**













































# Our journey

Apollo founded 1985



ASX Listing  
November 2016



Acquired  
July 2017

Luke and Karl Trouchet become  
CEO and CFO 2001



Acquired 25% stake  
February 2017



Acquired  
August 2017

Apollo opens in  
New Zealand 2003



Acquired  
February 2017



Acquired  
March 2018

Apollo opens in USA 2008



Acquired  
May 2017



Acquired  
August 2018

Canadream shareholding acquired  
2009



Acquired  
May 2017

**Where do we  
operate?**



# A global business

APOLLO TOURISM & LEISURE LTD

## EUROPE & UK

RENTAL FLEET

~250

RV RENTALS

RV AND RV ACCESSORIES

SALES

## UNITED STATES OF AMERICA & CANADA

RENTAL FLEET

~2,000

RV RENTALS

EX-RENTAL RV SALES

## AUSTRALIA

RENTAL FLEET

~1,800

MANUFACTURING

RV RENTALS

NEW AND EX-RENTAL RV SALES

## NEW ZEALAND

RENTAL FLEET

~850

MANUFACTURING

RV RENTALS

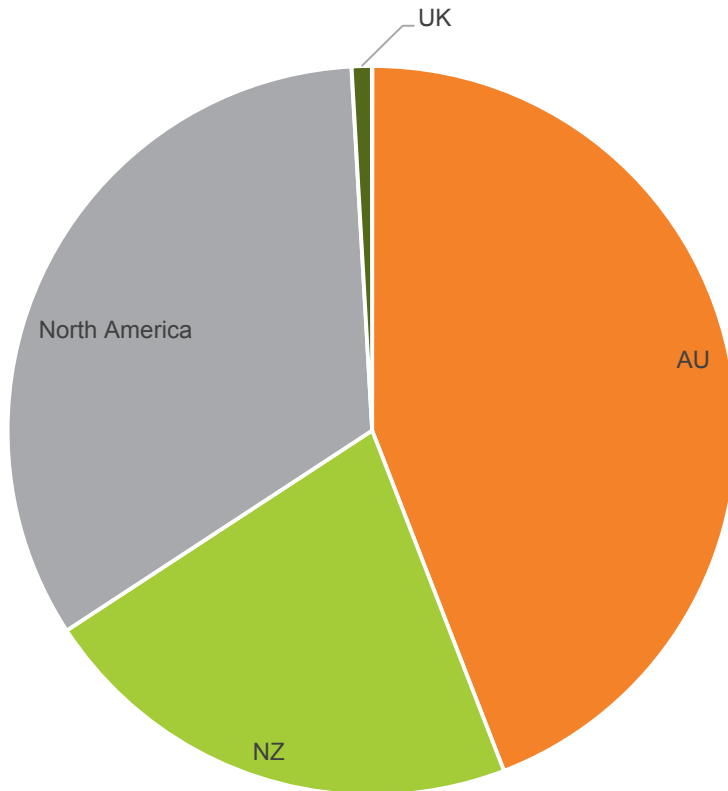
NEW AND EX-RENTAL RV SALES

Rental fleet sizes provided are peak fleet numbers for FY18.

