

WE ARE HERE.



A GLOBAL
JOURNEY.



2018 Annual Meeting Presentation



Chairman's Address

Rob Campbell

Proxies and Postal Votes Received

- Valid proxy and postal votes 24.8M
- Proxy & postal as a percentage of ordinary shares on issue 20.1%
- Proxies received that have identified the Chairman of the meeting as proxy 19.8M

Agenda

- Chairman's address
- Chief Executive Officer's address
- Question & answer
- Formal Items of business
- General business
- Afternoon tea

FY18 Financials

NZD \$M	FY18	FY17	VAR	%
Operating revenue	425.9	340.8	85.1	25%
Earnings before interest and tax*	86.6	47.7	38.9	81%
Operating profit before tax	76.2	43.7	32.4	74%
Profit after tax	62.4	30.2	32.2	107%
Non-recurring Items	24.9	–	24.9	NA
Ordinary NPAT	37.5	30.2	7.3	24%

* includes non-recurring items

- a record NPAT result before and after non-recurring items
- EBIT of \$63.5M, excluding the one-off items - an increase of 33% over the prior year

Establishment of TH2



Roadtrippers

mìghway



Sustainability



Protect

- Carbon Footprint down 3.4% across Australian and NZ operations
- 10 electric campervans expected on fleet in December
- Waste-to-landfill down 11% in Australian and NZ businesses



Respect

- Release of Kiwipledge which has been a key driver for Tiaki Promise
- Community Impact assessment completed in Queenstown
- Australia Employer of Choice awards winner



Grow

- Carbon footprint includes the US operations and joint ventures
- GRI compliant and fully online reporting on [thlsustainability.com](https://www.thlsustainability.com)
- Alignment with sustainability development goals started



The Board



Rob Campbell

Up for re-election



Debbie Birch

Up for re-election



Gráinne Troute



Kay Howe



Cathy Quinn



Graeme Wong



Transaction Activity and Long-Term Outlook

- We remain focused on acquisitions as well as the growth of our core business
- Progressing the potential sale of some Tourism businesses, with an intention to re-invest sale proceeds in transaction activity
- The underlying core business assumptions for the previous FY2020 NPAT goal of NZ\$50M have not materially changed
- However, with our investment in TH2 and other potential M&A activity, we need to set new medium-term goals for the business
- We expect to set a new goal once transaction activity is finalised
- We are very much focused on setting goals, driving towards them, being transparent and reporting against our set goals

Chairman's Report Closing Comments

- We are now a global player in the RV industry with operations and aspirations that are growth orientated
- We are currently constructing a flexible business model to deliver future opportunities
- We have significant opportunities for improvement and growth, particularly in TH2
- We are pro-actively addressing how we impact our environment with a core focus on sustainability
- We will continue to be open about our progress and our shortfalls





