



TOURISM &
LEISURE LTD



MORGANS ANNUAL QUEENSLAND CONFERENCE

October 2019

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This presentation contains certain non-IFRS financial measures, hereafter referred to as “Underlying” financial measures. Underlying financial measures are defined as financial measures that are presented other than in accordance with all relevant Australian Accounting Standards. Certain Underlying financial measures are used internally by Apollo’s management to make appropriate comparisons with prior periods and to assess financial performance. Accordingly, all financial measures reported in this presentation are calculated on an Underlying basis, unless otherwise stated.

A reconciliation and description of the items that contribute to the difference between Apollo’s underlying and statutory results is provided on slide number 27 of this presentation.

Who is Apollo?

History

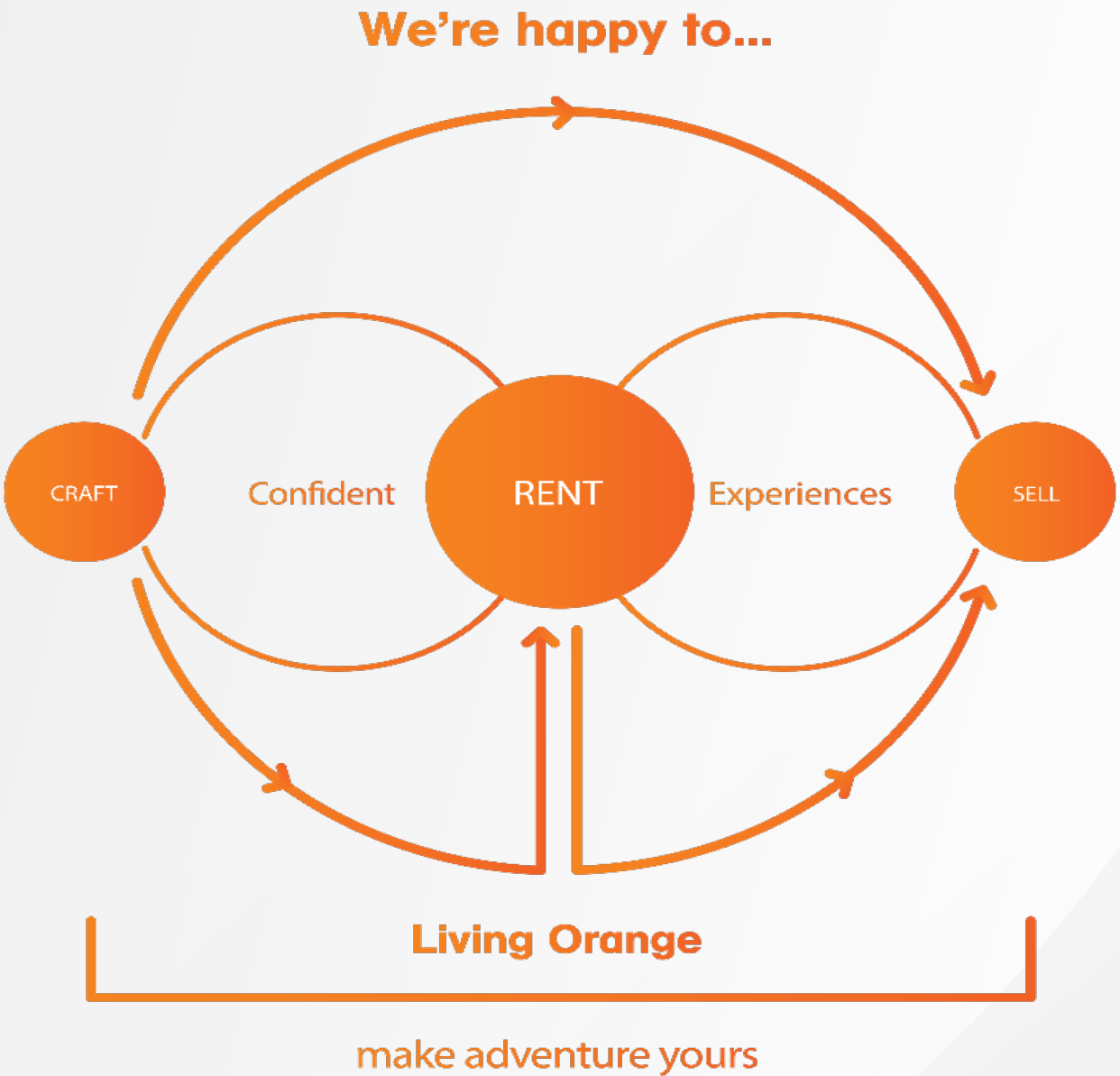


Business Model

We are leaders in the tourism and leisure industry, aiming to become the global RV solution and delivering confident experiences for travellers everywhere.