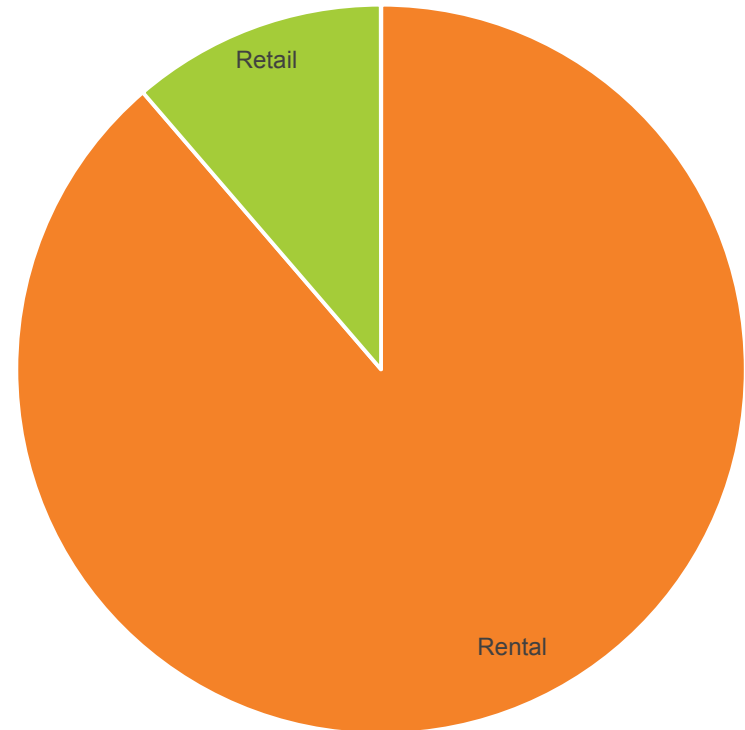


# Earnings split

FY18 Segment EBIT



FY18 Australia EBIT



\* Australian EBIT calculated using management allocation of costs.