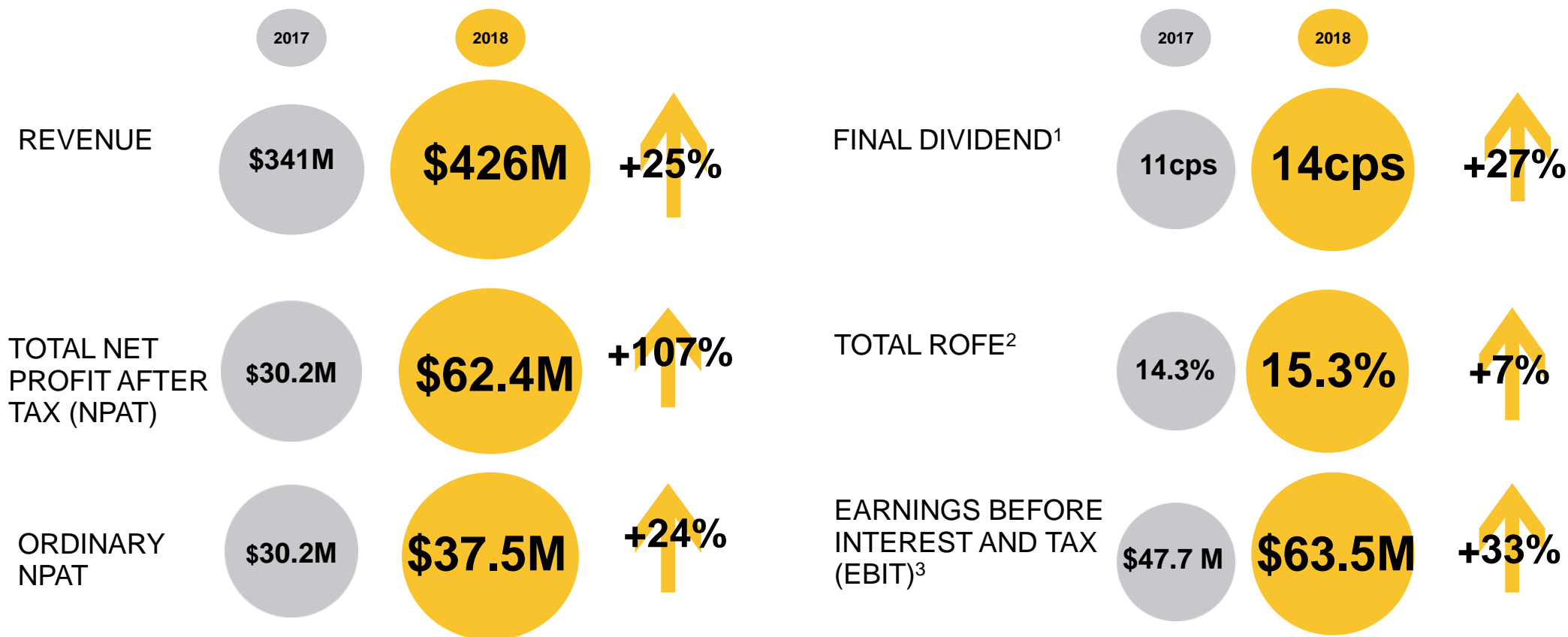
Chief Executive's Address

Grant Webster

WHERE WE ARE.

AS AT 30 JUNE 2018

FINANCIAL HIGHLIGHTS



Note: 1) Fully imputed; 2) Total ROFE inclusive TH2 ; 3) FY18 EBIT exclusive of non-recurring items

KEY ACHIEVEMENTS FY18

A growing business globally

Completed another key future focused transaction with the TH2 joint venture with Thor Industries.



33% IMPROVEMENT in EBIT before one-off gains.

Increasing production capacity at Action Manufacturing to enable Australian export growth.

RECORD HIGH vehicle sales numbers

Australia increased vehicle sales by over 30% on the pcp (including buybacks).



Road Bear reached 750 vehicle sales - another new record.

New Zealand retail accessory sales grew by over 18% - a new record sales number.

El Monte sold 564 vehicles - likely a new record.



Doing things sustainably

Absolute carbon footprint down 3.4% across NZ and Australian operations.



Launched Kiwi Pledge.

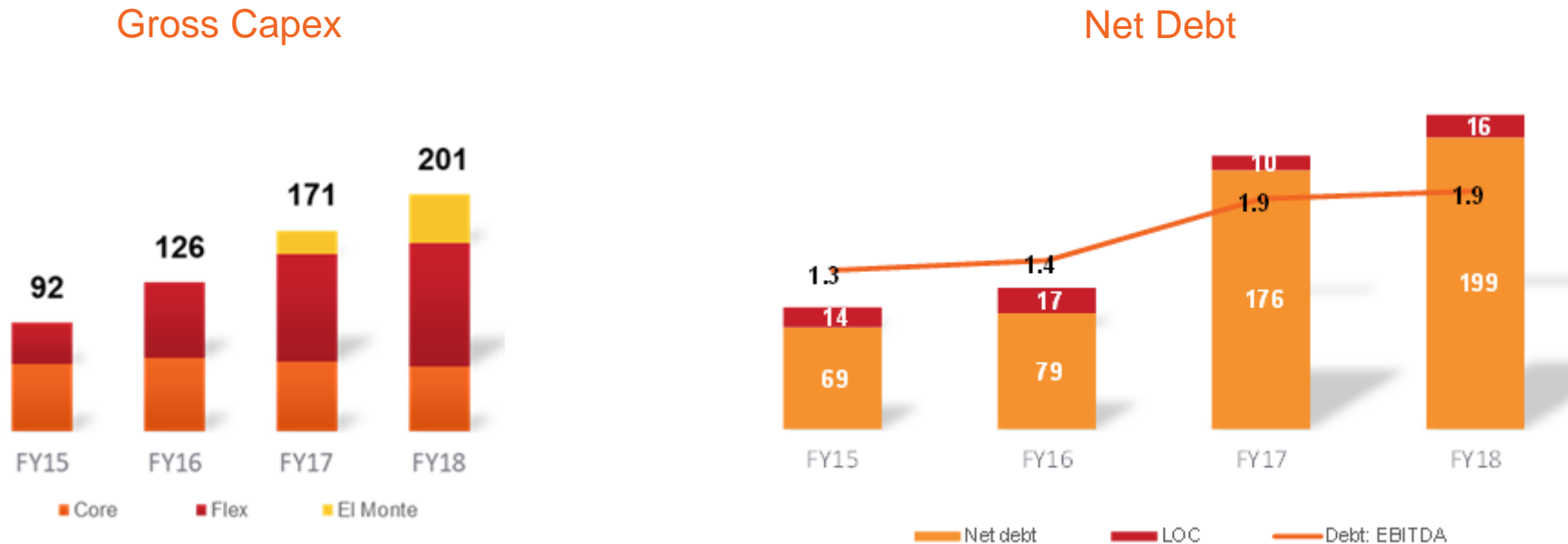
Community assessment completed in Queenstown.



