

Apollo Tourism & Leisure Ltd

2019 Annual General Meeting and Presentation

Please find attached, presentation to shareholders at this mornings' Annual General Meeting, commencing at 11am Brisbane time:

- The welcome address by Ms Sophie Mitchell, the company's Acting Chairman; and
- The presentation by Mr Luke Trouchet, the company's Managing Director and CEO.

END

Tennille Carrier
Company Secretary
Apollo Tourism & Leisure Ltd

For more information please contact:

Investors:

T: 07 3265 9222
E: info@apollotourism.com
W: www.apollotourism.com

Media:

T: 0404 926 768
E: alasdair.jeffrey@rowland.com.au
W: www.apollotourism.com

About Apollo Tourism & Leisure Ltd

Apollo Tourism & Leisure Ltd is listed on the Australian Securities Exchange (ASX code: ATL). Apollo is a multi-national, vertically integrated manufacturer, rental fleet operator, wholesaler and retailer of a broad range of RVs including motorhomes, campervans and caravans.

Important notices

This announcement may contain forward-looking statements, which include all matters that are not historical facts. Without limitation, indications of, and guidance on, future earnings and financial position and performance are examples of forward-looking statements.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No representations, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by Apollo Tourism & Leisure Ltd or by any other person. In particular, no representation, warranty or assurance (express or implied) is given that any of the events expressed or implied in any forward-looking statement in this announcement will actually occur. While the Company believes there is a reasonable basis for the making of any forward-looking statements as at the date of this announcement, actual results, performance or financial positions may be affected by a range of variables which could cause actual results to differ materially from any forward-looking statements and the assumptions on which those statements are based.

Wednesday, 23 October 2019

Apollo Tourism & Leisure Ltd 2019 Annual General Meeting

Chairman's Address

It is a privilege to be able to present to you at Apollo's third Annual General Meeting as a public company. While our financial results in FY19 were disappointing, the year was a period of consolidation and integration as we invested in people and infrastructure to support our ongoing global expansion.

Our core rental business performed well in FY19 and continues to perform well, with rental revenue and booking days up on last year in all segments.

We successfully entered mainland Europe in April 2019, with the opening of Apollo branches in Germany and France. Both new locations have performed to expectations and we are investigating regions for potential expansion of our European footprint over the coming years.

Integration of the Coromal and Windsor brands into the Apollo retail product offering is progressing, with the first Apollo built Coromal products rolling out of the factory in May 2019, and the first Apollo built Windsor products to be completed in the next few days.

Retail sales volumes in Australia in FY19 remained on par with the prior year, however an industry-wide decline in consumer sentiment resulted in reduced margins and targeted sales volumes being below expectations, affecting overall earnings for the Australian segment.

Ex-fleet sales in North America were also a challenge in FY19, with sales and margin targets not achieved due to oversupply of new manufacturer stock in 2018. In response to these challenges we have adjusted our fleet lifecycle in the USA, are expanding our wholesale distribution partnerships and establishing an expanded retail distribution network, leveraging existing rental branch real estate.

In the UK and Ireland, Camperco's overall performance was hindered by suppressed ex-fleet sales, with the uncertainty surrounding Brexit having an impact on consumer sentiment. Similar to North America, we are refining our rental lifecycle and expanding our distribution channels for ex-fleet sales.

Apollo made significant investments in its systems and people in FY19 and we expect to realise the benefits of these investments, such as enhanced guest experience, upskilled management and systems improvements, in future periods. We have also actioned a cost reduction program, with head count being reduced through natural attrition and targeted down-scaling.

I would like to acknowledge our retiring Company Secretary, Peter Jans for his contribution to Apollo in its initial years as a listed company and for his mentorship of our new Company Secretary, Tennille Carrier. I would also like to thank Brett for agreeing to act as Stephen's alternate director and his contribution to the Board in recent months.

Let me close my introduction by saying that Luke and his team are very committed to delivering on the investments made during FY19, and to achieving the returns that Apollo's shareholders expect from their invested capital. I will now ask Luke to present his Managing Director's presentation.

Managing Director & CEO's Presentation

Disclaimer

This document has been prepared by Apollo Tourism & Leisure Ltd (“ATL” or “Apollo” or “Group”) and comprises written materials/slides for a presentation concerning ATL.

