



Apollo Tourism & Leisure Ltd

Results Presentation

FY17

August 2017



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Business overview



Leaders in self-drive experiences

Apollo Tourism & Leisure Ltd (ASX: ATL) is a multi-national, manufacturer and importer, rental fleet operator, wholesaler and retailer of a broad range of recreational vehicles including motorhomes, campervans and caravans.



AUSTRALIA

RENTAL FLEET SIZE: 1,700.

OPERATIONS:

- Manufacturing.
- RV rentals (10 locations).
- New and ex-rental RV sales (10 locations).



NEW ZEALAND

RENTAL FLEET SIZE: 700.

OPERATIONS:

- Manufacturing.
- RV rentals (2 locations).
- Ex-rental RV sales (wholesale).



USA AND CANADA

RENTAL FLEET SIZE: 1,750.

OPERATIONS:

- RV rentals (14 locations).
- Ex-rental RV sales (wholesale).

Note: All figures FY18

Business model



TALVOR®

WINNEBAGO

ADRIA

apollo

StarRV™

Cheapa Campa

CANADREAM
experience Canada at your own pace

HIPPIE

camplify

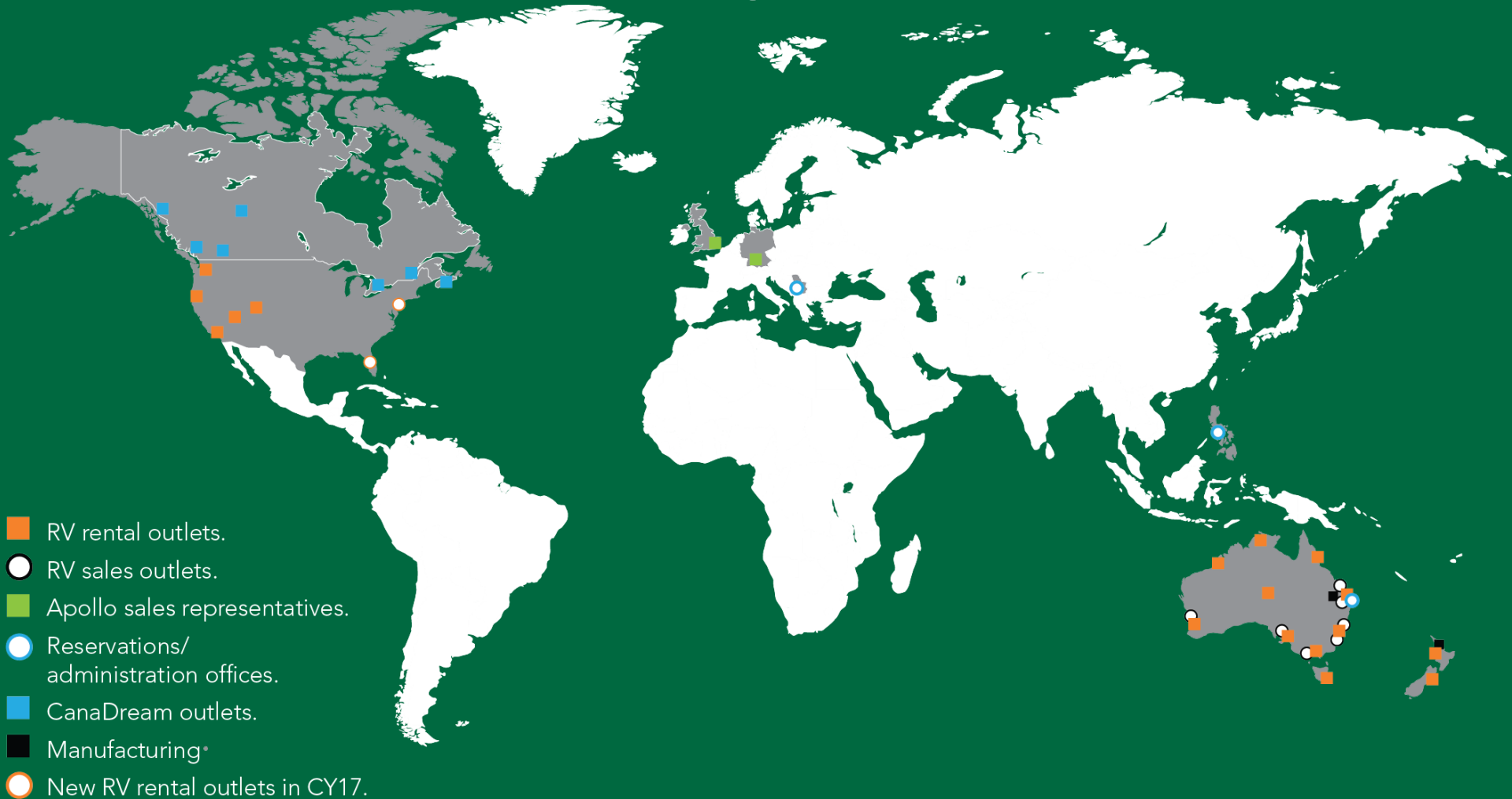
CARAVAN & apollo RV SALES

Sydney RV Group
Motorhomes & Caravans

Oliver's CARAVAN WAREHOUSE

GEORGE DAY
Caravans & Motorhomes

Apollo's expanded global presence



FY17 highlights



FY17 Statutory financial highlights

Total Statutory Revenue

\$177M

Up on PCP

81%

Statutory Net Profit After Tax

\$8.6M

Up on PCP

79%

Statutory Net Profit After Tax

\$8.6M

Up on FY17 Forecast

39%

Statutory Earnings Before
Interest and Tax

\$15.8M

Up on PCP

16%

Statutory Return on Equity*

9%

FY17 Total Dividends

2.5 cps

All financials are in AU Dollars unless stated otherwise (throughout presentation).

All comparisons are against prior corresponding period unless stated otherwise.

*ROE calculated as statutory NPAT/ Net Assets.

FY17 Pro forma financial highlights

Total Pro Forma Revenue*

\$192M

Up on PCP

23%

Pro Forma Net Profit After Tax*

\$13.9M

Up on PCP

125%

Pro Forma Net Profit After Tax*

\$13.9M

Up on FY17 Forecast

12%

Pro Forma Earnings Before
Interest and Tax*

