

## **Apollo Tourism & Leisure Ltd** **2020 Annual General Meeting Chairman Address - Update**

Please find attached, an updated Chairman address to shareholders at this mornings' Annual General Meeting, due to a small typographical error identified on page 3 where FY21 was referenced instead of FY20.

END

Tennille Carrier  
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### **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, 28 October 2020

## **Apollo Tourism & Leisure Ltd 2020 Annual General Meeting**

### **Chairman's Address**

It is a privilege to be able to present to you at Apollo's fourth Annual General Meeting as a public company. FY20 was a year like no other with performance affected by both the Australian bushfires last summer and COVID-19.

Before moving to an overview of the last year, I would like to acknowledge our former Chairman, Stephen Lonie, who made a significant contribution to Apollo before his death in late 2019. Stephen joined the Apollo Advisory Board in 2009 and became Chairman of the Group ahead of its listing in November 2016. Throughout his time at Apollo, the Founders, Luke and Karl Trouchet appreciated Stephen's sage advice during a period of strong growth and their decision to move from a private to public company. From listing, we benefitted greatly from Stephen's leadership of the Board.

I would also like to acknowledge my fellow director Brett Heading, who contributed to the Board as Stephen's alternate during his short illness and accepted our invitation to become a Director in his own right in November last year. I would also like to welcome Rob Baker, who joined the Board at the start of 2020 and had an extraordinary introduction to Apollo as the events of 2020 unfolded. All three non-executive directors, including me, are standing for re-election at today's AGM, Brett and Rob as directors appointed since the last AGM and me to meet our director rotation requirements under our constitution.

Much has changed since late 2019.

The impact of COVID-19 and its associated government restrictions has been challenging for all travel and tourism businesses including Apollo. We reacted quickly and implemented initiatives to mitigate the impact on the business, however the consequences for our business from government restrictions globally have been significant.

Luke shortly will explain in more detail the initiatives undertaken to stabilise Apollo since March 2020. Some of these included the closure or hibernation of operations and a downsizing of Apollo's workforce in many areas. This has resulted in a number of roles across the group being made redundant. For those employees that left the business, on behalf of the Board I would like to thank you for your contribution to Apollo.

Global rental revenue for the nine months to 31 March 2020 was consistent with the pcp, despite the impact of the Australian bushfires over the busy summer period. Rental revenue in all regions dropped significantly following the escalation of global travel restrictions in March 2020. The easing of restrictions has seen rental revenue increase from the low levels of the previous months in Australia, New Zealand and Canada, however it remains significantly below prior year levels in these regions as up until March 2020 our rental vehicle guests were predominantly overseas visitors. In Europe the market is primarily continental guests and FY21 revenue has been impacted less than other regions.

Australian retail vehicle sales dropped significantly in April 2020 due to COVID-19 restrictions, however retail sales orders recovered from May, with sales orders surpassing the pcp in the months since. While retail demand remains strong, COVID-19 restrictions in Victoria, where many RV and RV component manufacturers are located, are contributing to RV stock shortages across the country.

From the start of COVID-19, the management team together with the board focused on liquidity to ensure Apollo could trade through a period of uncertain revenue. This included a range of initiatives from difficult cost reductions, plant closure, accelerated fleet sales, rent reductions and support from our financiers. We would like to acknowledge the government support received in Australia, New Zealand, Canada, the UK and Germany in

the form of wage assistance to preserve jobs and government loans. Most recently this included access to loans totalling \$43.5 million from the Australian, Queensland, Canadian and UK governments.

The impact COVID-19 had on our business saw Apollo report a statutory loss of \$61.2M for FY20. This result included an impairment of intangible and other assets of \$38.9M, as well as a \$12.5M loss on the disposal of our USA rental fleet. Taking into account some other minor adjustments, our underlying net loss after tax for FY20 was \$7.7M. Given the impact of COVID-19 on the business, the Board decided not to declare any dividends for FY20.

Luke will provide more detail on the impact of COVID-19 and initiatives undertaken by Apollo to mitigate its impact in each region and our expectations for FY21.

Let me close my introduction by saying that while FY20 has been challenging for Apollo, Luke and his team continue to focus on projects to stimulate both rental and retail demand, reduce costs, improve efficiency and ensure the business is strongly positioned to benefit when tourism activity recovers. I would like to acknowledge the above and beyond contribution from the management team and also the support, guidance and advice provided by my fellow directors during this challenging period.