44°15' S —
170°6' E

As seen, worldwide

thl

INTEGRATED ANNUAL REPORT 2024

42°46' S — 147°33' E

OUR PURPOSE

creating
unforgettable
journeys

GLOBAL LEADERS IN ALL ASPECTS OF RV

— RV has great potential. Mainstream engagement with the RV category is encouraging a new generation of younger customers, adding new demographics to the global community of travellers keen to experience their world, their way.

— The economic environment is currently uncertain, and these headwinds could impact the speed of the rebound in tourism. But we're confident that ***thl*** is well-positioned to capitalise on the resurgence of leisure travel, with a growing rental fleet and experience set within the RV rental and retail sales markets.

— Longer term, further synergies and cost-out opportunities across our business will add to our ability to make the RV life simpler, more accessible and more exciting than ever before.

Dear Shareholders

On behalf of the Board, we present the 2024 Integrated Annual Report and consolidated financial statements for the year ended 30 June 2024 (FY24).

The Board acknowledges its responsibility for the integrity of this Integrated Annual Report. We have been delivering an Integrated Annual Report for ***thl*** stakeholders since FY19. This year, for the first time we will be publishing a separate but related **Climate Statements** report of our Climate-Related Disclosures and Greenhouse Gas emissions (GHG / carbon footprint).

We believe the Integrated Reporting <IR> Framework continues to provide a holistic framework for our context and business that is increasingly relevant in today's complex and dynamic business environment.

The Board has applied its mind to the Integrated Annual Report and believes that it addresses the most material issues and presents fairly the integrated performance of the organisation and its impacts in accordance with the principles set out in the International Integrated Reporting Council (IIRC) Framework. The Integrated Annual Report has been prepared according to the IIRC guidelines. The Integrated Annual Report was approved by the Board on 27 August 2024 and is signed on its behalf by:

Cathy Quinn ONZM
Chair

Rob Hamilton
Chair of the
Audit & Risk Committee

Acknowledgement

thl acknowledges the Indigenous Peoples of the lands on which we operate, and we pay our respects to their Elders, past and present. We recognise their enduring ancestral connection to our lands, waters and skies.

Our role

At a global level, ***thl*** is on a journey to build our cultural capabilities, specifically the skills, knowledge, behaviours and protocols required to deliver products and services in a culturally respectful, genuine and appropriate manner.

CONTENTS

Strategy in action

Our results summary

AS AT 30 JUNE 2024

UNDERLYING NET PROFIT AFTER TAX[1]

$51.8M

-33% (compared to pro forma[2])

STATUTORY NET PROFIT AFTER TAX

$39.4M

-21%

UNDERLYING EBIT[1]

$111.1M

-20% (compared to pro forma[2])

UNDERLYING EBITDA[1]

$206.9M

-6% (compared to pro forma[2])

REVENUE

$922M

+5% (compared to pro forma[2])

RENTAL FLEET[3]

7,921

+10%

FULL-YEAR DIVIDEND

9.5CPS

-37%

NET DEBT[3]

$446M

+56%

1. Excludes non-recurring items. For further information, refer to slides 6 and 33 of *thl*'s FY24 Annual Results presentation for reconciliations.
2. Pro forma prior corresponding period includes contribution from 12 months of Apollo and Just go, notwithstanding that those businesses were acquired/became wholly-owned part way through the year.
3. As at 30 June 2024.

Achievements

Expanded

ACQUISITION OF CAMPERAGENT RV DEALERSHIP IN ADELAIDE, FURTHER EXPANDING OUR RETAIL CAPABILITY AND CAPACITY.

Aligned

ALIGNMENT OF BRISBANE MANUFACTURING WITH ACTION MANUFACTURING.

Delivered

MOTEK FLEET MANAGEMENT SYSTEM SUCCESSFUL ROLL OUT IN THE USA, UK AND IRELAND. PROJECT ORANGE SYNERGIES, EFFICIENCIES AND ALIGNMENT OUTCOMES ACHIEVED.

Advancing

PROGRESS OF SEVEN GLOBAL DIGITAL TRANSFORMATION PROJECTS, ALL LEADING TO SYNERGIES AND EFFICIENCY.

Growth

CONTINUED RECOVERY OF INTERNATIONAL TRAVEL AND GROWTH IN THE RV RENTALS CATEGORY.

Launched

CANADREAM CARES – RV WITH RESPECT PROGRAMME AND NEW, GLOBAL **TORUS AWARDS** TO RECOGNISE CREW DEMONSTRATING OUR CORE VALUES.

Refreshed

MAJOR UPGRADE AND REFURBISHMENT PROJECT FOR USA BRANCHES COMPLETED.

Evolving

LATEST BRITZ EVOLVE EV PILOT UNDER WAY IN NEW ZEALAND, UPDATED FUTURE FLEET SCANS FOR EVERY REGION.

Upgraded

WAYS OF WORKING REVIEW USING AI AND DIGITAL TOOLS TO CREATE A GLOBAL, DIGITALLY-LED INTEGRATED MANAGEMENT SYSTEM TO REALIZE SYNERGIES AND COST-SAVING OPPORTUNITIES.

CATHY QUINN

Driving to the conditions

CHAIR

Dear Shareholders

On behalf of the Board of Directors, I am pleased to share with you the 2024 Integrated Annual Report for ***thl***.

There is no doubt that the last six months have been particularly difficult for parts of the business. The US and UK businesses and the Australian Retail Sales division did not achieve their KPIs due to the challenging economic conditions as well as some areas of missed opportunity. However, the New Zealand and Australian rental businesses, which had the greatest opportunity to benefit from the merger of ***thl*** and Apollo, have each delivered strong profit results and are well positioned for the future.

Despite the negativity in the market, ***thl*** has achieved an underlying net profit after tax (NPAT) of $51.8 million for the year[1] – the second-largest underlying profit in ***thl***'s history after FY23. The statutory NPAT of $39.4 million was impacted by the impairment of goodwill attributable to the UK/Ireland business.

The underlying performance reflects our diversification across the different segments of the RV industry and geographies and the benefits of the merger with Apollo and associated cost synergies. Our combined scale, expertise and resources strengthen our position in both favourable and challenging economic conditions.

We are continuing to invest in our fleet, our technology and our people to create a business that is positioned to gain market share in this tough market and to gain greater benefits when the cycle turns. We have maintained our dividend policy, declaring a final FY24 dividend of 5 cents per share, making the total FY24 dividend 9.5 cents per share and representing a 40% payout ratio.

We have also recently completed a refinancing of our syndicated banking facilities, which has enabled us to substantially grow the size of our bank debt facilities with the addition of new lenders ASB and Royal Bank of Canada to the syndicate as well as improving our covenant structure and achieving a more favourable pricing structure. We believe that these elements reflect ***thl***'s balance sheet strength and our confidence in the long-term outlook for ***thl***.

Operationally, the business has continued to design and develop new product types, focus on the continuous improvement of the health, safety and wellbeing of our people and embed new ways of working, leveraging AI to improve productivity and efficiency.

1 Excludes $12.4M goodwill impairment relating to UK/Ireland division.

UNDERLYING NET PROFIT AFTER TAX (NPAT)

$51.8M

This year, we are presenting our first remuneration report in our Integrated Annual Report, which offers more information on ***thl***'s remuneration policies and wider executive remuneration disclosures. Moreover, later this year, we will be providing our first climate-related disclosures under the new framework, after five years of disclosing our greenhouse gas emissions and sustainability actions as part of our Integrated Annual Report.

As a Board and management, we are committed to delivering on our strategy, our vision and our values and to creating long-term value for our shareholders. We have a strong and capable team who are focused on managing the impact of the ongoing economic challenges while setting up ***thl*** for a prosperous future. We have an excellent working relationship with effective and constructive engagement between the Board and management, which was evidenced in a positive Board evaluation undertaken earlier this year. I would like to acknowledge the contribution of Debbie Birch to ***thl*** as a Director since 2016 as she departs the Board later this year.

The current environment is uncertain, leading us to the view that the difficult operating environment will continue over the upcoming year. We believe that we are prepared for this uncertainty, with balance sheet strength and renewed financing arrangements that position us well to manage persisting economic pressures. We will continue to focus on improving operational performance, cost reduction (primarily on fleet as our largest single investment) and achieving target returns on capital across all our businesses. We believe this will set the business up for a positive future.

We thank you for your trust and loyalty and look forward to sharing our progress and achievements with you in the future.

Sincerely,

Cathy Quinn
CHAIR

As a Board and management, we are committed to delivering on our strategy, our vision, and our values, and to creating long-term value for our shareholders.

CATHY QUINN — CHAIR

GRANT WEBSTER

Moving forward together

CEO

FY24 is a year that requires deep reflection – a year with an undeniably disappointing financial result but also one in which we have reset and responded by realigning the business to the practices that have historically made ***thl*** successful.

It is this realignment that should see ***thl*** return to delivering a great return on funds employed (ROFE) in the future. Although there aren't any publicly listed companies that are directly comparable to ***thl***, our experience of the broader RV industry and the rental industry indicates that ***thl*** has fared reasonably well. In addition, our core discipline of balance sheet management provides ***thl*** with stability that sets us apart from many in the industry.

The share price fall following the May 2024 downgrade was a defining moment for ***thl***, the Board and the management team. The degree of reflection that I and the business as a whole have undertaken, from the Board right through to our frontline crew who are shareholders, has been significant. We have questioned ourselves deeply, listened to shareholders, considered what we could have done better and adjusted where appropriate.

We recognise that the substantial decline in profit with just two months left in the financial year will have come as a shock to our shareholders. The volatility of our earnings in FY24 partly stemmed from the pandemic. ***thl*** achieved record sales margins as fleet values rose, but this also exposed our earnings as demand fell in the last quarter and we did not sell as many vehicles as expected.

Going forward, we do expect to see greater stability in our earnings profile as we sell the remainder of our abnormally high-margin vehicles, our overall vehicle sales margins normalise, and the source of our earnings reverts towards the rental business. Under these circumstances, we would not expect to see ***thl*** experience such a significant fluctuation in profit within such a short period of time.

Despite the reduction in our profitability and negative broader macroeconomic environment, we did achieve several milestones and successes in the year. Some of our highlights include:

- a continued recovery of New Zealand Rentals with significant growth and delivering a record result with a positive outlook for further growth in the coming years
- expanding our sales capabilities in Australia by acquiring Camperagent RV Centre, a leading motorhome and caravan dealership in South Australia

Our core rentals businesses have performed well, particularly in markets like New Zealand and Australia.

GRANT WEBSTER — CEO

- investing in improving the machinery, technology and processes in our Australian manufacturing business as we brought it under the Action Manufacturing umbrella, enabling enhancements in both efficiency and quality
- spending over $350 million on new fleet and growing our global rental fleet by 10% to a fleet of 7,921 at year-end
- launching our newest EV trial in New Zealand and continuing our Future Fleet work towards becoming a more sustainable business
- continuing the next step towards common global technology platforms across the business.

In particular, the last highlight is a major ongoing digital transformation project that will substantially change how our business operates. The complexity of this change and the consequential potential benefits should not be underestimated. Neither old Apollo nor ***thl*** had a truly global business with all regions operating on common systems, delivering common detailed metrics and benchmarking. There are significant efficiencies to be gained through the elimination of process duplication.

Naturally, these highlights are overshadowed by the challenging vehicle sales conditions that have significantly impacted our performance for the year. We are of the view that the vehicle sales challenges are directly attributable to wider economic issues, and as such, we anticipate a recovery in this area of our business as economic conditions improve.

We have seen RV travel lose category share to cruise ship travel, which has experienced a significant recovery in the last 18 months. However, we have confidence that RV travel is well positioned and poised for future success. Our optimism stems from the growing interest in RV travel among younger demographics, the rising population of individuals aged 65 and older over the coming decades and the wider shift in tourism preferences in favour of sustainable, local travel and unique adventures.

Summary of performance in FY24

Our FY24 results reflect a mixed set of outcomes by business area and geography. The overall underlying NPAT of $51.8 million, while still a significant number, is below what we believe to be achievable for ***thl*** and well below the expectations we had some months ago.

Our core rentals businesses have performed well, particularly in markets like New Zealand and Australia, but challenging conditions in vehicle sales, the return to normal sales margins in certain markets and difficult economic conditions have impacted our overall performance.

Positively, the New Zealand Rentals & Sales, Action Manufacturing and New Zealand Tourism divisions have all achieved record EBIT results. This success is reflective of the recovery in international tourism to New Zealand as well as the continued growth of Action Manufacturing following several small acquisitions in the past few years.

Unfortunately, weighing on the overall result are disappointing results from the US Rentals & Sales, UK/Ireland Rentals & Sales and Australian Retail Sales divisions. These results reflect the difficult vehicle sales environment today. We remain positive about the future of the US business with several recent actions under way, including new leadership overseeing North America. We believe closer integration between the US and Canadian businesses will yield future benefits that improve overall performance.

Merger integration

Having now spent a year and a half as a merged business, our integration continues positively. We are entering another phase in the integration, including ongoing development through our digital transformation towards having a global business on common platforms.

To date, our performance in achieving synergies has been broadly in line with the projections made at the time of the merger, and we provide further detail on these synergies in the Investor Presentation.

While this seems contrary to the result for this year, a primary reason for the merger was to enable cost synergies that neither ***thl*** nor Apollo could access independently. I can confidently say our result for FY24 is significantly higher than what ***thl*** and Apollo would likely have achieved separately without the merger.

Given the level of integration between ***thl*** and Apollo today, we are now in a position where there is little distinction between merger synergy opportunities and general cost-out and efficiency.

We are currently in the process of rebasing our targets to capture the broader cost-out opportunities and the incremental synergy opportunities we've identified post the merger. We intend to set these rebased targets relative to the FY24 cost base as opposed to a no-merger counterfactual, enabling simpler reporting both internally and externally.

At present, this is an ongoing project. We intend to provide more detail on our rebased cost-out goals at the Annual Meeting in October.

> I can confidently say our result for FY24 is significantly higher than the result ***thl*** and Apollo would likely have achieved separately without the merger.
>
> **GRANT WEBSTER** — CEO

Outlook

Despite operating conditions for the coming period being uncertain, we expect an increase in underlying NPAT in FY25 compared to FY24.

To date, tourism has been more resilient than other sectors amid the tough economic circumstances as international leisure travel has continued to recover from the sharp decline seen in 2020.

Our current rental forward bookings demonstrate year-on-year growth in hire days in FY25 within our key markets of New Zealand, Australia and North America. However, booking intakes in recent weeks indicate that the recovery is slowing, potentially impacting rentals in calendar year 2025. This indicates that it may take longer than initially expected to return to pre-COVID-19 levels, which aligns with broader industry feedback and sentiment. Fleet purchases and production for FY25 and FY26 have been adjusted accordingly, with lower fleet capital expenditure planned.

We expect that vehicle sales will remain subdued for longer in FY25 and ultimately rebound in line with a wider economic recovery once interest rates fall and household financial pressures ease, allowing for increased consumer confidence in making large discretionary purchases. This is supported by industry performance indicators in both the North American and Australian markets.

We see these headwinds as cyclical and associated with the wider economic downturn rather than any structural change for the RV industry. We have a positive longer-term outlook for the RV category and believe it is positioned to increase its share of the broader tourism market. ***thl*** is well positioned within the industry as the global leader in RV rentals with opportunities for synergies and cost reduction supported by balance sheet strength and strong capital management disciplines.

Our renewed bank debt facilities also reflect our lenders' confidence in ***thl***'s outlook and provide us with increased flexibility to continue to invest in new fleet and take other opportunities as they arise in a down market when others in our industry cannot.

thl continues its strong focus on ROFE, and we recognise that the returns from the US, UK/Ireland and Canada divisions in FY24 are unacceptable. Addressing the northern hemisphere is a key focus for management. While we expect ROFE in FY25 for these divisions will remain below our 15% target, the changes we have implemented should lead to future improvements in ROFE, particularly in bringing the North American businesses more closely together.

Our future NPAT goal

We have previously stated a goal to achieve $100 million in NPAT in FY26. In light of the economic uncertainty that exists currently, we understand that there may be questions regarding the feasibility of this target being achieved by FY26.

We continue to believe that the core assumptions supporting our $100 million goal are intact for ***thl***. Nevertheless, the economic climate in the key markets of New Zealand and Australia and more broadly overseas has deteriorated more than anticipated when we set this goal and, in our view, makes achievement of this goal by FY26 unrealistic.

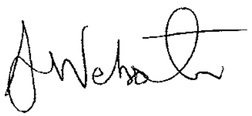
> Where we are today is a testament to our crew. They have come off a record high, endured a decent fall, adapted, and are responding with passion, energy and a commitment to delivery.
>
> **GRANT WEBSTER** — CEO

Given the prevailing economic conditions and persisting uncertainties, it would be inappropriate for us to set a precise timeline for reaching our goal. We remain steadfast in our belief that we have the necessary components and will advance towards our goal as tourism rebounds and general economic conditions improve.

thl and our crew

In FY25, I will reach the milestone of working for ***thl*** for 20 years. This is something I never expected and, given the nature of publicly listed companies, is not that common. Throughout my tenure, I have continued to be amazed at how ***thl*** responds to challenges and change in a way that always creates the opportunity for more growth – growth for crew, customer numbers, leadership skills, footprint, financial returns and global interest. We constantly challenge the path we have set and make sure the fundamentals of the business remain.

Where we are today is a testament to our crew. They have come off a record high, endured a decent fall, adapted and are responding with passion, energy and a commitment to delivery. On behalf of all ***thl*** shareholders, I thank our crew.



Grant Webster
CEO

Build/Buy

In FY24, Apollo Manufacturing in Brisbane was brought into the Action Manufacturing family, establishing Trans-Tasman alignment in people, process, systems and product. This has created integration benefits from Action's strong processes, commitment to a design-led approach, greater efficiencies, ongoing improvements in quality and driving build costs down. The expansion of Action Manufacturing into Australia opens future expansion opportunities into the broader commercial vehicle manufacturing market in Australia.

This year, Action Manufacturing embarked on a collaboration with Hato Hone St John in New Zealand to create the first custom-built electric vehicle (EV) ambulance in Australasia. The custom-built EV has a real-world range of 220 kilometres and delivers specific requirements for the ambulance's weight and electrical demands for the unique needs of emergency medical response. This demonstrates Action Manufacturing's expertise and innovation in designing lightweight vehicles that can support the demands of electrical equipment and different use cases.

This innovative project showcases Action Manufacturing's design-led philosophy and dedication to pushing the boundaries of what is achievable in manufacturing. It also contributes learning for our Future Fleet programme, including work on our second electric RV (eRV) pilot, to address our priority future-fit sustainability goals and ***thl***'s climate-related risk of the lack of supply of suitable long-range vehicles and innovation in commercial vehicles.

Throughout the year, Action Manufacturing has also been progressing a project to identify and partner with trusted Chinese suppliers. As the RV componentry market in China matures, this presents substantial opportunities for Action Manufacturing to import high-quality, low-cost RV components sourced from reputable Chinese suppliers. This is expected to contribute towards overall cost efficiency and quality enhancement for Action Manufacturing's products.

Rent

The ***thl*** rental business has embarked on a journey of organic fleet regrowth, following the sell-down of fleet by ***thl*** and Apollo through the pandemic. In FY24, over $350 million was spent on new fleet vehicles and the global rental fleet grew by 10% to 7,921, further bolstering the strong market position ***thl*** holds in each operating region.

The recovery of international tourism combined with fleet regrowth is expected to be the key driver of profitability growth for ***thl*** in the upcoming period. Globally, ***thl*** today stands at 7,918 vehicles, and still remains below pre-pandemic levels, as does global leisure travel.

We have been actively developing new rental segments outside of traditional tourism. These include business models for bookings in disaster recovery and emergency accommodation and servicing domestic markets for event accommodation and mobile accommodation for the film industry. These new business segments emerged during the pandemic when traditional tourism bookings declined, and we will continue to actively pursue opportunities to leverage new markets going forward.

Motek, ***thl***'s industry-leading bespoke booking and scheduling software, has been successfully launched in the UK during the period and is on track for its upcoming launch in Canada later this year. The Motek system is a critical component of ***thl***'s one-fleet ecosystem, providing internal teams with a portal to manage fleets, optimise scheduling, define pricing, manage bookings and automate branch operations and ultimately creating cost efficiencies and rental utilisation benefits.

The continued global rollout of Motek represents a further step in ***thl*** aligning its global systems and operations to create comparable benchmarks to drive productivity improvements. The scale of ***thl***'s global rental operations provides a competitive advantage, and having aligned systems across regions is expected to enhance this further.

In FY24, we completed a comprehensive back-of-house operations process review. The insights and lessons learned from this review are being shared across all ***thl*** businesses globally, fostering a culture of continuous improvement and operational excellence.

ACTION MANUFACTURING

AU — NZ TRANS-TASMAN ALIGNMENT

MOTEK – SOFTWARE

UK LAUNCHED 2024 — **CAN** LAUNCH LATE 2024

Sell

Despite the challenging automotive sales environment globally, ***thl*** sold over 4,100 vehicles in FY24.

thl has 24 sales locations with seven in Australia, five in New Zealand, nine in North America and three in the UK/ Ireland. ***thl*** sells, all of its ex-rental vehicles exclusively through its own retail dealerships in Australia and the majority of its ex-rental vehicles in New Zealand.

The recent expansion of RV Super Centre into Hamilton and Palmerston North in New Zealand coupled with the acquisition of Camperagent RV Centre in Adelaide in Australia, has further solidified ***thl***'s build/ buy-rent-sell model across Australasia. This continued growth and expansion reinforces ***thl***'s position in the New Zealand market as the largest nationwide retailer of RVs.

While economic headwinds are currently affecting the demand for big-ticket consumer discretionary goods, including RVs, these impacts should ease as the economic conditions improve and interest rates decline.

Over the longer term, ***thl*** remains positive about the outlook for the RV category of travel, supported by positive demographic shifts such as an ageing population and growing interest in RV travel among younger travellers.

The strategic acquisition of Camperagent RV Centre in January 2024 has further enhanced our RV sales capabilities to enable ***thl*** to sell a greater number of ex-rental vehicles annually. This accelerates the turnover of the rental fleet and reducing the age of the rental fleet, enabling ***thl*** to achieve higher yields at lower maintenance costs. It also creates additional demand for ***thl***'s manufacturing facilities, increasing the number of vehicles built. This demonstrates the positive impacts and benefits of ***thl***'s interconnected build/ buy-rent-sell business model.

LOCATIONS – GLOBAL SALES

24

AU **7** NZ **5**
NORTH AMERICA **9** UK/IRELAND **3**

Our Tourism Experiences

Discover Waitomo

FY24 saw the Discover Waitomo range of small group products continue to resonate with returning international guests and our domestic guests.

Key focus areas for FY24 included building on our world-class guest experience and the continued evolution of operational health and safety. Time and again, customer feedback further validates just how important our crew are in making sure our guests have a safe, memorable and enjoyable experience with us in Waitomo. Noting a record Net Promoter Score (customer feedback score) at the Waitomo Glowworm Caves, GM Daniel Thorne said: "Our crew are doing an exceptional job of delivering on our vision of *inspiring Manuhiri (guests) through unforgettable and sustainable experiences*".

FY25 looks bright, with further opportunities to make positive impacts on both community and key conservation projects as part of our future fit sustainability commitment.

Kiwi Experience

Kiwi Experience had strong summer demand until a challenging last quarter with youth traveller demand still below pre-COVID-19 levels. We are lucky to have an experienced and resilient team, strong brand and long-standing industry relationships, connecting guests to a wide range of experiences across New Zealand. Our accommodation partnerships have increased by 76% compared to pre-pandemic levels, providing our guests with greater choice.

Currently, the only touring company operating Hop-On Hop Off experiences in New Zealand, we have continued to grow our product. Small group tours have seen increased growth with the launch of new tours and destinations in the South Island.

In FY25, we will be training our crew with an emphasis on cultural capability, our future-fit sustainability goals and delivering the Tiaki Promise, being the commitment to care for Aotearoa New Zealand. We will be developing *Meaningful Tours* to connect customers with authentic community, conservation and cultural activities.

Build/Buy

Action Manufacturing and its subsidiaries deliver innovative, durable and high-quality vehicle bodies and trailers, catering to the RV, ambulance, refrigerated transport, logistics and mobile health sectors.

Rent

We are a global leader in recreational vehicle brands, offering enriching experiences for travellers worldwide. Our diverse range of brands provide opportunities to embrace the RV lifestyle, with options tailored to meet the needs and preferences of every demographic.

Signature range

Our premium brands with the newest, most sophisticated and fully self-contained motorhomes to travel in style.

Flagship range

Our most extensive and diverse fleets, offering options to suit roadtrippers' unique style and needs.

Adventure range

Unrivalled choice for freedom and adventure to find the road less travelled.

Value range

The basics done brilliantly, with value around every turn.

Sell

Our network of sales dealerships offers a wide range of quality new and used motorhomes, campervans and caravans, after-sales and service options and extensive retail ranges – everything the lifetime RV owner needs.

Our Retail Dealerships

RV Super Centre

apollo RV Super Centre

SYDNEYRV RV Super Centre

GEORGEDAY RV Super Centre

KRATZMANN RV Super Centre

CAMPERAGENT RV Super Centre

Our RV Brands

TALVOR

KEA

WINNEBAGO

* Sold under licensing arrangements

COROMAL

Windsor

ADRIA

* Sold under licensing arrangements

Tourism

A range of award-winning adventure experiences and flexible touring options – from Black Water Rafting to the Kiwi Experience travel network to free independent travel with our app-based travel platform CamperMate.

Discover Waitomo

Embark on a journey to explore the natural wonders, culture and adventure experiences of the world-famous Waitomo region. Discover more. Discover Waitomo.

WAITOMO GLOWWORM CAVES

THE LEGENDARY BLACK WATER RAFTING Co EST 1987

Ruakuri Cave

Aranui Cave WAITOMO NEW ZEALAND

Waitomo HOMESTEAD

Kiwi Experience

Award-winning, flexible and adventure-filled Hop-On Hop-Off and small group bus tours across New Zealand, catering to travellers seeking a unique and social way to explore.

KIWI EXPERIENCE

Travel technology

We empower independent travellers to explore and book unique adventures throughout Australia and New Zealand. This leading experiential travel platform offers a user-friendly app available on the App Store and Google Play Store, along with a comprehensive website at www.campermate.com.

Camper Mate

About ***thl***

-14°19’ S — 132°34’ E

Today ***thl*** is a leading interconnected global operator in the RV industry with comprehensive integration across the build (manufacturing), rental and sales segments. Our rentals business remains the cornerstone of ***thl***, providing the largest contribution to earnings. This vertically integrated model sets us apart from our global competition, and in the Australasian markets where we are fully integrated, this has enabled ***thl*** to achieve an improved return on funds employed.

We have decades of experience constructing durable vehicles specifically designed for the rental market that maximise returns from the rental phase and for the strategic optimisation of value on sale.* Our business model generates profit at each stage – during the build, through the rental phase and on the retail sale of each RV – to extract the greatest value from each RV throughout its lifecycle.

* ***thl*** only manufactures in New Zealand and Australia.

RV worldwide

FOOTPRINT AS AT 30 JUNE 2024

UK + IRE

RENTAL FLEET

590

7%

— RV Rentals
— Ex-Rental RV Sales

CAN

RENTAL FLEET

1,257

16%

— RV Rentals
— Ex-Rental RV Sales
— Digital Tourism App

USA

RENTAL FLEET

1,746

22%

— RV Rentals
— Ex-Rental RV Sales

AU

RENTAL FLEET

2,361

30%

— RV Rentals
— New and Ex-Rental RV Sales
— RV Manufacturing
— Digital Tourism App

NZ

RENTAL FLEET

1,967

25%

— RV Rentals
— New and Ex-Rental RV Sales
— RV and Commercial Manufacturing
— Tourism Attractions & Activities
— Digital Tourism App

thl is the largest commercial RV rental operator in the world, a multinational, vertically integrated RV manufacturing, rental and retail business for motorhomes, campervans and caravans. Our build/buy-rent-sell model and global footprint reflects the strong expansion of the business and positions ***thl*** positively for the future as a world-class leader in the RV space. It's an exciting time for the RV industry.

GLOBAL

TOTAL RENTAL FLEET

7,921

FRANCHISE

JPN
JAPAN

SA
SOUTHERN AFRICA

thl®

thl New Zealand

BRANDS	LOCATIONS	CREW
23	14	983

thl Australia

BRANDS	LOCATIONS	CREW
19	19	764

thl USA

BRANDS	LOCATIONS	CREW
5	12	428

thl Canada

BRANDS	LOCATIONS	CREW
1	7	270

thl UK & Ireland

BRANDS	LOCATIONS	CREW
4	4	157

Crew: number of employees including casual staff, as of 30 June 2024.

How we create value

OUR RESOURCES

FINANCIAL
Our investors and access to capital

OUR CREW
Our talented crew and commitment to our core values

RELATIONSHIPS
Our partners, industry relationships and community connections

NATURE
The natural resources, ecosystems and destinations on which we depend

KNOWLEDGE
Our knowledge, skills and RV expertise from our vertically integrated build/buy-rent-sell model

INFRASTRUCTURE
Our multinational operations, facilities and equipment

Our global systems and technology

BUSINESS MODEL

OUR PURPOSE

Creating unforgettable journeys

OUR VALUES

Do the right thing
Be curious
Be happy to
Enjoy the ride

OUR IMPACTS AND OUTCOMES

- Revenue, growth and financial returns.
- Worldwide, world-class RV products and services.
- Guest travel and tourism experiences.
- Vertically integrated, multinational global RV business.

- Crew engagement and wellbeing.
- Healthy and safe workplaces.
- People Promise to provide the tools, skills and identity to succeed.
- Fostering a diverse and inclusive culture.
- Building our cultural capability.

- Deep connections in tourism and RV industry.
- Social licence to operate at our sites and where products are used.
- Responsible travel partnerships and programmes in each region.
- Working with suppliers to improve supply chain transparency, risks, sustainability performance and circularity.

- Climate impacts and carbon emissions from our fleet and operations.
- Transition plan to address climate-related risks and opportunities.
- Impacts of our products in communities and destinations guests visit.
- Promoting regenerative travel that positively impacts destinations.
- The sensitive ecosystems in which we operate in Waitomo, New Zealand.
- Resources used by our fleet and operations – fuel, energy and water – and the emissions and waste our activities generate.

- New fleet, technology, product design and development innovation.
- Action to address our greatest climate and carbon challenge – the emissions from our vehicle fleet.
- Strong, long-term supplier relationships in RV and tourism sectors.
- Complex global supply chain has social, environmental and economic impacts.

- Global network of sites and infrastructure expanded manufacturing facilities, equipment and operations.
- Future-Fit Branch Action Plans to manage impacts of water, energy, waste and emissions, and positive impacts on communities as well as congestion and potential impacts from freedom camping.
- Technologies and systems to manage complexity and growth.

LEARN MORE

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ACTIVE GOVERNANCE AND RISK MANAGEMENT

OUR FUTURE-FIT SUSTAINABILITY JOURNEY

Systems science tells us how our economy and business operations must be transformed if we are to thrive within planetary boundaries.

At ***thl***, over the last five years, we have used the 23 goals of the Future-Fit Business Benchmark to guide our decision-making and operational activities.

For more detail, see our sustainability progress update and FY24 Health Check.

For information on our Climate-Related Disclosures and our progress to combat the risks of modern slavery, see the reports to be published on www.***thl***online.com and www.***thl***sustainability.com.

READ MORE > PG 34

Future-Fit
Business Benchmark

Building long-term value through our Global Future-Fit Sustainability Programme

TELLING OUR STORIES

TRAINING & BUILDING CAPABILITY

CLIMATE & CARBON STRATEGY
DECARBONISING OUR BUSINESS
GOALS
- Operational GHGs
- Product GHGs
- Renewable energy

FUTURE FLEET PROGRAMME
TRANSITIONING TO A LOW-CARBON FLEET
GOALS
- Product GHGs
- Products repurposed

SUSTAINABLE PROCUREMENT
OUR GLOBAL FRAMEWORK AND CIRCULAR ECONOMY PILOTS
GOALS
- Sustainable procurement
- Products repurposed

THRIVE
SUPPORTING OUR CREW, CREATING A HEALTHY CULTURE AND BUILDING CULTURAL CAPABILITY
GOALS
- Employee health
- Living wage
- Fair employment terms
- Employee discrimination
- Employee concerns
- Community health

ACCELERATE
PARTNERSHIPS FOR POSITIVE IMPACTS
GOALS
- Natural resources
- Operational encroachment
- Community health
- Product communications
- Product concerns
- Product harm

IGNITION
CREATING FUTURE-FIT BRANCHES
GOALS
- Renewable energy
- Water use
- Operational emissions
- Operational GHGs
- Operational encroachment
- Operational waste

Protecting the value we create through Enterprise Risk Management

Strategy in action

45°1' S — 168°39' E

VERTICAL INTEGRATION:
3 POINTS OF MARGIN CAPTURE

BUILD / BUY

It all starts with the RV

RENT

SELL

RV MANUFACTURING REVENUE* **$298M**

2,220 RVs BUILT IN FY24**

1,194 RVs BOUGHT IN FY24***

RENTAL REVENUE **$398M**

7,912 VEHICLES WORLDWIDE

RV SALES REVENUE* **$426M**

4,171 VEHICLES SOLD GLOBALLY IN FY24

* Includes intercompany revenue that is eliminated at a group level.
** New Zealand and Australia.
*** North America and UK/Ireland.