\$28.1M

Up on PCP

63%

Pro forma Return on Equity**

21%

FY17 Total Dividends

2.5 cps

All financials are in AU Dollars unless stated otherwise (throughout presentation).
All comparisons are against prior corresponding period unless stated otherwise.

*Pro forma figures represent non-IFRS financial information that has not been subject to audit or review but have been determined using information presented in the Company's financial statements and the prospectus dated 6 October 2016. Refer page 19 for a reconciliation of pro forma amounts to IFRS amounts.

**ROE calculated as pro forma NPAT/ Net Assets.

FY17 Results highlights

TRADING

- Successful IPO November 2016.
- Revenue (pro forma) of \$192 million*, up 23% on the prior corresponding period.
- Final fully franked dividend of 2.0 cents per share.

EARNINGS

- NPAT (pro forma) of \$13.9 million*, up 12% on FY17 pro forma forecast.
- EBIT (pro forma) of \$28.1 million*, up 63% on the prior corresponding period.
- One off tax consolidation benefit of \$2.3 million, arising from fleet valuation uplift for tax purposes, which is not included in the pro forma result.

CAPITAL STRUCTURE

- Operating cash flow of \$66.2 million.
- \$58.1 million of new equity raised in the November 2016 IPO and May 2017 rights issue.

GROWTH

- Capital investments in retail dealerships Sydney RV and Kratzmann Caravans made to facilitate growth.
- Subscribed to a 25% stake in online “peer to peer” caravan and RV sharing community, Camplify.
- Two new rental branches opened on the East Coast of the USA.

OUTLOOK

- Expansion of product offering across retail network.
- Exploration of further expansion through acquisition and merger opportunities as they arise.
- Expansion of dynamic fleet offering in the rental fleet. Refer slide 28 for additional dynamic fleet details.

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Acquisitions overview



NOVEMBER 2016

Successful ASX listing.
Market capitalisation
(at \$1.00 Offer Price) of ~\$145m.