**What is your  
business model?**







**What are your rental  
brands?**

Explore in style



Discover a new way to holiday



Same view, same holiday  
- just a little cheapa



Rockin' road trips for happy campers



Campers in the UK



Experience Canada  
at your own pace



Share the joy of camping

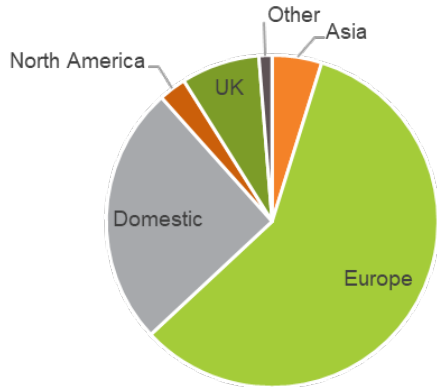


**Where does your  
rental business come  
from?**

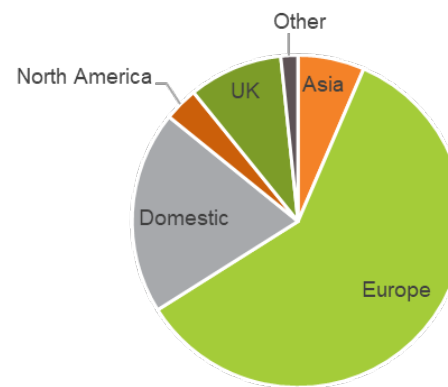


# Rentals by country

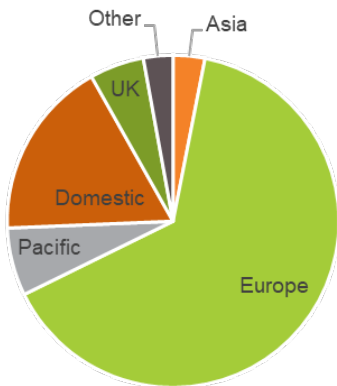
Revenue by Driver Country - AU



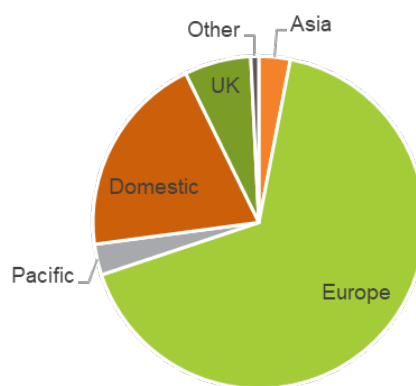
Revenue by Driver Country - NZ



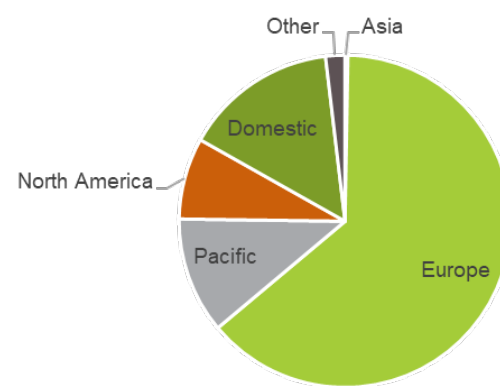
Revenue by Driver Country - USA



Revenue by Driver Country - Canada



Revenue by Driver Country - UK



\*Domestic travellers represents citizens of the respective regions travelling domestically.

# Arrivals numbers

## AUSTRALIA



## NEW ZEALAND



## NORTH AMERICA\*



## UK & IRELAND



### Sources:

AU: Latest Arrivals Market Table - May 2018, Tourism Australia; Tourism Forecasts 2017, Tourism Research Australia, Australian Government (Austrade).

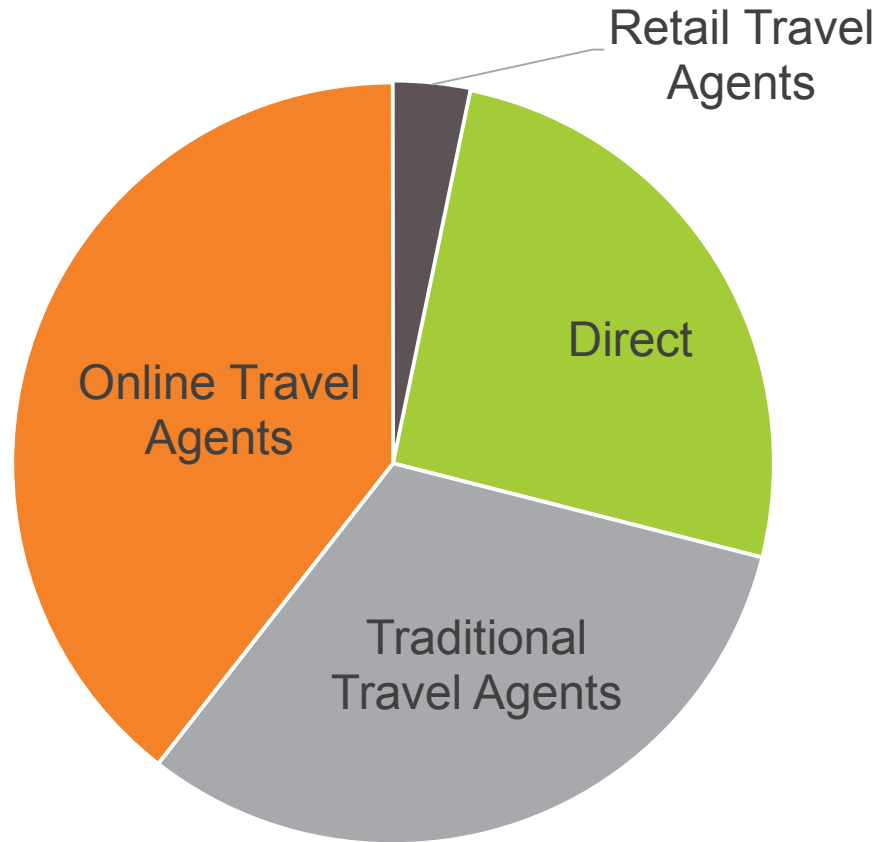
NZ: International Visitor Arrivals to New Zealand - May 2018, Stats NZ, New Zealand Government; Key Tourism Statistics - June 2018, Ministry of Business Innovation & Employment.

Canada: Tourists to Canada from Abroad - Dec 2017, Statistics Canada; Travel Markets Outlook: National Focus—Spring 2018, The Conference Board of Canada.

UK: 2018 Tourism Inbound Forecast - July 2018, VisitBritain.