Rentals growth is our focus

At ***thl***, our purpose is to create unforgettable journeys, and at our heart, we are a travel and tourism business. Our rental vehicles enable guests (both international and domestic) to experience the diversity and wonder of the landscapes, cultures and nature of the destinations they visit and a sense of freedom, connection and inspiration.

Our global fleet today is just shy of 8,000 vehicles, well below pre-pandemic peaks. While there are some challenges and softness in the pace of recovery in some markets due to the tough economic conditions, international tourism does remain in recovery mode with a reasonable runway before it returns to pre-pandemic levels. The long-term potential for ***thl*** to return to and exceed its previous peaks is premised on growth of the rental fleet as international tourism grows.

We summarise in this section some of the key trends in the RV sector, international tourism more broadly, and our business today:

- **We are seeing trends in our business globally reverting towards patterns observed prior to the pandemic.** This includes trends in the length of stay, booking patterns and lead times, and marketing channels.

OUR RESOURCES

NATURE

INFRASTRUCTURE

FUTURE-FIT SUSTAINABILITY

CLIMATE & CARBON | ACCELERATE

35°25' N — 54°28' W

- **International tourism is still recovering.** The United Nations World Tourism Organization reported that, in the first quarter of 2024, tourist arrivals to North America and Oceania increased by 10% compared to the previous year. Despite this growth, visits to Oceania were still 15% lower and those to North America 5% lower than the first-quarter figures of 2019.

  The trends we see from a number of countries suggest that the rebound in leisure travel is trailing behind overall tourism recovery, with a faster recovery observed in travel for the purpose of visiting friends and family. These trends indicate that leisure travel has a reasonable runway to return to 2019 levels.

- **There is strong mainstream engagement with RV travel.** A recent survey conducted among American leisure travellers reveals that 45 million Americans are gearing up for RV adventures this summer. Interestingly, the survey found that 52% of RVers are planning trips 4–7 hours from home, and 33% are opting for shorter getaways, with at least one RV trip planned within three hours of their residence. We encourage guests to drive less and stay longer as part of our US Travel with Heart responsible travel programme, including sharing 'one tank trip' ideas.

GROWTH IN INTERNATIONAL VISITORS TO OCEANIA AND NORTH AMERICA IN Q1 2024*

10%

COMPARED TO Q1 2023

* United Nations World Tourism Organization.

Sustainable travel and tourism trends

There is an increasing interest from travellers seeking authentic, sustainable and independent travel with opportunities to connect with nature-based and cultural tourism experiences. RV travel is well placed to meet these needs. We continue to monitor sustainable travel trends and actively engage with tourism industry sustainable travel initiatives, including Tiaki Promise in New Zealand and the Ecotourism Australia certification. In FY24, we launched the new *CanaDream Cares – RV with Respect* programme to support guests to travel responsibly.

Climate change is increasing the frequency of extreme weather events impacting on destinations our guests visit, from wildfires in Canada and the USA to floods and cyclone events in Australia and New Zealand. The inability to access attractions and locations due to infrastructure damage has been identified as a (non-material) climate-related physical risk for the business over the medium to long-term. When these situations occur, we take swift action to support our guests, crew and communities. Our mobile fleet provides flexibility for guests and temporary mobile accommodation to support disaster and emergency responses.

Securing synergies and cost-efficiencies from our integrated business model

thl's build/buy-rent-sell model across multiple jurisdictions, combined with the merger of ***thl*** with Apollo Tourism & Leisure in November 2022, provides us with a unique opportunity to realise synergies and cost efficiencies and share best practice on a global basis. Realising merger synergies has been a key focus across FY24, and we are now positioned to take our integration and cost-reduction programme to the next stage. In FY24, we focused on two key areas:

North America fleet

We completed a detailed review of fleet purchasing, specification and sale practices across the USA and Canadian businesses, sharing best practice to enable better purchasing, alignment of the fleet product offering (enabling greater cross-border transfer in future) and selling the right vehicle at the right time and in the right place.

While we are still in the early stages of piloting the cross-border fleet programme, a successful implementation should provide significant benefits to these businesses over several years as we start to view the rental fleet as a single North American fleet and achieve utilisation benefits. Improved purchasing and sale practices should also contribute to an improvement in the Real Depreciation Rate.*

Manufacturing alignment between New Zealand and Australia

Achieving alignment and integration efficiencies and improvements across our expanded manufacturing operations is well under way. We are taking a strategic approach to aligning design and manufacturing capabilities, facilities, equipment and site locations. This means sharing expertise, capabilities and best practice between sites and country operations. Our Action Manufacturing design-led thinking disciplines and design methodology underpin our fleet plan product design and build process.

* The Real Depreciation Rate refers to the difference between the original purchase price and sale price for vehicles sold, represented as an annual depreciation percentage. It allows for no gain on sale or costs associated with the sale or maintenance of the vehicle.

OUR RESOURCES

- FINANCIAL
- KNOWLEDGE
- INFRASTRUCTURE

FUTURE-FIT SUSTAINABILITY

- FUTURE FLEET

Product development – our Future Fleet challenge

At ***thl***, our greatest sustainability challenge and highest-priority future-fit goal is addressing the emissions from the vehicles that we build/buy-rent-sell. In 2017 when we launched our first eRV pilot in New Zealand, we hoped to see significant development in low-emission vehicles to enable our fleet to transition by this point. Industry progress has been frustratingly slow, and we still do not have access to commercially viable low- or zero-emissions vehicle (ZEV) options with the range required for RV travel needs. We continue to engage with original equipment manufacturers (OEMs) and industry partners globally to address this challenge.

Uncertainty in the timing on supply of cost-effective, low- or zero-emission vehicle technology is considered a material climate-related transition risk for ***thl*** over the short to long-term (>10 years). We continue to actively monitor for transition tipping points and complete regional Future Fleet Scans annually to inform our strategy. We actively track progress on low-emission fleet developments and new technologies and share some industry insights here.

- **Massive investment in battery electric trucks is occurring internationally**, driven by regulations requiring a transition away from fossil fuel internal combustion engines and growing sustainability and carbon-emission reduction commitments. Most automotive OEMs have commitments and carbon emissions reductions goals, with timeframes between 2040 and 2050.
- **Commercial medium and heavy-duty zero-emission trucks models are increasingly available**, with more than 160 models from over 40 OEMs. Medium-duty battery EV deployments have doubled. The majority are commercial cargo vans and pickup trucks produced by Ford and Rivian. However, the range requirements for RV use are not currently being met.
- **Our regional Future Fleet Scans of global markets indicate that batteries are currently the leading technology**, followed by hydrogen. Renewable fuels are still in the mix and interest in hybrid vehicles is increasing. There is a still a need for an inflection point on viable technology and infrastructure for mass adoption, particularly for commercial fleets.
- **New regulations on GHG emissions and ZEV have created both confusion and adaptation** for fleets and manufacturers, and this is expected to continue. Slower than expected growth in sales of EVs has forced several automakers to scale back once-ambitious production plans.
- **Charging infrastructure is also a concern.** Despite record levels of investment, a lack of reliable charging and refuelling stations is a barrier, as are charging times and concerns about grid capacity and renewable energy sources to support the transition. In the USA, the RVIA is actively working with states, charging companies and site hosts to include RV-friendly electric vehicle infrastructure and the importance of pull-through charging as major infrastructure funding is allocated.

Low- and zero-emission fleet deployments in the transport industry currently are very small-scale pilots enabling ***thl*** to learn and prepare for the transition. We are taking a considered approach, investing in small trials first and considering all technologies in the mix as we embark on our second electric RV (eRV) pilot in New Zealand.

OUR RESOURCES

RELATIONSHIPS

INFRASTRUCTURE

FUTURE-FIT SUSTAINABILITY

CLIMATE & CARBON

FUTURE FLEET

Future Fleet: our new Britz eVolve eRV pilot programme

Future-Fit Break-Even Goal 18 'Products emit no greenhouse gases' is our greatest sustainability challenge and we're always aiming to move faster. As a technology-taker, we face an ongoing challenge of a global supply chain focused primarily on electrifying/decarbonising cars, light commercial vehicles and heavy freight, not the specialised future needs of the RV sector: higher payload and long-distance range. Access to renewable-energy charging infrastructure in tourism destinations is also an issue.

At ***thl***, we're undertaking our second eRV pilot with six new vehicles on a Ford E-Transit LWB High Roof. Designed to be fully sustainable, our new Britz eVolve provides a quiet, fully-electric guest experience with a range of ~200km and no tailpipe emissions. It sleeps two comfortably, is easy to drive and features a shower, toilet and cooking facilities. This initiative is led by Action Manufacturing and building on what we have learned from our first eRV pilot programme in 2017–19.

Health, Safety and Wellbeing, global alignment and growth

Health, safety, and wellbeing (HSW) is of paramount importance at ***thl***, and we take a positive, proactive approach. It is a continuous journey that starts with our unwavering commitment to HSW and flows from crew engagement through our policies and procedures to ongoing investment in crew training and effective management and reporting systems. This is underpinned by our focus on safety leadership, culture and an engaged crew.

We have built a clear understanding of our most critical health and safety risks and are actively managing these risks as a top priority. Our global network of HSW Leads provides advice, guidance and support to our business groups, and we continue to invest in safety equipment, facilities improvements, training and resources so our crew are equipped with the tools, skills and training they need.

As we continue to take meaningful steps on our HSW journey, we have seen a marked increase in crew engagement, hazard reporting and safety culture. As a result of this increase, we have seen our number of Lost Time Injuries increase, albeit the total number of lost days has decreased. Our LTIFR (Lost Time Injury Frequency Rate*) for FY24 was 32.35, and we believe we have the right controls in place to see a material reduction of this metric into FY25.

Our HSW programme continues to focus on protecting our crew, guests and stakeholders from harm, a central component of which is managing risk in a practical way at all global locations. We have seen an increase from 481 HSW site-specific risks managed at the end of FY23 to 938 at the end of FY24, giving our leaders clear direction to safely control hazardous activities.

12-month LTIFR*	End FY23	End FY24
Rental & Retail businesses	13.70	19.82
Tourism	48.91	62.64
Manufacturing	35.91	31.22
Group	27.11	32.35

* ***thl*** includes all Lost Time Injuries in LTIFR calculations, including any other injury that involved any lost time such as a Restricted Work injury that included any lost time.

We are committed to ***thl*** being a workplace where every crew member feels empowered to look out for their own safety and their workmates, to speak up when they see a risk or issue and together own the work towards a safer, healthier workplace every day. Our values guide our individual and collective commitment to provide safe workplaces that prevent injury or illness and improve people's overall wellbeing.

In November 2023, leaders from across our global businesses came together for a three-day HSW leadership training programme in Brisbane. This means continuously seeking out ways to make our environment safer, healthier and better every day.

Protect global safety programme

This year, we launched Protect: a global programme focused on preventing harm and empowering all crew to be safer together every day. *Protect* has created a globally aligned, highly visible crew engagement brand, with impactful visuals, messages, resources, tools and activities. Protect has been implemented in all locations, with clear and targeted safety signage, regular *Protect* 'power-up' sessions, content for safety huddles and easy 'snap and solve' reporting tools. A highlight from the first year of *Protect* was the 'what's your why' contest where crew shared inspiring photos of what matters most to them beyond work: their 'why' or driving force for keeping safe to go home safely every day.

Our crew thriving

We are a people business, and our crew are key to our success.

We have been working hard to make progress on our People Promise that all crew will have the tools, training, and identity to be successful. Through the launch and roll out of our new ***thl*** story, values and shared language, we have built a collective culture and celebrate our crew displaying our values through our monthly, quarterly, and annual Torus Recognition Awards. The labour market conditions impacting crew recruitment and retention in the previous year have eased, and we are pleased to have experienced lower levels of crew turnover.

Many of our crew have experienced significant change over the past 12 months as we continued to merge our businesses together. This has been challenging at times as teams adapted to new locations, roles, systems, products and services, and ways of working. The adaptability, commitment and resilience shown by our crew is to be commended. We are aware that crew engagement in some areas has been impacted by the level of change and that we have more work to do.

To support our global transformation programme, new Change Manager roles in each country will support business leaders to effectively implement change projects, manage complexity, support crew with changes and provide assurance and feedback to improve future transformation projects.

In FY24, we undertook a comprehensive review of crew training to inform a new global training and Human Resources Information System to be deployed in FY25.

We are committed to being a business that is open, inclusive, respectful and culturally aware for all our crew, customers, communities and the many stakeholders with whom we engage. With the launch of our first Diversity, Equity and Inclusion (DEI) Strategy, we aim to improve the data we gather and make a positive difference to our crew (see page 41).

We believe that travel brings people together and builds understanding and connection across diverse cultures, communities and experiences. Reflecting our global commitment, we continued our journey to build our cultural capability and respectful relationships with First Nations Peoples and promote Indigenous tourism experiences to our guests.

1.

2.

3.

1. Cultural Awareness training, Indigenous Tourism Alberta
2. Kōwhaiwhai Oranga programme, NZ Rentals managers
3. NAIDOC Week event as part of our Reconciliation Action Plan journey

OUR RESOURCES

OUR CREW

FUTURE-FIT SUSTAINABILITY

THRIVE SUSTAINABLE PROCUREMENT

Digital transformation continues as global systems go live

A core element of managing complexity and achieving growth for ***thl*** globally is having the right technologies and systems in place.

We are moving forward at pace to develop and implement system improvements to bring all our global operations onto common systems across a number of business areas. This will be transformative for the business. This will enable ***thl*** to deliver multiple synergies that translate into hard cost savings, effectively manage operations, plan, report and track performance.

Moving to common platforms will create for the first time (in the history of ***thl*** or Apollo) the system capability to look for improvements, synergies and efficiency opportunities across all business groups globally. This will support global benchmarking, KPI setting, assurance and sharing best practice. The revenue and efficiency benefits to be realized from operating a single platform are worth pursuing.

To make this happen, ***thl*** has implemented seven major digital transformation projects across our global business.

1. Motek fleet management system into Canada
2. Global dealer management systems for retail sales, finance and purchasing
3. A single content management system for our websites
4. A new, global Human Resources Information System (HRIS)
5. Global, single finance platform: Microsoft D365
6. Databricks, a global data 'lakehouse' (platform)
7. A global fleet asset management system for back-of-house process improvements

While we recognise the temporary burden this has created for the business as we implement these changes, this transformation is intended to deliver outstanding returns over the longer term.

In addition to the major transformation projects, we are also piloting innovative ways of working using the latest technology tools to enable our crew to work in a way that is connected to share knowledge and best practice that is efficient and enables easy global collaboration. This will enable our crew to co-create solutions to business needs and drive our business forward.

OUR RESOURCES

FINANCIAL

KNOWLEDGE

FUTURE-FIT SUSTAINABILITY

CLIMATE & CARBON **FUTURE FLEET**

Fit for the future – site and infrastructure development

In light of our expanded global presence following the merger, we're reviewing and refreshing several of our sites and infrastructure in anticipation of scaling our operations as tourism recovers.

Our FY24 focus was on consolidation and planning to set us for substantive moves in FY25. These include new site developments, location moves, branch refurbishments and manufacturing site and facility improvements. We continue to invest in our existing sites and facilities, improving standards, safety and sustainability. This includes technology, new equipment and system development underlying infrastructure.

Our successful Ignition future-fit branches sustainability programme has been extended to all branches globally. Each Branch Action Plan focuses on our largest site-based impacts of energy, water, waste, operational emissions and community contribution. We also apply a future-fit framework lens to any site developments and changes, assessing the impacts on future-fit goals to make progress, working with a future-fit mindset and methodology. In FY25, we will develop and embed Future-Fit Branch Action Plans into our retail and vehicle sales operations. The Action Manufacturing sustainability strategy focuses on four strategic pillars: reducing emissions, eliminating waste, promoting wellbeing, and leading our community and now includes Brisbane manufacturing.

1. Artist render of Waitomokia – our new flagship Auckland site

OUR RESOURCES

RELATIONSHIPS

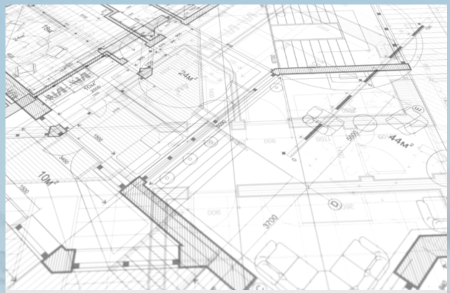
INFRASTRUCTURE

FUTURE-FIT SUSTAINABILITY

CLIMATE & CARBON

IGNITION

FIT FOR THE FUTURE: SITE AND INFRASTRUCTURE DEVELOPMENT



New sites – in development

We are hugely excited to be developing Waitomokia, the new flagship Auckland site bringing branch, retail and head office teams together. This will be a transformative step, creating a new global headquarters for ***thl*** and connecting our crew, customers, guests and communities, with positive impacts for our future-fit progress.

We have plans to develop new site locations in Queenstown and Perth in the coming years.

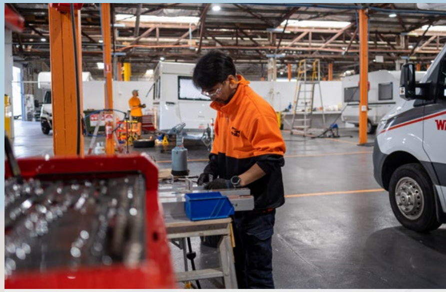
Australian site moves and changes

In Australia, we are maximising the potential synergies, efficiencies and ease of connection for our crew and customers by developing shared locations for retail and sales.

Our Adelaide branch and sales site will move to the Camperagent dealership site, creating a combined rental, sales and services site with improved sustainability performance provided by on-site solar energy and water capture systems.

USA branches refreshed

We have invested in an extensive branch refresh programme focused on lifting standards of presentation and functionality, improving visitor areas and workspaces to enhance our guest and crew experience. This included refurbishing and updating the three largest branches to reflect ***thl*** new brand standards.



Manufacturing alignment

Our expanded manufacturing facilities and capabilities in Australia and New Zealand present good opportunities to bring operations together to better leverage sites and investments in equipment and facilities and to share skills and knowledge.

Retail experience design

We have restarted our retail design programme with a focus on enhancing customer experiences and product management. Development work to improve margins and metrics for retail will be a focus in FY25.

Our future-fit sustainability journey – the first five years

It has been five years since we first made a commitment to becoming a future-fit business, using the 23 science-based sustainability goals of the Future-Fit Business Benchmark.

We initially identified three high-priority future-fit goals to tackling our biggest challenges and impacts and eight future-fit goals we would progress through addressing knowledge and data gaps about our impacts.

We have made substantial progress on nine of these goals but remain off-track on Break-Even Goals 18 'Products emit no greenhouse gases' and 19 'Products can be repurposed'. We will tackle these goals head-on in FY25 as part of our Climate Transition Plan that we are calling *Changing Gear*.

The priority future-fit goals that underpin our global sustainability programme have been updated to reflect the progress we have made, our expanded manufacturing and retail vehicle sales activities and changing context.

OUR RESOURCES

RELATIONSHIPS

INFRASTRUCTURE

FUTURE-FIT SUSTAINABILITY

CLIMATE & CARBON | IGNITION

We remain confident that we are focused on the highest-impact areas of our global business. We are proud to be recognised as a Future-Fit System-Changer and know we must continue to make progress. Our FY24 Future-Fit Health Check for all 23 goals is available on page 38.

This year, we also reviewed how effectively we have integrated future-fit into our decision-making throughout the business, from global strategy to site-based actions. We have made good progress embedding a future-fit mindset and methodology throughout ***thl*** but still have more to do. In FY25, we will further develop our approach to applying a future-fit lens at key points in our processes, projects and performance reporting and within our People Plan.

Applying a future-fit lens will require decision makers, including the Board, Executive Team and our crew, to take a systems-based approach when initiating new projects. This means considering sustainability risks and opportunities (including impacts on and from climate change), reporting on the project's future-fit performance and supporting our crew to understand their role in creating a sustainable future for ***thl***.

Global Sustainability Programme Progress

CLIMATE & CARBON STRATEGY
DECARBONISING OUR BUSINESS

Our Climate & Carbon Strategy remains central to progress on our future-fit journey. In FY24, we extended our carbon inventory of Scope 1, 2 and all material Scope 3 emissions sources to create a new, comprehensive baseline carbon footprint. Key to this has been the use of Artificial Intelligence (AI) software Planet Price.

We have reviewed our global climate risks and opportunities and further developed our Climate-Related Disclosures (see page 37).

SUSTAINABLE PROCUREMENT
OUR GLOBAL FRAMEWORK AND CIRCULAR ECONOMY PILOTS

Future-fit progress depends on working with our supply chain. We have implemented 'Level 3' of our five-year sustainable procurement framework and will deliver 'Level 4' in FY25.

We have a well-established Sustainable Procurement Policy, Supplier Code of Conduct and sustainable procurement practices and projects in place (such as our Global Uniform Project) and have rolled out training for leaders.

The Global Sustainable Procurement Working Group provides leadership, engaging suppliers on our sustainability journey in each region. Training will be a key focus for FY25.

ACCELERATE
PARTNERSHIPS FOR POSITIVE IMPACTS

We work with partners across our value chain to progress our future-fit journey. We are an active member of tourism and RV industry forums such as the RVIA, Caravan and Camping Association and the Tourism Reconciliation Industry Network Group in Australia and The Aotearoa Circle.

We promote responsible travel and work with industry partners to create positive impacts for communities and destinations.

FUTURE FLEET PROGRAMME
TRANSITIONING TO A LOW-CARBON FLEET

Our greatest future-fit challenge remains the emissions from our vehicles, and we are frustrated by the lack of suitable low/zero-emission, long-range RV vehicle technology.

We continue to seek solutions and have completed our annual Future Fleet Scan of technology tipping points, regulation and infrastructure in each country in which we operate.

We have been making progress where possible, including launching our second eRV pilot in New Zealand following our first pilot in 2017–19.

THRIVE
SUPPORTING OUR CREW, CREATING A HEALTHY CULTURE AND BUILDING CULTURAL CAPABILITY

Future-fit progress for all our crew continues. In FY24, we developed a global Diversity, Equity and Inclusion Strategy for ***thl*** and continued our cultural capability journey in each region.

Our second anti-modern slavery statement will be published in October, and we have embedded anti-modern slavery roadmap actions into our sustainable procurement framework.

IGNITION
CREATING FUTURE-FIT BRANCHES

Our site-based sustainability activities are the foundation for our future-fit work. In FY24, we extended our Future-Fit Branch Action Plans to include all our new businesses and locations globally to address and improve our impacts on energy, water, waste, operational emissions and community contribution.

We track progress through regular Carbon Impact reports. We also piloted new online training modules for our crew.

Disclosures

36°27’ N — 116°52’ W

Our carbon footprint

FY24 is the first full-year carbon footprint for ***thl*** as a merged business, having previously reported seven months' post-merger data in FY23.

We are disclosing our Scope 1 and 2 direct emissions and for the first time extending our Scope 3 indirect emissions to include all material Scope 3 categories across our value chain. This extended FY24 footprint will become our new baseline year.

We have also changed the way we calculate our emissions from this year from an 'equity share' approach to an 'operational control' approach.* This is appropriate with no joint ventures at ***thl*** in the past two years. This means our customer journey emissions, previously reported in Scope 1, are now being reported as Scope 3 emissions. The size of our total footprint would be consistent under either approach, as we are now reporting our extended Scope 3 footprint.

* The three consolidation approaches under the GHG Protocol Reporting Standards (and the same for ISO 14064-1) are:

1. Equity share: a company accounts for GHG emissions from operations according to its share of equity in the operation. The equity share reflects economic interest, which is the extent of rights a company has to the risks and rewards flowing from an operation.
2. Financial control: a company accounts for 100% of the GHG emissions over which it has financial control. It does not account for GHG emissions from operations in which it owns an interest but does not have financial control.
3. Operational control: a company accounts for 100% of the GHG emissions over which it has operational control. It does not account for GHG emissions from operations in which it owns an interest but does not have operational control.

This year, we will be publishing our GHG emissions data in our Climate Statements report, which shares our climate-related disclosures aligned with New Zealand Climate Standards (NZ CS) 1, 2 and 3. We have focused on *completeness* (per NZ CS 3) for our merged entity and extended Scope 3 data. As a result of including our extended Scope 3 emissions, our FY24 reported footprint will increase significantly.

We will not be sharing comparative data for this year with FY23 data as it would not provide a representative comparison with our reset baseline, which includes additional locations in New Zealand (such as new RV Super Centre sites), improved data for retail and manufacturing (including for Action Manufacturing subsidiaries) and a full year of Apollo business data (versus seven months in FY23), including the CanaDream high season. FY23 and prior years' data is available in our FY23 Integrated Annual Report.

In FY25, we will be refining our Scope 1 and 2 science-aligned target from the new baseline year and developing a robust Climate Transition Plan – 'Changing Gear' – to engage the business using our extended FY24 footprint and industry data. This will include setting interim and intensity GHG reduction targets as part of a realistic and evidence-based plan to mitigate our climate risks and seek to realize our opportunities.

Our Climate-Related Disclosures (CRD)

thl is a climate-reporting entity under the New Zealand Financial Markets Conduct Act 2013. Information about our GHG emissions, our climate risks and opportunities and how these are being managed will be disclosed in a separate Climate Statements report to be published by 31st October 2024 on: www.***thl***online.com and www.***thl***sustainability.com.

Our FY24 Future-Fit Health Check

KEY – Health Check assessments, done in accordance with the internationally-recognised Future-Fit Business Benchmark, show how ***thl*** is performing against the Future-Fit Break-Even Goals.

- We are on track and can continue our journey
- We have minor gaps but know how to close them
- We have major gaps and need to rethink
- We are off track and need to redesign our course

	FY19	FY20	FY21	FY22	FY23	FY24	FY 24 Health Check Commentary
BE01: Renewable Energy PRIORITY GOAL							Renewable energy is a priority future-fit goal. In the prior year, electricity was over 25% of operational emissions (excluding customer journey). Analysis of renewable energy in grid and purchase options is an ongoing focus in areas with high fossil fuel in the grid mix. Our San Francisco locations switched to purchasing 100% renewable electricity in FY23, and the new Campergaent dealership in Australia runs on solar power. Energy efficiency actions are a priority for all branches under our Ignition programme, focusing on high-impact areas (heating, cooling, lighting, equipment). Canadian branches upgraded to LED lights in their first year in this programme.
BE02: Water Use							Water saving is a priority in areas experiencing high water stress, and we have assessed water stress for our new locations. US sites have maintained a reduction in water use of 50% over the last five years by improving efficiency of high water-use activities and crew awareness of water saving and leak detection. We are currently testing a new vehicle wash bay water recycling system in Los Angeles and plan for our new headquarters in New Zealand to recycle 80% of wash bay water. In Australia, work is under way on options for installing water tanks following site moves. In Waitomo, we work to manage the health of the water in the cave and karst ecosystem and in water and wastewater treatment plants.
BE03: Natural Resources							Waitomo is our only location where we directly manage natural resources we operate in. Our environmental management practices at Discover Waitomo meet a high standard, guided by the Environmental Management Plan, intensive monitoring and oversight by the Environmental Management Advisory Group.
BE04: Procurement PRIORITY GOAL							**Sustainable procurement is a high-priority goal, and we continue to make good progress on our global sustainable procurement framework.** Our first global modern slavery statement was published in October 2023. We have an anti-modern slavery roadmap in place, and these actions are integrated into a five-year sustainable procurement maturity framework. We successfully delivered level 3 *Practice* in FY24 through the work of the Global Sustainable Procurement Group. We have extended our Supplier Code of Conduct engagement and include this and sustainability clauses in contracts and tenders. A new sustainable procurement training module for leaders has been rolled out. The SpeakUp mechanism is now available on the website for any suppliers or others to raise concerns. Future-fit hotspot assessments were reviewed with a focus on climate and carbon and modern slavery risks. Work to better understand our supplier data is under way, but as a global business, there is a significant amount to do to fully understand our supply chain risks.
BE05: Operational (Chemical) Emissions							Our branch activities do not directly generate measurable liquid, gas or solid emissions released directly into nature. However, use of some chemical products and a potential for spills is an ongoing risk we manage. For example, globally, we have had four spills including oil into stormwater drains, chemical AdBlue into a drain and oil spilt on the ground, which we are addressing through a global project uplift at all locations and improving containment. We are reviewing how we track, report and measure emissions that may occur from spills at our locations. We will be expanding the scope of this goal to reflect our expanded manufacturing operations and next year will have separate ratings for manufacturing to reflect our findings.

OUR FY24 FUTURE-FIT HEALTH CHECK

	FY19	FY20	FY21	FY22	FY23	FY24	FY 24 Health Check Commentary
BE06: Operational GHGs PRIORITY GOAL							Reducing operational GHG emissions is a high-priority future-fit goal. Operational emissions increased last health check as new businesses and locations (an additional 20 sites) and Kiwi Experience tours also resumed. We have added new site data to the carbon footprint, and this data is used for Carbon Impact reports to track site action plan targets and progress. We measure, monitor and report operational emissions as part of our annual verified carbon footprint (future-fit Break-Even Goal 18 relates to our fleet emissions). We have previously set a Science-Aligned Target for Scope 1 and 2 emissions and in FY25 will be refining this and adding interim and intensity targets based on work undertaken in FY24 to extend our Scope 1, 2 and 3 GHG inventory.
BE07: Operational Waste							Tackling waste to landfill continues to be a challenge and a priority for improvement in site action plans globally, taking a refuse, reduce, reuse/repurpose then recycle approach. Successes include expanded surplus item donation programmes, improving recycling and providing crew training. We are working with suppliers to reduce packaging waste, investigate product stewardship options and find more circular products. Location moves and site upgrades also generated additional waste in FY24. In manufacturing, waste reduction efforts focus on expanding recycling and repurposing of materials, including plywood, cardboard, omnipanel offcuts, pallets and soft plastics.
BE08: Operational Encroachment							Our branch and manufacturing operations are generally located in developed, industrial areas with low risk of impact on sensitive areas, ecosystems and community health. We have a Future-Fit framework to assess encroachment impacts for new locations that considers these impacts. For the development of our new headquarters Waitomokia in Auckland, future-fit goals have been considered throughout the design and redevelopment of the site. In Waitomo, we manage operational impacts on communities and the cave and karst ecosystem and care for cultural sites.
BE09: Community Health							We continue to work with partners to protect the health of communities where we operate and where our products impact, but we have more to do. As part of our global commitment to building our cultural capability and developing respectful relationships with First Nations Peoples, we have cultural capability plans in place to guide this work. In Australia, we completed our first Reflect Reconciliation Action Plan (RAP) and work is under way on our next Innovate level RAP. In Canada, 40 leaders completed a full-day cultural awareness training with Indigenous Tourism Alberta. In Aotearoa New Zealand, our crew were given the opportunity to take te reo Māori classes and our Kōwhaiwhai Oranga groups visited the Māori Tokikapu Marae (meeting grounds) to develop a deeper understanding of Māori culture and of the local hapū (sub-tribe) whose caves we manage and many of whom work with us at Discover Waitomo.
BE10: Employee Health							The business continues to have a firm focus on accelerating our health, safety and wellbeing (HSW) journey. We continue to invest in training, systems, process and assurance as well as Protect – our new communication programme to connect our crew to why HSW is a priority at ***thl***. We have developed robust practices to manage our critical risks in a practical, site-based system as we continue to challenge the effectiveness of our controls.
BE11: Living Wage							We continue to make progress on this goal. We have extended our assessment of the Living Wage model to the UK, Ireland and Canada in addition to the US and NZ. We will continue to regularly assess our Future-Fit Wage approach through an annual review considering minimum wage and Living Wage reference points alongside the Consumer Price Index and any other external or internal factors.
BE12: Fair Employment Terms							We have good fitness for most of the criteria for this goal in each region. We improved our fitness for this goal in the US this year with changes to increase paid time off for crew that align with this future-fit goal. The USA variation in employment regulations, including paid leave, had impacted this goal previously.
BE13: Employee Discrimination							We have the policies, procedures and training in place to achieve this goal. This year, we have commenced work on our Diversity, Equity and Inclusion (DEI) Strategy, underpinned by our DEI policy. We have also extended our cultural capability training globally. These initiatives will continue to evolve and embed through FY25.
BE14: Employee Concerns							We achieved this goal last year with our new crew concerns anonymous reporting mechanism, our *SpeakUp* policy, and the associated campaign and training have been widely communicated throughout the business and have been well received. We will continue to promote and encourage our crew and suppliers to raise any concerns, including through *SpeakUp*, mechanism available internally and externally.