FEBRUARY 2017

Acquired 25% stake
for \$1.75m.

Online peer-to-peer caravan
and RV sharing community.



FEBRUARY 2017

Acquired for \$1.75m.

Established and growing
NSW retailer of new and used
caravans and motorhomes.



MAY 2017

Acquired for \$14.9m.

Established retailer of new and
used caravans and motorhomes
with four SEQ locations.



JULY 2017

Acquired outstanding
shares (80%) for A\$28m.

Supports Apollo's North America
growth plans with approx. 1,000
RVs servicing Canadian market.



**AUGUST/
SEPTEMBER
2017**

Acquired for
\$9.1m, subject
to plant and
equipment
valuation and
completion
adjustments.

Established
Western
Australian
dealership for
new and used
caravans,
campers
and luxury
motorhomes.

\$1.00 Offer Price 4/11/16.

\$1.46
22/08/17.



George Day Caravans acquisition

Transaction details

- Apollo to acquire the assets (including the brand names) of Western Australian RV dealership, George Day Caravans (George Day), for A\$9.1m¹.
- Supports growth strategy to establish additional retail sales centres throughout Australia, enabling further leveraging of the Winnebago, Adria and Talvor brands.
- George Day will continue as a multi-franchise dealership selling several leading Australian brands.
- Funded by A\$2.5m cash and floor plan financing of A\$6.6m¹.
- Earnings accretive in FY18.
- Expected to close in September 2017.

George Day Caravans

- George Day is an iconic RV dealership, providing one of WA's largest range of new and used caravans, campers and luxury motorhomes.
- A trusted family business - established in 1978 and grown into an award winning dealership.
- Offers more than seven different brands of new caravans, one new motorhome brand and a variety of used caravans.
- George Day dealerships add to Apollo's recently acquired Sydney RV, Kratzmann and existing Brisbane, Melbourne, Sydney, Perth and Adelaide sales locations.

¹ Subject to plant and equipment valuation and completion adjustments.

Financial performance



FY17 results

A\$M	Statutory Actual FY2017 (ii)	Statutory Forecast FY2017 (ii)	% Change	Pro forma Actual FY2017 (i)	Pro Forma Forecast FY2017 (i)	% Change
Total revenue	177.001	170.378	3.9%	191.772	182.997	4.8%
Net profit before tax and finance costs	15.758	16.721	(5.8%)	28.053	26.988	3.9%
EBIT Margin	8.9%	9.8%	(9.3%)	14.6%	14.7%	(0.8%)
Net profit after tax	8.646	6.212	39.2%	13.868	12.367	12.1%
Cash flow movement ¹	43.064	19.195	124.4%	6.969	23.354	(70.2%)
Cash and cash equivalents ²	48.599	24.730	96.5%	12.504	28.889	(56.7%)
Earnings per share (cents per share) ³	8.9	4.3		9.6	8.5	
Final Dividend (cents per share)	2.0	2.0				

Notes:

(i) Pro forma figures represent non-IFRS financial information that has not been subject to audit or review but have been determined using information presented in the Company's financial statements and the prospectus dated 6 October 2016. Refer to the table below for a reconciliation of pro forma amounts to IFRS amounts.

(ii) Statutory results do not include the first three months of operational performance of Apollo Motorhomes LLC (USA) and Apollo Finance Pty Ltd.

1. Statutory actual cash result includes the proceeds from rights issue.

2. Pro forma actual cash includes payment for unforecasted acquisitions and investments.

3. Pro forma actual earnings per share is based on 144.96m shares in line with the pro forma forecast.

Pro forma segment results FY17 vs actual FY16

	Twelve months ended 30 June 2017		Twelve months ended 30 June 2016		Growth (\$)		Growth (%)	
A\$M	REVENUE	EBIT	REVENUE	EBIT	REVENUE	EBIT	REVENUE	EBIT
Australia	110.689	14.957	73.187	7.967	37.502	6.990	51%	88%
New Zealand	28.788	7.727	24.504	4.802	4.284	2.925	17%	61%
USA	53.391	4.572	58.425	3.554	(5.034)	1.018	(9%)	29%
Other/ Eliminations	(1.096)	0.797	(0.239)	0.788	(0.857)	0.009		
Total	191.772	28.053	155.877	17.111	35.895	10.942	23%	64%

Notes:

- Strong growth in all regions.
- Pro forma figures include acquisitions made in year ended 30 June 2017.
- 'Other/Eliminations' include Apollo's 20% investment in CanaDream.
- Pro forma figures represent non-IFRS financial information that has not been subject to audit or review but have been determined using information presented in the Company's financial statements and the prospectus dated 6 October 2016. Refer page 19 for a reconciliation of pro forma amounts to IFRS amounts.

