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22 April 2021

MEDIA | NZX RELEASE
TOURISM HOLDINGS LIMITED (thl)

MARKET UPDATE

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

FY21 financial performance

Following the latest review of expectations, **thl** has an improved outlook and expects that its FY21 net loss after tax will be between \$14 to \$18 million. This compares to the current average loss projected by market analysts of approximately \$21.5 million.¹

Balance sheet

We expect that net debt will not exceed \$90 million on 30 June 2021 (our previous net debt guidance was for around \$90 million). As signalled in our interim results, debt was expected to increase in the second half as we are re-investing in new fleet to replace the volume of vehicles that we continue to sell.

United States

The vehicle sales market in the USA continues to remain strong. Record average sales margins have been achieved in recent months. Some of this margin growth is considered one-off in nature, reflective of the current market conditions.

Domestic rental demand has remained strong during the current shoulder season. We have positive expectations for the upcoming 2021 summer season and expect that domestic demand will be at or above the 2020 summer season.

New Zealand

Following completion of the *Great New Zealand Motorhome Sale* campaign in late 2020, average sales margins have recovered to previous norms and in some cases have exceeded these. Vehicle sales volumes continue in line with that achieved in the first half of FY21.

The New Zealand rental business will continue to be loss-making under a domestic only environment. We have experienced an increase in web search activity in connection with the re-

¹ Average net loss after tax projection of \$21.54 million between Jarden, Forsyth Barr, Craigs Investment Partners, Ord Minnett and Carter Bar.

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



opening of Trans-Tasman travel. We expect that this will convert to increased forward bookings as travellers continue through the holiday planning cycle. Search activity is highest for school holidays and Queenstown.

Australia

Vehicle sales volumes in Australia have remained stable and in line with the first half of FY21. Margins remain in line with expectations.

An extended period of State borders remaining open (other than one lockdown in Brisbane) has accommodated for growth in domestic rental demand. Yields in Australia are currently at levels consistent with our pre-COVID norms. Our recent performance within an open domestic environment supports our previously stated expectation that the Australian business can deliver positive EBIT in these conditions.

Beyond FY21

We believe that **thl** is well prepared for a range of scenarios.

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, **thl** operates Kiwi Experience and the Discover Waitomo group, which includes Waitomo Glowworm Caves, Ruakuri Cave, Aranui Cave and The Legendary Black Water Rafting Co. **thl** also owns and operates Action Manufacturing, New Zealand's largest motorhome and specialist vehicle manufacturer.