This presentation is for information purposes only and does not constitute or form part of any offer or invitation to acquire, sell or otherwise dispose of, or issue, or any solicitation of any offer to sell or otherwise dispose of, purchase or subscribe for, any securities, nor does it constitute investment advice, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any or contract or investment decision. Certain statements in this presentation are forward looking statements. You can identify these statements by the fact that they use words such as “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “may”, “assume” and words of similar import.

These forward looking statements speak only as at the date of this presentation. These statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performance or achievements expressed or implied by such forward looking statements.

No representation, warranty or assurance (express or implied) is given or made by ATL that the forward looking statements contained in this presentation are accurate, complete, reliable or adequate or that they will be achieved or prove to be correct. Except for any statutory liability which cannot be excluded, ATL and its respective officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the forward looking statements and exclude all liability whatsoever (including negligence) for any direct or indirect loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission therefrom.

Subject to any continuing obligation under applicable law or relevant listing rules of the ASX, ATL disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in these materials to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of ATL since the date of the presentation.

Statutory and underlying financial information

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.

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

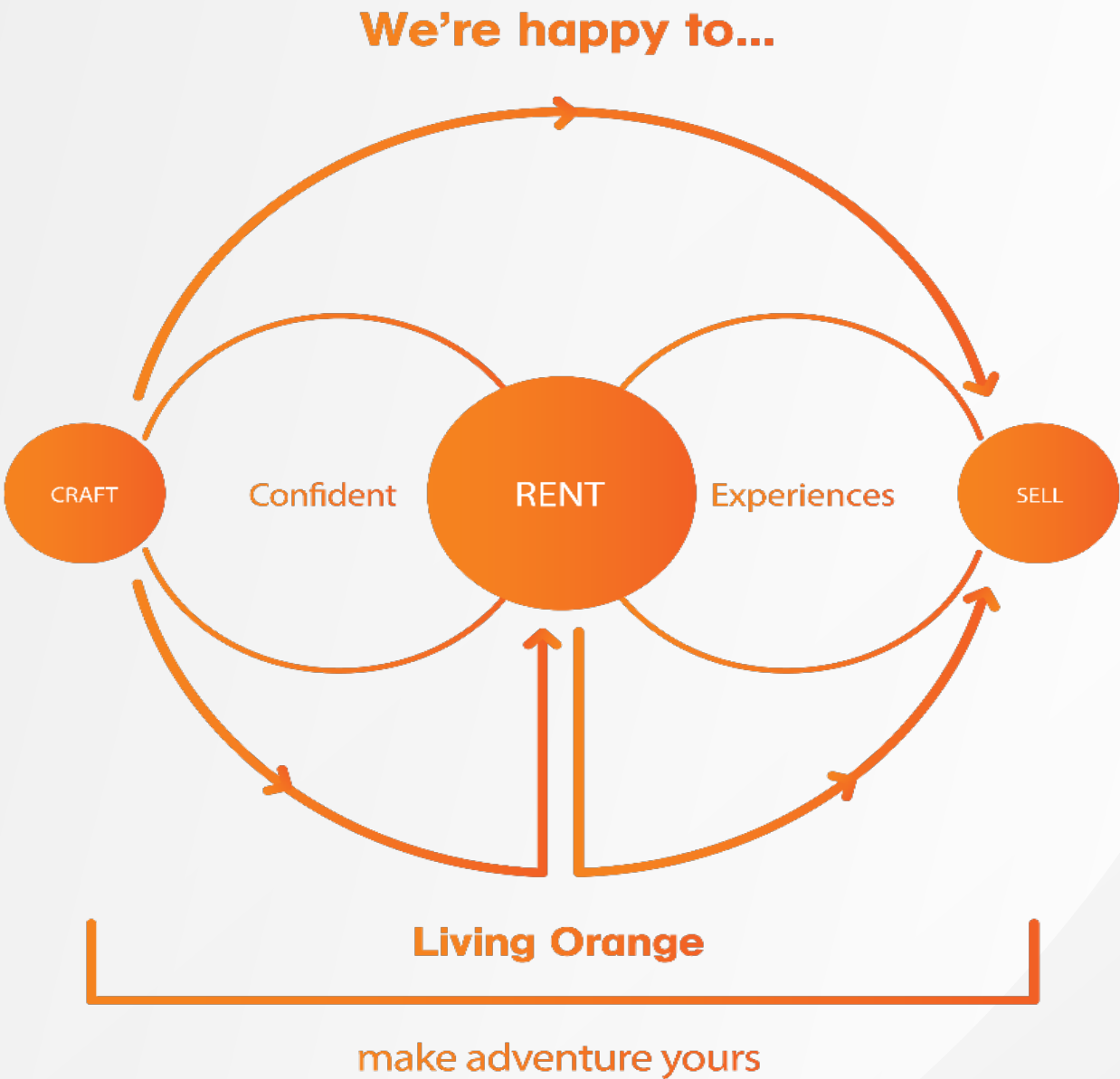
- be passionate and enthusiastic, share the road trip love!
- have fun and celebrate success
- treat all with respect and courtesy

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.