We are vertically integrated; buying, building, importing, renting and selling RVs.

Our dynamic business model enables us to expand into complementary tourism and leisure sectors.



CRAFT

The RVs we rent and sell are carefully **crafted**, whether we assemble them ourselves or purchase from others.

RENT

Our **rental** companies offer quality campervans and motorhomes to suit the needs of different market segments.

SELL

We **sell** both new and ex-rental RVs through our own Apollo retail sales centres and selected dealers.

The Apollo Family

Craft	apolloRV Design & Production	Rent	apolloRV Holidays	Sell	apolloRV Sales
Buy		AU/NZ	apollo	AU: Adelaide Brisbane Geelong Melbourne Newcastle	apolloRV Sales
Apollo purchases RVs from leading manufacturers in local markets globally.		US	apollo	NZ & US	
Build		Europe	apollo	Sydney	Sydney RV Group Motorhomes & Caravans driven by apollo
AU:	NZ:	Canada	CANADREAM experience Canada at your own pace driven by apollo	Perth	GEORGE DAY caravans & Motorhomes driven by apollo
WINNEBAGO	TALVOR	UK/Ireland	bunk campers driven by apollo	Brisbane	KRATZMANN CARAVANS driven by apollo
TALVOR				Canada	CANADREAM experience Canada at your own pace driven by apollo
COROMAL				Europe	CAMPERCO driven by apollo
Windsor					

The Global RV Solution

Our Values



Be happy to

- provide outstanding experiences with a 'can-do' friendly attitude
- share learnings and help others
- make a difference to our guests' and teams' experiences by creating "wow" moments



Lead the way

- provide direction with a responsible growth mindset
- motivate and encourage others to help achieve sustainability and profit goals
- take responsibility, question and offer solutions



Enjoy the ride

- be passionate and enthusiastic, share the road trip love!
- have fun and celebrate success
- treat all with respect and courtesy

Where do we operate?

Global Footprint

EUROPE & UK

RENTAL FLEET

~320

RV RENTALS
NEW AND EX-RENTAL
RV SALES

USA & CANADA

RENTAL FLEET

~2,500

RV RENTALS
EX-RENTAL RV SALES

AUSTRALIA

RENTAL FLEET

~1,900

RV RENTALS
NEW AND EX-RENTAL RV SALES
MANUFACTURING

NEW ZEALAND

RENTAL FLEET

~900

RV RENTALS
NEW AND EX-RENTAL RV SALES
MANUFACTURING

Rental fleet sizes represent current fleet sizes.



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How did we perform in FY19?

FY19 Results Summary

- Disappointing Group financial result.
- Earnings growth constrained by flat retail sales and material investment in people, systems and infrastructure.

Rental

- Rental revenue growth in all segments.
- Entry into mainland Europe completed with the opening of branches in Germany & France in April 2019.

Retail

- Macro-economic headwinds impacted RV sales:
 - Australian Federal Election.
 - Oversupply in North America.
 - Brexit in the UK.



What is our strategy to mitigate flat retail sales conditions?

Global Retail Sales Strategy

EXPERIENCE

- Streamlined & new product offering.
- Introduction of Windsor and Coromal Appeal caravans.

EXPANSION

- Newcastle, Australia – Opened May 2019.
- Melbourne, Australia – Larger facility.
- Auckland, New Zealand – New flagship store.
- USA – Retail sales sites to open at rental branches.

EFFICIENCIES

- Consolidated dealer management system.