OUR FY24 FUTURE-FIT HEALTH CHECK

	FY19	FY20	FY21	FY22	FY23	FY24	FY 24 Health Check Commentary
BE15: Product Communications	🟡	🟠	🟡	🟢	🟢	🟢	Providing guests and customers with information and support for the safe use of products is critical. We meet this goal and regularly refresh information materials for guests, responding to feedback to continuously improve. We continue to work with partners to promote responsible travel in each country. In FY24, we launched the new CanaDream Cares – RV with Respect programme to guests.
BE16: Product Concerns	🟡	🟠	🟢	🟢	🟢	🟢	We have robust mechanisms in place for customers to raise concerns at any stage, including roadside assistance so that guests have the information and support they need before, during and after their journey. Our customers and owners have channels in multiple languages to raise concerns and get support and advice, and we proactively manage any issues identified. Our SpeakUp mechanism is now available online for anyone to raise concerns at: www.thlsustainability.com/suppliers.
BE17: Product Harm	🔴	🔴	🔴	🟠	🟠	🟠	We are committed to taking steps to minimise the risk of our products causing harm to people or the environment. This includes issues connected to freedom camping and driving accidents in addition to traffic management on site. We share responsible travel tips in each country (Tiaki Promise, Travel with Heart, RV with Respect and Leave No Trace) and promote safe driving to support our customers to avoid causing harm when using our products.
BE18: Product GHGs PRIORITY GOAL	🔴	🔴	🔴	🔴	🔴	🔴	**This is our highest priority future-fit goal with the highest impact and is the greatest challenge due to the GHG emissions from our fleet.** We continue to engage with suppliers and OEMs in each region to understand transition and tipping points for low- or zero-emission vehicles suitable for RVs through our Future Fleet programme. We also continue to measure and report the customer journey emissions for our rental fleet in our carbon footprint. In FY24, our Carbon Footprint includes all locations, with an operational control approach reflecting a more accurate representation of the changes to the business following the merger (some of the new locations were partially reported or excluded in the FY23 footprint). The FY24 footprint also includes extended Scope 3 emissions, calculated using the AI platform Planet Price, to capture emissions across our business value chain from upstream to downstream emissions.
BE19: Products can be Repurposed PRIORITY GOAL	🔴	🔴	🔴	🔴	🔴	🔴	**This goal has been reviewed and is a high-priority future-fit goal** following a review of progress on previous priority goals and reflecting our expanded manufacturing and vehicles sales activity. While recycling infrastructure and rates for vehicles are established in each region, the complexity and variety of components and materials in a motorhome make this a challenging goal. Repurposing begins at the design stage of manufacturing from the choice of material to designing components to be more circular, through the use phase and then proper management to recover materials at end of life. Understanding new product stewardship, extended producer responsibility and right to repair regulations and opportunities for circular economy pilots is a focus for the Global Sustainable Procurement Group.
BE20: Business Ethics	🟡	🟡	🟢	🟢	🟢	🟢	We continue to meet this goal through our Code of Ethics and a Governance and Ethics Committee, ethics training and regular reviews.
BE21: Right Tax	🟢	🟢	🟢	🟢	🟢	🟢	As a publicly-listed company, we engage reputable tax advisers to give us confidence that we meet the standards required for this goal.
BE22: Lobbying & Advocacy	🟡	🟡	🟢	🟢	🟢	🟢	We do not undertake lobbying activities directly but continue to engage with tourism and RV industry groups. Through engagement in these forums, we promote the importance of addressing future-fit sustainability issues and impacts as an industry.
BE23: Financial Assets	🟡	🟡	🟢	🟢	🟢	🟢	As a company, we do not directly manage financial investment assets beyond standard financing activities. We have reviewed this goal and many of the risk areas identified do not apply directly to our activities or are managed in other goals.

Diversity and inclusion reporting

We continue to report data on gender diversity in FY24 and share this data here. We aim to mature our understanding of dimensions of diversity as we move forward with our new global Diversity, Equity and Inclusion (DEI) Strategy. We will look to report on DEI more broadly as we improve data collection over time.

Diversity and inclusion reporting is currently focused on female representation across the business in four main categories: Key Management People (KMP) representing C-Suite executives, senior management, middle and supervisory level management and non-management roles. The table below reflects the outcome of the analysis undertaken to date.

We continue to learn, improve and advance our commitment guided by our DEI Strategy and Roadmap.

We are open to new and diverse perspectives and are actively seeking input and guidance from our crew, communities and partners to identify needs, opportunities and areas for focus.

The Board endorses and supports the ***thl*** Diversity, Equity and Inclusion Policy and the global DEI Strategy. It has reviewed and approved the diversity data categorisation approach and recognises that there is more work to be done.

Female Representation Summary by Business Units

Female %	KMP	Senior Executives and Management	Middle Managers and Supervisory Positions	Non-Managers	Overall combined Female representation across all categories
NZ		30.0%	61.5%	51.6%	52.5%
AU		37.5%	34.9%	41.2%	40.1%
US		26.7%	27.9%	40.0%	37.5%
CA		40.0%	52.0%	41.8%	44.0%
UK and IRE		33.3%	62.5%	34.8%	40.8%
ANZ Manufacturing		23.1%	16.9%	12.0%	12.9%
Combined Representative	35.3%	31.3%	40.5%	36.1%	36.6%

Out of balance (male dominant) (if <40%)

Balance achieved (40–60% or more) (i.e. female representation is achieved)

Out of balance (female dominant)

Analysis

The table reflects an overall participation rate of women within the ***thl*** workforce of 36.6%, the same as last year. The overall participation rate of women in the ***thl*** workforce (excluding manufacturing) in FY24 was 46%.

Female representation in Senior Executive and Management dropped marginally to 31.3% from 32.9%. However female representation of Middle Manager and Supervisory Positions has increased to 40.5% from 38.6%. Female representation of Non Managers remained static at 36.1% from 36.4%.

New Zealand increased female representation across all categories to 52.5% of the workforce (from 50.5% in FY23. Australia also increased female representation across all categories with 40.1% of the workforce, up from 36.7% in FY23. This included a solid increase in female representation at Senior Executive and Management level. Our manufacturing businesses in Australia and New Zealand have also increased female representation in the Middle Manager and Supervisory positions.

In FY24, US female representation across all categories decreased to 37.5% of the workforce from 40.1% the previous year. Female representation across all categories in Canada also decreased to 44% of the workforce from 52.6% in FY23. However, female representation at the Senior Executive and Management level in Canada increased by 33% (10 pts).

In the UK and Ireland business female representation decreased across all categories to 40.8% of the workforce from 44.1% in FY23. However, female representation at the Senior Executive and Management level increased by 8.3 pts and at the Middle Manager and Supervisory level female representation increased by 25% (12.5 pts).

We are working to accelerate equitable pathways at ***thl***, guided by our global DEI Strategy. Priorities in FY25 include fostering and developing a diverse leadership pipeline, proactively encouraging diverse applicants to apply for all roles, creating mentoring opportunities to support emerging leaders and working to understand and address barriers to inclusion.

Enterprise Risk Management

At ***thl,*** we take an integrated approach to Enterprise Risk Management (ERM), seeking to manage risks at all levels of the organisation. We identify and manage our strategic, operational and regulatory risks using our ERM Framework: a suite of policies and tools such as our ERM Policy and our online Risk Register which allows us to monitor our risks, including material risks from, and contributing to, climate change.

Risks and opportunities identified by our operational Risk Champions are reviewed and reported up to Risk Owners in the Risk & Improvement Committee (RIC). RIC provides executive-level governance and a consistent approach to ERM across ***thl***. In turn, RIC reports key strategic and 'front and centre' operational risks up to the Audit & Risk Committee (ARC), which provides Board-level oversight of our ERM.

Our critical risks are detailed below, noting that climate-related risks are reported to the ARC. Please visit www.***thl***sustainability.com for our full Climate-Related Disclosures drafted in accordance with the New Zealand Climate Standards and available online from 31 October 2024.

FY24 has seen the Responsible Management team focus on climate risks and opportunities with an aim to understand how physical climate risks could impact our business. We undertook a Risk Simulation exercise where, with the support of an external facilitator, we workshopped how we would respond if a climate-related cyclone impacted our Australia and New Zealand businesses, crew, customers and communities. A wide-reaching exercise, it showed that ***thl*** has a good resilience 'muscle', having been through a number of challenging situations over the years and across our international locations. However, we are not complacent: we expect that climate-related extreme weather events will become more frequent and severe. The Risk Simulation was a useful exercise to test our response at an operational level.

In February, we undertook our annual Risk Culture survey, but this year we surveyed all our crew rather than just key stakeholders, with the exception of Manufacturing (as they had recently undertaken a separate exercise). With the merger of ***thl*** and Apollo businesses now in the rearview mirror, we understand that it will still take some time for risk management to become embedded and normalised at all levels of the business. We were therefore not surprised that, while our Risk Champions and RIC members have a good understanding of ERM, this comprehensive survey with 1,121 responses showed that we have more work to do in terms of maturity, with a mixed understanding and level of comfort with ***thl***'s ERM framework among our crew. There is a need for better communication, education and resources to improve understanding and application of ERM within the business. This will be a key focus for FY25.

Enterprise Risk Management

BOARD

thl BOARD

The ***thl*** Board has ultimate responsibility for group-wide risks, including those related to climate and modern slavery. The Board approves ***thl***'s Climate Statements and CRD.

HSCC

The *thl* Health, Safety & Sustainability Committee (HSSC) oversees the operationalisation of ***thl***'s sustainability efforts, including the prioritisation of future-fit goals and sustainability initiatives. The HSSC recommends the setting of science-aligned carbon reduction targets to the ***thl*** Board, oversees ***thl***'s sustainability strategy and monitors ***thl***'s progress in the achievement of its carbon reduction targets on behalf of the ***thl*** Board.

ARC

The *thl* Board Audit & Risk Committee (ARC) oversees ***thl***'s Enterprise Risk Management (ERM) system and the management of sustainability risks (including climate and modern slavery risks). The ARC reviews ***thl***'s CRD and makes recommendations to the Board.

EXECUTIVE / SENIOR MANAGEMENT

RM TEAM

The Responsible Management (RM) Team is led by the Chief Responsibility Officer (CRO) who oversees the ERM framework and 'future-fit' sustainability programmes delivered by the Sustainability Director and the GHG Inventory delivered by the Risk & Sustainability Manager.

EXECUTIVE TEAM

The Executive Team provides Management-level approval, ownership and management of ***thl*** Enterprise Risks including those relating to climate and modern slavery. Climate Risks and Opportunities (CR&O) are discussed at executive 'Front & Centre' meetings and at offsite workshops. Executive Team Risk Owners participate in the RIC.

RIC

The *thl* Risk & Improvement Committee (RIC) is comprised of ***thl***'s Executives and Senior Managers who are Risk Owners. The RIC oversees progress of risk management using the ERM framework. The Chief Responsibility Officer, who has skills and knowledge of climate and modern slavery risks, oversees the ERM framework, Climate & Carbon Strategy, including the CRD process, and the Anti-Modern Slavery Action Plan. The CRO reports key risks up to ARC.

OPERATIONAL

RRN

The *thl* Regional Risk Networks (RRNs) are comprised of ***thl***'s Risk Champions and Owners, including Branch / Location Managers and crew with operational roles. Our ERM framework is implemented at this level and new risks identified are reported up to the RIC. The RRNs are chaired by the Risk & Sustainability Manager who is a member of the RM Team.

NORTHERN HEMISPHERE
US, Canada, UK, Europe

SOUTHERN HEMISPHERE
Australia, New Zealand

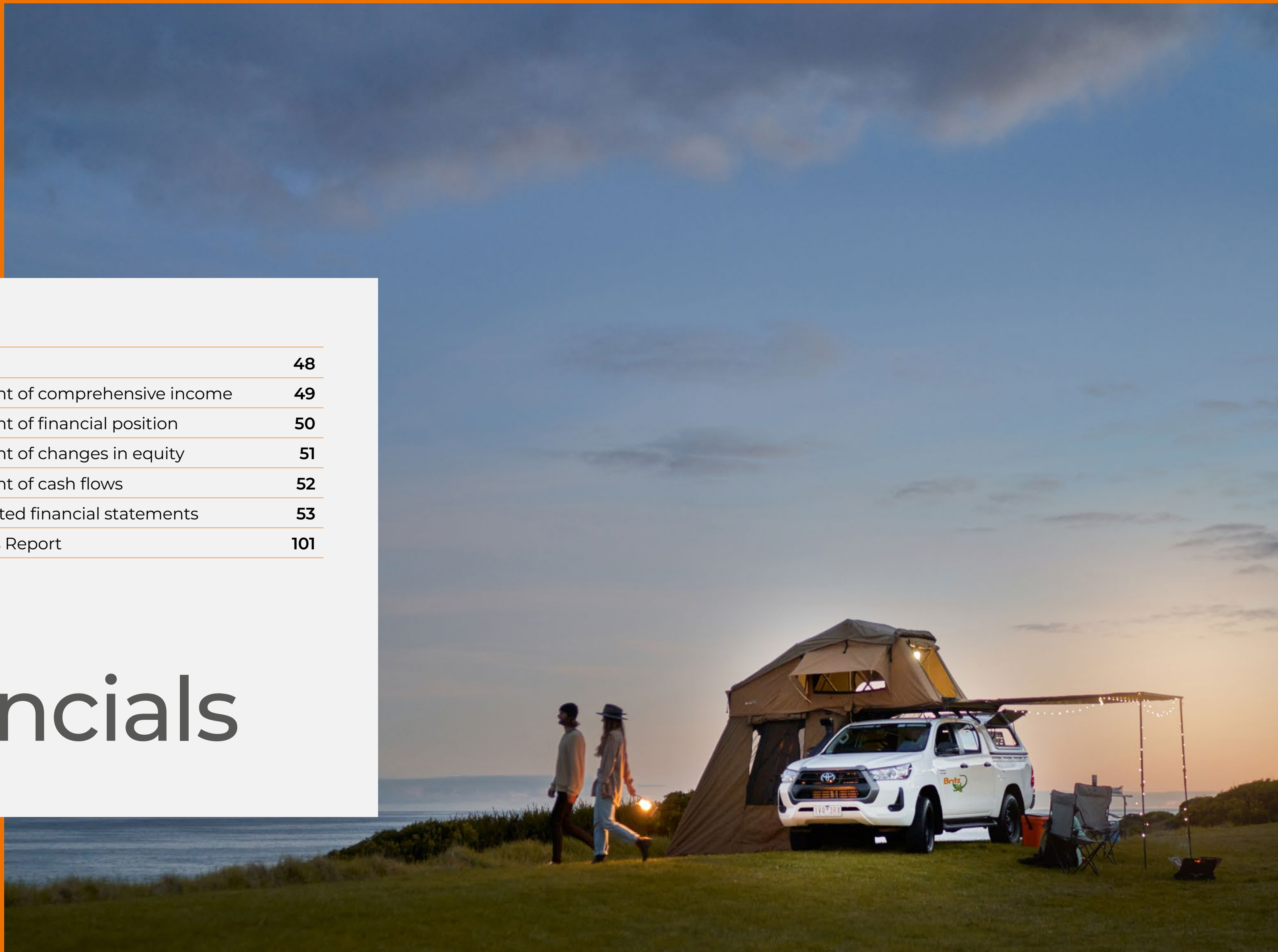
KEY: OVERSIGHT | REPORTING, RECOMMENDING AND ESCALATION

Risk Title	Risk Description	Impacts	Risk Controls	Our Resources
Cyber security	Within our global digital landscape, we face numerous cyber threats that can severely impact operations, reputation and customer trust. One of the most significant risks is the potential for a data breach and unauthorised access to sensitive information.	Financial losses due to regulatory fines, legal settlements and recovery costs. Loss of customer trust may also result in reduced revenue. Business disruption: for business-critical systems, productivity could be affected along with customer service and overall business continuity.	Implementation of appropriate cyber and data policies, standards, software and processes outlining how we will address cyber security risks and protecting our assets in line with our Written Information Security Programme. Prioritising cyber risks, undertaking regular risk assessments to identify assets across our global landscape and implementing strategies to mitigate risks. Employee training and awareness programmes tailored to specific business units to share best practices for data handling procedures and phishing prevention. Several phishing campaigns have been initiated to address cyber threats and enhance crew training. There is an ongoing emphasis on data security, utilising Microsoft products for data labelling and managing data age. ***thl*** Digital will collaborate with the business to implement a data retention policy.	KNOWLEDGE FINANCIAL OUR CREW
Supply chain disruption	Supply chain issues (shipping delays, product shortages, manufacturing disruptions) contributing to delays and/or a shortage of vehicles, increased manufacture cost, potentially causing rental booking cancellations and delaying retail vehicle deliveries.	Impact on delivery for customers and/or increase in cost of vehicle buy/build/maintenance impacting profitability. Potential reputational and revenue impact.	Maintain ongoing relationships and communication with existing suppliers and potential new suppliers; regular monitoring, review and production meetings; fleet and revenue planning; increased raw material stock. Reforecast revenue quarterly in line with reforecasted manufacturing assumptions; reschedule vehicle sale plans; and explore alternative rental/sales product types.	NATURE FINANCIAL RELATIONSHIP
Major market shocks or cyclical/abnormal macroeconomic factors	Global or local macroeconomic factors or market shocks that impact supply or demand in all or some of the markets we operate in, including pandemic, war, terrorism, economic recession and geopolitical tensions. Some markets in which ***thl*** operates remain in recession with the potential for other markets to revert back into recession.	Market shocks or abnormal macroeconomic factors can lead to a material reduction and/or increased volatility in rental demand, positive or negative vehicle sales margin and overall tourism visitor numbers. This in turn would have a significant impact on profitability, liquidity and potentially capital structure.	Active monitoring of global trends and the economic environment; agility and diversification in business models, product offerings and across geographies. Development of domestic tourism and non-tourism markets and non-RV-related manufacturing. Long-term fixed costs and commitments minimised where appropriate to maintain cost flexibility. Monitoring of the forward-booking trends to detect changes and adapt pricing or fleet as required. Strong fiscal management of balance sheet through means such as having a liquid fleet asset base and re-financing of banking facilities with greater capacity and more favourable terms, allowing us to quickly adjust debt levels and tolerance.	KNOWLEDGE FINANCIAL INFRASTRUCTURE
Long-term global inflation	Long-term global inflation could cause detrimental impact to vehicle sales margins and overall business model, as seen with OEM pricing, shipping and other supply chain increases.	A significant reduction in profitability could occur if long-term inflation becomes embedded in the manufacturing supply chain and these cost rises are not able to be passed on to vehicle purchasers, causing a loss of sales margin and threatening the overall business model.	Fleet planning consideration given to impact on return on funds employed (ROFE); regular meetings and active monitoring of supply chain and availability; reviewing and adjusting fleet sales scheduling.	FINANCIALS

Risk Title	Risk Description	Impacts	Risk Controls	Our Resources
Competitor behaviour disrupts market	New or existing competitors entering or expanding in the market (including manufacturers entering the rentals space). Peer-to-peer market continuing to grow.	Additional fleet supply and new entrant behaviours alter market dynamics, putting business model, revenue and profitability at risk.	Regular fleet and pricing review; price checks; mystery shoppers; competitor assessments; multi-channel distribution presence; explore alternative rental / sales product types. Continued product development based on current customer need.	KNOWLEDGE FINANCIAL RELATIONSHIPS
Megatrends in tourism	Market shifts, technology advancements and changing preference/attitudes can cause shifts in tourism patterns and demands both in the short and long-term.	Reduction in inbound tourism reduces demand, impacting profitability and ROFE. External factors increase the cost of air travel. Potential reputational impact.	Maintain presence in core markets through geographic spread of ***thl*** businesses; develop new markets; continue to source non-tourism revenue opportunities and to engage with tourism bodies; monitor economic/external environment; manage balance sheet ratios, flex fleet; drive and communicate sustainability progress to meet/anticipate customer expectations.	NATURE OUR CREW
Regulatory and legal compliance	Changing governments or political contexts can result in sudden changes in regulatory and legal standards. With ***thl*** operating in several countries and industries (including tourism, automotive manufacturing and transportation), the legislative context is complex.	Potential legal, financial and reputational impacts such as exposure to litigation, revenue loss and operational disruption.	Monitoring of upcoming legal policy and compliance changes through engagement with legal advisers in each region. The ***thl*** Future Fleet Global Scan highlights changing regulation with regard to internal combustion engine vehicle import cut-off dates and eRV charging infrastructure.	OUR CREW FINANCIAL INFRASTRUCTURE
Vehicle technological and obsolescence risks	Our business currently relies on motorhome manufacturing, rentals and sales. There are several potential risks associated with the possible poor selection of future fleet and investment in new, low-emission vehicle technology alongside the expected rapid pace of technology change. Evolving technology and regulatory changes such as internal combustion engine sales / import cut-off dates may cause parts for repair to no longer be available and/or entire vehicles to become obsolete.	Early adoption of the wrong product (in volume) leads to having a fleet profile that is misaligned with demand, a lack of reduction in emissions contributing to climate change and financial consequences. Obsolescence of existing fleet has a risk that it could lead to impairment of all or some of fleet, operational impacts of poor decisions and disruption to daily activity.	Continue delivery of the Future Fleet programme including Future Fleet eRV trials and regular external Future Fleet Global Scans providing an overview of regulation, low-emissions technology tipping points, renewable energy infrastructure and climate trends. 'Small bets often' is the mitigation mantra.	NATURE FINANCIAL INFRASTRUCTURE RELATIONSHIPS
Labour supply risk: recruitment and retention	Globally, recruitment challenges are easing with some locational hotspots and some roles still tight on supply. Overall, we remain in a low unemployment environment with continued wage pressures in all jurisdictions. The challenge continues to prepare to have the right number of crew with the right skills to deliver operationally. This is a particular risk in the lead-up to peak periods.	Lack of skilled labour and sustainable labour force/high churn impacting operations and customer offering. Loss or lack of key crew members (such as from increased cost of working holiday visas) resulting in loss of knowledge, skills or reputation that could impair the execution of the business strategic plan.	Clear strategies to retain our crew through personal development plans, wellbeing and appropriate remuneration for each role where possible aligned with our Future-Fit Wage. Regarding talent acquisition, our brand as an employer of choice has been redefined to reflect the significant opportunities of our merged businesses and development of assets to support effective recruitment is under way. Continue to keep watching brief on availability of visitor working visas and permits in the different regions in which we operate.	OUR CREW FINANCIAL RELATIONSHIPS

Risk Title	Risk Description	Impacts	Risk Controls	Our Resources
Health, Safety & Wellbeing (HSW)	The safety of our crew and customers remains a critical priority to ***thl***. The key operational health and safety risks to our business to proactively manage are onsite traffic management, working at heights, manufacturing services and adventure tourism.	Potential for serious injury or loss of life; financial and reputational consequences; operational disruption; impact on mental health of those directly and indirectly impacted by a HSW event.	Protect programme embedded throughout rental and retail business to connect the purpose of managing HSW to all crew, especially those in high-risk environments. Regular internal and external site audits and assessments are undertaken, with outcomes being captured as part of ongoing risk assessments. HSW team working within operational business units to capitalise on global learnings and implement best practices at a site level; process, procedure and training remains a core growth area in the business. Ongoing assessment of high-risk tasks, equipment and products, including assessing latest technology that may enable risk elimination. New HSW recording system is being rolled out throughout business with clear connection of risks to incidents and near misses, allowing us to continue to monitor and improve our controls.	OUR CREW FINANCIAL RELATIONSHIPS
Extreme weather events, including from climate change	Globally, extreme weather events continue to cause disruption and ongoing impacts to the communities we operate in and the destinations our customers visit. According to the IPCC's most recent report on climate adaptation, disasters fuelled by the climate crisis are already worse than scientists originally predicted. These weather events have the potential to impact operations and infrastructure, cause loss of fleet and disrupt our customers' travel plans to tourism destinations as well as posing a potential safety risk.	Disruption to travel infrastructure impacting customers, crew or suppliers and/or impacting operations. Disruption to our tourism businesses including the Discover Waitomo tours, cave and karst ecosystem and glowworm population.	Continue to proactively monitor potential significant events and climate conditions and their possible impact on our customers, crew and assets; regular training and crew awareness/engagement. Telematics enables us to identify who is in/near impacted areas and provide advance warning. Consider proactive improvements to locations to minimise impacts from weather events. We recently undertook a climate-related extreme weather event Risk Simulation which tested the emergency preparedness of Australian and New Zealand leaders. ***thl*** Climate Risks & Opportunities will be disclosed separately in ***thl***'s Climate Statements report in alignment with the XRB Climate Standards. See Our carbon footprint section of this report for more information.	NATURE FINANCIAL INFRASTRUCTURE RELATIONSHIPS
Mass safety recalls	Voluntary or required product recalls on OEM-built product occur from time to time and are overseen by a regulator. All factory recalls are controlled and managed by the manufacturer. Serious safety concerns could lead to grounding of fleets and could relate to OEM-built product or vehicle components.	Potential serious injury or death as a result of defective manufacturing practices, processes or component failure. Impacts also include operational disruption and impacts to reputation.	Preventive controls include targeting reputable manufacturers and aiming to have, where possible, a diverse range of products, putting in place service-level agreements with major suppliers and extended warranties. We also have procedures in place covering recall processes with regular Steering Committee meetings and a reporting system to verify that all vehicles are actioned or repaired.	OUR CREW FINANCIAL INFRASTRUCTURE RELATIONSHIPS

Financials



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Directors' Statement

The Directors of Tourism Holdings Limited (***thl***) are pleased to present to shareholders, the Annual Financial Statements for ***thl*** and its controlled entities (together the 'Group') for the year ended 30 June 2024.

The Directors are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which present fairly, in all material respects, the financial position of the Group as at 30 June 2024 and the results of the Group's operations and cash flows for the year ended on that date.

The Directors consider the financial statements of the Group have been prepared using accounting policies which have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance of the financial statements with the *Financial Markets Conduct Act 2013*.

The Directors consider that they have taken adequate steps to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

This document constitutes the 2024 Annual Report to shareholders of Tourism Holdings Limited.

This Annual Report is signed on behalf of the Board by:

Cathy Quinn ONZM
Chair of the Board

Rob Hamilton
Chair of the Audit and Risk Committee

27 August 2024

Consolidated statement of comprehensive income

For the financial year ended 30 June 2024

	Notes	2024 $000's	2023 $000's
Sales of services	2.1	440,583	306,988
Sales of goods	2.2	481,148	356,853
Total revenue		921,731	663,841
Cost of sales	2.2	(374,179)	(257,654)
Gross profit		547,552	406,187
Administration expenses	4	(110,288)	(86,926)
Operating expenses	4	(328,542)	(238,894)
Other operating income	3	2,374	8,487
Impairment loss	14.1	(12,481)	–
Operating profit before financing costs(1)		98,615	88,854
Finance income		3,265	629
Finance expenses	6	(43,470)	(23,298)
Net finance costs		(40,205)	(22,669)
Share of profit from associates		–	812
Profit before income tax expense		58,410	66,997
Income tax expense	7.1	(19,034)	(17,139)
Profit for the financial year		39,376	49,858
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation reserve movement (net of tax)	19	(315)	2,233
Cash flow hedge reserve movement (net of tax)	19	(855)	1,697
Items that will not be reclassified subsequently to profit or loss			
Equity investment reserve movement (net of tax)	19	(2,281)	1,638
Other comprehensive (loss)/income for the financial year		(3,451)	5,568
Total comprehensive income for the financial year		35,925	55,426

Earnings per share		CENTS	CENTS
Basic earnings per share	8	18.2	26.4
Diluted earnings per share	8	18.1	26.1

(1) The consolidated statement of comprehensive income includes one non-GAAP measure (that is, operating profit before financing costs or 'EBIT') which is not a defined term in New Zealand International Financial Reporting Standards ('NZ IFRS'). The Directors and management believe that this non-GAAP financial measure provides useful information to assist readers in understanding the Group's financial performance. This measure should not be viewed in isolation and is intended to supplement the NZ GAAP measures. Therefore, it may not be comparable to similarly titled amounts reported by other companies.

The accompanying notes form part of, and should be read in conjunction with, these financial statements.

Consolidated statement of financial position

As at 30 June 2024

	Notes	2024 $000's	2023 $000's
Assets			
Non-current assets			
Property, plant and equipment	10	829,284	659,291
Intangible assets	14	186,462	190,315
Investments	17	148	23,275
Derivative financial instruments	26	1,269	2,422
Right-of-use assets	11	130,089	145,010
Deferred tax assets	7.3	683	–
Total non-current assets		1,147,935	1,020,313
Current assets			
Cash and cash equivalents		56,785	76,794
Trade and other receivables	21	71,083	64,035
Inventories	13	221,216	181,928
Investments	17	82	66
Current tax receivables		–	13
Derivative financial instruments	26	357	421
Total current assets		349,523	323,257
Total assets		1,497,458	1,343,570

	Notes	2024 $000's	2023 $000's
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	20	385,515	250,715
Deferred tax liabilities	7.3	45,495	36,987
Lease liabilities		126,909	139,226
Employee benefits	27	300	233
Total non-current liabilities		558,219	427,161
Current liabilities			
Interest-bearing loans and borrowings	20	117,157	111,225
Trade and other payables	22	82,633	62,033
Revenue in advance	23	69,243	75,980
Employee benefits	27	19,914	19,115
Provisions		2,752	3,495
Derivative financial instruments	26	105	–
Current tax payables		9,968	12,903
Lease liabilities		20,579	20,703
Total current liabilities		322,351	305,454
Total liabilities		880,570	732,615
Net assets		616,888	610,955
Equity			
Share capital	18	516,402	503,007
Cash flow hedge reserve	19	1,163	2,018
Other reserves	19	15,134	18,081
Retained earnings		84,189	87,849
Total equity		616,888	610,955

The accompanying notes form part of, and should be read in conjunction with, these financial statements.

Consolidated statement of changes in equity

For the financial year ended 30 June 2024

	Notes	Share capital $000's	Cash flow hedge reserve $000's	Other reserves $000's	Retained earnings $000's	Total Equity $000's
Balance as at 1 July 2023		503,007	2,018	18,081	87,849	610,955
Profit for the financial year		–	–	–	39,376	39,376
Other comprehensive loss for the financial year		–	(855)	(2,596)	–	(3,451)
Total comprehensive (loss)/income for the financial year		–	(855)	(2,596)	39,376	35,925
Transactions with owners, recorded directly in equity						
Dividends paid	9	–	–	–	(42,031)	(42,031)
Ordinary shares issued	18	12,233	–	–	–	12,233
Transfers from employee share scheme reserve	18	1,162	–	(1,754)	592	–
Share-based payments	29	–	–	(194)	–	(194)
Transfer from equity investment reserve	19	–	–	1,597	(1,597)	–
Balance as at 30 June 2024		516,402	1,163	15,134	84,189	616,888

	Notes	Share capital $000's	Cash flow hedge reserve $000's	Other reserves $000's	Retained earnings $000's	Total equity $000's
Balance as at 1 July 2022		278,983	321	14,664	37,700	331,668
Profit for the financial year		–	–	–	49,858	49,858
Other comprehensive income for the financial year		–	1,697	3,871	–	5,568
Total comprehensive income for the financial year		–	1,697	3,871	49,858	55,426
Transactions with owners, recorded directly in equity						
Ordinary shares issued for the acquisition of Apollo	15.2,18	212,889	–	–	–	212,889
Ordinary shares issued as part of consideration for 51% acquisition of Just go	15.3,18	8,031	–	–	–	8,031
Ordinary shares issued	18	779	–	–	–	779
Transfers from employee share scheme reserve	18	2,325	–	(2,616)	291	–
Share-based payments	29	–	–	2,162	–	2,162
Balance as at 30 June 2023		503,007	2,018	18,081	87,849	610,955

The accompanying notes form part of, and should be read in conjunction with, these financial statements.