\*Note: North American numbers represent Canada only. At the time of preparing this presentation, international visitor statistics for the United States of America were not available, as the National Travel and Tourism Office (NTTO) had temporarily suspended the publication of overseas arrivals, data due to data anomalies in records received from U.S. Customs and Border Protection.

# Channel mix





# **What is dynamic fleet?**



APOLLO OVERLANDER 4WD CAMPER

- Dynamic fleet vehicles are leased over short time periods to allow for increased rental fleet numbers during peak periods.

APOLLO X-TERRAIN 4WD CAMPER



- Dynamic fleet help to reduce capital expenditure, generate increased revenue and provide a more flexible fleet capacity.

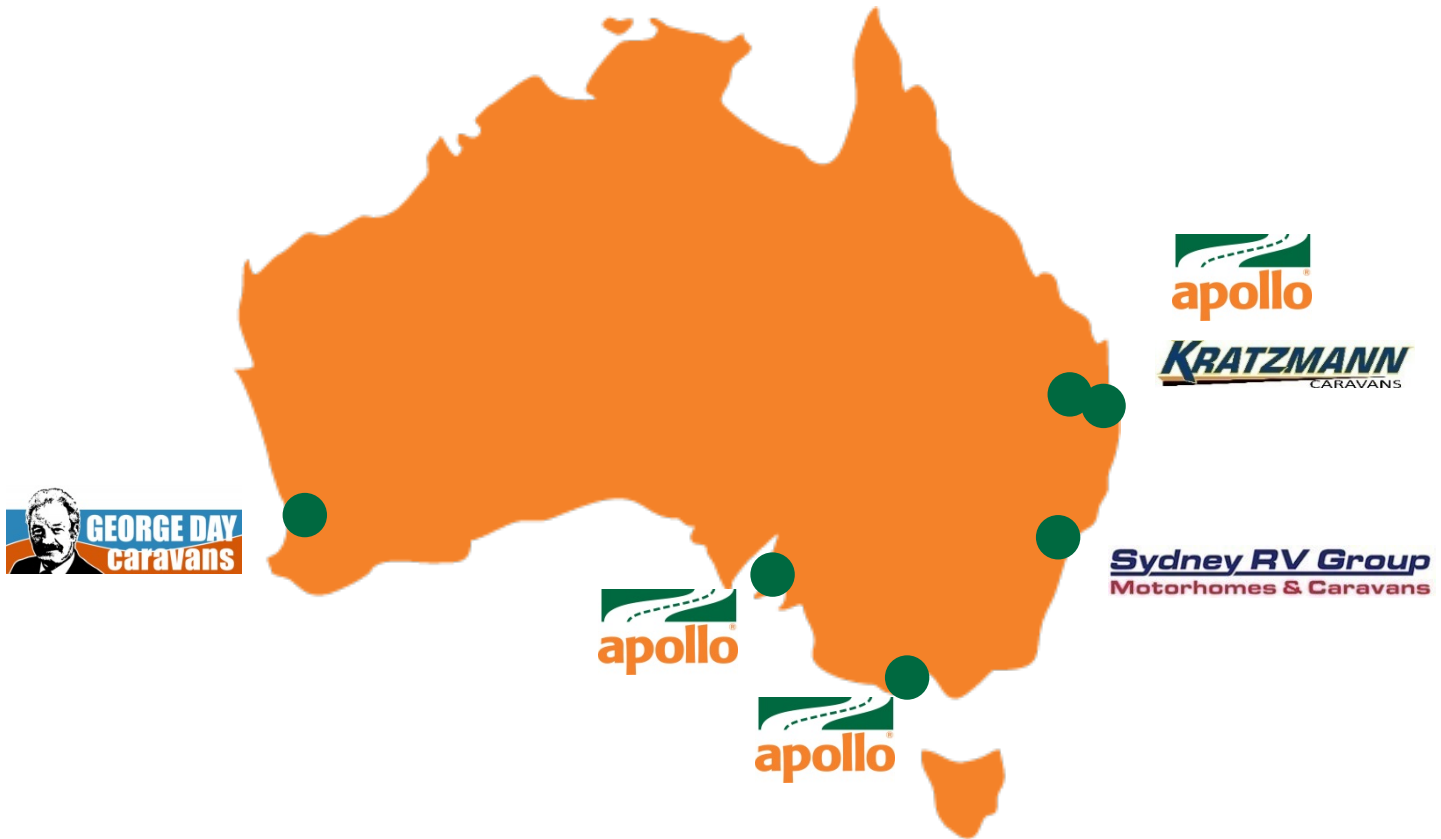
APOLLO VIVID CAMPER



**Where does your  
retail business come  
from?**