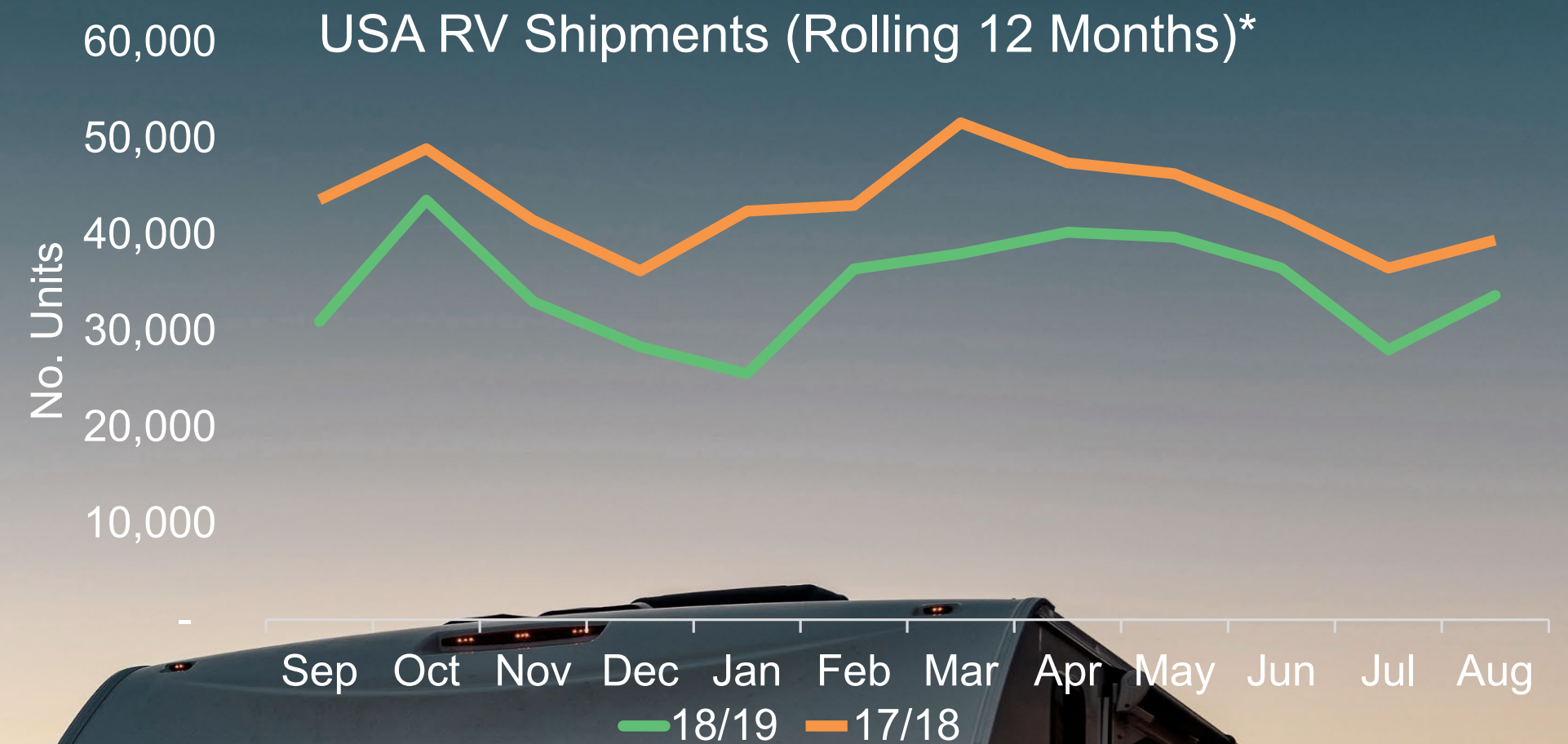
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What is the outlook for vehicle sales in the USA?

USA Vehicle Sales

- Manufacturer shipments below prior year in all months in 18/19.
- Supports re-alignment of supply and demand disparity.
- Fleet lifecycle increased from 1 to 3 years to mitigate impact of annual purchasing and disposal cycle.



*Data per RVIA.org

How is the integration of Coromal & Windsor progressing?

Coromal & Windsor Caravans

- Purchase completed in March 2019.
- Successfully integrated into factory production schedule.
- Brand presence being re-established.
- Appeal models to be launched.
- Development of Windsor branded models.



How are Germany & France performing?