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.

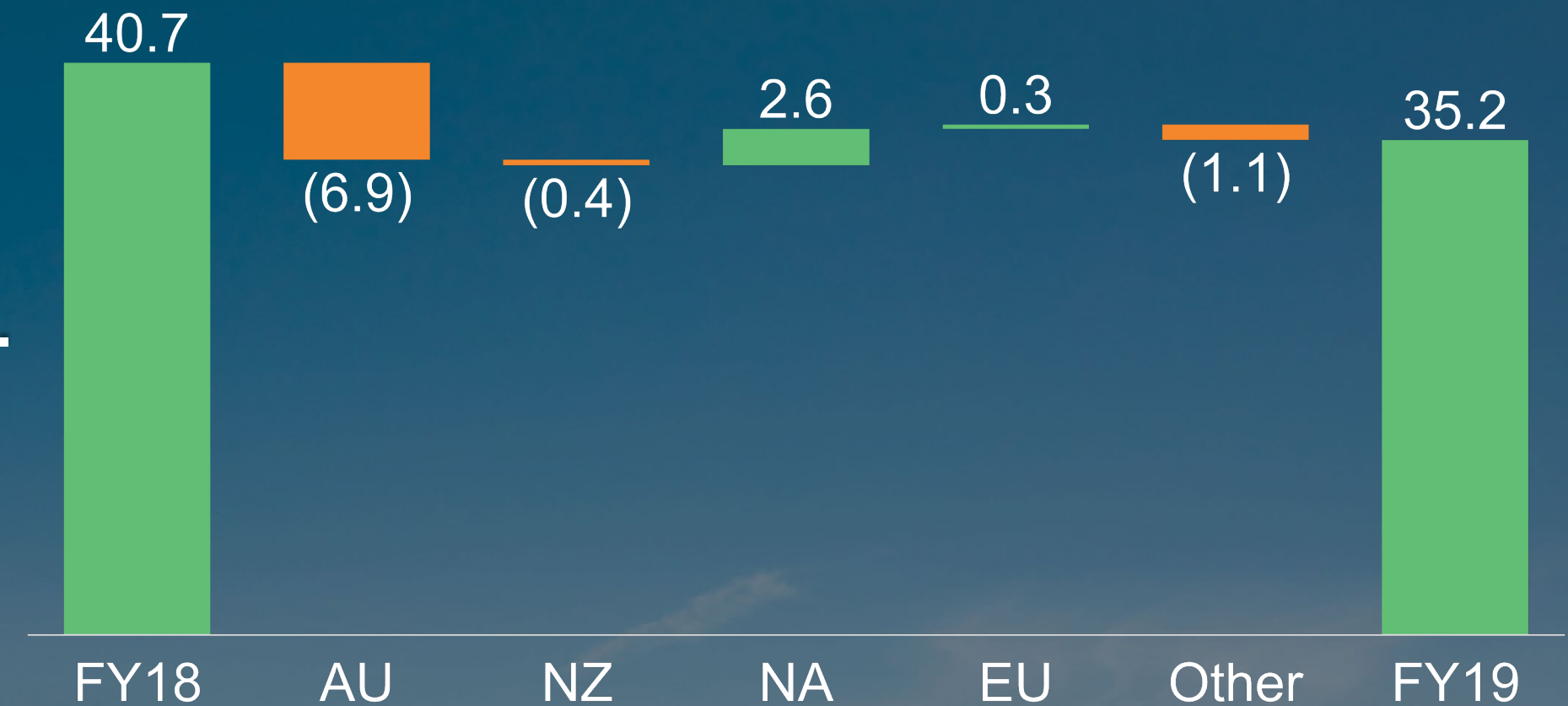


TOURISM &
LEISURE LTD

FY19 Results Summary

- Statutory NPAT of \$4.7M
- Underlying NPAT of \$14.7M¹.
- Rental revenue growth in all segments.
- Earnings growth constrained by material investment.
- Headwinds impacted RV sales:
 - Australian Federal Election.
 - Oversupply in North America.
 - Brexit in the UK.
- Entry into mainland Europe completed.