Consolidated statement of cash flows

For the financial year ended 30 June 2024

	Notes	2024 $000's	2023 $000's
Cash flows from operating activities			
Receipts from customers		446,001	316,907
Proceeds from sale of goods		471,742	352,441
Interest received		3,265	531
Payments to suppliers and employees		(619,716)	(400,085)
Purchase of rental assets		(345,121)	(312,082)
Interest paid		(41,756)	(23,542)
Net income tax (paid)/received		(10,057)	4,403
Net cash flows used in operating activities	30	(95,642)	(61,427)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		430	58,619
Purchase of property, plant and equipment		(12,078)	(7,014)
Purchase of intangibles		(4,010)	(5,107)
Proceeds from sale of investments	17	20,821	–
Purchase consideration for the Camperagent acquisition	15.1	(11,839)	–
Net cash received as part of the Apollo business combination	15.2	–	50,602
Net cash received as part of the step acquisition of Just go	15.3	–	4,374
Advance to joint venture		–	(172)
Net cash flows (used in)/from investing activities		(6,676)	101,302
Cash flows from financing activities			
Proceeds from exercise of share options	18	1,780	975
Proceeds from interest-bearing loans and borrowings	30.3	733,317	417,741
Repayment of interest-bearing loans and borrowings	30.3	(593,934)	(400,873)
Repayment of lease liability principal	30.3	(25,304)	(21,938)
Dividends paid		(33,354)	–
Net cash flows from/(used in) financing activities		82,505	(4,095)
Net (decrease)/increase in cash and cash equivalents		(19,813)	35,780
Opening cash and cash equivalents		76,794	38,816
Effect of exchange rate fluctuations on cash and cash equivalents		(196)	2,198
Closing cash and cash equivalents		56,785	76,794

The accompanying notes form part of, and should be read in conjunction with, these financial statements.

Notes to the consolidated financial statements

For the financial year ended 30 June 2024

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Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

About this report

Basis of preparation

The primary operations of Tourism Holdings Limited (the 'Company' or '***thl***') and its subsidiaries (together the 'Group') are the manufacture, rental and sale of recreational vehicles (RVs) including motorhomes, campervans and caravans and other tourism related activities. The Company is domiciled in New Zealand.

Tourism Holdings Limited is a company registered under the Companies Act 1993 and is an FMC reporting entity under Part 7 of the Financial Markets Conduct Act 2013. The Company's shares are dual listed on the New Zealand Stock Exchange and the Australian Securities Exchange (ticker code: ***THL***).

The registered office is:
Level 1, 83 Beach Road
Auckland 1010
New Zealand

The consolidated financial statements of the Group have been prepared:

- in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP) and comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards (IFRS), as applicable for a 'for profit' entity;
- in accordance with the requirements of Part 7 of the Financial Markets Conduct Act 2013 and the NZX Main Board Listing Rules;
- under the historical cost convention, as modified by the revaluation of certain assets and liabilities as identified in specific accounting policies; and
- in New Zealand dollars with values rounded to thousands ($000's) unless otherwise stated.

These financial statements have been prepared on a going concern basis.

These consolidated financial statements were approved for issue on 27 August 2024.

Throughout this document, critical accounting estimates are identified using the following key:

Material accounting policies

Critical accounting estimates

Summary of significant accounting policies

(a) Consolidation

The Group consolidates its subsidiaries, as these are the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Information on the Group's subsidiaries can be found in note 16.

(b) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in New Zealand dollars, rounded to the nearest thousand, which is the Company's functional and presentation currency.

Translation into presentation currency

The results and financial position of all the Group entities with foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each statement of financial position ('balance sheet') presented are translated at the closing rate at the date of that balance sheet;

(ii) income and expenses are translated at the average monthly exchange rates; and

(iii) all resulting exchange differences are recognised as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

Transactions and balances in the functional currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash flow hedges.

At the end of each reporting period:

(i) Foreign currency monetary items are translated using the closing rate;

(ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and

(iii) Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

Section A – Financial performance

In this section

This section explains the financial operations of ***thl***, providing additional information about individual items in the consolidated statement of comprehensive income, including segmental information, certain expenses and dividend distribution information.

1. Segment reporting

thl is organised into geographic and service type operating segments. They are made up of the following business operations:

New Zealand Rentals & Sales – Rental of motorhomes and the sale of new and ex-rental fleet direct to the public and through a dealer network;

Action Manufacturing – Manufacturing and the sale of motorhomes and other speciality vehicles;

Tourism – Kiwi Experience and the Discover Waitomo Caves Group experiences;

Australia Rentals, Sales & Manufacturing – Rental of motorhomes and 4WD vehicles, manufacture of RVs, the sale of new and used RVs and ex-rental fleet direct to the public and through a dealer network and Australian Group Support Services;

United States Rentals & Sales – Rental of motorhomes and the sale of new and ex-rental fleet directly to the public and through a dealer network;

Canada Rentals & Sales – Rental of motorhomes and the sale of new and ex-rental fleet directly to the public and through a dealer network;

UK/Ireland Rentals & Sales – Rental of motorhomes and the sale of new and ex-rental fleet directly to the public and through a dealer network; and

Corporate – New Zealand Group Support Services and ***thl*** digital.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive management team together with the Board of Directors (the Board), who make strategic decisions.

Operating profit/(loss) before interest and tax is the main financial measure used by the CODM to review the Group's performance.

All revenue is reported to the executive team on a basis consistent with that used in the consolidated statement of comprehensive income. The Group is not reliant on any one external individual customer for 10 per cent or more of the Group's revenue. Operating expenses incurred by one segment on behalf of another and recharged on a cost-recovery basis are presented on a net basis. Intra-group dividends are presented net of eliminations. Segment assets and liabilities are measured in the same way as in the consolidated statement of financial position. These assets and liabilities are allocated based on the operations of the segment, and the physical location for assets.

Segment assets consist primarily of property, plant and equipment, intangible assets, right-of-use assets, inventories, trade and other receivables and cash and cash equivalents used in the operations of the segments. The investments and derivatives designated as hedges of borrowings are allocated to the 'Corporate' operating segment as these are managed and monitored on a Group basis.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

1. Segment reporting (continued)

2024	New Zealand Rentals & Sales $000's	Action Manufacturing $000's	Tourism $000's	Australia Rentals, Sales & Manufacturing $000's	United States Rentals & Sales $000's	Canada Rentals & Sales $000's	UK/Ireland Rentals & Sales $000's	Corporate $000's	Total $000's
Sales of services	110,628	60	41,952	129,370	87,329	51,212	18,997	1,035	440,583
Sales of goods - external	37,015	73,939	–	246,822	70,068	36,692	16,612	–	481,148
Sales of goods - inter-segment	–	104,503	–	–	2,012	999	15,621	–	123,135
Total segment revenue	147,643	178,502	41,952	376,192	159,409	88,903	51,230	1,035	1,044,866
Depreciation	(20,151)	(4,364)	(1,464)	(32,289)	(23,838)	(9,313)	(3,960)	(563)	(95,942)
Amortisation	(19)	(16)	(623)	544	(123)	310	–	(1,493)	(1,420)
Impairment loss	–	–	–	–	–	–	(12,481)	–	(12,481)
Other costs - external	(81,797)	(61,980)	(26,889)	(302,518)	(132,481)	(66,722)	(32,060)	(10,419)	(714,866)
Other costs - inter-segment	–	(98,253)	–	–	(1,925)	(1,022)	(15,484)	–	(116,684)
Segment operating profit/(loss) before finance costs	45,676	13,889	12,976	41,929	1,042	12,156	(12,755)	(11,440)	103,473
Interest income	–	131	–	319	317	931	10	1,557	3,265
Interest expense	(3,839)	(1,194)	(999)	(12,872)	(12,516)	(8,633)	(3,308)	(109)	(43,470)
Segment profit/(loss) before income tax	41,837	12,826	11,977	29,376	(11,157)	4,454	(16,053)	(9,992)	63,268
Segment income tax (expense)/benefit	(11,169)	(3,591)	(4,357)	(7,500)	3,012	(739)	373	1,889	(22,082)
Segment profit/(loss) for the financial year	30,668	9,235	7,620	21,876	(8,145)	3,715	(15,680)	(8,103)	41,186
Other segment disclosures									
Capital expenditure	129,183	2,554	385	82,884	77,837	31,976	37,910	3,153	365,882
Non-current assets	245,293	24,174	13,865	358,319	265,419	167,261	56,131	25,882	1,156,344
Total assets	285,973	73,877	16,134	525,848	302,559	194,038	67,059	40,440	1,505,928

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

1. Segment reporting (continued)

2023	New Zealand Rentals & Sales $000's	Action Manufacturing $000's	Tourism $000's	Australia Rentals, Sales & Manufacturing $000's	United States Rentals & Sales $000's	Canada Rentals & Sales $000's	UK/Ireland Rentals & Sales $000's	Corporate $000's	Total $000's
Sales of services	77,029	–	25,069	106,414	78,656	12,066	6,614	1,140	306,988
Sales of goods - external	47,204	47,007	–	132,332	97,741	22,372	10,052	145	356,853
Sales of goods - inter-segment	–	71,497	–	–	–	–	–	–	71,497
Total segment revenue	124,233	118,504	25,069	238,746	176,397	34,438	16,666	1,285	735,338
Depreciation	(13,144)	(3,394)	(1,470)	(22,251)	(21,176)	(2,959)	(2,366)	(665)	(67,425)
Amortisation	(155)	(32)	(621)	(459)	(117)	(73)	–	(1,018)	(2,475)
Other costs - external	(78,806)	(39,572)	(16,686)	(179,996)	(141,635)	(30,822)	(16,157)	(1,707)	(505,381)
Other costs - inter-segment	–	(67,208)	–	–	–	–	–	–	(67,208)
Segment operating profit/(loss) before financing costs	32,128	8,298	6,292	36,040	13,469	584	(1,857)	(2,105)	92,849
Interest income	–	60	–	408	123	106	(45)	(23)	629
Interest expense	(682)	(752)	(61)	(6,285)	(5,758)	(4,346)	(1,222)	(4,192)	(23,298)
Share of profit from associates	–	–	–	–	–	–	812	–	812
Segment profit/(loss) before income tax	31,446	7,606	6,231	30,163	7,834	(3,656)	(2,312)	(6,320)	70,992
Segment income tax (expense)/benefit	(9,260)	(2,130)	(1,856)	(4,682)	(2,042)	1,810	345	676	(17,139)
Segment profit/(loss) for the financial year	22,186	5,476	4,375	25,481	5,792	(1,846)	(1,967)	(5,644)	53,853
Other segment disclosures									
Capital expenditure	67,043	4,038	454	62,725	125,315	49,438	17,587	742	327,342
Non-current assets	138,699	26,903	15,659	284,072	267,109	195,430	61,292	40,334	1,029,498
Total assets(1)	170,405	80,750	17,538	431,358	305,853	209,668	76,430	61,301	1,353,303

(1) Provisional goodwill of $102.1 million at 30 June 2023 acquired from the Apollo business combination was reallocated from the Corporate segment to the Australia Rentals & Sales and New Zealand Rentals & Sales operating segments of $95.1 million and $7.0 million respectively.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

1. Segment reporting (continued)

Reconciliation of reportable segment revenue and profit before income tax

	Revenue		Profit before tax	
	2024 $000's	2023 $000's	**2024 $000's**	2023 $000's
Segment total	**1,044,866**	735,338	**63,268**	70,992
Consolidation adjustments relating to intra-group sale of goods[1]	**(123,135)**	(71,497)	**(4,858)**	(3,995)
Consolidated total	**921,731**	663,841	**58,410**	66,997

Reconciliation of reportable segment assets

	Non-current assets		Total assets	
	2024 $000's	2023 $000's	**2024 $000's**	2023 $000's
Segment total	**1,156,344**	1,029,498	**1,505,928**	1,353,303
Consolidation adjustments relating to intra-group sale of goods[1]	**(8,409)**	(9,185)	**(8,470)**	(9,733)
Consolidated total	**1,147,935**	1,020,313	**1,497,458**	1,343,570

(1) This consolidation adjustment relates to the elimination of internal sales and purchases of rental fleet vehicles between the Group's operating segments. Sales and purchases of rental fleet vehicles and inventory between the Australian manufacturing, retail and rental businesses are eliminated within the Australia Rentals, Sales & Manufacturing operating segment.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

2. Revenue

The revenue earned by the Group is derived from the satisfaction of one or more performance obligations, which are satisfied at a point in time or over a period of time.

(i) Sales of services

Sales of services comprises rental income and service revenue.

Rental income

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases as a lessor. Rental income is recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction. Where the rental covers a period of more than one day, revenue is recognised on a straight-line basis based on the number of days of the booking that have occurred by year-end as a proportion of the total number of days in the booking. The portion of the revenue that occurs after year-end is shown as revenue in advance on the statement of financial position.

Service revenue

Service revenue comprises various performance obligations (rental add-ons such as accessories and customer liability reduction) in which satisfaction in most cases occurs evenly over the rental period and is recognised accordingly. The Group recognises this revenue over time, as the customer simultaneously receives and consumes the benefits provided by the Group's performance.

Sales from tourism services are recognised when the service is rendered to the customer and are recognised in the accounting period in which the performance obligation is satisfied, being when the customer obtains the benefit from the service. It relates to the satisfaction of a number of performance obligations at a point in time; the contract price that is determined for any single performance obligation is based with reference to the stand-alone price and no significant financing components exist, as the transaction is settled within 12 months from the transaction date. There are no costs to obtain or fulfil the contract.

The Group prices its services on a fixed basis and the pricing is fixed and determinable when the duly executed arrangement is finalised. It has also been determined that there are no significant financing components as part of the Group's sale of services arrangements.

Revenue from these sales is recognised net of the estimated discounts or other promotions. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

(ii) Sales of goods

The Group sells a range of RVs including motorhomes, campervans, caravans, accessories and other merchandise. Sales are recognised when control of the goods has transferred, being when the goods are delivered to the customer and the customer has the ability to direct the use of the goods. It relates to the satisfaction of a single performance obligation at a point in time; the contract price is determined and no significant financing components exist as the transaction is settled within 12 months from the transaction date and there are no costs to obtain or fulfil the contract.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

2. Revenue (continued)

2.1 Sales of services

Sales of services includes revenue from rental of motorhomes, Wi-Fi, accessories, additional services relating to the rental of motorhomes, revenue from RV repairs and servicing and the sale of tourism experiences (for Kiwi Experience and Waitomo) and app subscriptions income (***thl*** digital).

	2024 $000's	2023 $000's
Rental revenue	315,596	232,853
Service revenue	124,987	74,135
Total sales of services	440,583	306,988

The expected minimum lease payments to be received on lease of motorhomes, based on the booked rentals as of balance date, are as follows:

	2024 $000's	2023 $000's
Within one year	27,654	27,104
Within one to two years	4	26
Total minimum lease payments	27,658	27,130

2.2 Sales of goods

Sales of goods includes revenue from the sale of motorhomes, caravans, other specialty vehicles and other merchandise.

Cost of goods includes the net book value of ex-rental fleet sold and the purchase price of new vehicles, trade-ins and retail goods sold.

	2024 $000's	2023 $000's
Sales of goods	481,148	356,853
Cost of sales	(374,179)	(257,654)
Gross profit	106,969	99,199

3. Other operating income

	2024 $000's	2023 $000's
Other income	2,595	3,339
Fair value gains on financial assets recognised at fair value through profit or loss	18	1,638
Gain on previously held equity instrument(1)	–	3,510
Loss on disposals of non-fleet assets	(239)	–
Other operating income	2,374	8,487

(1) For the financial year ended 30 June 2023, $3.5 million relates to the Group's revaluation of its previously held 49% shareholding in Just go.

4. Administration and operating expenses

Administration and operating expenses include:

	Notes	2024 $000's	2023 $000's
Depreciation	10,11	94,354	67,131
Amortisation	14	1,420	2,475
Repairs and maintenance including damage repairs		40,375	32,259
Marketing costs		13,263	9,370
Information technology costs		11,325	7,822
Raw materials and consumables		5,648	3,099
Rental and lease costs		5,435	3,614
Transaction costs(1)		–	5,760
Net foreign exchange gain		(612)	(812)

(1) For the financial year ended 30 June 2023 transaction costs from the Apollo merger of $5.8 million were expensed through the consolidated statement of comprehensive income.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

5. Employee benefits expense

Employee entitlements to salaries and wages and annual leave to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided up to the reporting date. These are calculated at undiscounted amounts based on remuneration rates that the Group expects to pay.

	2024 $000's	2023 $000's
Wages and salaries	167,975	120,109
Share-based payments	693	1,226
Other employee benefits	5,798	4,123
Total employee remuneration	174,466	125,458

6. Finance expenses

	2024 $000's	2023 $000's
Interest on interest-bearing loans and borrowings	35,436	16,949
Interest on lease liabilities	8,034	6,349
Total finance expenses	43,470	23,298

7. Income tax

The Group is subject to income taxes in multiple jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is subject of a thorough review. In the event of uncertain tax positions, the Group recognises a tax liability when there is an expected future outflow of funds to a taxation authority. In such cases, a provision is made for the most likely amount or expected value to be settled. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Current and deferred income tax

Income tax expenses comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantially enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available, against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not be reversed in the foreseeable future.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

7. Income tax (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantially enacted by balance date.

Current tax and deferred tax are charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the tax is classified within equity.

7.1 Income tax expense

	2024 $000's	2023 $000's
Income tax expense		
Current tax expense for the financial year	14,163	15,182
Adjustment for prior financial years	(2,048)	–
Total current tax expense	12,115	15,182
Deferred tax expense		
Increase in deferred tax assets	(5,106)	(3)
Increase in deferred tax liabilities	12,025	1,960
Total deferred tax expense	6,919	1,957
Total income tax expense	19,034	17,139

7.2 Reconciliation of income tax expense

The tax on profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated companies. For the financial year ended 30 June 2024 the weighted average effective tax rate was 32.6% (2023: 25.6%). The impairment of goodwill allocated to the UK/Ireland Rentals & Sales operating segment has resulted in a higher weighted average effective tax rate and an increase in expenses not deductible for tax purposes for the 2024 financial year.

	2024 $000's	2023 $000's
Profit before income tax expense	58,410	66,997
Tax calculated at domestic rates applicable to the profits/(losses) in the respective countries	16,403	18,947
Prior year adjustments	(3,345)	(775)
Non-assessable income[(1)]	(155)	(2,454)
Expenses not deductible for tax purposes	5,021	1,655
Recognised deferred tax on share-based payments	602	(234)
Adjustment from removal of depreciation on New Zealand commercial buildings	588	–
Other adjustments	(80)	–
Income tax expense	19,034	17,139

(1) The non-assessable income includes income from the Group's equity investment in Just go to 30 September 2022 and fair value gain from acquiring the remaining 51% shareholding in Just go (note 15.3).

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

7. Income tax (continued)

7.3 Deferred income tax

Deferred income tax assets are recognised for tax loss carry-forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current liabilities and when the deferred income tax relates to the same fiscal authority.

Deferred tax assets and liabilities are offset in the consolidated statement of financial position and presented as a net deferred tax liability where the Group has a legally enforceable right to set off the recognised amounts and when the Group either intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

	2024 $000's	2023 $000's
Deferred tax assets	683	–
Deferred tax liabilities	(45,495)	(36,987)
Net deferred tax liabilities	(44,812)	(36,987)

The movement in the deferred tax assets and liabilities is provided below:

2024	Opening balance as at 1 July 2023 $000's	Recognised in profit or loss $000's	Recognised in equity $000's	Closing balance as at 30 June 2024 $000's
Tax losses	45,843	(2,163)	–	43,680
Provisions	13,046	7,519	–	20,565
Derivative financial instruments	2,432	72	–	2,504
Lease liabilities	4,006	(367)	–	3,639
Reserves	1,121	45	(1,166)	–
Deferred tax assets	66,448	5,106	(1,166)	70,388
Property, plant and equipment	(92,536)	(11,015)	–	(103,551)
Intangible assets	(5,967)	(1,720)	–	(7,687)
Derivative financial instruments	(3,823)	–	384	(3,439)
Trade and other receivables	(1,109)	710	–	(399)
Reserves	–	–	(124)	(124)
Deferred tax liabilities	(103,435)	(12,025)	260	(115,200)
Net deferred tax liabilities	(36,987)	(6,919)	(906)	(44,812)

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

7. Income tax (continued)

2023	Opening balance as at 1 July 2022 $000's	Acquired from business combina-tions $000's	Recognised in profit or loss $000's	Recognised in equity $000's	Closing balance as at 30 June 2023 $000's
Tax losses[1]	33,845	5,783	6,215	–	45,843
Provisions	3,850	4,295	4,901	–	13,046
Derivative financial instruments	639	1,793	–	–	2,432
Lease liabilities	2,405	1,601	–	–	4,006
Reserves	–	804	–	317	1,121
Deferred tax assets	40,739	14,276	11,116	317	66,448
Property, plant and equipment	(54,837)	(24,419)	(13,280)	–	(92,536)
Intangible assets	–	(6,174)	207	–	(5,967)
Derivative financial instruments	(1,639)	(1,396)	–	(788)	(3,823)
Trade and other receivables	(340)	(769)	–	–	(1,109)
Deferred tax liabilities	(56,816)	(32,758)	(13,073)	(788)	(103,435)
Net deferred tax liabilities	(16,077)	(18,482)	(1,957)	(471)	(36,987)

(1) Balances recognised and assumed from business combinations from Just go and Apollo were $2.3 million and $16.2 million respectively.

8. Earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares to assume conversion of all dilutive shares arising from the employee share scheme (refer to note 29).

Basic and diluted profit attributable to ordinary equity holders of the Company is $39,376,000 (2023: $49,858,000).

	2024	2023
Weighted average number of ordinary shares (basic)	216,763,433	189,009,054
Effect of conversion of redeemable shares and options if exercised	1,040,263	1,808,000
Weighted average number of ordinary shares (diluted)	217,803,696	190,817,054

9. Dividends

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Board.

	2024		2023	
	Cents per share	$000's	Cents per share	$000's
2023 final dividend	15.0	32,247	–	–
2024 interim dividend	4.5	9,784	–	–
Total dividends on ordinary shares		42,031		–
Dividends not recognised in the consolidated statement of financial position				
Dividends determined since reporting date				
2024 final dividend (refer note 33)	5.0	10,911	–	–

	2024 $000's	2023 $000's
Imputation credits available for use in subsequent reporting periods		
New Zealand imputation credit account (NZD)	11,673	14,682
Australia franking credit account (AUD)	439	7,903

The above amounts represent the balance of the imputation and franking account as at the end of the financial year, adjusted for:

- Imputation credits that will arise from the payment of the amount of the provision for income tax;
- Imputation debits that will arise from the payment of dividends recognised as a liability at the reporting date; and
- Imputation credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

Section B – Assets used to generate profit

In this section

This section describes the assets ***thl*** uses in the business to generate profit, including:

- **Property, plant and equipment**

  The most significant component is the motorhome fleet. Premises in general are leased, however significant owned properties are the Waitomo Caves Visitor Centre and the Waitomo Caves Homestead.

- **Right-of-use assets**

  The most significant leased assets relate to the premises in New Zealand, Australia, Canada and the United States.

- **Inventories**

  The most significant inventory items are vehicles available for sale including ex-rental motorhome fleet assets and new or trade-in motorhomes, campervans, and caravans. Other inventory items include spare parts, living equipment used inside rental motorhomes, and retail shop stock.

- **Intangible assets**

  Intangible assets include:

  – goodwill arising from the acquisitions of the Road Bear RV, El Monte RV, and Apollo businesses;

  – the cost of the Waitomo Caves leases;

  – software;

  – supplier relationships;

  – brands; and

  – trademarks and licenses.

10. Property, plant and equipment

The Group estimates the residual values of the fleet in order to depreciate motorhome assets using the straight-line method. This estimate of the useful life and the residual value of the vehicle is based on when it is expected to be taken out of the rental fleet. The residual value is influenced by its condition, the mileage on the motorhome and the consumer demand within the relevant resale market. The Group also considers the market conditions and the impact any changes could have on the estimates as part of the overall fleet management programme. The Group completes an annual review of the appropriateness of the residual values and useful lives that have been used by reviewing the gains/losses made on recent sales and forecasts of similar motorhomes. The estimated useful lives of motorhomes on the rental fleet are 1 - 7 years. The annual depreciation rates for motorhomes, ranging from 2% to 15% of the original costs, are influenced by the residual value at the time of sale. If the depreciation rate increases/(decreases) by 1% for motorhomes, the depreciation expense will increase/(decrease) by approximately $7.5 million for the financial year (2023: $5.0 million).

Depreciation on other assets is calculated using the straight-line method to allocate their cost amounts to their residual values over their estimated useful lives.

Land and buildings are shown at historical cost, less subsequent accumulated depreciation for buildings. Land is not depreciated. All other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost amounts to their residual values over their estimated useful lives as follows:

Buildings	8 - 50 years
Leasehold improvements	Term of the lease
Motor vehicles (non-fleet)	3 - 14 years
Other plant & equipment	2 - 40 years

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

10. Property, plant and equipment (continued)

The assets' useful lives are reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss.

Property, plant and equipment is made up of the following assets:

- Motorhomes - this comprises the rental fleet of the New Zealand, Australian, Canadian, United States and UK/Europe rentals businesses. Motorhomes that are available for sale are reclassified from property, plant and equipment to inventory;
- Motor vehicles - this comprises vehicles owned by the business, including shuttles and company cars;
- Land and buildings - this comprises owned land and buildings in Waitomo;
- Other plant and equipment - this comprises office equipment, furniture, and other plant used to operate the business; and
- Capital work in progress - this represents capital purchases and projects that are not yet in service. The most significant work in progress relates to the motorhome fleet built for the next season.

2024	Motor-homes $000's	Motor vehicles $000's	Land and buildings $000's	Other plant and equipment $000's	Capital work in progress $000's	Total $000's
Net book value as at 1 July 2023	590,252	1,122	13,309	17,337	37,271	659,291
Additions and transfers from work in progress (net)	311,483	940	2,043	6,961	35,772	357,199
Additions through business combinations (refer note 15)	–	–	–	435	–	435
Disposal and write-offs	(2,284)	(115)	–	(552)	–	(2,951)
Reclassification of motorhomes to inventories	(109,922)	–	–	–	–	(109,922)
Foreign exchange rate movements	(3,976)	–	38	575	–	(3,363)
Depreciation	(64,534)	(358)	(2,063)	(4,450)	–	(71,405)
Net book value as at 30 June 2024	721,019	1,589	13,327	20,306	73,043	829,284
Cost	833,595	3,300	36,112	58,096	73,043	1,004,146
Accumulated depreciation	(112,576)	(1,711)	(22,785)	(37,790)	–	(174,862)
Net book value as at 30 June 2024	721,019	1,589	13,327	20,306	73,043	829,284

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

10. Property, plant and equipment (continued)

2023	Motor-homes $000's	Motor vehicles $000's	Land and buildings $000's	Other plant and equipment $000's	Capital work in progress $000's	Total $000's
Net book value as at 1 July 2022	301,520	764	11,106	6,971	20,848	341,209
Additions and transfers from work in progress (net)	299,919	620	1,461	4,933	20,409	327,342
Additions through business combinations (refer note 15)	165,460	65	2,243	8,294	–	176,062
Disposal and write-offs	(3,391)	(86)	(58)	(99)	(3,986)	(7,620)
Reclassification of motorhomes to inventories	(153,215)	–	–	–	–	(153,215)
Foreign exchange rate movements	12,535	7	408	185	–	13,135
Transfers from right–of–use assets[1]	12,245	–	–	–	–	12,245
Depreciation	(44,821)	(248)	(1,851)	(2,947)	–	(49,867)
Net book value as at 30 June 2023	590,252	1,122	13,309	17,337	37,271	659,291
Cost	676,810	3,056	33,896	58,852	37,271	809,885
Accumulated depreciation	(86,558)	(1,934)	(20,587)	(41,515)	–	(150,594)
Net book value as at 30 June 2023	590,252	1,122	13,309	17,337	37,271	659,291

(1) This transfer relates to Apollo vehicles purchased under a hire purchase agreement, previously accounted for under NZ IFRS 16 *Leases* and recognised as a right-of-use asset.

11. Right-of-use assets

Right-of-use assets

The Group predominantly leases its premises in New Zealand, Australia, Canada, United Kingdom and the United States. Lease agreements may contain both lease and non-lease components. The Group allocates the consideration in the agreement to the lease and non-lease components based on their relative standalone prices. However, for leases of real estate for which the Group is a lessee, the Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms, escalation clauses and renewal rights. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Right-of-use assets are measured at value comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs;
- restoration costs.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the expected lease term on a straight-line basis.

Lease liabilities

Lease liabilities have been measured at the present value of the lease payments, discounted using a discount rate derived from the incremental borrowing rate for each relevant jurisdiction when the interest rate implicit in the lease was not readily available. Incremental borrowing rates applied to lease liabilities range between 2.5% - 9.1% (2023: 2.5% - 9.1%). The Group is exposed to potential future increases in variable lease payments based on the change of an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

11. Right-of-use assets (continued)

Short-term and low-value leases

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the consolidated statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less and predominantly relate to property leases and computer equipment. Extension and termination options are included in a number of property leases across the Group. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment of the lease term is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group. The extension options are only exercisable by the Group and not by the lessor. Where an extension is reasonably certain of being exercised, that extension period and related costs are recognised on the consolidated statement of financial position.

To determine the incremental borrowing rate, the Group uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group and makes adjustments specific to the lease, e.g. term, country, currency and security.

2024	Buildings $000's	Vehicles and equipment $000's	Total $000's
Net book value as at 1 July 2023	144,927	83	145,010
Additions	3,226	8	3,234
Additions through business combinations (refer note 15)	3,337	–	3,337
Modifications	2,668	–	2,668
Termination	(312)	–	(312)
Foreign exchange rate movements	(897)	(2)	(899)
Depreciation	(22,924)	(25)	(22,949)
Net book value as at 30 June 2024	130,025	64	130,089
Cost	192,560	126	192,686
Accumulated depreciation	(62,535)	(62)	(62,597)
Net book value as at 30 June 2024	130,025	64	130,089

2023	Buildings $000's	Vehicles and equipment $000's	Total $000's
Net book value as at 1 July 2022	70,766	–	70,766
Additions	48,721	12	48,733
Additions through business combinations (refer note 15)	34,377	12,325	46,702
Transfer to motorhome property, plant and equipment	–	(12,245)	(12,245)
Modifications	7,201	–	7,201
Foreign exchange rate movements	1,110	7	1,117
Depreciation	(17,248)	(16)	(17,264)
Net book value as at 30 June 2023	144,927	83	145,010
Cost	190,429	136	190,565
Accumulated depreciation	(45,502)	(53)	(45,555)
Net book value as at 30 June 2023	144,927	83	145,010

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

11. Right-of-use assets (continued)

	2024 $000's	2023 $000's
Cash outflows from lease liabilities		
Interest paid on leases (operating activities)	8,848	6,670
Payments for lease liability principal (financing activities)	25,304	21,938
Total cash outflows from lease liabilities	34,152	28,608

12. Capital commitments

Capital commitments relate to the build of the Group's motorhome fleet. Purchase orders placed for capital expenditure at balance date but not yet incurred are as follows:

	2024 $000's	2023 $000's
Property, plant and equipment	106,372	153,436

13. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less all costs necessary to sell inventories.

Ex-rental motorhomes held for sale at balance date have been reclassified as inventory.

Inventories are made up of the following categories:

- Raw materials and work in progress - this comprises parts, factory, direct labour and workshop stock;
- Vehicles held for sale - this mainly comprises new and ex-rental motorhome fleet, which are now on the sale yard and goods in transit;
- Finished goods - this comprises living equipment to be used in motorhomes and retail shop stock; and
- Inventory provision - a provision is created to allow for the value of inventory which is obsolete or to recognise the net realisable value when it is lower than cost.

	2024 $000's	2023 $000's
Raw materials and work in progress	51,334	51,270
Vehicles held for sale	148,472	120,408
Finished goods	22,802	12,177
Provision for obsolescence	(1,392)	(1,927)
Total inventories	221,216	181,928

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

14. Intangible assets

Brands

The Road Bear RV brand acquired in the United States rentals business combination was valued using the relief from royalty method and recognised at fair value at the acquisition date.

The Just go Motorhomes brand acquired in the UK rentals business combination was valued using the relief from royalty method and recognised at fair value at the acquisition date.

A number of rental and retail brands were acquired as part of the Apollo business combination and were valued using the relief from royalty method and recognised at fair value at the acquisition date. The rental brand is Apollo. Retail brands include Windsor and Coromal, which are produced by the Australian manufacturing facility and sold through the dealership network across Australia. The dealership network includes Apollo RV, Sydney RV Group, Kratzmann Caravans and Motorhomes, George Day Caravans and Motorhomes and Camperagent RV Centre Adelaide.

Brand values are included in the net assets of the cash-generating unit (CGU). Brands are deemed to have an indefinite life as the Group has determined that there is no foreseeable limit to the period over which the brand is expected to generate net cash inflows for the entity. Brands are tested annually for impairment and are carried at cost less any accumulated impairment losses. Brands are reviewed periodically to assess whether events and circumstances still justify the assessment of an indefinite useful life.

Supplier relationships

These relate to Winnebago and Adria with exclusive arrangements to manufacture and distribute Winnebago RVs and import and distribute Adria RVs in Australia.