European Expansion

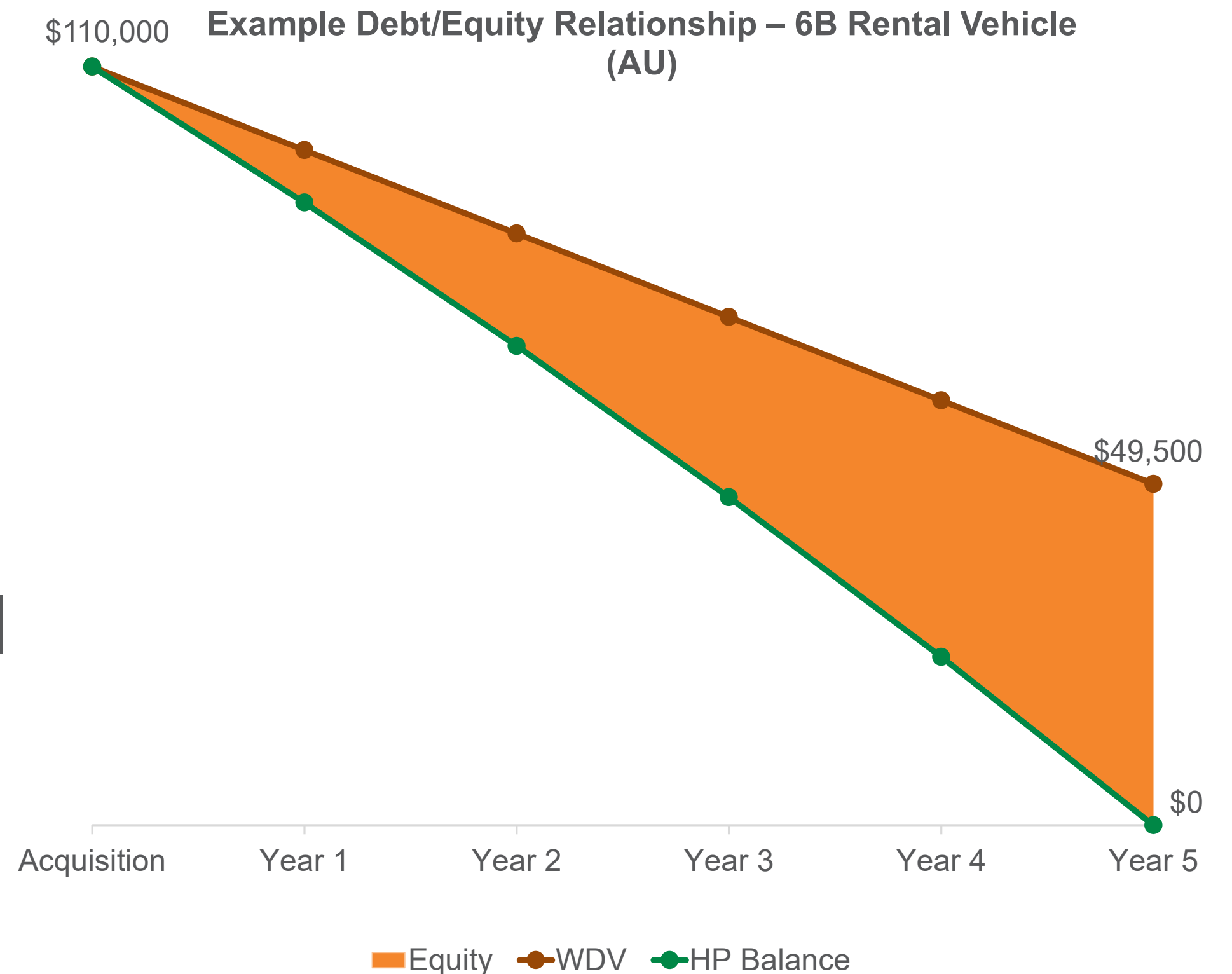
- First season performed to expectations.
- Forward bookings are positive.
- Expanding distribution channels.
- Two new locations planned for FY20.
- Significant potential for the region.



Are we comfortable with our debt position?

Debt Position

- Rental fleet and retail inventory secured by underlying vehicles.
- Rental fleet debt paid down faster than depreciated vehicle value.
- Approx. \$65M equity held in rental fleet globally at 30 June 2019.
- Floor plan facilities provide efficient finance for retail stock.
- \$94.8M headroom in HP and FP facilities as at 30 June 2019.



What is our strategy to ensure continued growth in our rental business?

Global Rental Strategy



Experience



Expansion



Efficiencies

What is outlook for industry & tourism globally?

Industry & Tourism Outlook

RENTAL

- Declining \$AUD a positive for Australia's inbound tourism outlook.
- Softening NZ visitor arrivals, though industry remains strong.
- USA-China trade tensions are impacting sentiment in the USA.
- Canadian tourism remains strong and is forecast to continue growing.
- UK visitor forecasts are positive. Brexit and weak GBP potential deterrents.