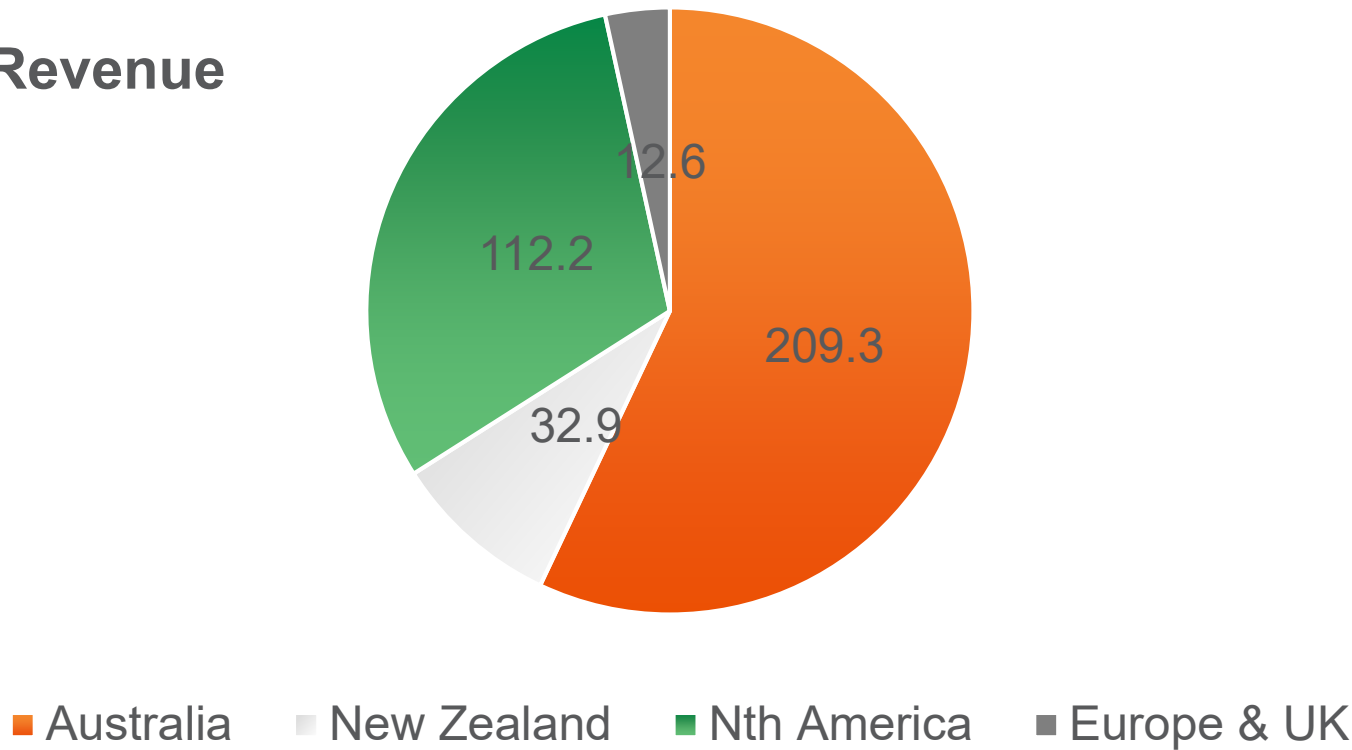
Underlying EBIT Waterfall (A\$M)