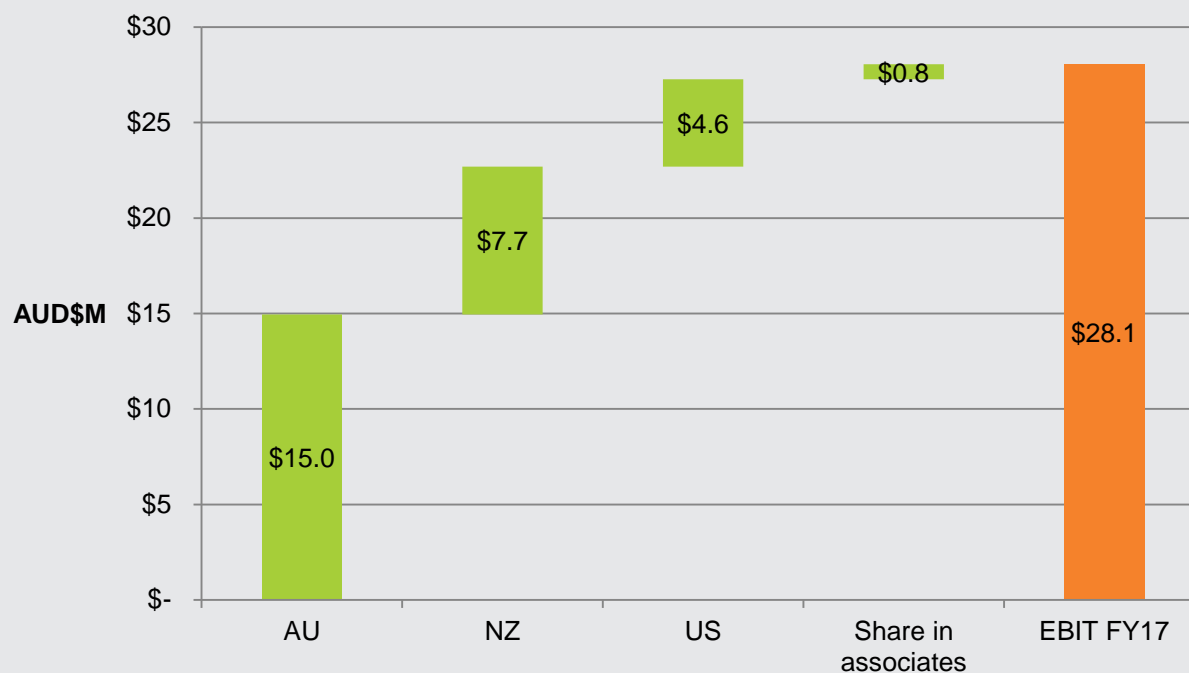
Pro forma segment results FY17 vs forecast

A\$M	Pro forma actual for twelve months ended 30 June 2017		Pro forma forecast for twelve months ended 30 June 2017		Variance (\$)		Variance (%)	
	REVENUE	EBIT	REVENUE	EBIT	REVENUE	EBIT	REVENUE	EBIT
Australia	110.689	14.957	96.258	15.656	14.431	(0.699)	15%	(4%)
New Zealand	28.788	7.727	28.187	6.742	0.601	0.985	2%	15%
USA	53.391	4.572	59.791	3.991	(6.400)	0.581	(11%)	15%
Other/ Eliminations	(1.096)	0.797	(1.239)	0.600	0.143	0.197		
Total	191.772	28.053	182.997	26.989	8.775	1.064	5%	4%

Notes:

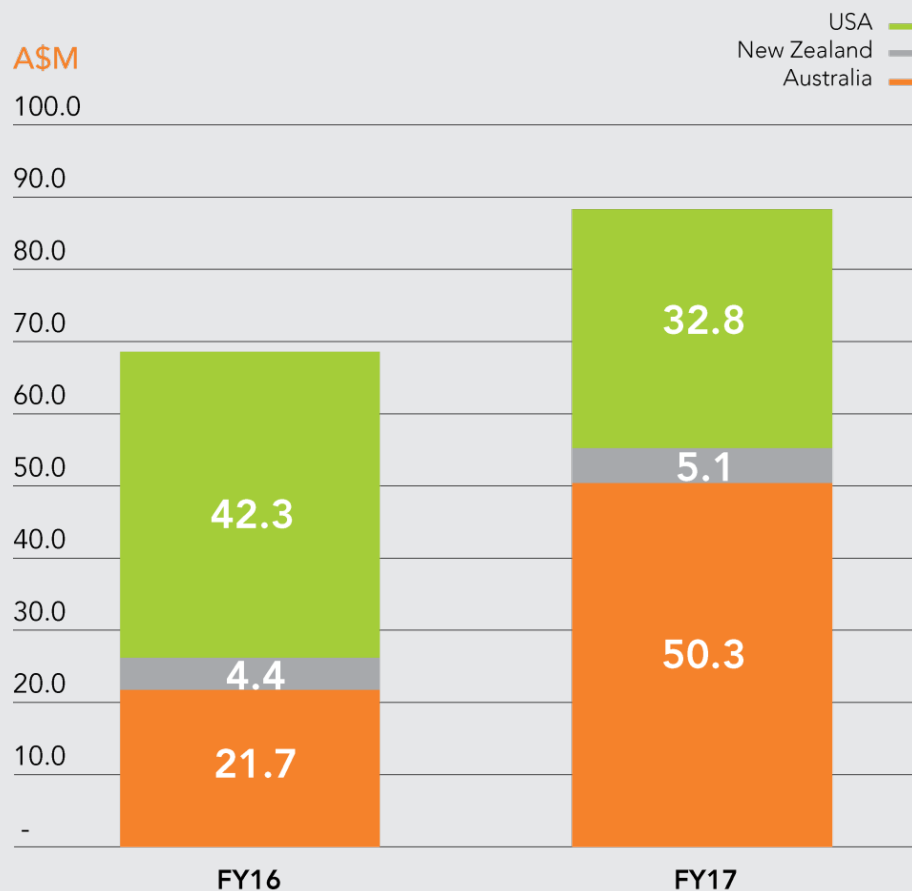
- Solid result in Australia despite increased costs with the escalation of retail network expansion, clearing of aged stock, increased factory overhead to support future growth and costs associated with acquisitions.
- Strong performance in New Zealand reflecting buoyant rental and sales markets.
- Higher than forecast margin on disposal of USA rental ex-rental fleet achieved by adjusting planned sales schedule.
- Pro forma revenue and EBIT growth above forecast.
- Pro forma figures include acquisitions made in year ended 30 June 2017.
- 'Other/Eliminations' include Apollo's 20% investment in CanaDream.
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Pro forma segment results

**Notes:**

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Pro forma RV sales revenue



Notes:

- FY17 fleet sales revenue has increased from FY16 revenue in Australia and New Zealand and includes 5 months from Sydney RV and 1 month from Kratzmann Caravans.
- FY17 fleet sales revenue in the USA is down after adjusting the sales schedule to achieve higher margins.
- Pro forma figures represent non-IFRS financial information that has not been subject to audit or review but have been determined using information presented in the Company's financial statements and the prospectus dated 6 October 2016. Refer page 19 for a reconciliation of pro forma amounts to IFRS amounts.