RETAIL

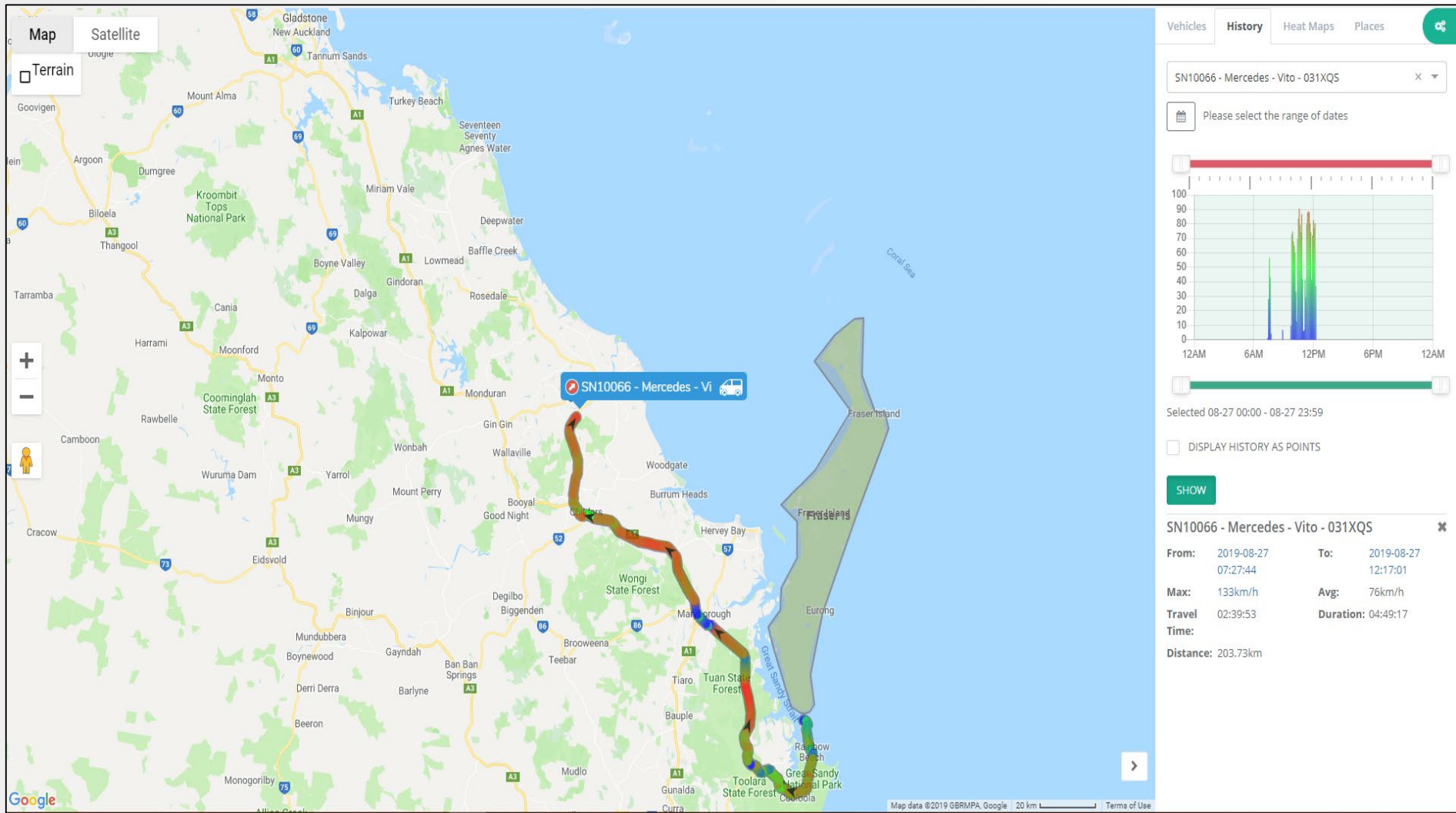
- Australian retail markets show signs of improvement, post Federal Election.
- Outlook for New Zealand retail sales market remains sound.
- Cautious outlook for USA with subdued conditions softening consumer spending.
- Brexit uncertainty continues to impact vehicle sales in the UK.



What are our digital initiatives?

Digital Ecosystem

- Branch App
- ApolloConnect
- Telemetry
- Retail App



Apollo Booking

Cheapa Vivid Camper

Click to view RV details

Pickup Date:

26 August

Pickup Location:

Brisbane

Pickup Address:

733 Nudgee Road, Northgate QLD 4013

Drop off Date:

04 September

Drop off Location:

Cairns

Terms & Conditions:

Click Here to view Terms and Conditions

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How is FY20 tracking so far?

FY20 Outlook

- Solid start to FY20 core rental operations, with positive forward rental bookings.
- Promising 2019 summer season performance in France and Germany provides a foundation for additional expansion.
- Retail RV sales in Australia YTD are up on prior year.
- Optimising margins on RV sales continues to remain challenging globally.
- The Group continues to consolidate acquisitions and implement growth strategies.
- Opening of retail sales outlets in USA, utilising existing rental branch real estate, to expand vehicle distribution channels.
- Brexit remains an issue in the UK, with the impact on retail vehicle sales currently uncertain.
- The Company has appointed Kelly Shier as Global CFO, effective 11 November 2019, bringing additional financial expertise and oversight to the Group's operations.

Any questions?



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