Provisional supplier agreement values are included in the net assets of the CGU and determined using the “with and without” valuation approach which estimates the fair value of an asset by comparing cash flows of the business ‘with’ the asset to the hypothetical cash flows of the business ‘without’ the asset.

Supplier relationships are included in the net assets of the cash-generating unit (CGU). Supplier relationships are deemed to have an indefinite life as the Group has determined that there is no foreseeable limit to the period over which the supplier relationship is expected to generate net cash inflows for the entity. Supplier relationships are tested annually for impairment and are carried at cost less any accumulated impairment losses.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group’s share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Trademarks, leases and licences

Trademarks, leases and licences are shown at historical cost of acquisition by the Group less amortisation.

Amortisation of trademarks, leases and licences are calculated using the straight line method over the life of the underlying assets. These costs are amortised over their estimated useful lives (15-49 years).

Other intangibles

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (3-15 years).

Costs associated with maintaining computer software programmes are recognised as an expense, as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software development and application costs are recognised as assets and are amortised over their estimated useful lives, only if such costs create an intangible asset that the Group controls and the intangible asset meets the recognition criteria. Costs that are not capitalised as computer software are expensed as incurred.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

14. Intangible assets (continued)

Intangible assets of the Group comprise:

- Brands – includes Road Bear RV in the United States and Apollo retail brands;
- Supplier relationships – relates to the exclusive Apollo arrangements to manufacture and distribute Winnebago RVs and import and distribute Adria RVs in Australia;
- Goodwill – relates to the Road Bear, El Monte RV, Camperagent and Apollo business combinations;
- Trademarks, leases and licences – includes intellectual property rights on the Fleet technology platform and a licence to operate the Waitomo Glowworm Caves until 2027, and licences to operate other caves in the Waitomo region, with licence terms expiring in 2032, 2033 and 2039; and
- Other intangibles – relates to acquired software licences and software development costs.

2024	Goodwill $000's	Brands $000's	Supplier relationships $000's	Trademarks, leases and licenses $000's	Other intangibles $000's	Total $000's
Net book value as at 1 July 2023	151,654	7,533	7,124	10,157	13,847	190,315
Additions	–	–	–	–	4,010	4,010
Additions through business combinations (refer note 15)	3,758	–	–	–	–	3,758
Impairment loss (refer note 14.1)	(12,061)	(420)	–	–	–	(12,481)
Foreign exchange rate movements	1,350	487	215	–	228	2,280
Amortisation	–	–	–	(1,047)	(373)	(1,420)
Net book value as at 30 June 2024	144,701	7,600	7,339	9,110	17,712	186,462
Cost	203,058	8,020	7,339	29,138	34,942	282,497
Accumulated amortisation and impairment	(58,357)	(420)	–	(20,028)	(17,230)	(96,035)
Net book value as at 30 June 2024	144,701	7,600	7,339	9,110	17,712	186,462

2023	Goodwill $000's	Brands $000's	Supplier relationships $000's	Trademarks, leases and licenses $000's	Other intangibles $000's	Total $000's
Net book value as at 1 July 2022	34,230	908	–	11,197	9,072	55,407
Additions	2,475	–	–	–	5,107	7,582
Additions through business combinations (refer note 15)	113,244	6,965	7,228	–	1,039	128,476
Foreign exchange rate movements	1,705	(340)	(104)	–	64	1,325
Amortisation	–	–	–	(1,040)	(1,435)	(2,475)
Net book value as at 30 June 2023	151,654	7,533	7,124	10,157	13,847	190,315
Cost	197,952	7,533	7,124	29,138	35,699	277,446
Accumulated amortisation and impairment	(46,298)	–	–	(18,981)	(21,852)	(87,131)
Net book value as at 30 June 2023	151,654	7,533	7,124	10,157	13,847	190,315

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

14. Intangible assets (continued)

14.1 Impairment of goodwill and other intangible assets

The table below details the cash-generating units (CGU) that goodwill, brands and supplier relationships are attributable to:

2024	Goodwill $000's	Brands $000's	Supplier relationships $000's	Total $000's
Australia Rental, Sales & Manufacturing	100,233	6,674	7,339	114,246
United States Rentals & Sales	34,976	926	–	35,902
New Zealand Rentals & Sales	7,017	–	–	7,017
Action Manufacturing	2,475	–	–	2,475
UK/Ireland Rentals & Sales	–	–	–	–
Total intangible assets with an indefinite useful life	144,701	7,600	7,339	159,640

2023	Goodwill $000's	Brands $000's	Supplier relationships $000's	Total $000's
Australia Rental, Sales & Manufacturing	95,140	6,185	7,124	108,449
United States Rentals & Sales	35,000	929	–	35,929
UK/Ireland Rentals & Sales	12,055	419	–	12,474
New Zealand Rentals & Sales	6,984	–	–	6,984
Action Manufacturing	2,475	–	–	2,475
Total intangible assets with an indefinite useful life	151,654	7,533	7,124	166,311

For the purpose of the annual impairment test, goodwill is allocated to the CGUs that are expected to benefit from the synergies of the business combination, which represent the Group's operating segments (refer to note 1). The value of goodwill allocated to the New Zealand Rentals & Sales and Action Manufacturing operating segments is not significant in comparison to the Group's total carrying amount of goodwill, brands, and supplier relationships. The recoverable value for New Zealand Rentals & Sales and Action Manufacturing are determined based on its value in use.

UK/Ireland Rentals & Sales

The UK/Ireland Rentals & Sales business has experienced a longer than expected recovery in the post COVID-19 period. As part of the annual impairment test, management has updated its key assumptions in its value in use calculation, resulting in its recoverable value being less than the carrying value. Subsequently, the Group impaired the carrying value of goodwill and brands allocated to UK/Ireland Rentals & Sales and recognised an impairment loss of $12.5 million (2023: nil) in profit or loss in the consolidated statement of comprehensive income.

In determining the value in use, a weighted average cost of capital is used as the post-tax discount rate. The discount rates reflect an equity beta and a market risk premium sourced from observable market inputs.

	2024		2023	
Discount rates (%)	Post-tax	Pre-tax equivalent	Post-tax	Pre-tax equivalent
UK/Ireland Rentals & Sales	11.8	14.5	11.8	14.8

Australia Rentals, Sales & Manufacturing and USA Rentals & Sales

The recoverable amount of the Australia Rentals, Sales & Manufacturing and USA Rentals & Sales is its value in use. The recoverable values are determined by discounting the future cash flows generated from the continued use of the CGU which are based on the latest 2025 financial year business plans and are projected for years two to five using key assumptions to cover a five-year period. A terminal growth rate of 2.5% (2023: 2.5%) is used to extrapolate cash flows beyond the five-year projections.

The key assumptions include rental fleet yield, utilisation and fleet size, vehicle sales margin, and operating costs. Capital expenditure and disposal proceeds are projected forward based on current build or purchase costs, realisable sale values and expected fleet rotation by vehicle type. The cash flow projections and values assigned to the key assumptions represent management's assessment of future trends and the expected growth rates in the markets the businesses operate in and are based on both external and internal sources of data.

The weighted average cost of capital is used as the post-tax discount rate. The discount rates reflect an equity beta and a market risk premium sourced from observable market inputs. The annual free cash flows are then discounted by a country specific post-tax discount rate to arrive at a recoverable amount of the CGU which is compared to the carrying amount.

	2024		2023	
Discount rates (%)	Post-tax	Pre-tax equivalent	Post-tax	Pre-tax equivalent
Australia Rentals, Sales & Manufacturing[1]	12.2	9.2		
USA Rentals & Sales	11.3	17.0	8.5	14.4

(1) As the goodwill and intangible asset allocation following the merger with Apollo was provisional at 30 June 2023 and there were no indicators of impairment identified, no further impairment testing was required.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

14. Intangible assets (continued)

The annual impairment test determined the recoverable value for Australia Rental, Sales & Manufacturing is not sensitive to reasonably foreseeable changes in key management assumptions. The following table shows the sensitivity of the recoverable value of USA Rentals & Sales based on changes in the key management assumptions.

Key assumptions	Change in Key assumption	Reduction in recoverable amount $000's	Increase in recoverable amount $000's	Where headroom is reduced, would the indicated sensitivity result in impairment
Discount rate	+/- 1.0%	(10,415)	12,960	No
Terminal growth rate	+/- 0.5%	(3,899)	4,368	No
Rental yield	+/- 5.0%	(21,166)	21,166	Yes
Rental utilisation	+/- 5.0%	(16,804)	16,804	Yes
Vehicle sales margin	+/- 2.0%	(11,795)	11,795	No

A change in any of the key management assumptions of USA Rentals & Sales as noted below would result in a breakeven position with no remaining headroom.

Key assumption	Sensitivity to breakeven
Discount rate	An increase of 1.2%
Terminal growth rate	A decrease of 1.7%
Rental yield	A decrease of 3.0%
Rental utilisation	A decrease of 4.5%
Vehicle sales margin	A decrease of 2.2%

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

Section C – Investments

In this section

This section explains the investments held by ***thl*** and the acquisitions made during the financial year.

15. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the acquiree.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

15.1 Acquisition of Camperagent

On 22 January 2024, the Group entered into a sales and purchase agreement to acquire the trading assets and liabilities (including the property lease and business intellectual property) of Camperagent RV Service Pty Ltd and Camperagent RV Sales Pty Ltd (collectively referred to as Camperagent). Following the completion of contractual conditions, on 31 January 2024, the acquired assets and liabilities were transferred and recognised through a newly formed 100%-owned Australian subsidiary THL RV Sales Adelaide Pty Ltd.

The parties agreed to a cash consideration of AUD 11.0 million (NZD 11.8 million) on 31 January 2024. The following table summarises the amounts determined for the purchase consideration and the fair value of assets acquired and liabilities recognised:

As at 31 January 2024	Fair value $000's
Acquisition date fair value of assets acquired and liabilities recognised	
Inventories	7,981
Property, plant and equipment	435
Right-of-use assets	3,337
Total assets	11,753
Trade and other payables	335
Lease liabilities	3,337
Total liabilities	3,672
Net identifiable net assets acquired	8,081
Goodwill on acquisition	3,758
Net assets acquired	11,839
Purchase consideration – paid in cash	11,839
Total fair value of the consideration	11,839

The goodwill balance of $3.8 million on acquisition is attributed to expected synergies in Australia and has been allocated to the Australia Rental, Sales & Manufacturing operating segment (refer to note 14).

The contribution of Camperagent for the five months to the Group results for the period ended 30 June 2024 was revenue of $16.7 million and operating loss before interest and tax of $0.3 million. If the acquisition had occurred at the beginning of the 2024 financial year, the contribution to revenue and operating profit before interest and tax for the 2024 financial year is estimated at $38.6 million and $1.1 million respectively.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

15. Business combinations (continued)

15.2 Acquisition of Apollo Tourism & Leisure Ltd

On 10 December 2021, the Group announced that it had entered into a conditional Scheme Implementation Deed with Apollo Tourism & Leisure Ltd ('Apollo' or 'ATL') to merge through an Australian Scheme of Arrangement. Under the Scheme ***thl*** would acquire all outstanding shares in ATL. The scheme was conditional upon ***thl*** receiving approval to list on the Australian Securities Exchange ('ASX') and subject to approval of ATL shareholders and finalisation of appropriate funding arrangements for the merged entity. In addition, there were various court and regulatory approvals in Australia and New Zealand, including competition regulatory clearance and other conditions specified.

Following the satisfaction of all conditions, the Group acquired ATL on the 30 November 2022 with the implementation of the Scheme of Arrangement. ATL shareholders were issued one ***thl*** share for every 3.210987 ATL shares held resulting in 57,693,364 shares being issued. ***thl***'s closing share price on 30 November 2022 of $3.69 was used to calculate the acquisition consideration of $213.9 million as per the requirements under NZ IFRS 3 *Business Combinations*. The consideration value is comprised of the fair value of the new shares issued and the fair value of 898,150 ATL shares that were previously held by ***thl***.

The following table summarises the amounts determined for the purchase consideration and the provisional fair value of assets acquired and liabilities recognised:

As at 30 November 2022	Fair value $000's
Acquisition date fair value of assets acquired and liabilities recognised	
Cash and cash equivalents	50,602
Trade and other receivables	18,724
Assets classified as held for sale	59,052
Inventories	92,330
Current tax receivables	36
Property, plant and equipment	158,101
Intangible assets	14,839
Right-of-use assets	44,617
Investments	14,934
Deferred tax assets	5,229
Total assets	458,464

As at 30 November 2022	Fair value $000's
Trade and other payables	31,003
Revenue in advance	22,666
Employee benefits	6,615
Provisions	508
Current tax liabilities	1,450
Interest-bearing loans and borrowings	224,433
Deferred tax liabilities	21,434
Lease liabilities	38,271
Total liabilities	346,380
Net identifiable net assets acquired	112,084
Goodwill on acquisition	101,837
Net assets acquired	213,921
Purchase consideration – ***thl*** ordinary shares issued to Apollo shareholders	212,889
Purchase consideration – value of Apollo shares previously held by ***thl***	1,032
Total fair value of the consideration	213,921

The goodwill balance of $101.8 million on acquisition is attributed to expected synergies in Australia and New Zealand and has been allocated to the Australia Rental, Sales & Manufacturing ($94.9 million) and New Zealand Rentals & Sales ($6.9 million) operating segments (refer to note 14).

The contribution of Apollo for seven months to the Group results for the period ended 30 June 2023 was revenue of $187.6 million and operating profit before interest and tax of $24.4 million. If the acquisition had occurred at the beginning of the 2023 financial year, the contribution to revenue and operating profit before interest and tax for the 2023 financial year is estimated at $392.6 million and $66.5 million respectively.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

15. Business combinations (continued)

15.3 Acquisition of 51% of Just go

On 4 October 2022, ***thl*** purchased the remaining 51% shareholding in THL UK and Ireland Limited (trading as Just go) from its joint venture partners, resulting in Just go becoming a wholly owned subsidiary of the Group. At this time ***thl*** ceased equity accounting and consolidated the subsidiary in the Group's financial statements from that date. Previously the Group had a 49% shareholding in Just go, which was accounted for under the equity method of accounting.

The parties agreed to a purchase price of GBP 5,355,000 (NZD 10.7 million), which was satisfied through a cash payment of GBP 1,350,000 (NZD 2.7 million) and the issue of 2,941,857 new ordinary shares in ***thl***. ***thl***'s closing share price on 3 October 2022 was $2.73 with the fair value of the shares issued being NZ $8.0 million.

The following table summarises the amounts determined for the purchase consideration and the fair value of assets acquired and liabilities recognised:

As at 4 October 2022	Fair value $000's
Acquisition date fair value of assets acquired and liabilities recognised	
Cash and cash equivalents	7,054
Trade and other receivables	828
Inventories	1,305
Property, plant and equipment	17,961
Intangible assets	393
Right-of-use assets	2,085
Total assets	29,626

As at 4 October 2022	Fair value $000's
Trade and other payables	1,457
Revenue in advance	516
Interest-bearing loans and borrowings	13,697
Deferred tax liabilities	2,277
Lease liabilities	2,085
Total liabilities	20,032
Net identifiable net assets acquired	9,594
Goodwill on acquisition	11,407
Net assets acquired	21,001
Fair value of existing 49% shareholding in Just go	10,290
Purchase consideration – ***thl*** ordinary shares issued	8,031
Purchase consideration – paid in cash	2,680
Total fair value of the consideration	21,001

NZ IFRS 3 *Business Combinations* also requires the acquirer to re-measure its previously held equity interest in the acquiree at its acquisition date fair value. Just go is not publicly traded so the fair value of the previously held equity interest was derived by reference to the consideration transferred for the remaining 51%, which is $10.7 million. As a result, a fair value gain of $3.5 million was recognised in the consolidated statement of comprehensive income in 2023 for the previously held 49% equity interest.

The goodwill of $11.4 million is attributable to expected synergies within the wider global Group and its strategic position in the United Kingdom and Europe and has been allocated to the UK/Ireland Rentals & Sales operating segment (refer to note 14).

The contribution of Just go for nine months to the Group results for the period ended 30 June 2023 was revenue of $11.4 million and operating loss before interest and tax of $1.8 million. If the acquisition had occurred at the beginning of the 2023 financial year, the contribution to revenue and operating profit before interest and tax for the 2023 financial year is estimated at $18.8 million and $0.3 million respectively.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

16. Material subsidiaries of Tourism Holdings Limited

Material subsidiaries	Principal activity	Country of incorporation	Equity holding 2024 %	Equity holding 2023 %
Action Manufacturing Group GP Limited	Manufacturing	New Zealand	**100**	100
TH2Connect GP Limited	***thl*** digital	New Zealand	**100**	100
Waitomo Caves Limited	Tourism	New Zealand	**100**	100
Apollo Investments Pty Ltd	Retail sales	Australia	**100**	100
Apollo Motorhome Holidays Pty Ltd	Retail sales	Australia	**100**	100
Apollo Motorhome Industries Pty Ltd	Manufacturing	Australia	**100**	100
Apollo RV Service & Repair Centre Pty Ltd	Retail sales	Australia	**100**	100
Apollo RV West Pty Ltd	Retail sales	Australia	**100**	100
GRL Enterprises Pty Ltd	Manufacturing	Australia	**100**	100
Outdoria Pty Ltd	***thl*** digital	Australia	**100**	100
Sydney RV Group Pty Ltd	Retail sales	Australia	**100**	100
THL RV Sales Adelaide Pty Ltd	Retail sales	Australia	**100**	–
Tourism Holdings Australia Pty Ltd	Rentals & sales	Australia	**100**	100
CanaDream Inc	Rentals & sales	Canada	**100**	100
THL UK and Ireland Limited	Rentals & sales	United Kingdom	**100**	100
El Monte Rents Inc	Rentals & sales	United States of America	**100**	100

All subsidiaries have 30 June balance dates.

17. Investments

	2024 $000's	2023 $000's
Camplify Holdings Limited	–	23,127
Caravans Away Limited	148	148
Other equities	82	66
Total investments	230	23,341

On 11 March 2024, the Group sold its 14.14% shareholding in ASX-listed peer-to-peer RV Rental operator, Camplify Holdings Limited (CHL). In 2024, the Group realised net proceeds from the sale of $20.8 million, based on a sale price of AU$1.90 per share. The CHL shares were classified as a financial asset measured at fair value though other comprehensive income with changes in fair value recognised in the equity investment reserve.

The fair value loss through other comprehensive income, net of tax for the 2024 financial year was $2.3 million (2023: gain, net of tax of $1.6 million). Following the sale, the closing balances in the equity investment reserve of $1.6 million was transferred to retained earnings.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

Section D – Managing funding

In this section

This section summarises ***thl***'s funding sources and financial risks.

18. Share capital

	Number of ordinary shares	Share capital $000's
Balance as at 1 July 2022	152,060,700	278,983
Ordinary share issued during the 2023 financial year:		
As the consideration for Apollo merger	57,693,364	212,889
As part consideration for 51% of Just go acquisition	2,941,857	8,031
Exercise of share options granted to employees	533,361	1,012
Exercise of share rights granted to employees	831,692	2,045
In lieu of directors' fees	16,149	47
Balance as at 30 June 2023	214,077,123	503,007
Ordinary share issued during the 2024 financial year:		
Dividend reinvestment plan	2,665,874	9,156
Global NZD 1000 share bonus to employees	383,024	1,295
Exercise of share options granted to employees	784,468	2,145
Exercise of share rights granted to employees	313,920	799
Balance as at 30 June 2024	218,224,409	516,402

All issued shares are fully paid and have no par value. Holders of ordinary shares are entitled to receive dividends when declared and are entitled to one vote per share at shareholders' meetings.

On 29 September 2023, 1,869,755 ordinary shares were issued and allotted at the issue price of $3.5873 per share (inclusive of a 2% discount) under the Dividend Reinvestment Plan in respect of the 2023 final dividend. On 5 April 2024, 796,119 ordinary shares were issued and allotted at the issue price of $3.068 per share (inclusive of a 2% discount) under the Dividend Reinvestment Plan in respect of the 2024 interim dividend.

On 30 October 2023, 383,024 ordinary shares were issued and allotted at the issue price of $3.38 to eligible employees as part of the Group's global NZD$1000 share bonus.

The Group received $1.8 million (2023: $1.0 million) in cash proceeds from employees for the exercise of 784,468 (2023: 533,361) share options during the financial year ended 30 June 2024.

19. Reserves

Cash flow hedge reserve

The cash flow hedge reserve is used to record gains or losses on hedging instruments that are recognised directly in equity. The hedging instruments are used to manage interest rate risk. Amounts are recognised in profit or loss when the associated hedged transaction affects profit or loss.

Foreign currency translation reserve

Exchange differences arising on the translation of foreign operations are taken to the foreign currency translation reserve. When any net investment is disposed of, the related component of the reserve is recognised in profit or loss as part of the gain or loss on disposal.

The closing exchange rates used to translate the statement of financial position are as follows:

	2024	2023
NZD/AUD	0.9139	0.9182
NZD/USD	0.6080	0.6075
NZD/CAD	0.8330	0.8052
NZD/GBP	0.4814	0.4816

Employee share scheme reserve

The employee share scheme reserve is used to recognise the accumulated value of share options and rights granted which have been recognised in profit or loss. In accordance with the Group's accounting policy, amounts accumulated in the executive share scheme reserve have been transferred to share capital on the exercise of the options or to retained earnings when they have been forfeited.

Equity investment reserve

The equity investment reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

19. Reserves (continued)

Movement in reserves during the financial year

	Cash flow hedge reserve $000's	Foreign currency reserve $000's	Employee share scheme reserve $000's	Equity investment reserve $000's	Total $000's
Balance as at 1 July 2022	321	10,948	4,670	(954)	14,985
Change in fair value during the financial year	2,451	–	–	1,638	4,089
Deferred tax on fair value gain	(687)	–	–	–	(687)
Ineffective interest rate swap transferred to profit or loss (net of tax)	(67)	–	–	–	(67)
Foreign currency translation (net of tax)	–	2,233	–	–	2,233
Value of employee services charged to profit or loss	–	–	2,162	–	2,162
Transfers to retained earnings	–	–	(291)	–	(291)
Transfers to share capital	–	–	(2,325)	–	(2,325)
Balance as at 30 June 2023	2,018	13,181	4,216	684	20,099
Change in fair value during the financial year	(1,217)	–	–	(2,281)	(3,498)
Deferred tax on fair value loss	341	–	–	–	341
Ineffective interest rate swap transferred to profit or loss (net of tax)	21	–	–	–	21
Foreign currency translation (net of tax)	–	(315)	–	–	(315)
Value of employee services charged to profit or loss	–	–	(194)	–	(194)
Transfers to retained earnings	–	–	(592)	1,597	1,005
Transfers to share capital	–	–	(1,162)	–	(1,162)
Balance as at 30 June 2024	1,163	12,866	2,268	–	16,297

20. Interest-bearing loans and borrowings

Interest-bearing loans and borrowing (borrowings) are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

Borrowing costs are recognised as an expense in the period in which they are incurred, except for borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, which are capitalised.

Qualifying assets are those assets that necessarily take an extended period of time (six months or more) to get ready for their intended use.

The Group's borrowing structure includes a syndicated corporate debt facility, asset financiers and floor plan finance.

The Group has at 30 June 2024, multi-currency revolving credit facilities in place with Westpac Banking Corporation, Westpac New Zealand Limited, ANZ Bank New Zealand Limited, Australia and New Zealand Banking Group Limited plus Australia and New Zealand Banking Group Limited (London branch). The Guaranteeing Group consists of Tourism Holdings Limited and all material New Zealand, Australian, United States and United Kingdom 100% owned subsidiaries. The Guaranteeing Group has provided first ranking security over its assets and undertaking. Certain members of the Group also have asset finance facilities in place. In support of these asset finance facilities, the relevant members of the Group have granted security over the assets financed under these facilities as well as other property.

In aggregate, the total funding available exceeds the current requirements of the Group. The Group has sufficient working capital and undrawn financing facilities to service its operating activities and ongoing fleet investment.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

20. Interest-bearing loans and borrowings (continued)

The Group has the following borrowing facilities:

	2024 $000's	2023 $000's
Non-current		
Syndicated bank borrowings	180,446	107,357
Asset finance	205,069	143,358
	385,515	250,715
Current		
Asset finance	63,867	72,771
Floor plan finance	53,290	36,828
Other loans	–	1,626
	117,157	111,225
Total interest-bearing loans and borrowings	502,672	361,940

2024	Total facility $000's	Used at reporting date $000's	Unused at reporting date $000's
Syndicated bank borrowings	250,544	180,446	70,098
Asset finance	420,726	268,936	151,790
Floor plan finance	92,685	53,290	39,395
Other loans	1,801	–	1,801
Total interest-bearing loans and borrowings	765,756	502,672	263,084

2023	Total facility $000's	Used at reporting date[1] $000's	Unused at reporting date $000's
Syndicated bank borrowings	250,898	107,357	143,541
Asset finance	411,014	216,129	194,885
Floor plan finance	54,457	36,828	17,629
Other loans	3,489	1,626	1,863
Total interest-bearing loans and borrowings	719,858	361,940	357,918

(1) In July 2023, GBP borrowings of £15.0 million was subsequently repaid and the facilities closed. These borrowings were reflected as current borrowings at 30 June 2023.

The carrying amount of the Group's borrowings (NZD equivalent) are denominated in the following currencies:

	2024 $000's	2023 $000's
New Zealand dollar	139,552	38,422
Australian dollar	132,677	86,026
United States dollar	110,375	107,872
Pounds sterling	41,545	41,307
Canadian dollar	78,523	88,313
Total Interest-bearing loans and borrowings	502,672	361,940

Syndicated bank borrowings

The Group has committed facilities for debt funding equivalent to approximately NZD 250 million and encompass various multi-currency tranches, all with maturity dates set for July 2025. These facilities are part of a syndicated banking arrangement involving Westpac Banking Corporation, Westpac New Zealand Limited, ANZ Bank New Zealand Limited, Australia and New Zealand Banking Group Limited, and Australia and New Zealand Banking Group Limited (London branch). The Group's covenants include leverage ratio, debt service cover ratio, Guaranteeing Group coverage ratio, equity ratio and loan to value ratio. Interest rates applicable at 30 June 2024 range from 6.1% to 7.4% p.a (2023: 7.3% to 8.7% p.a).

Asset finance

Loans from asset financiers are fully secured debt in relation to motor vehicle assets and may only be used for the purchase of fleet assets and subject to a number of covenants ratios, including a current ratio, debt service coverage and debt to tangible net worth ratio. Interest rates applicable at 30 June 2024 range from 3.5% to 9.0% p.a (2023: 3.2% to 9.5% p.a).

Floor plan finance

Floor plan facilities are maintained to fund the inventory of new motorhomes and caravans held for resale at retail sales outlets in Australia. Terms are interest only for the first six months and then interest plus principal at a range from 8.8% to 9.3% (2023: interest between 7.5% to 8.6% p.a plus principal). For some lenders, balances are secured through retention of title until point of sale.

Other loans

Other loans are mortgages over land and buildings and COVID-19 support loans previously provided to Apollo entities in the United Kingdom, were repaid during the financial year.

Covenants

The consolidated Group is subject to lending covenants across several of its borrowing facilities. As at the date of these consolidated financial statements the Group is within the banking covenant requirements.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

21. Trade and other receivables

Trade and other receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Group assesses on a forward-looking basis the expected credit losses associated with its trade and other receivables which are carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the simplified approach permitted by NZ IFRS 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical credit losses experienced. Where appropriate, the historical loss rates are adjusted to reflect current and forward-looking information.

	2024 $000's	2023 $000's
Trade receivables	29,148	32,200
Allowance for expected credit losses	(502)	(375)
Trade receivables - net	28,646	31,825
Prepayments	15,521	11,174
Other receivables	22,402	14,012
Receivable under buy-back arrangement	4,514	7,024
Total trade and other receivables	71,083	64,035

At 30 June 2024 trade and other receivables includes $4.5 million (2023: $7.0 million) relating to vehicles purchased under a short-term buy-back arrangement. This agreement involves purchasing vehicles to be used in the fleet for a period less than 12 months and then sold back to the supplier. On initial recognition, ***thl*** recognised the cash paid for the vehicles, the price expected to be received upon resale, and the balancing amount of the two is considered the lease expense. The transaction is accounted for as a short-term lease on the basis that:

- ***thl*** have an economic incentive to exercise their put option (sell the vehicles back to the supplier);
- ***thl*** have the right to use the vehicles for a fixed period at a predetermined price; and
- the vehicles do not meet the definition of property, plant and equipment.

Due to low risk of the counterparties for these arrangements, the assessed expected credit losses are immaterial.

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers, internationally dispersed.

The Group has recognised an increase of $127,000 (2023: increase of $118,000) in the provision for the impairment of its trade receivables which has been included in other operating expenses. The Group has written off, to other operating expenses, $504,000 (2023: $29,000) of balances of receivables during the financial year ended 30 June 2024.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

22. Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value net of transaction costs and subsequently measured at amortised cost using the effective interest method.

	2024 $000's	2023 $000's
Trade payables	49,676	35,390
Accrued expenses and other payables	32,957	26,643
Total trade and other payables	82,633	62,033

23. Revenue in advance

Revenue in advance

Revenue in advance relates to:

- Payments received for rental and tourism services for future reservations in advance of service delivery.
- The portion of rental income for rental bookings on hire at year-end, that relates to the period after year-end.

The Group recognises the contract liability which represents the Group's obligation to transfer services to a customer for which the Group has received consideration from the customer. The average timing of satisfaction of performance obligations in relation to the payment of the revenue in advance is between 1-6 months.

Vehicle deposits

Vehicle deposits are received in advance for pending vehicle sales for which the customer has not yet taken delivery.

The Group recognises the contract liability which represents the Group's obligation to transfer goods to a customer for which the Group has received consideration from the customer. The vehicle deposit is recognised as revenue when the Group performs under the contract by delivering the vehicle. The full balance of contract liabilities in relation to vehicle deposits is expected to be recognised in revenue between 1-12 months.

	2024 $000's	2023 $000's
Revenue in advance	58,830	61,317
Vehicle deposits	10,413	14,663
Total revenue in advance	69,243	75,980

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

24. Financial instruments

Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI) or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement of financial assets

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in profit or loss.

Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in profit or loss.

Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

The interest rate swaps in place as at 30 June 2024 and 30 June 2023 qualified as cash flow hedges. The Group's risk management strategies and hedge documentation are aligned with the requirements of NZ IFRS 9 *Financial Instruments* and these relationships are therefore treated as hedges.

Financial instruments of the Group that are measured in the consolidated statement of financial position at fair value are classified by level under the following fair value measurement hierarchy:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

24. Financial instruments (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised, is determined based on the lowest input to the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, the measurement is a Level 3 measurement. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

24.1 Financial assets and liabilities measured at fair value

The following table presents the financial assets and liabilities that are measured at fair value categorised by fair value hierarchy.

	2024				2023			
	Level 1 $000	Level 2 $000	Level 3 $000	Total $000	Level 1 $000's	Level 2 $000's	Level 3 $000's	Total $000's
Financial assets								
Investments	82	–	148	230	23,193	–	148	23,341
Derivative financial instruments	–	1,626	–	1,626	–	2,843	–	2,843
	82	1,626	148	1,856	23,193	2,843	148	26,184
Financial liabilities								
Derivative financial instruments	–	105	–	105	–	–	–	–

The fair value of investment and derivative financial instruments is calculated using quoted prices. Where such prices are not available, valuation techniques include the use of discounted cash flow analysis using the applicable yield curve or available forward price data for the duration of the instruments.

The following inputs are used for fair value calculations of derivatives:

Interest rate forward price curve	Published market swap rates
Foreign exchange forward prices	Published spot foreign exchange rates and interest rate differentials
Discount rate for valuing interest rate derivatives	The discount rates used to value interest rate derivatives are published market interest rates as applicable to the remaining life of the instrument
Discount rate for valuing forward foreign exchange contracts	The discount rates used to value interest rate derivatives are published market interest rates as applicable to the remaining life of the instrument

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

24. Financial instruments (continued)

24.2 Financial assets and liabilities not measured at fair value

The following table discloses a comparison of the carrying value and fair value of interest-bearing loans and liabilities which are not measured at fair value after initial recognition. Interest-bearing loans and liabilities are designated as Level 2 in the fair value hierarchy.

	2024		2023	
	Carrying value $000's	Fair value $000's	Carrying value $000's	Fair value $000's
Financial liabilities				
Interest-bearing loans and borrowings	502,672	503,366	361,940	362,266

The carrying amount of trade and other receivables and trade and other payables are short-term in nature and therefore approximate fair value.

24.3 Measurement categories of financial assets and liabilities

The tables below represent the measurement categories of the financial instruments.