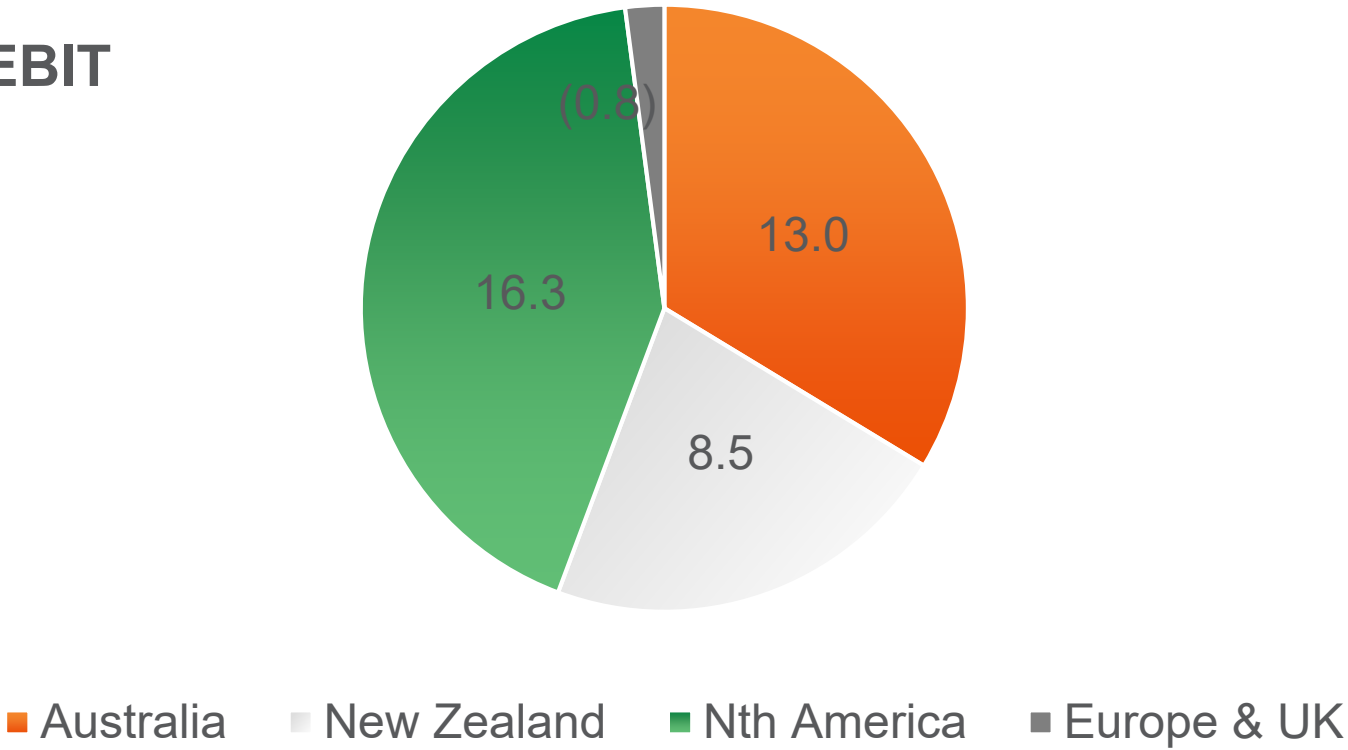
Segment Results

A\$M	FY19		FY18		Growth (\$)		Change (%)	
	REVENUE	UNDERLYING EBIT	REVENUE	UNDERLYING EBIT	REVENUE	UNDERLYING EBIT	REVENUE	UNDERLYING EBIT
Australia	209.3	11.5	208.2	18.4	1.1	(6.9)	0.5%	(37.5%)
New Zealand	32.9	8.5	31.1	8.9	1.8	(0.4)	5.8%	(4.5%)
North America	112.2	16.3	113.9	13.7	(1.7)	2.6	(1.5%)	19.0%
Europe & UK	12.6	0.7	2.8	0.4	9.8	0.3	350.0%	75.0%
Other/eliminations	(1.8)	(1.8)	(0.4)	(0.7)	(1.4)	(1.1)	350.0%	157.1%
Underlying	365.2	35.2	355.6	40.7	9.6	(5.5)	2.7%	(13.5%)

FY19 Revenue



FY19 EBIT



• Other/eliminations segment represents the elimination of inter-entity charges, interest charged on loans between segments and amortisation of internally generated intangibles on acquisitions.
 • The tourism industry is subject to seasonal fluctuations with peak demand for tourism attractions and transport occurring in summer months. Accordingly, Apollo’s results are skewed to the first half. Earnings in Australia and New Zealand are typically generated over the southern hemisphere summer months, while earnings in North America and Europe & UK are generated over the northern hemisphere summer.

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.



Global Rental Strategy



Experience



Expansion



Efficiencies

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.



FY20 Outlook

- Solid start to FY20 core rental operations, with positive forward rental bookings.
- Promising 2019 summer season performance in Europe provides a foundation for additional expansion.
- Retail RV sale volumes 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 in FY20, 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 Senior Management team has recently been strengthened, with Kelly Shier appointed as Global CFO, Kristen Evans as President North America and Andrew de Latour as New Zealand Country Manager.



TOURISM &
LEISURE LTD

T (+61) 7 3265 9222 | E info@apollotourism.com | W apollotourism.com