FY17 pro forma adjustments

A\$M	ADJUSTMENTS	FY17
Pro forma net operating profit after tax		13.868
USA/ Finance profit before tax 1 July 2016 to 30 September 2016	(7.422)	
IPO and rights issue costs	(2.105)	
Income tax effect of forming a tax consolidated group in Australia	2.311	
Income tax effect of group restructure and pro forma adjustments	4.138	
Amortisation of intangibles on acquisitions	(0.137)	
Stamp duty on acquisitions	(0.885)	
Consultant acquisition costs	(0.779)	
USA loan interest to 30 September 2016	(0.343)	
Statutory net operating profit after tax		8.646

Notes:

- Pro forma figures represent non-IFRS financial information that has not been subject to audit or review but have been determined using information presented in the Company's financial statements and the prospectus dated 6 October 2016.

Balance sheet

A\$M	30 June 2017 statutory	30 June 2016 pro forma
ASSETS		
Current Assets		
Cash and cash equivalents	48.599	15.271
Other Current Assets	63.228	24.241
Total Current Assets	111.827	39.512
Non-current Assets		
Property, plant and equipment	188.162	172.148
Other Non-current Assets	16.773	12.575
Total Non-current Assets	204.935	184.723
TOTAL ASSETS	316.762	224.235
LIABILITIES		
Current Liabilities		
Interest-bearing loans and borrowings	111.894	72.180
Other Current Liabilities	35.883	26.020
Total Current Liabilities	147.777	98.200
Non-current Liabilities		
Interest-bearing loans and borrowings	56.787	64.768
Other Non-current Liabilities	10.782	14.976
Total Non-current Liabilities	67.569	79.744
TOTAL LIABILITIES	215.346	177.944
NET ASSETS	101.416	46.291

Notes:

- Net current liability position reflects liabilities under finance lease and hire purchase contracts, being classified as current liabilities. Directors consider that the Group will generate sufficient cash flows from operations to finance ongoing operations and meet financial obligations.
- Pro forma figures represent non-IFRS financial information that has not been subject to audit or review but have been determined using information presented in the Company's financial statements and the prospectus dated 6 October 2016. Refer page 19 for a reconciliation of pro forma amounts to IFRS amounts.

Operational overview



Australia FY17 highlights



BUILD/BUY

- Changed the retail / rental manufacturing mix to meet increased demand for new motorhomes.
- Focused on manufacturing efficiencies and managing increasing scale.
- Introduced 7 new RV models.



RENT

- Rental days grew by 7.8% to 413,114.
- Increased revenue and improved cost control.
- Fleet size stable at approximately 1,700.



SELL

- Total RV sales steadily increasing - employing additional sales staff.
- Solid demand for RVs in retail outlets and consumer shows.
- New RV sales centres: Campbellfield (Melbourne) and Taren Point (Sydney) plus Adelaide and Perth from existing rental outlets.
- Sydney RV and Kratzmann Caravans integration on track and sales of ex-rental, Winnebago and Adria RVs increasing.

Australia FY18 focus



BUILD/BUY

- Heads of Agreement signed to move factory to new 12 acre manufacturing premises in Q2 FY18 to accommodate future growth.
- Continued focus on manufacturing efficiencies and managing scale.
- Expanded range of Winnebago and Adria RVs.
- New ERP system integration.



RENT

- New Dynamic Fleet (see slide 28) product available for rental from November 2017.
- Investment in technology to improve fleet logistics and yield.
- Year to date forward bookings ahead of last year.



SELL

- Expanded product offering across retail network.
- Further opportunities to open new dealerships.
- Capitalise on scale efficiencies as a result of acquisitions.
- FY18 will include 12 months of Sydney RV and Kratzmann Caravans, and 10 months of George Day Caravans.

New Zealand FY17 highlights



BUILD/BUY

- Performed well in FY17.
- Imported first Adria products into New Zealand.



RENT

- Rental days grew by 13.7% to 166,979.
- Revenue ahead of forecast with strong rental demand.
- Rolled out Skoot, third-party Wi-Fi, satellite navigation, audio tour guides and travel deals.



SELL

- FY17 sales in line with budget.
- Sales increasing through dealership partners.
- New Winnebago and Adria RV sales.

New Zealand FY18 focus



BUILD/BUY

- Continued focus on manufacturing efficiencies to reduce build hours on products.
- Initiatives to reduce cost of materials.



RENT

- New Dynamic Fleet (see slide 28) product available for rental from November 2017.
- Investment in technology to improve fleet logistics and yield.
- Year to date forward bookings ahead of last year.