2024	Amortised cost $000's	FVPL $000's	FVOCI $000's	Derivatives used for hedging $000's	Total $000's
Financial assets					
Investments	–	230	–	–	230
Cash and cash equivalents	56,785	–	–	–	56,785
Trade and other receivables[1]	46,370	–	–	–	46,370
Derivative financial instruments	–	–	–	1,626	1,626
Financial liabilities					
Interest-bearing loans and borrowings	502,672	–	–	–	502,672
Derivative financial instruments	–	–	–	105	105
Trade and other payables[2]	74,842	–	–	–	74,842

2023	Amortised cost $000's	FVPL $000's	FVOCI $000's	Derivatives used for hedging $000's	Total $000's
Financial assets					
Investments	–	214	23,127	–	23,341
Cash and cash equivalents	76,794	–	–	–	76,794
Trade and other receivables[1]	52,861	–	–	–	52,861
Derivative financial instruments	–	–	–	2,843	2,843
Financial liabilities					
Interest-bearing loans and borrowings	361,940	–	–	–	361,940
Trade and other payables[2]	64,170	–	–	–	64,170

(1) Excludes prepayments and GST/VAT receivables included in 'Trade and other receivables'.
(2) Excludes GST/VAT payables and other payroll-related liabilities included in 'Trade and other payables'.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

Section E – Managing risk

In this section

This section explains the financial risks ***thl*** faces, how these risks affect ***thl***'s financial position and performance, and how ***thl*** manages these risks. In this section of the notes there is information:

(a) outlining ***thl***'s approach to financial risk management; and

(b) analysing financial (hedging) instruments used to manage risk.

In the normal course of business, the Group is exposed to a variety of financial risks including foreign currency, interest rate, credit and liquidity risks. To manage this risk the Group's treasury activities are performed by a central treasury function and are governed by Group policies approved by the Board of Directors.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group does not enter into derivative financial instruments for trading or speculative purposes.

25. Financial risk management

25.1 Currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Australian dollar, the United States dollar, the Canadian dollar and the British Pound sterling. Foreign exchange risk arises when future commercial transactions are in currencies other than functional currency.

Foreign exchange exposures on future commercial transactions incurred by operations in currencies other than their functional currency are managed by using forward currency contracts in accordance with the Group's treasury policy.

The Parent makes purchases in foreign currency and is exposed to foreign currency risk. This is managed by utilisation of forward currency contracts from time to time in accordance with the Group's treasury policy.

Exchange rate sensitivity

The following table shows the impact on profit before tax and equity increase/(decrease) in relation to currency risk, as described above, and does not include the impact of translation risk, as described in note 19. A 5-cent change is considered a reasonable possible change based on prior year movements.

	2024		2023	
Impact on a 5-cent change in the New Zealand dollar	Increase $000's	Decrease $000's	Increase $000's	Decrease $000's
Profit before tax				
Australian dollar	(426)	476	(859)	958
United States dollar	872	(1,028)	(241)	285
Canadian dollar	(232)	262	(411)	466
British pound sterling	(245)	301	(54)	67
Impact on equity				
Australian dollar	11,428	(12,751)	14,427	(16,089)
United States dollar	7,898	(9,313)	8,547	(10,080)
Canadian dollar	2,292	(2,584)	3,073	(3,480)
British pound sterling	33	(41)	1,698	(2,092)

25.2 Interest rate risk

The Group's interest rate risk primarily arises from long-term borrowings, cash and cash equivalents. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group manages its cash flow interest rate risk by using floating to fixed interest rate derivative contracts. Such interest rate derivative contracts have the economic effect of converting borrowings from floating rates to fixed rates. Generally, the Group raises long-term borrowings at floating rates that are lower than those available if the Group borrowed at fixed rates directly.

Under the interest rate derivative contracts, the Group agrees with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

The Group's borrowings are carried at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

The Group maintains cash on overnight deposit in interest-bearing bank accounts.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

25. Financial risk management (continued)

The following tables set out the interest rate repricing profile and current interest rate of the interest-bearing financial assets and liabilities.

2024	Effective interest rate %	Floating $000's	Fixed up to 1 year $000's	Fixed 1-2 years $000's	Fixed 2-5 years $000's	Fixed >5 years $000's	Total $000's
Assets							
Cash and cash equivalents	2.2	56,785	–	–	–	–	56,785
Liabilities							
Interest bearing loans and borrowings	7.0	435,087	16,720	36,353	14,512	–	502,672
Interest rate derivative contracts[(1)]	3.0	–	35,105	8,224	26,318	–	69,647

2023	Effective interest rate %	Floating $000's	Fixed up to 1 year $000's	Fixed 1–2 years $000's	Fixed 2–5 years $000's	Fixed >5 years $000's	Total $000's
Assets							
Cash and cash equivalents	0.9	76,794	–	–	–	–	76,794
Liabilities							
Interest bearing loans and borrowings	7.4	279,753	41,606	20,998	19,583	–	361,940
Interest rate derivative contracts[(1)]	3.3	–	15,638	35,099	27,984	6,584	85,305

(1) Notional contract amounts and include forward starting interest rate swaps.

The effective interest rate of Group borrowings is 7.0% (2023: 7.4%) including the impact of the interest rate swaps and the fees on facilities.

Interest rate sensitivity

The Group's floating bank borrowings and cash deposits are subject to interest rate sensitivity risk. The remaining borrowings are fixed using interest rate derivative contracts. If the Group's floating borrowings and deposits year-end balances remained the same throughout the year and interest rates moved by 1.0% then the impact on profitability and equity is as follows:

	2024 $000's	2023 $000's
Pre-tax impact of:		
An increase in interest rates of 1%	(3,762)	(2,212)
A decrease in interest rates of 1%	3,762	2,212

At year-end the value of interest rate derivative contracts used as cash flow hedges were subject to interest rate risk in relation to the value recognised in equity. If interest rates moved by 1% across the yield curve, then the impact on the fair value of the swaps on equity is shown in the following table. A movement of 1%, or 100bps, is considered by management as a reasonable estimate of a possible shift in interest rates for the financial year based on historical movements. There is nil ineffective interest rate swaps recognised in profit or loss in relation to the valuation of the interest rate swaps (2023: $38,000 loss). The remaining interest rate swaps were effective as at 30 June 2024.

Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency purchase. It may occur due to:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan; and
- differences in critical terms between the interest rate swaps and loans.

	2024 $000's	2023 $000's
Post-tax impact on equity of:		
An increase in interest rates of 1% across the yield curve	607	932
A decrease in interest rates of 1% across the yield curve	(253)	(965)

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

25. Financial risk management (continued)

25.3 Credit risk

The Group has a concentration of credit risk in respect of the amount outstanding from the buy-back fleet arrangement. The Group has no other significant concentrations of credit risk. Policies are in place to ensure that wholesale sales of products and other receivables arising are made to customers with an appropriate credit history. Sales to retail customers are made in cash or via major credit cards. Derivative contract counterparties and cash on deposit are limited to quality financial institutions in accordance with the Board's approved treasury policy.

The Group considers its maximum exposure to credit risk as follows:

	2024 $000's	2023 $000's
Cash and cash equivalents	56,785	76,794
Trade receivables (net of allowance for expected credit losses)	28,646	31,825
Other receivables	22,402	14,012
Receivable under buy-back arrangement	4,514	7,024
Derivative financial assets	1,626	2,843
	113,973	132,498

The Group has numerous credit terms for various customers. The terms vary from cash monthly and greater depending on the service and goods provided and the customer relationship. Collateral is not normally required. All trade receivables are individually reviewed regularly for impairment as part of normal operating procedures and, where appropriate, a provision is made. Trade receivables less than three months overdue are not considered impaired. Overdue amounts that have not been provided for, relate to customers that have a reliable trading credit history and no recent history of default.

	2024 $000's	2023 $000's
Trade receivable analysis		
Debtors past due	13,751	15,381
Allowance for expected credit losses	(502)	(375)
Debtors past due but not impaired	13,249	15,006
Debtors current	15,397	16,819
Total trade debtors	28,646	31,825

	2024 $000's	2023 $000's
Ageing of debtors past due		
1-30 days	7,286	11,844
31-60 days	4,194	2,846
61-90 days	1,109	55
91+ days	1,162	636
Total debtors past due	13,751	15,381

There is no overdue balance in other receivables and receivables under buy-back arrangements as at 30 June 2024 (2023: nil).

25.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by rolling the draw downs on a short-term basis and keeping credit lines available.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

The amounts disclosed are the contractual undiscounted cash flows.

2024	Up to 1 year $000's	Between 1-2 years $000's	Between 2-5 years $000's	Greater than 5 years $000's	Total $000's	Carrying value $000's
Trade and other payables	74,842	–	–	–	74,842	74,842
Interest-bearing loans and borrowings	147,184	277,703	85,540	57,161	567,588	502,672
Lease liabilities	27,324	23,624	56,814	81,253	189,015	147,488
Interest rate and foreign currency derivative contracts[1]	(1,498)	(901)	(971)	–	(3,370)	(1,521)
Total undiscounted contractual cash flows	247,852	300,426	141,383	138,414	828,075	723,481

(1) The amounts expected to be payable on a net basis in relation to the interest rate swaps have been estimated using forward interest rates applicable at the reporting date.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

25. Financial risk management (continued)

2023	Up to 1 year $000's	Between 1-2 years $000's	Between 2-5 years $000's	Greater than 5 years $000's	Total $000's	Carrying value $000's
Trade and other payables	64,170	–	–	–	64,170	64,170
Interest-bearing loans and borrowings	171,837	187,285	123,428	–	482,550	361,940
Lease liabilities	27,983	25,065	57,044	96,089	206,181	159,929
Interest rate and foreign currency derivative contracts(1)	(1,219)	(918)	(1,621)	(806)	(4,564)	(2,843)
Total undiscounted contractual cash flows	262,771	211,432	178,851	95,283	748,337	583,196

(1) The amounts expected to be payable on a net basis in relation to the interest rate swaps have been estimated using forward interest rates applicable at the reporting date.

25.5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. The Group considers capital to be share capital and interest-bearing debt. To maintain or alter the capital structure, the Group has the ability to review the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce or increase debt or sell assets.

There are a number of externally imposed bank covenants required as part of seasonal and term debt facilities. These covenants are calculated monthly and reported to banks quarterly. The most significant covenants relating to capital management are Net Interest-bearing Debt to EBITDA ratio, and an Equity to Total Assets ratio (net of intangible assets). There have been no breaches or events of review for the current or prior period.

25.6 Seasonality

The tourism industry is subject to seasonal fluctuations with peak demand for tourism attractions and transportation over the summer months. The operating revenue and profits of the Group's segments are disclosed in note 1. New Zealand and Australia's profits are typically generated over the southern hemisphere summer months and the United States, Canada and the United Kingdom and Europe's profits are typically generated over the northern hemisphere summer months. Due to the seasonal nature of the businesses, the risk profile at year-end is not representative of all risks faced during the year.

26. Derivative financial instruments

Derivative financial instruments and hedging activities

The Group enters into interest rate swaps and other derivatives to hedge interest rate risk.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the end of each reporting period. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair value or cash flows of hedged items.

Movements on the hedging reserve in shareholders' equity are shown in note 19. The full fair value of hedging derivatives is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability if the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss in the consolidated statement of comprehensive income. The gain or loss relating to the interest rate swaps are recognised in interest expense.

Amounts accumulated in equity are recycled in profit or loss in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within 'finance expenses'. The gain or loss relating to the effective portion of forward foreign exchange contracts hedging export sales is recognised in profit or loss within 'sales'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory) or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

26. Derivative financial instruments (continued)

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the consolidated statement of comprehensive income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the consolidated statement of comprehensive income.

	2024		2023	
	Assets $000's	Liabilities $000's	Assets $000's	Liabilities $000's
Forward foreign exchange contracts	–	105	415	–
Interest rate swap contracts	357	–	6	–
Cash flow hedges - total current portion	357	105	421	–
Interest rate swap contracts – non-current portion	1,269	–	2,422	–
Toal cash flow hedges	1,626	105	2,843	–

The ineffective portion recognised in the profit or loss that arises from cash flow hedges is nil (2023: $93,000 loss) for the financial year.

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts at 30 June 2024 were $69,647,000 (2023: $63,309,000).

At 30 June 2024, the fixed interest rates vary from 1.9% to 4.6% (2023: 2.4% to 4.6%).

The liquidity table in note 25 identifies the periods in which the cash flows are expected to occur.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

Section F – Other

In this section

This section includes the remaining information relating to ***thl***'s consolidated financial statements which is required to comply with financial reporting standards.

27. Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

	2024 $000's	2023 $000's
Annual leave	11,108	10,433
Long service leave	2,635	2,430
Employee benefits	6,471	6,485
Total employee benefits	20,214	19,348

28. Key management personnel and related party disclosures

28.1 Key management personnel

	2024 $000's	2023 $000's
Salaries and other short-term employee benefits	8,666	6,431
Post-employment benefits	261	234
Share-based payments benefits	795	805
Termination benefits	282	–
Total compensation to key management personnel	10,004	7,470

Total positions included in key management compensation at 30 June 2024 are 15 (2023: 16). Executive management do not receive any directors' fees as directors of subsidiary companies.

	2024 $000's	2023 $000's
Directors' fees	758	642

In the 2023 financial year, 16,149 ordinary shares with an issued capital value of $47,000 were issued to Directors in lieu of cash, refer to note 18.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

28. Key management personnel and related party disclosures (continued)

28.2 Related party disclosures

Trouchet Family

As a result of the merger with Apollo on 30 November 2022, the Trouchet family hold an interest of 26,070,109 ordinary shares (2023: 27,910,023) via a number of holding companies and intermediary trusts. Luke Trouchet is an Executive Director of ***thl***.

The following transactions occurred with the Trouchet family and related entities during the financial year:

	2024		2023	
	Revenue $000's	Receivables $000's	Revenue (7 months) $000's	Receivables $000's
Motorhomes sold to Caravans Away Pty Ltd (Director related entity of L Trouchet)	2,001	312	1,806	925
Servicing and repairs sold to Caravans Away Pty Ltd (Director related entity of L Trouchet)	18	5	44	4
Administration fees received from Caravans Away Pty Ltd (Director related entity of L Trouchet)	2	2	2	–
Administration fees paid RV Boss Pty Ltd (Director related entity of L Trouchet)	2	2	2	–

	2024		2023	
	Expenses $000's	Payables $000's	Expenses (7 months) $000's	Payables $000's
Rental expenses paid to KL One Trust (Director related entity of L Trouchet)	138	11	73	–
Rental expenses paid to Eastglo Pty Ltd (Director related entity of L Trouchet)	246	–	156	–
Advertising expenses paid to RV Boss Pty Ltd (Director related entity of L Trouchet)	83	16	57	–
Annual salary paid to A Trouchet inclusive of superannuation (A related party of L Trouchet)	44	–	29	–

29. Share-based payments

29.1 Long-term incentive share scheme 2017

In the 2017 financial year, the Group introduced an equity-settled, share-based long-term incentive plan for the Chief Executive and other senior executives under which the Group receives services from the executives as consideration for Options to purchase ordinary shares of the Group.

The fair value of the employee services received in exchange for the grant of the Options is recognised as an expense in profit or loss in the consolidated statement of comprehensive income. The total amount expensed is determined by reference to the fair value of the Options granted. Amounts accumulated in the employee share scheme reserve are transferred to share capital on the exercise of the Options or to retained earnings where they are forfeited.

At the end of each reporting period, the Group revises its estimates of the number of Options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss in the consolidated statement of comprehensive income, with a corresponding adjustment to the employee share scheme reserve.

The terms of the 2017 scheme are contained in a document entitled 'The Rules of the Tourism Holdings Long-term Incentive Scheme 2017':

- Options to purchase ordinary shares are issued to executives by the Board.
- The option price is set based on the volume weighted average price of Tourism Holdings Limited ordinary shares over the 20 days leading up to the grant date.
- The options can be exercised at the election of the employee after a minimum of two years from the grant date. A maximum of one third of the options can be exercised after two years, two thirds after three years and all options can be exercised after four years. After six years, the options lapse and there is no further right to exercise. The exercise price payable by the executive is the option price plus a cost of equity adjustment for two years, less dividends paid for two years.
- The participants holding options have no interest in the ordinary shares that are the subject of the options, until the options are exercised and ordinary shares issued.
- Valuation of the options for accounting purposes is done by KPMG using the Binomial Option Pricing Model. The assessed value is charged to profit or loss in the consolidated statement of comprehensive income over the life of the scheme/option with a corresponding credit to the employee share scheme reserve.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

29. Share-based payments (continued)

Inputs into the model include expected volatility which is based on the historic volatility of the Company's share price, dividend yield and a risk-free interest rate based on New Zealand Government bonds. The inputs for measurement of grant date fair value and the number of unvested share options at the financial year end are as follows:

	Inputs for measurement of fair value at grant date								
Grant date	Fair value at grant date	Issue price	Expected volatility	Risk free interest rate	Exercise price at balance date	Expiry date	**2024 No. of share options unvested**	2023 No. of share options unvested
3 April 2018	$0.52	$6.08	21.0%	2.90%	$7.00	3 April 2024	**–**	586,666
3 April 2019	$0.35	$4.81	21.0%	2.33%	$5.68	3 April 2025	**675,000**	735,000
1 April 2020	$0.35	$1.29	32.3%	1.17%	$1.57	1 April 2026	**465,001**	416,668
1 October 2020	$0.47	$2.08	35.0%	0.19%	$2.49	1 October 2026	**–**	290,000
6 April 2021	$0.36	$2.31	35.0%	0.58%	$2.79	6 April 2027	**1,300,000**	2,075,000
7 April 2022	$0.46	$2.83	32.5%	2.48%	$3.32	7 April 2028	**1,157,000**	1,522,000
10 May 2023	$0.84	$4.03	32.5%	4.73%	$4.76	10 May 2029	**1,395,000**	1,706,000
20 March 2024	$0.67	$3.36	32.0%	5.10%	$4.10	20 March 2030	**2,619,000**	–
17 June 2024	$0.42	$1.81	37.6%	5.15%	$2.24	17 June 2030	**440,000**	–
							8,051,001	7,331,334

The weighted average remaining contractual life of share options at 30 June 2024 was 4.2 years (2023: 3.9 years).

The weighted average share price at the date of exercise of the share options exercised during the year ended was $3.59 (2023: $3.37).

The final exercise price payable for the share options granted in 2023 and 2024 will be calculated as the issue price multiplied by a cost of equity adjustment, less dividends paid in cash since the second anniversary of the grant date.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

29. Share-based payments (continued)

29.2 Short-term incentive share scheme 2020

In the 2021 financial year, the Group introduced an equity-settled, share-based short-term retention plan in lieu of the cash based short-term incentive scheme for employees that are eligible per the terms of their employment.

Under the 2020 Scheme, the Group receives services from employees as consideration for:

(a) Share Options to purchase ordinary shares of Tourism Holdings Limited at a pre-determined exercise price, and/or

(b) Share Rights that can be exercised for the issue of ordinary shares of Tourism Holdings Limited, with no exercise price.

The fair value of the employee services received in exchange for the grant of the Share Options and Share Rights is recognised as an expense in the statement of comprehensive income, with a corresponding adjustment to the employee share scheme reserve. The total amount to be expensed is determined by reference to the fair value of the Share Options and Share Rights granted. Amounts accumulated in the employee share scheme reserve are transferred to share capital on the exercise of the Share Options and Share Rights, or to retained earnings where they are forfeited or not exercised after the vesting date.

At the end of each reporting period, the Group revises its estimate of the number of Share Options and Share Rights that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss in the statement of comprehensive income, with a corresponding adjustment to the employee share scheme reserve.

The terms of the 2020 Scheme are contained in a document entitled the 'Tourism Holdings Short-term Incentive Scheme 2020' (Scheme 2020):

- Share Options to purchase ordinary shares, and Share Rights that can be exercised for the issue of ordinary shares, are issued to eligible employees by the Board.
- The Share Option price is equal to the volume weighted average price of Tourism Holdings Limited ordinary shares over the 20 trading days leading up to the date on which the offer is provided.
- 50% of the Share Options and Share Rights vest 12 months after the grant date, and the remaining 50% vest 24 months after the grant date. After the Share Options and Share Rights have vested, they can be exercised by the employee by giving notice to the Group.
- The Share Rights lapse if not exercised by the employee by the latter of:

  (a) sixty (60) days after the applicable vesting date; and

  (b) the end of the calendar year in which the vesting date occurred.

The Share Options lapse if not exercised by the employee within six years of the grant date.

- The exercise price payable by the employee for the Share Rights is nil. The exercise price payable by the employee for the Share Options is the option price.
- The participants holding Share Rights and Share Options have no interest in the ordinary shares that are the subject of the Share Options or Share Rights, until the Share Options or Share Rights are exercised and ordinary shares issued.
- A valuation of the Share Options for accounting purposes is done by KPMG using the Binomial Option Pricing Model. The assessed value is charged to profit or loss in the statement of comprehensive income over the life of the option with a corresponding credit to the employee share scheme reserve.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

29. Share-based payments (continued)

Share options

Inputs into the model include expected volatility which is based on the historic volatility of the Company's share price, dividend yield and a risk-free interest rate based on New Zealand Government bonds. The inputs for measurement of grant date fair value and the number of unvested share options at the financial year end are as follows:

Grant date	Fair value at grant date	Inputs for measurement of fair value at grant date: Issue price	Expected volatility	Risk free interest rate	Exercise price at balance date	Expiry date	**2024 No. of share options unvested**	2023 No. of share options unvested
5 July 2020	$0.59	$2.00	30.0%	0.42%	$2.00	5 July 2026	**297,466**	297,466
13 September 2020	$0.56	$2.08	35.0%	0.19%	$2.06	13 September 2026	**–**	76,668
5 July 2021	$0.57	$2.52	40.0%	4.73%	$2.55	5 July 2027	**479,603**	727,500
							777,069	1,101,634

The weighted average remaining contractual life of share options at 30 June 2024 was 2.6 years (2023: 3.7 years).

The weighted average share price at the date of exercise of the share options exercised during the financial year ended was $3.83 (2023: $3.21).

Share rights

On 5 July 2023, the remaining share rights of 350,763 vested and were converted to ordinary shares.

Grant date	Fair value at grant date	Inputs for measurement of fair value at grant date: Issue price	Expiry date	**2024 No. of share options unvested**	2023 No. of share options unvested
5 July 2021	$2.55	$2.55	5 July 2023	**–**	350,763

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

29. Share-based payments (continued)

29.3 Reconciliation of outstanding share scheme plans

The following table summarises the movement and weighted average exercise prices of the share scheme plans during the financial year.

	Share scheme 2017		Share scheme 2020			
	No. of share options	Weighted average share exercise price	No. of share options	Weighted average exercise price	No. of share rights	Total share options
Outstanding and exercisable as at 1 July 2022	6,686,999	$3.05	1,357,771	$2.33	1,291,270	8,044,770
Granted during the financial year	1,706,000	$4.09	–		–	1,706,000
Vested and converted during the financial year	(288,332)	$1.29	(245,029)	$2.13	(916,781)	(533,361)
Forfeited or cancelled during the financial year	(773,333)	$3.84	(11,108)	$2.55	(23,726)	(784,441)
Outstanding and exercisable as at 30 June 2023	7,331,334	$3.28	1,101,634	$2.37	350,763	8,432,968
Granted during the financial year	3,059,000	$3.83	–		–	3,059,000
Vested and converted during the financial year	(491,667)	$2.18	(292,801)	$2.42	(350,763)	(784,468)
Forfeited or cancelled during the financial year	(1,847,666)	$4.59	(31,764)	$2.55	–	(1,879,430)
Outstanding and exercisable as at 30 June 2024	8,051,001	$3.15	777,069	$2.34	–	8,828,070

During the 2024 financial year, 3,059,000 share options were granted at a total fair value of $1,945,000 (2023: $1,428,000).

The share-based payment expense for all share schemes for the 2024 financial year was $693,000 (2023: $1,272,000) which is included in 'Operating expenses' in the consolidated statement of comprehensive income.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

30. Notes to the consolidated statement of cash flows

30.1 Reconciliation of cash flows from operating activities

In accordance with NZ IAS 7 the Group classifies cash flows from the sale and purchase of rental assets as operating cash flows. Where the timing of receipts and payments is of a short-term nature, the cash flows are presented on a net basis.

	2024 $000's	2023 $000's
Profit for the financial year	39,376	49,858
Non-cash items		
Depreciation and amortisation	95,774	69,606
Impairment of goodwill and brands	12,481	–
Net loss/(gain) on disposal of property, plant and equipment	239	(10,429)
Net fair value gain on other financial assets and liabilities	(630)	(5,106)
Share of profit from associates	–	(812)
Share-based payments expense	693	1,226
Impairment expense on financial assets	760	91
Non-cash directors' remuneration	–	49
Total non-cash items	109,317	54,625
Reclassification of cashflows associated with rental assets		
Net book value of rental assets sold	143,911	124,130
Purchase of rental assets	(345,121)	(312,082)
Total cash flows associated with rental assets	(201,210)	(187,952)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(6,814)	(14,119)
Increase in inventories	(32,859)	(20,945)
Increase in trade and other payables	15,002	6,985
Increase/(decrease) in revenue in advance	(6,831)	25,270
Increase/(decrease) in current tax	(2,918)	16,705
Movement in deferred taxation	(9,006)	5,085
Increase in provisions	301	3,061
Total movement in operating assets and liabilities	(43,125)	22,042
Net cash flows used in operating activities	(95,642)	(61,427)

30.2 Net debt reconciliation

This section sets out an analysis of net debt and the movements in the net debt.

	2024 $000's	2023 $000's
Interest-bearing loans and borrowings, short-term	(117,157)	(111,225)
Interest-bearing loans and borrowings, long-term	(385,515)	(250,715)
Lease liabilities, short-term	(20,579)	(20,703)
Lease liabilities, long-term	(126,909)	(139,226)
Gross debt	(650,160)	(521,869)
Cash and cash equivalents	56,785	76,794
Net debt	(593,375)	(445,075)

Cash and cash equivalents includes cash on hand, cheques, deposits held at call with financial institutions and bank overdrafts.

There is no restricted cash as at 30 June 2024 (2023: nil).

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

30. Notes to the consolidated statement of cash flows (continued)

30.3 Changes in liabilities arising from financing activities

	Interest-bearing loans and borrowings $000's	Lease liabilities $000's	Gross debt $000's
Balance as at 1 July 2022	97,298	82,619	179,917
Cash flows			
Proceeds	417,741	–	417,741
Repayments	(400,873)	(21,938)	(422,811)
Non-cash movements			
Foreign exchange movements	9,644	421	10,065
Apollo and Just go step acquisition	238,130	40,356	278,486
Issues and modification of lease liabilities	–	58,471	58,471
Balance as at 30 June 2023	361,940	159,929	521,869
Cash flows			
Proceeds	733,317	–	733,317
Repayments	(593,934)	(25,304)	(619,238)
Non-cash movements			
Foreign exchange movements	1,349	–	1,349
Camperagent acquisition	–	3,337	3,337
Issues and modifications of lease liabilities	–	9,526	9,526
Balance as at 30 June 2024	502,672	147,488	650,160

31. Auditor's remuneration

	2024 $000's	2023 $000's
Ernst & Young New Zealand		
Audit and review of financial statements[1]	1,195	–
Other assurance-related services[2]	63	–
Other engagements[3]	7	–
	1,265	–
Hillier Hopkins LLP		
Audit and review of financial statements[4]	77	38
Tax compliance	23	–
Other engagements	10	–
	110	38
PricewaterhouseCoopers New Zealand		
Audit and review of financial statements[1]	–	1,093
Agreed upon procedures[5]	–	32
	–	1,125
BDO Audit Pty Ltd and network firms[6]		
Audit and review of financial statements	–	454
Tax compliance	–	5
Agreed upon procedures	–	44
	–	503
Total auditors' remuneration	1,375	1,666

(1) The fee includes fees for the annual audit of the consolidated financial statements and review of the interim financial statements of ***thl***.

(2) Other assurance-related services relate to reasonable and limited assurance over ***thl***'s greenhouse gas emissions inventory.

(3) Other engagements relate to the provision of remuneration market survey data.

(4) The fees incurred for Hillier Hopkins LLP are for the audit and review of the Group's controlled entities in United Kingdom/Europe.

(5) Agreed upon procedures in 2023 are in relation to financial information of Tourism Holdings USA, Inc. for the purpose of reporting to one of the Group's financiers and the compliance with banking covenants.

(6) The fees incurred for BDO Audit Pty Ltd and its network firms are for the audit and review of the Group's Apollo controlled entities in Australia, New Zealand and Canada. Agreed upon procedures in 2023 are in relation to the acquisition opening balance review of the Apollo values at 30 November 2022.

Notes to the consolidated financial statements (continued)

For the financial year ended 30 June 2024

32. Contingencies

As at 30 June 2024 the Group has bank guarantees of $3.6 million in place (2023: $4.1 million). Predominantly these are in lieu of bonds paid relating to leased assets.

33. Subsequent events

On 15 August 2024, the Group completed a refinancing of the multi-currency syndicated bank facilities. The new agreement increased total committed facilities from NZD 250 million equivalent at 30 June 2024 to NZD 475 million equivalent. In addition to Westpac New Zealand Limited, ANZ Bank New Zealand Limited and Australia and New Zealand Banking Group Limited (London Branch), ASB Bank Limited and Royal Bank of Canada were added to the banking syndicate. The facilities include NZD 190 million equivalent two-year, NZD 152 million equivalent three-year and NZD 133 million equivalent four-year tranches, maturing in August 2026, August 2027 and August 2028 respectively.

On 26 August 2024, the Directors approved a fully imputed, unfranked final dividend of 5.0 cents per share payable on 4 October 2024.

There are no other events after the reporting period which materially affect the information within the Group’s consolidated financial statements.

Independent Auditor's Report

Independent auditor's report to the shareholders of Tourism Holdings Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tourism Holdings Limited (the "Company") and its subsidiaries (together the "Group") on pages 49 to 100, which comprise the consolidated statement of financial position of the Group as at 30 June 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended of the Group, and the notes to the consolidated financial statements including material accounting policy information.

In our opinion, the consolidated financial statements on pages 49 to 100 present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2024 and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

This report is made solely to the Company's shareholders, as a body. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Ernst & Young provides other assurance related services and provision of remuneration market survey data to the Group. Partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. We have no other relationship with, or interest in, the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of the audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Independent Auditor's Report (continued)

Goodwill and intangible assets with indefinite useful lives impairment assessment

Why significant	How our audit addressed the key audit matter
The Group holds goodwill and intangible assets with indefinite useful lives ("intangibles") of $160 million at 30 June 2024. An impairment loss of $12.4 million has been recognised during the year ended 30 June 2024. The recoverable amount of the Group's Cash Generating Units ("CGUs") is determined each reporting period by reference to value in use assessments prepared using discounted cash flow models ("DCF models"). DCF models contain significant judgement and estimation in respect of future cash flow forecasts, discount rate and terminal growth rate assumptions. Changes in certain assumptions can lead to significant changes in the assessment of the recoverable amount. Disclosures regarding the Group's key assumptions adopted and the sensitivity to reasonably possible changes in key assumptions which could result in impairment are included in note 14 of the financial statements. Disclosures regarding the Group's impairment recognised are included in note 14 of the financial statements.	In obtaining sufficient appropriate audit evidence, we: • understood the Group's goodwill and intangibles impairment assessment process and identified relevant controls; • assessed the Group's determination of CGUs based on our understanding of the nature of the Group's businesses; • obtained the Group's DCF models and agreed earnings forecasts to the Board approved FY25 budget; • assessed key inputs to the DCF models including future cash flow forecasts, discount rates and terminal growth rates; • involved our internal valuation specialists to assess the Group's discount and terminal growth rates. Our valuation specialists were also involved in benchmarking the Group's assessed recoverable values with relevant market multiples and assessing the logical integrity of the DCF models; • performed sensitivity analysis in relation to the discount rate, terminal growth rate and forecast cash flows to consider the potential impact of changes in these assumptions; • for the CGU where goodwill and intangibles were determined to be impaired and an impairment recognised, we assessed the output of the DCF models against the carrying value of the CGU to assess the calculation of the impairment recognised; • considered the adequacy of the associated disclosures in the financial statements, particularly focusing on the disclosure of the CGUs where the impairment assessment is sensitive to reasonably possible changes in assumptions and the disclosure related to the CGU where an impairment has been recognised.