Completed the USA carbon emission assessment.

Balance Sheet

- Net Debt expected to be approximately NZ\$195M – NZ\$210M at the end of FY19, excluding transaction activity and including investment in TH2
- FY19 gross capital expenditure expected to be in line with FY18 at approximately NZ\$200M
- FY19 dividends are expected to be in line with FY18



WHERE TO NEXT?

OUR AMBITIONS



Key Initiatives

- Search out M&A activity that aligns with the business core capability
 - Action Manufacturing's acquisition of Fairfax Industries
- Continue to deliver a ROFE for the core business around 15%
- Develop TH2 into a globally successful set of businesses. Be the digital platform for the RV industry

WHERE TO NEXT?

OUR AMBITIONS



Growth and Acquisitions

- We are reviewing acquisition opportunities across the world:
 - Small acquisition opportunities within New Zealand and Australia
 - Ongoing exploration of further acquisitions in USA
 - Potential opportunities in the UK on a smaller scale
- Further opportunities being explored in growth jurisdictions that we do not operate in, e.g. Europe, Canada and China
- Jurisdictions that we currently operate in have further opportunities for growth

TH2 – the Market and Business Model



The Market

- The key target customers for TH2 are:
 - RV owners – likely close to 15M* owners globally
 - RV rental customers – ease of access through thl's relationships with rental customers
 - Self-drive customers – tourists taking road trips
- Initial focus on North America and Australasia but ultimately a global approach

The Business Model

- High gross margin revenue generation through:
 - Paid advertising
 - Businesses to be promoted on apps
 - Subscription fees:
 - End customers for app use
 - SaaS model for software services within RV industry
- Low gross margin revenue generation through commission on RV industry services (e.g. mechanical repairs) and accommodation bookings

* *thl's estimate based on historical RV production statistics in North America, Europe, UK, Australia and New Zealand.*



TH2 – Funding, Returns and Risk



Funding

- We are confident that the planned aggregate US\$20M investment by *thl* and Thor will be sufficient for FY19, excluding any potential transaction activity
- Key costs outside of development staff are variable customer acquisition costs
- Broad range expectation for TH2 of FY20 NPBT between loss of US\$10M and profit of US\$10M
- *thl* will only invest further funds in FY20 up to a maximum of US\$5M if it has confidence in the performance of TH2 against its KPIs and customer acquisition targets
- A US\$10M NPBT in FY20 is an ambitious target but achievable if a global launch is successful

Returns

- Given the minimal capital required, over time we expect the return from TH2 to exceed *thl* requirements

Risks and mitigation

- *thl*'s financial contribution to TH2 not expected to exceed a total of approximately US\$30M (inclusive of original costs for *thl* IP contributed to TH2)
- If targets not achieved, we expect that there will be strong residual value in TH2's technology
- Open discussions to be had with joint venture partner, Thor Industries, if further opportunities become available to TH2 beyond *thl*'s acceptable risk profile



KPI management

- Appropriate KPIs will be reported, whilst ensuring sufficient commercial sensitivity
- Roadtrippers now has over 3.5M registered users and over 12M trips planned to date, with double-digit growth in trips planned annually.