# Retail sales locations

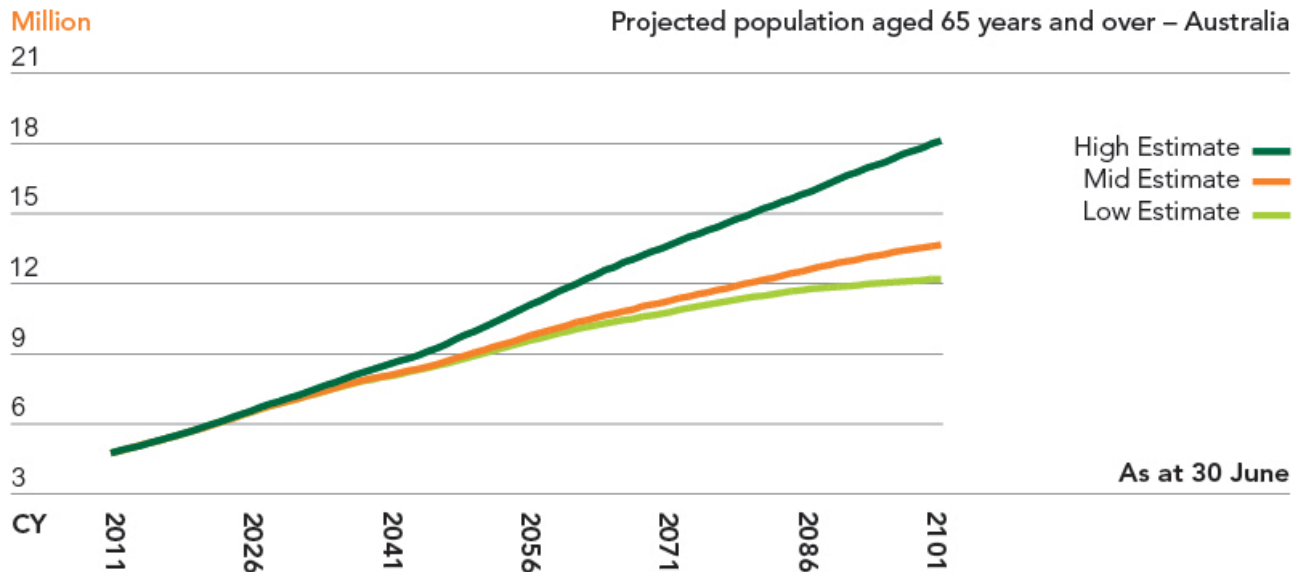


## Growing market

- Typical RV purchaser is middle to retirement aged with savings sufficient for the purchase of an RV.
- Aging population with growing savings resulting in growing RV market.
- Median household wealth for 55 – 64 & 65+ age groups increased between 2002 & 2014.

## Caravanning population

- 12.3 million overnight caravan and camping trips were taken in FY18, accounting for 52.8 million nights.
- Caravanning and camping is the fastest growing domestic accommodation in Australia, increasing 5% year on year since 2011.
- There were almost 23 thousand RVs manufactured in Australia in FY18.





## Australia

New registrations of caravans, camper trailers and motorhomes has increased by 6% for the 12 months ended 31 March 2018.



## New Zealand

4% increase in total RV registrations for the 12 months ended 30 June 2018.