Independent Auditor's Report (continued)

Information other than the financial statements and auditor's report

The directors of the Company are responsible for the annual report, which includes information other than the consolidated financial statements and auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

If, based upon the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' responsibilities for the financial statements

The directors are responsible, on behalf of the entity, for the preparation and fair presentation of the consolidated financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing on behalf of the entity the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (New Zealand) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

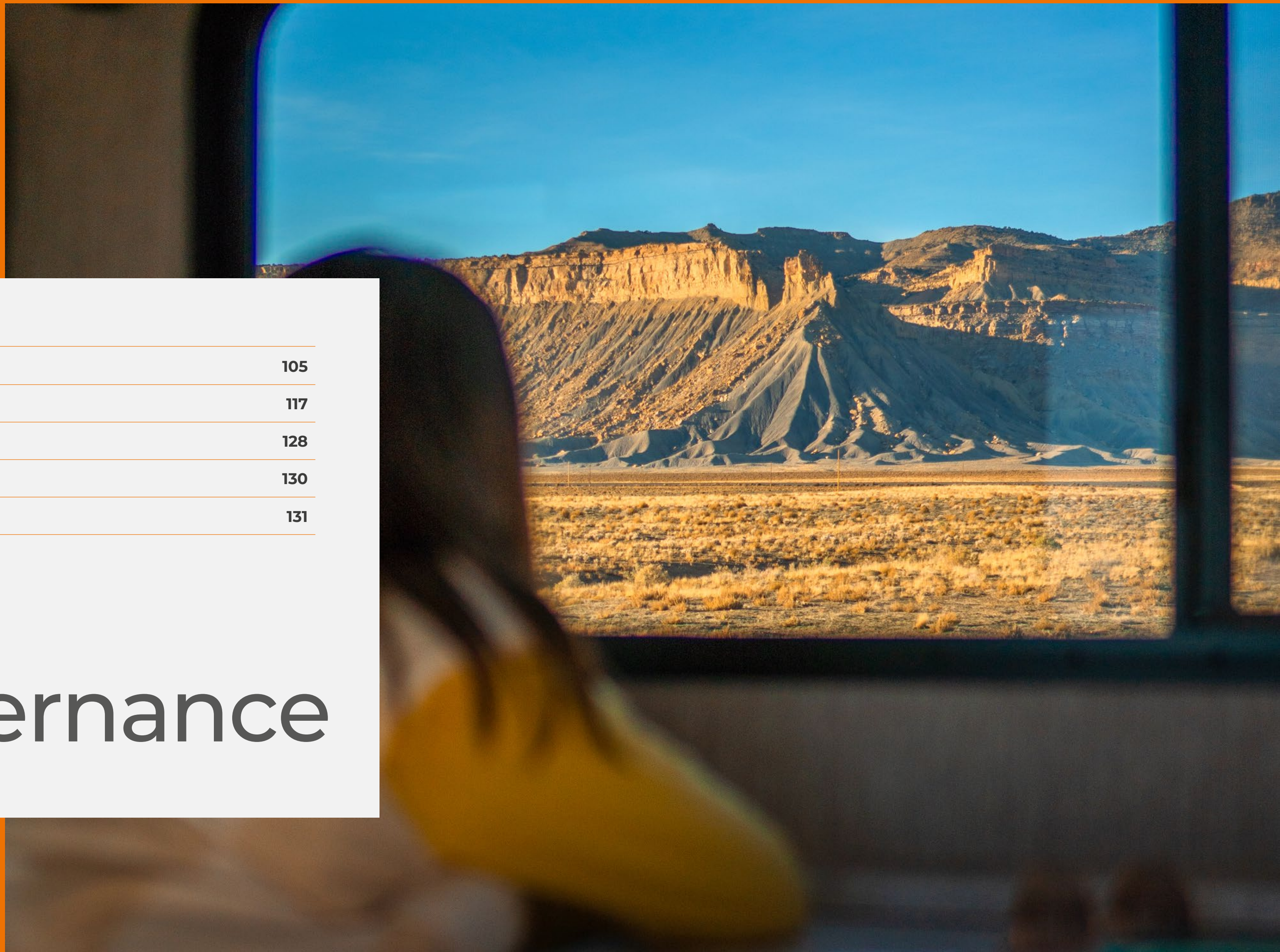
A further description of the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website: https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1/.
This description forms part of our auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Simon O'Connor.

Ernst & Young

Chartered Accountants
Auckland

27 August 2024



Governance

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Corporate Governance

Tourism Holdings Limited ('***thl***') operates under a set of corporate governance principles designed to see that ***thl*** is effectively managed. The Board is committed to the continued development of thl's corporate governance practices by reviewing and developing its corporate governance policies and monitoring developments to keep abreast of corporate governance best practice.

thl's corporate governance framework includes:

- The constitution of ***thl***, which describes the 'rules' under which the Company operates, including share issuances and other share transactions, distributions, shareholder meetings, Director appointment, remuneration and powers, and the conduct of Board and shareholder meetings.
- The Board Charter and sub-committee charters, which set out the roles and responsibilities of the Directors.
- The Code of Ethics, which outlines the standards of ethical behaviour expected of Directors, staff and contractors.
- The Market Disclosure Policy, which outlines the policy around disclosure of company information, including the commitment to compliance with continuous disclosure requirements.
- The Securities Trading Policy, which outlines policy and guidelines around trading in ***thl*** securities by Directors, officers and staff.
- The Diversity Policy, which outlines the commitment to diversity in Board, Executive and staff appointments.
- The Delegated Authority Policy, which outlines the delegation of authority by the Board to management, and the authorisation levels at which Board approval is required.

thl's governance practices have been reviewed against the recommendations of the NZX Corporate Governance Code, dated 1 April 2023 ('Code'). The Board considers that the ***thl*** governance framework and practices for the year ended 30 June 2024 are in compliance with the recommendations of the Code. The information in this Governance Report is current as at 26 August 2024 and has been approved by the ***thl*** Board.

thl's corporate governance policies and charters are available on its website at www.thlonline.com.

Principle 1 – Ethical standards

"Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation."

thl is committed to being a good corporate citizen. The Company expects Directors, employees and contractors to practise high ethical standards in the performance of their duties, to comply with all applicable laws and regulations, cooperate with all regulatory bodies and Government agencies, and use Company assets and resources only for the legitimate and ethical achievement of its objectives.

thl has adopted a Code of Ethics which applies to all Directors, employees and contractors of ***thl*** to see that it maintains high ethical standards and reinforces ***thl***'s commitment to the community. The Code of Ethics addresses the areas of ethical business practices, insider trading, conflicts of interest and use of Company property, amongst other matters. The ***thl*** Code of Ethics is available at www.thlonline.com. ***thl*** undertakes annual ethics training for leaders in the business with the most recent round completed in August 2023.

Securities Trading Policy

thl has in place a formal Securities Trading Policy and guidelines which applies to all Directors, officers and employees of ***thl*** and its subsidiaries who intend to trade in ***thl*** listed securities.

All individuals defined as "restricted persons" under that policy must notify ***thl*** of their intention to trade and obtain approval from the Board before trading in ***thl***'s shares. No trading in shares is permitted in 'blackout periods' from 1 June each year until 48 hours after the release of the full year results and from 1 December each year until 48 hours after the release of the half year results, except in exceptional circumstances.

Trading is permitted outside the blackout periods, provided the restricted person confirms that they do not hold any material information and that they are not aware of any reason that would prohibit them from trading. Any trading must be completed within 10 trading days of approval being given. Restricted persons are defined in the policy as:

- all Directors;
- the Chief Executive Officer (CEO); all members of the senior management team (being the C-suite executives, General Managers and equivalent roles) and their direct reports;
- the administrative staff of the senior management team;
- all employees in the finance department;
- trusts and companies controlled by such persons;
- anyone notified by the CFO from time to time; and
- anyone participating in the Long-Term Incentive Scheme.

The ***thl*** Securities Trading Policy is available at www.thlonline.com.

Principle 2 – Board composition and performance

"To ensure an effective Board, there should be a balance of independence, skills, knowledge, experience and perspectives."

Board skills and expertise

thl's Board is comprised of Directors who have a mix of skills, knowledge, experience and diversity to adequately meet and discharge its responsibilities and to add value to the Company through efficient and effective governance and leadership. The current Directors have a varied and balanced mix of skills, including extensive operational experience, knowledge of the tourism industry, as well as extensive experience in capital markets, growth and global transactions.

The Board skills matrix table outlines the key skills that are considered most relevant to effectively fulfilling the Board's current objectives.

	Number of Directors		
Capability	Highly Competent	Competent	Aware
Public company corporate governance experience	5	3	0
Financial and audit oversight including expertise in treasury, funding & debt management	4	4	0
Legal and regulatory expertise	1	4	3
RV and/or tourism experience	4	4	0
Risk management experience	4	4	0
HR/People leadership including executive remuneration	3	5	0
Experience in development, innovation and execution of growth and change strategies	4	4	0
Investment banking, capital markets and M&A transaction experience	4	3	1
Experience in managing/governing operations across multiple countries	5	3	0
Business leadership experience in international markets where ***thl*** operates	2	2	4
C-suite executive level experience	4	3	1
Health and safety governance/management experience	2	6	0
Experience in managing/governing ESG/sustainability frameworks	0	7	1
Digital transformation experience	0	4	4
Customer service experience	2	6	0

Within the table above, 'Highly Competent' reflects extensive experience, including serving as a key resource and advising others. Competent reflects a complete understanding and experience in practical application, and Aware reflects a fundamental understanding and knowledge of an area.

Individual Director profiles are set out in the Board of Directors section.

Roles and Responsibilities of the Board

The Board is committed to managing ***thl*** in an ethical and professional manner, and in the best interests of the Company and its shareholders. ***thl*** has a Board Charter, available on its website, which amongst other matters sets out the specific responsibilities of the Board, including the following:

- Oversight of ***thl***, including its control and accountability procedures and systems;
- Appointment, performance and removal of the Chief Executive Officer;
- Confirmation of the appointment and removal of the senior executives (being the C-Suite executives, General Managers and equivalent roles);
- Setting the remuneration of the Chief Executive Officer and Chief Financial Officer, approval of the remuneration of the senior executives, and the adoption of ***thl***'s remuneration policy;
- Overseeing the development, adoption and communication of the corporate strategy and objectives and oversight of the adequacy of ***thl***'s resources required to achieve the strategic objectives;
- Approval of and monitoring of actual results against the annual business plan and budget (including the capital expenditure plan);
- Approval and monitoring of the progress of capital expenditures, capital management initiatives, and acquisitions and divestments;
- Overseeing accounting and reporting systems and ***thl***'s compliance with its continuous disclosure obligations;
- Approval of the annual and half-year financial statements;
- Setting measurable objectives for achieving diversity with the organisation; and
- Seeing that ***thl*** has in place the appropriate protocols to be followed in the case of a takeover.

Management is responsible for implementing the strategic objectives set by the Board. The Board maintains a formal set of delegated authorities (including a Delegated Authorities Policy) clearly defining responsibilities delegated to management and those retained by the Board. The Delegated Authorities Policy is approved by the Board and is subject to annual review by the Board.

Board performance evaluation and training

On an annual basis the Chair conducts a review of Board performance. A review using an independent external facilitator is conducted every second year. Board Committees review performance against their Charters on an annual basis. The Remuneration and Nomination Committee is responsible for seeing that Directors remain up to date with relevant training.

Director appointment and nomination

The policy for appointment and retirement of Directors is contained within ***thl***'s constitution and Board Charter. In accordance with the NZX Listing Rules, Directors must not hold office (without re-election) past the third Annual Meeting following their appointment or three years, whichever is longer. There are no Directors that are required to retire at the upcoming 2024 Annual Meeting.

The process for the nomination of Directors is set out in the Remuneration and Nomination Committee Charter. The Remuneration and Nomination Committee is responsible for identifying and assessing the necessary and desirable competencies and characteristics for Board membership and maintaining a skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

thl has entered into a written agreement with each of its Directors setting out the terms of their appointment. ***thl***'s terms of appointment for Directors is set out at Schedule 1 of the ***thl*** Board Charter.

The ***thl*** Board Charter is available at www.***thl***online.com.

Director independence

The criteria to determine whether Directors are independent is set out in the Board Charter which includes the factors set out in the NZX Corporate Governance Code (as required by the NZX Listing Rules). All the Directors holding office on 30 June 2024, with the exception of Executive Directors Grant Webster and Luke Trouchet, are considered to be independent. Directors are required to inform the Board of any relevant information that may impact independence. The Remuneration and Nomination Committee reviews the independence of Directors on behalf of the Board.

Board Diversity Policy

The ***thl*** Diversity Policy endorses and supports diversity in Board, Executive and staff appointments, encompassing differences including but not limited to gender, ethnicity, race, marital status, sexual orientation, age, employment status, religious belief, ethical belief or political opinion. When making appointments, the Board and management are committed to considering diversity as well as the mix of skills and experience needed to expand the perspective and capability of the Board and the management team as a whole.

The ***thl*** Diversity Policy is available at www.***thl***online.com. It requires the Board to consider the diversity position of ***thl*** annually and whether to set any measurable objectives, which may be numerical and non-numerical. Information regarding ***thl***'s current female representation and Board approved gender objectives can be found on page 41. Diversity is considered in several ***thl*** future-fit goals within our Thrive sustainability programme which aims to support our crew, building a healthy culture and cultural capability across ***thl*** globally.

The Board considers that it currently has the appropriate mix of skills, experience and diversity to fulfil its responsibilities under the NZX Listing Rules and the ***thl*** Diversity Policy.

Principle 3 – Board Committees

"The Board should use Committees where this will enhance its effectiveness in key areas, while still retaining Board responsibility."

There are four standing Committees described below, each of which operates under a written charter. The performance of the standing Committees is reviewed annually against the Charters.

Each Committee is authorised to deal with matters as set out in its Charter or falling within its mandate. Where the Board has delegated decision-making authority to a Committee, that Committee is entitled to make decisions on such matters, otherwise the Committee is to submit recommendations to the Board for consideration. From time to time, the Board delegates specific matters to the appropriate Committee in order to ensure that a detailed review and analysis is undertaken. The Committee then reports back to the Board regarding their findings and recommendations.

The Audit and Risk Committee

The Audit and Risk Committee is comprised solely of Non-Executive Directors of the Board, a majority of whom must be Independent Directors. The Chair of the Audit and Risk Committee must not be the Chair of the Board and must be an independent Director.

The Committee meets a minimum of three times each year. The Audit and Risk Committee has oversight of and assists the Board to fulfil its responsibilities in the areas of financial reporting, financial risk management and controls, audit functions and enterprise risk management. ***thl*** employees are able to attend Audit and Risk Committee meetings from time to time by invitation from the Committee.

The Audit and Risk Committee oversees ***thl***'s internal audit work programme based on ***thl***'s risk management framework. An internal audit work plan is developed each year, with internal audit assignments completed by the internal finance function, with external support as required.

The current composition of the Audit and Risk Committee is Rob Hamilton (Chair), Cathy Quinn, Robert Baker and Sophie Mitchell.

The ***thl*** Audit and Risk Committee Charter is available at www.***thl***online.com.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee is comprised of at least three Non-Executive Directors of the Board, a majority of whom must be independent Directors.

The Committee meets a minimum of two times each year. The Remuneration and Nomination Committee supports the Board on matters relating to people and remuneration. It assesses the role and responsibilities, composition, training and membership requirements and remuneration for the Board, including recommendations for the appointment and removal of Directors.

The current composition of the Remuneration and Nomination Committee is Sophie Mitchell (Chair), Cathy Quinn, Grainne Troute and Rob Hamilton. Management may attend meetings of the Remuneration and Nomination Committee by invitation only.

The ***thl*** Remuneration and Nomination Committee Charter is available at www.***thl***online.com.

Health, Safety and Sustainability Committee

The Health, Safety and Sustainability Committee is comprised of at least two Non-Executive Directors of the Board. The current composition of the Health, Safety and Sustainability Committee is Rob Baker (Chair, appointed August 2024), Gráinne Troute, Cathy Quinn and Debbie Birch (Chair to August 2024).

The Committee supports the Board and management on sustainability policies and practices and employee health, safety and wellbeing matters. The Committee meets a minimum of three times each year, as required.

The ***thl*** Health, Safety and Sustainability Committee Charter is available at www.***thl***online.com.

Market Disclosure Committee

The Market Disclosure Committee is comprised of Cathy Quinn (Chair), Rob Hamilton and Sophie Mitchell. Also in attendance are Grant Webster (Chief Executive Officer) and Cameron Mathewson (Chief Financial Officer). The Committee monitors compliance with the Group's Market Disclosure Policy which covers compliance with NZX Listing Rules, ASX Listing Rules (to the extent applicable), the Companies Act 1993, the Financial Markets Conduct Act 2013 and other guidelines issued by the Financial Markets Authority and the NZX.

The Committee meets if required outside of normal Board meetings to approve market disclosures.

The ***thl*** Market Disclosure Policy, which also sets out the roles and responsibilities of the Market Disclosure Committee, is available at www.***thl***online.com.

Other Committees

The ***thl*** Board establishes other temporary Committees from time to time when required for a specific purpose. This includes Committees for the governance of capital raising processes or for the progression of acquisition opportunities. Membership of these Committees is assessed on a case-by-case basis.

Takeover protocols

thl has a written protocol that describes the process to be followed in the event of a takeover offer. The protocol includes the appointment of a sub-Committee of independent Directors.

Principle 4 – Reporting and disclosure

"The Board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures."

The Board is committed to seeing that shareholders and the market are provided with complete and timely information about the activities of the business to allow proper accountability between ***thl*** and shareholders, employees and other stakeholders. The Board has overall responsibility for the integrity of ***thl***'s reporting and disclosure.

Continuous disclosure

thl's obligations under the NZX Listing Rules require it to advise the market about any material events promptly and without delay once the Company becomes aware of such information. As an entity with a foreign exempt listing on ASX, such information is also required to be released to ASX when released to NZX. The Board has in place a Market Disclosure Policy to see that the Company is able to comply with its continuous disclosure obligations.

The Market Disclosure Policy contains a procedure for the escalation of potential material information to the Market Disclosure Committee, in order to allow the Committee to determine whether the information is material and whether an announcement is required. The Market Disclosure Policy is provided to all ***thl*** staff and is also available on www.***thl***online.com. Additionally, ***thl*** provides training regarding its continuous disclosure obligations to all staff, sends annual reminders of ***thl***'s Market Disclosure Policy and information escalation procedures, and monitors compliance on an ongoing basis.

Financial reporting

The Audit and Risk Committee is responsible to the ***thl*** Board in relation to financial reporting. It reviews the interim and annual financial statements and reports to the Board regarding compliance with relevant laws and recognised accounting policies. It is also responsible for seeing that ***thl*** retains accurate financial and accounting records, and that all financial reporting is done in an accurate and timely manner.

Non-financial reporting

thl has adopted the internationally recognised International Integrated Reporting <IR> Framework so that its disclosure of non-financial reporting is balanced, transparent, connected to the financial, social and environmental performance, and easily comparable to other companies.

The ***thl*** Board has ultimate responsibility for ***thl***'s Climate-Related Disclosures. The Audit & Risk Committee, on behalf of the Board, oversees the preparation process including the engagement of assurance providers, and is responsible for seeing that the disclosures comply with the relevant regulations and standards. The ***thl*** Board approves the final set of disclosures.

thl's FY24 reporting of its carbon footprint and Climate-Related Disclosures are shared in a separate Climate Statements report, to be published on www.***thl***online.com and www.***thl***sustainability.com by 31st October 2024.

Principle 5 – Remuneration

"The remuneration of Directors and Executives should be transparent, fair and reasonable."

thl is committed to a fair approach to remuneration which seeks alignment between remuneration levels and business needs. A clear set of boundaries and process to guide ***thl***'s philosophy for remuneration has been set by the Remuneration and Nomination Committee in the ***thl*** Remuneration Policy.

This year ***thl*** has introduced its first Remuneration Report, which is available on page 117 of this Integrated Annual Report.

thl also has a Remuneration Policy which is available on ***thl***'s website at www.***thl***online.com.

Principle 6 – Risk management

"Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks."

thl maintains an Enterprise Risk Management (ERM) framework for the identification, assessment, monitoring and management of material risks to ***thl***'s business. The ***thl*** Board has ultimate responsibility for reviewing ***thl***'s risk management framework, however the ongoing oversight is delegated to the Audit and Risk Committee, who reports to the Board in respect of potential issues or risks that require further consideration and response.

Enterprise risk management

A responsibility of the Audit and Risk Committee is to consider, assess and respond to enterprise risks to ***thl***'s business. This includes oversight and management of ***thl***'s risk register and risk contingency plans. ***thl*** management maintains the material risk register and reports to the Audit and Risk Committee regularly on such risks. The Audit and Risk Committee conducts a detailed review of all ***thl*** risks on a twice-yearly basis.

Management monitors risks on an ongoing basis to identify any new risks as well as any potential changes to the threat posed to ***thl***'s business from previously identified risks. Further information regarding the key material risks to ***thl*** can be found from pages 42-46 of this report.

Financial risk management

The Audit and Risk Committee is also responsible for seeing that ***thl*** has appropriate control and systems in place to manage any financial risks and to protect ***thl***'s assets. This involves reviewing ***thl***'s risk management system, business policies and practices and internal control framework. The Committee is also responsible for seeing that ***thl*** maintains insurance coverage that protects earnings from potential adverse circumstances.

Health and safety

The Health, Safety and Sustainability Committee is responsible for monitoring matters relating to occupational health and safety, and physical and mental wellbeing of ***thl*** staff, and reports to the Board on such matters.

The Committee works with Management to identify and maintain a register of workplace hazards, and to see that ***thl*** has in place and appropriately documents its health and safety policies and procedures.

thl Management report to the Board on any health and safety incidents, including implementation of responses to prevent further incidents, on a regular basis.

thl Management report to the Health, Safety and Sustainability Committee on progress on its global 'future-fit' sustainability programme including Climate and Carbon and on the 23 goals of the Future-Fit Business Benchmark.

Principle 7 – Auditors

"The Board should ensure the quality and independence of the external audit process."

The Audit and Risk Committee is responsible for recommending the appointment and removal of external auditors, ensuring their independence and regularly monitoring and reviewing both internal and external audit practices. The Committee closely monitors ***thl***'s relationship with the external auditor, including:

- The rotation of the external auditor or lead partner and peer review partner at least every five years;
- Obtaining confirmation of the auditor's independence in writing;
- Monitoring and approving any other services provided by the external auditor to ***thl*** other than in its audit role; and
- monitoring total non-audit fees.

The Audit and Risk Committee Charter sets out the types of services which the external auditor is prohibited from providing to ***thl*** in order to ensure that their ability to provide audit services is not impaired and that they remain independent.

thl's current external auditor is EY New Zealand. Following a formal request for proposal process that was overseen by the Audit and Risk Committee, EY was appointed as ***thl***'s new external auditor in October 2023. In accordance with ***thl***'s Board Charter, EY New Zealand will attend the 2024 Annual Meeting and be available to answer questions about the conduct of its audit and the preparation and content of its audit report.

Throughout the year, there is ongoing dialogue between the Audit and Risk Committee, management and EY in their role as external auditors. Additionally, EY regularly attend meetings of the Audit and Risk Committee at the invitation of that Committee and have direct engagement with that Committee without management presence, as appropriate.

thl has an internal audit function which is based on an annual plan prepared by management, reflecting ***thl***'s risk management framework. The Audit and Risk Committee receives and reviews reports from the internal audit team, and is responsible for seeing that recommendations, actions and timelines for internal audits are agreed and undertaken with management.

Principle 8 – Shareholder rights and relations

"The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer."

Access to information

The Board aims to ensure that shareholders are able to access up-to-date information regarding ***thl***'s business and ongoing developments in an easy-to-access format. ***thl*** makes available on its website a description of each of its businesses, historical interim and annual reports and other shareholder communications, and key corporate governance documents as required by the Code.

Shareholders have the option to receive communications from ***thl*** electronically by electing to do so with ***thl***'s share registrar, MUFG Market Services (formerly Link Market Services). ***thl*** encourages all shareholders to opt in to receiving electronic communications where practical to reduce waste.

A brief biography of each of ***thl***'s Directors and key members of the Executive team is available on ***thl***'s website.

Annual Meetings

The Board encourages all shareholders and stakeholders to attend its Annual Meetings. It aims for all Annual Meetings to be attended by all Directors as well as the CEO, the CFO and the Company Secretary, and to ensure that they are available for questions from shareholders. Notice of the Annual Meeting is communicated to shareholders (including by being posted on ***thl***'s website) as soon as possible, with at least 20 working days prior notice being given in accordance with the NZX Corporate Governance Code.

The 2023 Annual Meeting was held as a hybrid meeting, with all shareholders being able to either attend physically or via live-stream and submit questions online. Where an Annual Meeting is held physically, ***thl*** also provides the option to live-stream the Annual Meeting for those shareholders that are unable to attend in person. Shareholders attending via the live-stream have the ability to submit questions online. A recording of each Annual Meeting is subsequently made available on the ***thl*** website.

Board composition

thl's constitution allows no less than three and up to 10 Directors. As at 30 June 2024, the Board of Directors comprised eight Directors, being six Non-Executive Directors, and two Executive Directors.

Director	Roles	Director Since	Independence
Cathy Quinn	Board Chair, Member Health, Safety and Sustainability Committee, Member Audit and Risk Committee, Chair Market Disclosure Committee, Member Remuneration and Nomination Committee	September 2017	Independent Director
Rob Baker	Member Audit and Risk Committee, Member Health, Safety and Sustainability Committee (appointed Chair in August 2024)	November 2022	Independent Director
Debbie Birch	Chair Health, Safety and Sustainability Committee (to August 2024)	September 2016	Independent Director
Rob Hamilton	Chair Audit and Risk Committee, Member Remuneration and Nomination Committee, Member Market Disclosure Committee	February 2019	Independent Director
Sophie Mitchell	Chair Remuneration and Nomination Committee, Member Audit and Risk Committee, Member Market Disclosure Committee	November 2022	Independent Director
Luke Trouchet	Executive Director	November 2022	Executive Director
Grainne Troute	Member Remuneration and Nomination Committee, Member Health, Safety and Sustainability Committee	February 2015	Independent Director
Grant Webster	Chief Executive Officer and Managing Director	November 2022	Executive Director

Debbie Birch has given notice of her resignation as a Director of the Board, effective from 30 September 2024. Rob Baker replaced Debbie Birch as the Chair of the Health, Safety and Sustainability Committee in August 2024.

Table of Board attendance

Director	Board	Audit and Risk Committee	Remuneration and Nomination Committee	Health, Safety and Sustainability Committee	Disclosure Committee
Cathy Quinn	13	7	6	4	2
Rob Baker	13	8	3	4	0
Debbie Birch	11	4	2	4	0
Rob Hamilton	13	8	6	3	2
Sophie Mitchell	13	8	6	3	2
Luke Trouchet	13	5	2	3	0
Grainne Troute	12	5	5	4	0
Grant Webster	12	7	6	3	2
Total meetings held	**13**	**8**	**6**	**4**	**2**

Note: Cells in orange identify Director membership in a Committee.

Director and Officer gender composition

As at 30 June 2024, being the balance date, ***thl***'s Director and Officer gender composition was as follows:

	2024			2023		
	Male	Female	Gender Diverse	Male	Female	Gender Diverse
Directors	4 (50%)	4 (50%)	0 (0%)	4 (50%)	4 (50%)	0 (0%)
Officers[1]	9 (75%)	3 (25%)	0 (0%)	10 (77%)	3 (23%)	0 (0%)
Executive team[2]	10 (67%)	5 (33%)	0 (0%)	11 (69%)	5 (31%)	0 (0%)

1 As per the definition for "Officers" in the NZX Listing Rules.
2 The ***thl*** Executive team are ***thl***'s C-suite leaders, as detailed on www.***thl***online.com/about/executiveteam.

Use of company information

No disclosures were made of information disclosures under s145(2) and s145(3) of the Companies Act 1993.

Directors' shareholdings

As at 30 June 2024, Directors had relevant interests in ordinary shares in ***thl*** as set out below. There is no requirement for ***thl*** Directors to own shares in ***thl***.

Director	Interest	Shares
Cathy Quinn	Beneficial	54,835
Rob Baker	Legal and beneficial	41,635
Debbie Birch	N/A	0
Rob Hamilton	Legal and beneficial	58,483
Sophie Mitchell	Beneficial	73,032
Luke Trouchet[1]	Beneficial	26,070,109
Grainne Troute	Legal and beneficial	99,080
Grant Webster[1]	Legal and beneficial	2,638,106

1 Refer to the Remuneration Report for details of various convertible securities owned by each of Grant Webster and Luke Trouchet.

Directors' share dealings

Details of the Directors' acquisitions and disposals of relevant interests during the financial year ending 30 June 2024 in the ordinary equity securities issued by the Company are as follows:

Director	Nature of relevant interest	Date of transaction	Number of securities acquired/ (disposed)	Consideration
Cathy Quinn	Beneficial owner	5 April 2024	793	Acquired 793 Ordinary Shares pursuant to ***thl***'s Dividend Reinvestment Plan at $3.068 per share.
	Beneficial owner	29 September 2023	2,169	Acquired 2,169 Ordinary Shares pursuant to ***thl***'s Dividend Reinvestment Plan at $3.587 per share.
Debbie Birch	Legal and beneficial owner	27 February 2024	(44,062)	On-market sale of 44,062 Ordinary Shares at $3.39 per share.
Rob Baker	Legal and beneficial owner	5 April 2024	303	Acquired 303 Ordinary Shares pursuant to ***thl***'s Dividend Reinvestment Plan at $3.068 per share.
	Legal and beneficial owner	29 September 2023	846	Acquired 846 Ordinary Shares pursuant to ***thl***'s Dividend Reinvestment Plan at $3.587 per share.
Rob Hamilton	Legal and beneficial owner	5 April 2024	787	Acquired 787 Ordinary Shares pursuant to ***thl***'s Dividend Reinvestment Plan at $3.068 per share.
	Legal and beneficial owner	29 September 2023	2,160	Acquired 2,160 Ordinary Shares pursuant to ***thl***'s Dividend Reinvestment Plan at $3.587 per share.
Sophie Mitchell	No acquisitions or disposals during the financial year			

Director	Nature of relevant interest	Date of transaction	Number of securities acquired/ (disposed)	Consideration
Luke Trouchet	Beneficial owner	5 April 2024	3,208	Acquired 3,208 Ordinary Shares pursuant to ***thl***'s Dividend Reinvestment Plan at $3.068 per share.
	Beneficial owner	20 March 2024	1,500,000	On-market sale of 1,500,000 Ordinary Shares at $3.10 per share.
	Beneficial owner	20 March 2024	351,900	On-market sale of 351,900 Ordinary Shares at $3.11 per share.
	Beneficial owner	29 September 2023	8,778	Acquired 8,778 Ordinary Shares pursuant to ***thl***'s Dividend Reinvestment Plan at $3.587 per share.
Grainne Troute	Legal and beneficial owner	5 April 2024	1,333	Acquired 1,333 Ordinary Shares pursuant to ***thl***'s Dividend Reinvestment Plan at $3.068 per share.
	Legal and beneficial owner	29 September 2023	1,914	Acquired 1,914 Ordinary Shares pursuant to ***thl***'s Dividend Reinvestment Plan at $3.587 per share.
Grant Webster	Beneficial owner	6 September 2023	165,000	Acquired 165,000 Ordinary Shares upon exercise of 165,000 Options at $1.57 per Option.
	Beneficial owner	7 July 2023	26,588	Acquired 26,588 Ordinary Shares upon conversion of vesting of 26,588 Share Rights.

The relevant interests in the above shares are as disclosed in the Directors' shareholdings section.

Substantial product holders

The following information is provided in compliance with section 293 of the Financial Markets Conduct Act 2013 and records Substantial Product Holder notices received as at 30 June 2024. As at 30 June 2024, the total number of voting securities on issue was 218,224,409.

Shareholder	Number of Ordinary Shares in which a relevant interest was held	Percentage %
Trouchet Shareholders	26,066,901	11.94%
Accident Compensation Corporation	19,442,407	8.91%
Tourism Holdings Limited[1]	15,480,012	7.09%
ANZ New Zealand Investments Limited, ANZ Bank New Zealand and ANZ Custodial Services New Zealand Limited	11,567,386	5.30%

1 Tourism Holdings Limited's relevant interest relates to certain Ordinary Shares held by the Trouchet Shareholders, for which ***thl*** has the power to prevent a sale pursuant to Escrow Deeds entered into with the Trouchet Shareholders.

Spread of shareholders

The ordinary shares of Tourism Holdings Limited are listed on the NZX Main Board and the Official List of the ASX under a foreign exempt listing.

As at 30 June 2024 the total number of voting securities on issue was 218,224,409.

Size of Holdings	Number of Holders	Number of Shares Held	% of Total Issued Shares
1 – 1,000	2,306	1,131,771	0.52%
1,001 – 5,000	3,413	8,888,766	4.07%
5,001 – 10,000	1,060	7,636,561	3.50%
10,001 – 50,000	878	16,889,699	7.74%
50,001 – 100,000	88	6,050,809	2.77%
100,001 and over	90	177,626,803	81.40%
Total	**7,835**	**218,224,409**	**100.00%**

The above shows the spread of shareholders as at 30 June 2024. The shareholding of New Zealand Central Securities Depository Limited (NZCSD) has been reallocated to the applicable members of NZCSD.

