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TOURISM HOLDINGS LIMITED (thl)

FY21 MARKET UPDATE

thl provides a general update on its performance and expectations for the financial year ending 30 June 2021 (**FY21**).

At the 2020 Annual Meeting, **thl** provided a strategic plan for the coming period. The business has been successfully executing to that plan. In line with **thl's** strategy, **thl** continues to reinvest in fleet and other resources across its businesses to ensure that it is best placed for a recovery when border and travel restrictions are loosened.

While it is not currently possible to provide a credible forecast for the FY21 result, based on current expectations, the loss for FY21 is expected to be greater than the average of the results projected by market analysts.¹ However, it is noted that some of those projections were released prior to **thl's** 2020 Annual Meeting.

Balance sheet

thl's focus on balance sheet management has been successful. Expectations for year-end debt and capital expenditure in FY21 remain in line with guidance provided at the 2020 Annual Meeting.

New Zealand

Based on trading in November and early December, domestic demand for travel in the late January to March period is now expected to be lower than originally anticipated. As advised at **thl's** 2020 Annual Meeting, given the significant reliance of the New Zealand businesses on international tourism, they are expected to incur the largest loss in FY21 across our businesses.

The New Zealand vehicle sales business continues to perform well, having experienced a number of record sales months. In total, approximately 700 vehicles were sold during the campaign period, with margins at expectations.

¹ Average net loss after tax projection of \$12.8 million between Carter Bar, Ord Minnett, Jarden and Forsyth Barr.

Self drive Experiences	Design & Manufacturing	Guided Experiences
New Zealand	New Zealand	New Zealand
Australia	Australia	
USA		
UK		



United States

Rental revenue in November and early December has exceeded the corresponding period in the prior year. Given the success of vehicle sales to date and having achieved targeted fleet size, the business is now focused on retaining strong sales margins on lower sales for the remainder of FY21.

Recent shelter-in-place restrictions are expected to have a minor impact on winter business. However, current expectations remain that the business will deliver a positive EBIT result for FY21.

Australia

There has been a positive level of rental activity in the short period of time that state border restrictions have been fully lifted. This provides confidence that the Australian business will be able to operate profitably in the domestic market, assuming there are no domestic travel restrictions in place.

Vehicle sales to date in FY21 have been positive with approximately 100% growth in the number of vehicles sold compared to the corresponding period in the prior year. It is expected that the positive sales environment will continue for the remainder of FY21.

Expectations remain that the Australian business will deliver a negative EBIT result in FY21, but to a smaller extent than in the New Zealand business.

A more comprehensive update will be provided with *thl*'s half year results.

ENDS

Authorised by:

A handwritten signature in blue ink, appearing to read 'Rob Campbell', is positioned above the printed name.

Rob Campbell
Chairman, Tourism Holdings Limited



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About **thl** (www.thlonline.com)

thl is a global tourism operator. We are listed on the NZX and are the largest provider of RVs for rent and sale in Australia and New Zealand, and the second largest in North America. In the USA, we own and operate the Road Bear RV Rentals & Sales brand and El Monte RV Rentals & Sales. In the UK, **thl** owns 49% of Just go Motorhomes. Within New Zealand, we operate Kiwi Experience and the Discover Waitomo group, which includes Waitomo Glowworm Caves, Ruakuri Cave, Aranui Cave and The Legendary Black Water Rafting Co. **thl** is a joint venture partner in Action Manufacturing LP, New Zealand's largest motorhome and specialist vehicle manufacturer.