## North America

### USA

13% increase in RV sales value for the 12 months ended 31 December 2017 to \$20.02B.

### Canada

28% increase in total combined RV wholesale shipments into Canada for the 12 months ended 31 December 2017.



## United Kingdom

Increase in new motorhome registrations of 14% for the 12 months ended 31 December 2017.

AU: Trading Registration Reports (quarterly to 31 March 2018 & 31 March 2017), Caravan Industry Association of Australia.

NZ: National Vehicle Fleet Status as at 30 June 2018 & 30 June 2017, NZ Transport Agency.

Canada: "CRVA Report: Canada Shipments Rise 28% in '17", Canadian Recreational Vehicle Association.

USA: Historical RV Data as at 31 December 2017 & 31 December 2016, RV Industry Association.

UK: New Motorhome Registrations 2000 - 2017, National Caravan Council.



**What role does  
manufacturing play  
in your business?**

- Manufacturing operations in Brisbane and Auckland.
- Produce and assemble for rental fleet and retail market.
- Manufacture Winnebago and Talvor and exclusive import rights for Adria and Winnebago products.



**WINNEBAGO**

**TALVOR**

**How has the new  
manufacturing facility  
impacted production  
volumes and cost  
measures?**





**Why did you acquire  
Coromal & Windsor?**

## COROMAL | Windsor

- Iconic Australian caravan brands that complement Apollo's existing multi-brand portfolio.
- Consolidation of the caravan industry.
- Rational market and improve margins.
- Economies of scale.
- Financially compelling purchase.



**Are your retail sales  
linked to cycles in  
the automotive  
industry?**

- Different target market.
- Different reasons for purchasing.
- Don't use financing to purchase.



**How has your  
financial  
performance been?**



# FY18 FINANCIAL HIGHLIGHTS

## TOTAL REVENUE

**\$356M**

UP 107% ON PCP

## STATUTORY NET PROFIT AFTER TAX

**\$19.2M**

UP 122% ON PCP

## RETURN ON FUNDS EMPLOYED

**13.4%**

UP FROM 9.0% PCP

## BASIC EARNINGS PER SHARE

**10.6 CPS**

UP 19% ON PCP

## EARNINGS BEFORE INTEREST AND TAX

**\$40.4M**

UP 157% ON PCP

## UNDERLYING NET PROFIT AFTER TAX

**\$19.5M**

UP 41% ON PCP

## RETURN ON EQUITY

**17.6%**

UP FROM 13.0% PCP

## FULL YEAR DIVIDEND

**5.0 CPS (40.0% FRANKED)\***

UP FROM 2.5 CPS PCP\*\*

\* INTERIM DIVIDEND OF 2.0 CPS – 100.0% FRANKED, FINAL DIVIDEND OF 3.0 CPS – UNFRANKED.

\*\* THE INTERIM DIVIDEND FOR FY17 WAS FOR THE PERIOD FROM THE DATE OF LISTING ON THE ASX, 4 NOVEMBER 2016, TO 31 DECEMBER 2016 AND THEREFORE DOES NOT REPRESENT A FULL COMPARATIVE PERIOD.



# **FY19 Profit Guidance**

**NPAT FY19 \$22M – \$24M**

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**How does Apollo  
view its debt profile?**

- Majority of debt is for Hire Purchase and Floor Plan facilities that are 100% secured against our vehicle fleet.
- Efficient source of capital.
- Variety of bank and OEM lenders.

**How is the integration  
of CanaDream  
progressing?**



- Integration on track.
- One management team.
- Continuing synergies.



**What are your new  
business initiatives?**

## Rental

- New branches in Miami and Anchorage.

## Sales strategy

- Retail strategy.



## Australia

- Adelaide, Geelong and Newcastle.



## New Zealand

- New Auckland site.