SELL

- Expanded range of new RVs.
- Sales through an expanded dealer network.

North American FY17 highlights



BUILD/BUY

USA

- Took record delivery of 700 RVs for the FY18 season, including a new B van product.

Canada

- Took record delivery of 612 RVs for FY18 season, including new Roadtrek.



RENT

USA

- Rental days grew by 13.1% to 75,455.
- 2016 summer peak season performed well.
- New York and Orlando, first East Coast outlets opened in time for 2017 summer season.

Canada

- Strong performance with record result.
- Completed new Vancouver building construction.



SELL

USA

- Good margins achieved on sale of ex-rental RVs.
- Majority of fleet sold.

Canada

- Record number of ex-rental RVs sold.
- New RV sales wholesale partners in USA.

North American FY18 focus



BUILD/BUY

USA

- Fleet expanded to approx. 750, up from 600 in the 2016 summer season.

Canada

- Planned unit purchases will exceed FY17.



RENT

USA

- Leverage CanaDream North American expansion to further look at operational efficiencies and accelerate revenue growth.
- Investigate opportunities to open additional rental branches.
- Investment in technology to improve fleet logistics and yield.
- Year to date forward bookings ahead of last year.

Canada

- Successful CanaDream integration.
- Complete new Toronto building construction.
- Continue year over year growth in both rental and sales revenue.



SELL

USA

- Wholesale ex-rental fleet to expanded dealer network.

Canada

- Continue FY17 trend and further expand additional wholesale partners in both Canada and the USA.

Dynamic fleet

- Dynamic fleet vehicles leased over short periods and allow increased fleet over peak periods.
- Dynamic fleet reduces capital expenditure, allows for increased revenue and provides a more flexible fleet capacity.
- FY18 will see us expand our dynamic fleet offering, with the Vivid camper being available for rental from November 2017.



APOLLO VIVID CAMPER

- The Vivid will be available for rental from November 2017 in Australia and New Zealand.
- Built on a Mercedes Vito platform.
- Incorporates kitchen pod with sink, cooker, fridge and storage plus dual side entry and roof top tent, offering a stylish travelling experience for up to four people.



APOLLO OVERLANDER 4WD CAMPER

- The Overlander was the first product in our dynamic fleet, and has been available for rent since April 2016.
- Built on a Toyota Landcruiser platform.
- Suitable for up to four people, with two in the pop-up rooftop tent and two in the annex, large fridge/ freezer, two-burner gas stove and air conditioned driver's cabin.

Re-location of factory to manage growth



Strategy and outlook



Strategic growth initiatives



Expand North American footprint

- Successful integration of recent CanaDream acquisition.
- Investigate opportunities to open additional North America branches.



New RV Sales

- Grow retail network as opportunity arises.
- Successful integration of acquisitions.



Rental fleet diversity

- Expand dynamic fleet offering.



Retail product diversity

- Expand product offering across retail network.



Ongoing business improvement initiatives

- Capitalise on efficiency of scale from acquisitions.
- Further investment in IT and technology across the business.
- Factory move to new, larger premises.



Further develop Asia initiative

- Build on modest Asian market base to accelerate growth from this market.



Geographic expansion & strategic acquisitions

- Explore further merger and acquisition and organic growth opportunities as they arise.
- Camplify to launch in the UK.



Leadership

- Further develop and add to talent within the Group.

Outlook

- Forecasting organisations indicate that there will be positive growth in international visitor numbers to all geographic segments.¹
- The current outlook for the global rental business is positive.
- Apollo has confidence in the quality of its recent acquisitions.
- Successful integration of the recent CanaDream acquisition and the three major retail acquisitions across Australia will be an FY18 focus.
- The new manufacturing ERP system and larger factory for manufacturing will see short term cost increases but provide long term benefits.
- FY18 results will benefit from a full 12 months of Sydney RV and Kratzmann Caravans, 11 months of CanaDream, and 10 months of George Day Caravans.

¹ World Travel & Tourism Council, U.S. National Trade & Tourism Office, Tourism New Zealand

Thank you