Other benefits of TH2

- Significant value attributable to anonymised customer data collected through products, providing powerful insights into the RV and wider tourism industry
- Cost reductions in other business areas – telematics have provided significant cost returns in *thl*'s Australian rentals business
- Connection to the RV Industry on a global basis, with scale.

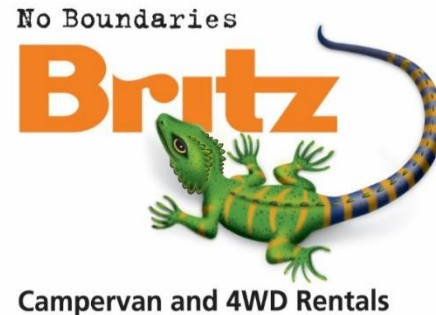
Investing in Technology: Togo



KEY FEATURES

- Track RV maintenance
- Keep RV service close
- Set custom notifications
- Reference checklists for RV trips
- Phase two launch planned for March 2019 will include roadside assistance, recall notifications, how-to guides and RV owner's manuals

Our Global System



- Collectively, *thl* has a comprehensive and expansive RV travel offer – but we have not yet connected it as a total system
- We have set up a brand that connects our customers with all parts of our globally connected system, with the primary objective to drive repeat business with our RV rental customers
- Our guiding principles are to:
 - Put the customer at the heart of this RV travel system
 - Be a connector of brands, not a monolithic brand
 - Enable future innovations & acquisitions to plug into the system
 - Leverage the equity of what we already have

Why not monolithic?

- We're still growing through acquisitions
- We have brands at different stages of life, most have strong heritage and customer value
- There is a difference in product delivery and customer value
- We gain today from a range of brands through increased shelf space
- We will always review this position objectively

Building New Meaning into *thl*



putting more
moving global
experiences at
our customers
fingertips



powered by the
world's most
advanced RV
technology



Powerfully Enabling our Vehicle Brands

maui^o

mighty^o

Britz^o

EL MONTE RV^o

ROAD  BEAR^o

Just^o
go

Connecting our Network to Establish *thl* as the World's Leading RV Travel System

CHAMPIONING

ENABLING

ENDORISING





Other Activities FY19

- Technology –
 - Delivery of D365 in the USA and at Action Manufacturing
 - Cosmos launch in NZ and Australia
 - Global telematics continued roll-out following successful implementation in Australia
- Sustainability – launch of the first bookable electric RV which is now available to book for use in December 2018
- Core business – focus on new RV product development

FY19 – Rentals New Zealand

- NZ rental revenue expecting 10% growth on prior year
- NZ vehicle sales on track with growth expectations to date – expecting to balance fleet levels by end of FY19
- Increase in level of RV imports unlikely to impact *thl* rentals – some potential impact on new vehicles sales
- Action Manufacturing and *thl* working together to develop products to increase market share of new vehicle sales
- Recent movements in exchange rates expected to naturally decline the level of RV imports into New Zealand



FY19 Outlook

- NZ\$15M investment into TH2 (*thl*'s share)
- El Monte earnings expected to be lower than FY18
- Group support services expected to be up NZ\$1M on FY18, excluding any transaction costs
- Potential one-off Australian tax issue of approximately AU\$2.5M (pre-tax) being challenged – any potential ongoing impact will be immaterial

\$32M-\$34M*

NPAT FY19

*NZD. Excluding potential one-off Australian tax liability of approx. AU\$2.5M pre-tax





Questions?

Formal Items of Business





Resolution 1

Re-election of Rob Campbell

That Robert James Campbell, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.



Resolution 2

Re-election of Debra Birch

That Debra Ruth Birch, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.

Resolution 3

Director Remuneration

That the maximum aggregate amount of remuneration payable to all Directors taken together (in their capacity as Directors) be increased from \$650,000 per annum to a maximum of \$750,000 (plus GST, if any) per annum with this sum available to be paid to the Directors of the Company as the Board considers appropriate and which may be payable either in whole or in part by way of an issue of ordinary shares in the Company, provided that any issue occurs in compliance with NZX Main Board Listing Rule 7.3.8.

Resolution 4

Remuneration of Auditors

That the Directors are authorised to fix the remuneration of the auditors for the ensuing year.

General Business



Thank you



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