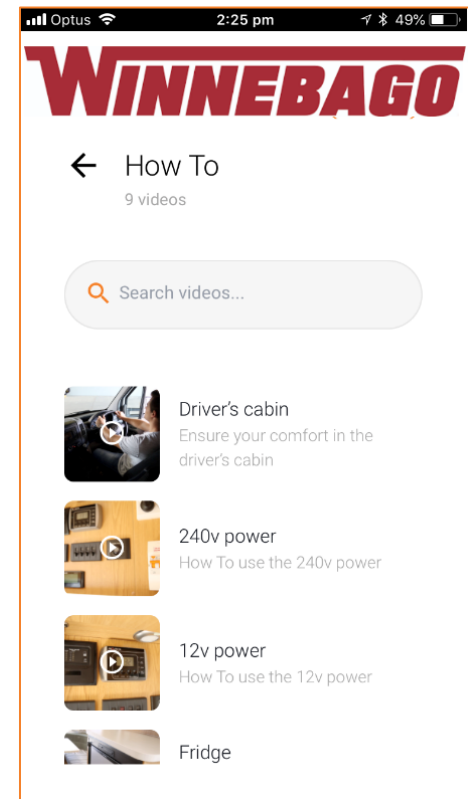
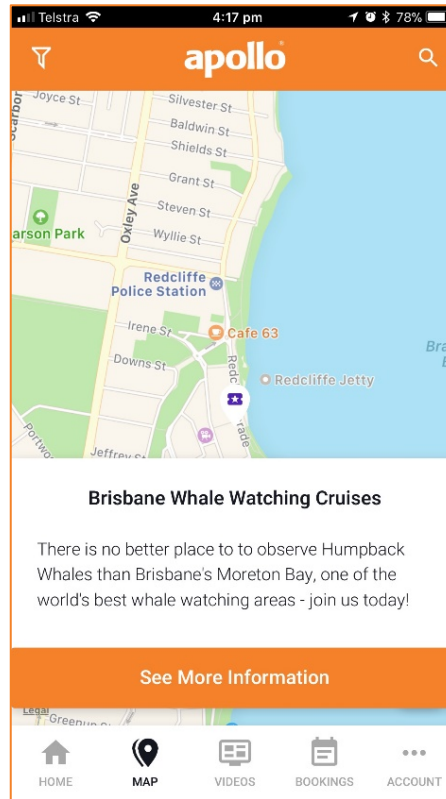
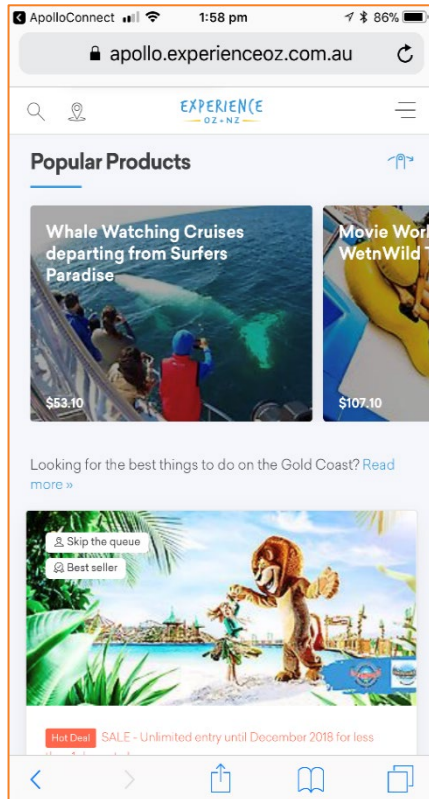


# European expansion



- Caravan rentals
- Car hire aggregator
- Apollo branded products





**How do you sum it all up?**



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Leading, innovative company operating on a global scale in a growing industry.

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Vertically integrated, agile and flexible business model.

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Historical growth in the RV rental and sales markets independently forecast to continue in the coming years.

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Own a stable of well-recognised RV brands.

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Embarking on an exciting number of new domestic and international growth opportunities.

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Progressive management team with years of industry experience.

# THANK YOU

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