Twenty largest shareholders

As at 30 June 2024		Number of Ordinary Shares	% of Total Issued Shares
1	Barmil Enterprises Pty Ltd[1]	25,653,539	11.76%
2	HSBC Nominees (New Zealand) Limited	23,886,307	10.95%
3	Accident Compensation Corporation	20,222,235	9.27%
4	Premier Nominees Limited	10,026,608	4.59%
5	Bnp Paribas Nominees NZ Limited	8,429,392	3.86%
6	FNZ Custodians Limited	7,802,309	3.58%
7	Citicorp Nominees Pty Limited	5,911,711	2.71%
8	New Zealand Depository Nominee	5,784,970	2.65%
9	Hantec Securities Company Limited	5,145,583	2.36%
10	New Zealand Superannuation Fund Nominees Limited	4,891,588	2.24%
11	Citibank Nominees (Nz) Ltd	4,851,602	2.22%
12	Forsyth Barr Custodians Limited	4,834,012	2.22%
13	Tea Custodians Limited	4,464,568	2.05%
14	Custodial Services Limited	3,541,367	1.62%
15	J P Morgan Nominees Australia Pty Limited	3,457,056	1.58%
16	Alpine Bird Manufacturing Limited	3,260,870	1.49%
17	JPMORGAN Chase Bank	2,287,218	1.05%
18	Pt Booster Investments Nominees Limited	2,246,935	1.03%
19	Grant Gareth Webster & Stephen David Webster[2]	2,246,518	1.03%
20	Mirrabooka Investments Limited	2,111,088	0.97%
	Total	**151,055,476**	**69.22%**

1 Holding beneficially owned by Luke Trouchet. Refer to Directors' shareholdings section.
2 Holding beneficially owned by Grant Webster. Refer to Directors' shareholdings section.

The shareholding of New Zealand Central Securities Depository Limited (NZCSD) has been reallocated to the applicable members of NZCSD.

General notice of Directors' interest

Directors have made general disclosures of interests in accordance with s140(2) of the Companies Act. Current interests as at 30 June 2024, and those which ceased during the year, are tabulated below. New disclosures advised during FY24 are italicised.

Cathy Quinn	Fertility Associates Holdings Limited	Chair
	Fletcher Building Industries Limited	Director
	Fletcher Building Limited	Director
	Fonterra Co-operative Group Limited	Director
	MinterEllisonRuddWatts	Consultant
	Rangatira Limited	Director
	University of Auckland	Pro-Chancellor
Robert Baker	Flight Centre Travel Group Limited	Director
	Gathid Limited	Chair
	Goodman Private Wealth Ltd	Director
	*Robert is a retired partner of PwC Australia and receives an annual post-retirement payment in accordance with the Partnership Agreement he was party to. PwC Australia is a separate entity to PwC New Zealand, who were previously engaged as **thl**'s external auditor. Robert has no past or present relationship with PwC New Zealand*	
Debbie Birch	Birch & Associates Limited	Director
	Eastland Generation Group	Director
	Eastland Group Limited	Director
	Eastland Port Limited	Director
	Gisborne Airport Limited	Director
	Hawkes Bay Regional Investment Company Limited	*Director – interest advised July 2023*
	Human Rights Measurement Initiative Charitable Trust	*Trustee – resignation advised February 2024*
	Miraka Limited (and subsidiaries)	Director
	NZTE AIP Advisory Panel	*Member – resignation advised February 2024*
	Raukawa ki te Tonga AHC Limited	*Chair – resignation advised February 2024*
	Taupo Moana Investments Limited	*Chair – resignation advised August 2023*
	Te Puia Tapapa GP Limited	Director
	Tuaropaki Trust	Trustee Elect
	Tuwhateroa Hau Rau GP Limited	*Director – resignation advised August 2023*
	Westpac New Zealand Limited	*Director – interest advised April 2024*
Rob Hamilton	Auckland Grammar School Foundation Trust	Member
	Oceania Healthcare Limited	Director
	Kamari Consulting Limited	Director and Shareholder
	Stelvio Consulting Limited	Director and Shareholder
	Synlait Milk Limited	*Consultant – resignation advised December 2023*
	Westpac New Zealand Limited	Director
Sophie Mitchell	Corporate Travel Management Limited	Director
	Firstmac Limited	Director
	Healthcare Logic Global Limited	*Chair – resignation advised August 2023*
	Multi-year Investment Finance & Governance Panel, Australia Council for the Arts	*Member – term ended December 2023*
	Morgans Foundation Limited	Director
	Morgans Holdings (Australia) Limited	Director
	Myer Family Investments Limited	Director
Luke Trouchet	Barmil Enterprises Pty Ltd	Director
	Eastglo Pty Ltd	Director
	LGT Holdings Pty Ltd	Director
	Salamanda Travel Pty Ltd	Director
	Camp Stay Holding Pty Ltd	Director
	Camp Stay Pty Ltd	Director
	Jamonji Pty Ltd	Director
	Jamonji Corp Pty Ltd	Director
	KRLG Pty Ltd	Director
	RV Boss Pty Ltd	Director
	Caravans Away Pty Ltd	Director
	*Luke is a Director of **thl** subsidiaries as listed on pages 115-116.*	
Grainne Troute	Investore Property Limited	Director
	Summerset Group Holdings Limited	Director
	Duncan Cotterill	Board Member
	Montana Group Limited	Chair
Grant Webster	Les Mills Holdings Limited	Chair
	*Grant is a Director of **thl** subsidiaries as listed on pages 115-116.*	

NZX Waivers

On 27 February 2017 ***thl*** obtained a waiver from NZXR from Rule 8.1.7 (which ensures that options may not be subsequently amended by an issuer in a manner that is detrimental to the interests of the holders of the underlying Equity Securities). The waiver was granted to the extent that the Rule would otherwise prevent the issue of options under ***thl***'s long-term incentive scheme for senior executives, introduced in 2017. The ruling allows for a formula to be used for the exercise price of the options that will result in a fluctuating exercise price.

On 22 May 2019 ***thl*** obtained a waiver from NZXR from Listing Rule 6.5.2 under the revised NZX Listing Rules. This waiver re-documented the existing waiver received on 27 February 2017 in respect of Rule 8.1.7 under the former NZX Listing Rules. In April 2024, ***thl*** relied on this waiver in the issuance of new options under its long-term incentive scheme.

Directors' loans

There were no loans by the Group to Directors.

Donations

In accordance with section 211(1)(h) of the Companies Act 1993, ***thl*** records that it donated $7,000 during the year ended 30 June 2024. No donations were made to any political parties.

Directors' insurance

The Group has arranged insurance cover and provided deeds of indemnity for Directors' and Officers' liability.

Auditor

In accordance with section 207T of the Companies Act 1993, EY New Zealand are appointed as the Group's auditors. Auditors' remuneration is detailed in note 31 to the financial statements.

Subsidiary companies

During the financial year ending 30 June 2024, the Directors of ***thl***'s subsidiary companies were as follows. No Director of any subsidiary received beneficially any Director's fees or other benefits except as an employee[1]. The remuneration and other benefits of such employees, received as employees, are included in the relevant bandings for remuneration disclosed in the Remuneration Report.

1	***thl*** Motorhomes Limited	Grant Webster
2	Waitomo Caves Limited	Grant Webster
3	Waitomo Caves Holdings Limited	Grant Webster
4	TH2connect GP Limited	Grant Webster, Nick Judd (ceased February 2024)
5	***thl*** Properties NZ Limited	Grant Webster, Nick Judd (ceased February 2024)
6	Action Manufacturing Group GP Limited	Grant Webster, Nick Judd (ceased February 2024), Grant Brady (ceased April 2024), Chris Devoy (ceased April 2024), Ralph Marshall (ceased April 2024)
7	Road Bear NZ Limited	Grant Webster
8	Apollo Motorhome Holidays Limited	Grant Webster
9	Talvor Motorhomes Limited	Grant Webster
10	Hippie Camper Limited	Grant Webster
11	Cheapa Campa Limited	Grant Webster
12	Apollo Car Hire Limited	Grant Webster
13	Maui Rentals Pty Limited	Grant Webster, Luke Trouchet
14	Outdoria Pty Limited	Grant Webster, Luke Trouchet
15	The Green Bus Company Pty Limited	Grant Webster, Luke Trouchet
16	***thl*** Oz Pty Limited	Grant Webster, Luke Trouchet
17	***thl*** Group (Australia) Pty Limited	Grant Webster, Luke Trouchet
18	Tourism Holdings Australia Pty Limited	Grant Webster, Luke Trouchet
19	World Travel Headquarters Pty Limited	Grant Webster, Luke Trouchet
20	Tourism Holdings Rental Vehicles Pty Limited	Grant Webster, Luke Trouchet

1 Grant Brady and Ralph Marshall each received director fees of $26,250 in the reporting period in relation to their directorships of Action Manufacturing Group GP Limited.

21	Apollo Tourism & Leisure Pty Ltd	Grant Webster, Luke Trouchet, Karl Trouchet (resigned July 2023)
22	Apollo Motorhome Ultimate Holdings Pty Ltd	Grant Webster, Luke Trouchet
23	Apollo Motorhome Holdings (Aus) Pty Ltd	Grant Webster, Luke Trouchet
24	Cheapa Campa Pty Ltd	Grant Webster, Luke Trouchet
25	G R L Enterprises Pty Ltd	Grant Webster, Luke Trouchet
26	Talvor Motorhomes Pty Ltd	Grant Webster, Luke Trouchet
27	Apollo Motorhome Holidays Pty Ltd	Grant Webster, Luke Trouchet
28	Apollo Motorhome Industries Pty Ltd	Grant Webster, Luke Trouchet
29	Hippie Camper Pty Ltd	Grant Webster, Luke Trouchet
30	Sydney RV Group Pty Ltd	Grant Webster, Luke Trouchet
31	Apollo Investments Pty Ltd	Grant Webster, Luke Trouchet
32	Apollo RV West Pty Ltd	Grant Webster, Luke Trouchet
33	AMH Products Pty Ltd	Grant Webster, Luke Trouchet
34	Apollo RV Service & Repair Centre Pty Ltd	Grant Webster, Luke Trouchet
35	Apollo Finance Pty Ltd	Grant Webster, Luke Trouchet
36	Winnebago RV Pty Ltd	Grant Webster, Luke Trouchet
37	Apollo Motorhome Holdings (NZ) Pty Ltd	Grant Webster, Luke Trouchet
38	***thl*** RV Sales Adelaide Pty Ltd	Grant Webster, Luke Trouchet
39	Tourism Holdings USA Inc	Grant Webster
40	El Monte Rents Inc	Grant Webster
41	Apollo Motorhome Holidays LLC	Grant Webster, Luke Trouchet
42	CanaDream Corporation	Grant Webster, Luke Trouchet, Kristen Evans
43	CanaDream Inc	Grant Webster, Luke Trouchet, Kristen Evans
44	ATL Canada Ltd	Grant Webster, Kristen Evans
45	AmeriDream Inc	Luke Trouchet, Karl Trouchet, Kelly Shier
46	***thl*** Motorhomes UK Limited	Grant Webster, Nick Roach
47	***thl*** UK and Ireland Limited	Grant Webster, Nick Roach
48	Apollo Tourism & Leisure UK Limited	Luke Trouchet, Karl Trouchet, Chris Stewart
49	Bunk Campers Limited	Luke Trouchet, Karl Trouchet, Chris Stewart
50	Blue Quadrant Leisure Limited	Mark Austin, Keith Charlton (ceased August 2023), Louise Charlton (ceased August 2023)
51	Apollo Tourism & Leisure (EU) Ltd	Daniel Kunzi, Luke Trouchet (ceased August 2023), Karl Trouchet (ceased August 2023), Keith Charlton (ceased August 2023), Louise Charlton (ceased August 2023)
52	Apollo Motorhome Holidays GmbH	Grant Webster, Nick Roach, Chris Stewart (ceased March 2024)

Remuneration

Report from the Chair

Dear Shareholders,

On behalf of the Board I'm pleased to present you with our inaugural ***thl*** Remuneration Report for FY24. Our vision for ***thl***'s remuneration reporting is to increase transparency and disclosure practices and to develop consistency in the way we report. As such, we have adopted the NZX recommended Remuneration Reporting Template for Listed Issuers that was released in December 2023 to guide this report.

Remuneration Objectives

The philosophy for remuneration within ***thl*** is to align remunerating Executives' interests and efforts with the long-term interests of ***thl*** Shareholders. This is achieved through a combination of long-term incentive schemes and short-term incentives. The long-term incentives are linked to share price movements, providing the Executives with a similar experience as that of ***thl*** shareholders, and the short-term incentives include specific targets of a financial and non-financial nature.

The ***thl*** Board recognises that in order to achieve its objectives ***thl*** must have committed and capable staff. ***thl***'s remuneration approach aims to set a framework around total remuneration that serves several purposes. Firstly, a fixed base salary for ***thl*** for all employees in salaried roles, to attract, retain and sustain the desire to remain working for ***thl***. Secondly a short-term incentive (STI) to encourage and reward employees for achieving key performance indicators or other objectives, and thirdly, long-term incentives (LTI) for appointed senior executives and managers, to align them with the long-term interests of ***thl*** and its shareholders.

In developing a policy for the whole of ***thl*** there was recognition that the varied businesses with the ***thl*** model and different operating jurisdictions limit the ability to implement a true "one size fits all approach" to all aspects of remuneration and reward. The ever-changing landscape of ***thl*** and the legal requirements of the jurisdictions we operate in require some interpretation of the policy intent in a variety of ways. ***thl*** sees that all leaders are aware of the principles and values of remuneration by which we operate. This approach, alongside a clear set of boundaries and processes, forms the basis of the ***thl*** Remuneration Policy.

Short-term Incentive Scheme for FY24

In acknowledgement of the profit downgrade impact felt by Shareholders, the Board, on the recommendation of the CEO, exercised its discretion to cancel all discretionary STI payments for FY24, regardless of whether or not the specific individual KPI targets were achieved.

Board Fees

Director remuneration was reviewed last year with a resolution passed at the 2023 Annual Meeting to increase the Directors' fee pool from $750,000 to $850,000 (plus GST, if any) per annum, reflecting a total increase to the maximum fee pool of just under 14%. The allocation of Directors' fees had been unchanged from November 2018 until December 2022, including a period where Directors took a 50% fee reduction.

The increase to the fee pool approved in 2023 enables the Board to approve payments to Directors for assuming additional responsibilities above and beyond the normal duties of either the Board or any sitting committee, as well as allowing for annual inflationary adjustments to the fee schedule as required.

Subsequently, as of 1 January 2024 Director fees were inflation-adjusted by +4.5%, in addition to a review of fees for the Chairs of the respective Board Committees that became effective at the same time. Only Chairs of Board Committees receive incremental fees for their role, while members of Board Committees do not.

Changes to the Remuneration Framework for FY25

An external benchmarking analysis by PwC identified that, for Executive roles for which comparative ratios could be drawn, STI entitlements at ***thl*** lagged the respective market median. As a result, Executive participants in the FY25 STI (other than the CEO) have been granted a stretch opportunity to earn payment above 100% of the contracted STI entitlement, by applying a modifier in cases of outperformance on certain KPIs. The CEO will not be eligible for a stretch modifier for the FY25 STI.

We have also introduced a new deferred component to the CEO's STI for FY25, where ***thl*** will hold back 20% of any earned STI, to be paid 12 months after the STI is earned.

Provisions have also been added to each Executive's employment terms giving ***thl*** the discretion to amend or reclaim STIs in situations of serious misconduct, or a material error in ***thl***'s financial statements that result in an excess payment of STI. We have implemented these changes as part of our ongoing effort to enhance ***thl***'s remuneration and reward strategy and governance.

On behalf of the Remuneration & Nomination Committee, I thank you all for your ongoing support of ***thl***.

Sophie Mitchell
Chair Remuneration and Nomination Committee

Remuneration Governance

The Remuneration and Nomination Committee is comprised of at least three Non-Executive Directors of the Board, a majority of whom must be Independent Directors. The Remuneration and Nomination Committee supports the Board on matters relating to human resources and remuneration. It assesses the role and responsibilities, composition, training and membership requirements and remuneration for the Board, including recommendations for the appointment and removal of Directors. Management may attend meetings of the Remuneration and Nomination Committee by invitation only. The Committee met six times in FY24.

The current composition of the Remuneration and Nomination Committee comprises of:

- **Sophie Mitchell:** Independent Director appointed in November 2022. Sophie serves as Chair of the Remuneration and Nomination Committee and member of the Audit and Risk Committee, and the Market Disclosure Committee. Sophie is an experienced professional in the finance industry and holds Non-Executive Director roles for Corporate Travel Management Limited (ASX: CTD), Myer Family Investments Limited, Firstmac Limited and Morgans Holdings (Australia) Limited. Sophie was previously Chair of Apollo Tourism & Leisure Limited, prior to the merger with ***thl***.
- **Cathy Quinn:** Independent Director appointed in September 2017. Cathy was appointed Chair of ***thl*** in June 2022 and serves on all of ***thl***'s Board Committees. Cathy is a former senior corporate partner at MinterEllisonRuddWatts. She served as MinterEllisonRuddWatt's Chair for eight years during a period of transformation and growth. Cathy is a Director of Fletcher Building Limited, Fonterra Co-operative Group Limited, Rangatira Limited and is Chair of Fertility Associates. Cathy is also Pro-Chancellor of the University of Auckland. Cathy is a former member of the NZ Securities Commission and Capital Markets Development Taskforce, and was made an Officer of the NZ Order of Merit in 2016 for services to law and women.
- **Rob Hamilton:** Independent Director appointed in February 2019. Rob Chairs the Audit and Risk Committee (appointed November 2019) and serves on the Remuneration and Nomination Committee and Market Disclosure Committee. Rob is a respected member of the finance community, with more than 30 years' experience in senior roles. Rob is currently a Director of Westpac New Zealand Limited and Oceania Healthcare Limited. He was previously Chief Financial Officer at SkyCity Entertainment Group Limited and Managing Director and Head of Investment Banking at Jarden (formerly First NZ Capital). Rob has previously been a Board member on the New Zealand Olympic Committee and Auckland Grammar School.
- **Gráinne Troute:** Independent Director appointed in February 2015. Gráinne previously chaired the Remuneration and Nomination Committee (appointed February 2015 – October 2023) and serves on the Health, Safety and Sustainability Committee. Gráinne is a Chartered Fellow of the Institute of Directors and is also a Director of Summerset Group Holdings Limited, Investore Property and a member of the Board of Duncan Cotterill. She is also Chair of the Montana Group. Gráinne is a professional Director with many years' experience in senior executive roles. Gráinne was General Manager, Corporate Services at SkyCity Entertainment Group and Managing Director of McDonald's Restaurants (NZ). Gráinne also held senior management roles with Coopers and Lybrand (now PwC) and HR Consultancy Right Management. She has also spent many years as a Trustee and Chair in the not-for-profit sector, including having been the Chair of Ronald McDonald House Charities New Zealand for five years.

All members are Independent Directors.

The Committee's responsibilities focus on seeing that effective remuneration management systems are in place and align with ***thl***'s broader objectives and strategies as outlined in the Remuneration Policy.

The Committee sets and reviews the remuneration packages for the CEO, Executives (including C-suite executives, General Managers, and equivalent roles), and Executive Directors. Remuneration for Executives reporting to the CEO are determined based on the CEO's recommendations. Employment contract terms for the aforementioned are set and reviewed, as well as the terms of ***thl***'s short- and long-term incentive plans, including share and option schemes for employees.

The Committee also reviews and approves ***thl***'s Remuneration Policy, reviews directors' fees, and seeks external advice when required.

Supporting policies and guidelines that facilitate management performance assessment, development, and encourage their self-development are also responsibilities of the Committee.

In addition, the Committee handles diversity objectives, the Whistleblower Policy, board vacancies, succession planning, and CEO appointment processes.

The Committee operates under a written charter titled the Remuneration & Nomination Committee Charter. The charter is available to view at www.***thl***online.com. The internal governance policy that sets out the context for ***thl***'s remuneration outcomes is the Remuneration Policy, which is also available to view at www.***thl***online.com.

Executive Remuneration Policy

thl is committed to seeing that its Executives are fairly and equitably remunerated, and appropriately rewarded for excellent performance and achievement. In addition, ***thl*** seeks to implement a remuneration structure where the interests of the CEO and Executive team are aligned with the interests of Shareholders.

Decisions concerning the remuneration of the CEO require approval from the Board, usually on the recommendation of the Remuneration and Nomination Committee, unless specifically delegated to the Committee. Decisions concerning the remuneration of any other C-level positions, General Managers or similar require approval from the Chair of the Remuneration and Nomination Committee and are subject to the oversight of the Committee at least annually.

thl's approach to remunerating Executives is set out in section 9 of ***thl***'s Remuneration Policy, which is available to view at www.***thl***online.com. The number of Executives to whom this policy applies in FY24 is 16.

The CEO and Executive remuneration generally consist of any or all of:

- fixed remuneration, being a fixed base salary and allowances;
- short-term performance-based cash incentives (STI); and
- long-term incentives (LTI).

Fixed Remuneration

Fixed remuneration consists of base salary and benefits. It aims to be reasonable and fair, taking into account ***thl***'s legal and industrial obligations and labour market conditions. Fixed Remuneration is relative to the scale of ***thl***'s business and the complexity of the role, and reflects the core performance requirements and expectations for the role. The fixed base salary of the CEO and Executive team is reviewed annually.

Short-Term Incentives (STI)

Annual performance-based cash incentives consider corporate performance and links to clearly specified performance targets (KPIs), aligned with ***thl***'s strategy and appropriate to the circumstances, goals, and risk appetite. On an annual basis these are normally linked to financial and non-financial targets at both a Group and individual level. The target value of an STI payment is set annually, as a percentage of the Executive's fixed remuneration. For FY24, the relevant percentages ranged from 12.5% - 30% (FY23: 12.5% - 30%).

The FY23 STI targets for Executives were based solely on financial metrics due to the merger. From FY24, as ***thl*** returned to a more normal cycle, there was a change in the annual performance-based incentives. The participating Executives, which includes the CEO and CFO, have been measured based on Group financial performance targets (40 – 50%), business performance targets (30 – 40%), health, safety and wellbeing targets (5 – 15%) and other individualised targets (5 – 20%).

In acknowledgement of the impact felt by Shareholders following ***thl***'s profit downgrade in May 2024, the Board, on the recommendation of the CEO, exercised its discretion to cancel all STI payments for FY24, regardless of whether or not the specific individual KPI targets were achieved.

FY25 STI

thl engaged PwC to conduct an external benchmarking analysis of its STI scheme, to support the determination of the STIs for FY25. The analysis found that for Executive roles for which comparative ratios could be drawn, STI entitlements at ***thl*** lagged the respective market median.

In recognition of the review's findings and the need to see that ***thl*** can attract, motivate and retain key personnel, for the FY25 STI, Executive participants with STI entitlements below 30% of fixed remuneration have been given a stretch opportunity to earn a payment above 100% of the contractual STI entitlement, by applying a modifier in cases of outperformance. This excludes the CEO.

The value of the modifier applied will be based on the Group financial performance of ***thl*** in FY25 and will use a tiered structure contemplating a range of outcomes. The modifier will apply to the total STI entitlement of the Executive, influencing the potential return on all individuals KPIs. The modifier is not available to those Executives with STI entitlements at or exceeding 30%, which includes the CEO.

The relevant percentages and targets for the FY25 STI targets are Group financial performance (40%), business performance goals (15 - 40%), and other individualised goals (20 - 35%). The business performance goals for Executives include goals for enhancing health, safety and wellbeing (5 - 15%).

Replacing the cash-based STI scheme with an equity-based retention scheme in FY21 and FY22

During the pandemic period (FY21 and FY22), the normal cash-based annual STI was suspended and replaced with an equity-based retention scheme, as the ongoing uncertainty of trading conditions meant that no meaningful KPI targets could be set. The share scheme minimised cash expenditure during an uncertain period for the company, encouraged the retention of key employees in a period where base salaries held flat or saw voluntary deductions, and aligned the interests of eligible senior staff with shareholders through greater share ownership.

Certain of the share rights and share options that were awarded under the share-based retention schemes in FY21 and FY22 vested during FY23 and FY24 and are therefore included in the CEO remuneration summary.

For FY23 the business returned to a more normal operating environment and the Board approved disbanding the equity-based retention scheme in favour of returning to the normal cash-based STI scheme.

Long-term Incentives (LTI)

The ***thl*** LTI scheme is designed to align the interests of the Executives with those of the Shareholders. Executives are rewarded for long-term increases in shareholder value. Executives are invited to participate in the long-term incentive plan by the Board on an annual basis.

Participating Executives based in New Zealand and Australia

These Executives are awarded options at the discretion of the Board on an annual basis. The awarding of options is based on a percentage of fixed remuneration, based on a valuation of the options carried out each year by KPMG.

Each option may be converted into one ordinary share in ***thl*** on its exercise. The options vest from the second anniversary of the award, with one third vesting after the second year, one third after the third year, and the final third after the fourth year. Vesting is also subject to the individual remaining employed by ***thl***. The exercise price for each option is calculated by reference to the volume weighted average price of ***thl*** Shares during the 20-trading day period prior to the awarding of the option, plus an uplift to reflect ***thl***'s average cost of capital for the first two years from the award, less dividends paid during that two-year period.

Participating Executives in North America and United Kingdom

These Executives are awarded a future cash bonus payment opportunity at the discretion of the Board on an annual basis, based on a percentage of fixed remuneration. The bonus is payable if the ***thl*** share price meets a prescribed target after a two-year period. The target is calculated by reference to the volume weighted average price of ***thl*** shares during the 20-trading day period prior to the awarding of the bonus, plus an uplift to reflect ***thl***'s average cost of capital for the first two years from the award date, less dividends paid during that two-year period. If the target is achieved at the end of the two-year period, 50% of the bonus is payable immediately while the remaining 50% is payable in 12 months and subject to continued employment with ***thl***.

Other Equity-Based Remuneration

thl may use equity-based remuneration (including options or performance shares/share rights) from time to time. It is designed to support a long-term approach so that it does not lead to 'short-termism' on the part of the Executive or the taking of undue risks. From time to time, performance shares/share rights may be used in conjunction with or in lieu of other equity-based remuneration.

External and Independent Advice

During the year, external independent guidance was sought from PwC in relation to a remuneration benchmarking report for specific Executive roles ahead of FY25 remuneration setting.

Chief Executive Officer remuneration arrangements and outcomes

CEO FY24 remuneration outcomes

This year we have adopted the new NZX reporting guidelines issued in December 2023. This represents a change to STI and LTI reporting in the CEO remuneration table (below).

This table refers to the cash-based STI earned in the reporting year, i.e. the FY24 STI reported in the table will be paid in FY25, and the FY23 STI reported in the table was paid in FY24. Previous annual reports refer to cash-based STI paid in the financial year, which related to the previous year's performance. The equity-based STI and the LTI value in the table reflects the market value of ***thl*** shares, less the exercise price of the relevant securities vested within the reporting period, at the time of vesting. Equity-based STI and LTI reporting in previous annual reports reflected the value of the securities awarded in the reporting year, at the time of award.[1]

The ***thl*** Board considers that the CEO's remuneration arrangements and significant personal shareholding in ***thl*** appropriately align the interests of the CEO with the long-term interests of ***thl*** and its shareholders.

The CEO's employment arrangements include a six-month notice period. In the event of termination, the CEO is entitled to a termination payment equating to six months of fixed remuneration, in addition to the notice period.

1 The fair value of options for accounting purposes is completed in reliance upon a valuation undertaken by KPMG using the Binominal Option Pricing Model.

Total CEO remuneration

The total remuneration of the CEO was as follows:

Year	Fixed Remuneration		Cash-Based Short-Term Incentive			Equity-Based Short-Term Incentive (STI)				Equity-Based Long-Term incentive (LTI)				Total[1]
	Base Salary[2]	Other Benefits[3]	Earned[4]	Amount Earned[5]	Total Cash-Based Remuneration Earned	Security	Number Vested	Security Value[6]	Total Vested STI Value[6]	Tranche Vesting	Number of Options Vested	Option Value[7]	Total Vested LTI value[7]	
FY24	$997,246	$28,000	$0	0%	$1,025,246	Share Rights	26,588	$3.57	$94,919	T1 2022	143,333	$0	$0	$1,649,880
						Share Options	101,346	$1.20	$121,615	T2 2021	200,000	$0.35	$70,000	
										T3 2020	210,000	$1.61	$338,100	
FY23	$899,533	$28,000	$435,125	86%	1,362,658	Share Rights	139,655	$2.63	$366,786	T1 2021	200,000	$1.23	$246,000	$2,524,683
						Share Options	215,872	$0.18	$38,939	T2 2020	210,000	$2.43	$510,300	
										T3 2019	141,667	$0	$0	

1 Includes fixed remuneration paid, cash-based STI earned, equity-based STI vested, and equity based LTI vested.

2 Includes a 3% KiwiSaver (Super) contribution.

3 Reflects car allowance.

4 Earned in relation to the bonus and performance for the financial year, but which may have been paid in the following financial year. E.g. the FY23 STI was paid in the FY24 period.

5 As a % of the maximum STI payment available.

6 At Vesting Date. For Share Rights, this reflects the closing market price of ***thl*** shares on the date the Share Rights converted to shares. For Share Options, this reflects the difference between the exercise price and the closing price for ***thl*** shares on the Vesting Date. Where multiple tranches of Share Rights or Share Options Vested during the period, a blended value is shown.

7 At Vesting Date. Reflects the difference between the exercise price and the closing price for ***thl*** shares on the Vesting Date.

Fixed remuneration

In FY24 the CEO, Grant Webster, was paid fixed remuneration of $1,025,246 (FY23: $927,533) consisting of a base salary, a 3% KiwiSaver entitlement and car allowance.

The standard annual review of the CEO's base salary for FY24 (undertaken in July 2023) resulted in a 3% increase in base salary to $968,200, effective from 1 July 2023.

During FY23, the CEO's remuneration was reviewed by the Board out-of-cycle. The merger with Apollo Tourism & Leisure was a key catalyst for the review. The review took into consideration external benchmarking, including that the historical position of the CEO's base salary has sat in the lower quartile of the relevant external benchmark set, as well as feedback from key shareholders. The review resulted in an increase in the CEO's base salary from $780,000 to $940,000, effective on the merger of ***thl*** and Apollo from 1 December 2022.

KiwiSaver/Superannuation

The CEO is a participant in KiwiSaver and is eligible to receive an employer contribution of 3% of gross taxable earnings. In FY24 this contribution was $29,046 (FY23: $33,475).

Short-term incentive - cash

For FY24, the annual STI entitlement of the CEO was a payment at 30% of fixed remuneration if all performance targets were achieved.

In addition, a special merger CEO STI (**Merger STI**) was set in relation to performance in FY23 and FY24 against KPIs relating to the implementation of the merger with Apollo. Achievement of the KPIs at target would result in a payment at 50% of fixed remuneration in FY23 (pro-rated for the seven months of operation as a merged group) and 50% in FY24.

The total STI earned by the CEO, being the combination of the annual STI entitlement and the Merger STI, are set out in the table below.

Financial Year	Maximum STI Available[1]	STI Earned	STI Earned as % of Maximum
FY24	$774,560	$0	0%
FY23	$503,217	$435,125	86%

1 Includes the CEO's contracted annual STI entitlement and the Merger STI.

Annual STI entitlement

Financial Year	Maximum Annual STI Available	STI Earned	STI Earned as % of Maximum
FY24	$290,460	$0	0%
FY23	$229,050	$229,050	100%

For the FY24 STI, the Board, on the recommendation of the CEO, exercised its discretion to cancel all STI payments.

For the FY23 STI, the Board approved payment at target at 100%, equating to $229,050.

The CEO's KPI's for the FY24 STI were the following:

KPI Component	Weighting	Remunerated
Group NPAT target	50%	$0
Continuous improvement to ***thl***'s approach to health, safety & wellbeing	15%	$0
Merger synergy development and execution	10%	$0
People & culture	10%	$0
Strategy development & execution	15%	$0
Total	100%	$0

Merger STI

Financial Year	Maximum Merger STI Available	STI Earned	STI Earned as % of Maximum
FY24	$484,100	$0	0%
FY23	$274,167[1]	$205,625	75%

1 Entitlement was pro-rated for the 7 months of operation as a merged group.

For the FY24 Merger STI, the Board, on the recommendation of the CEO, exercised its discretion to cancel all STI payments.

For the FY23 Merger STI, the Board approved payment at 75% of target, equating to $205,625.

The KPIs for the Merger STI related to:

- the achievement of merger synergies;
- achievement of ***thl***'s Return on Funds Employment target;
- fleet optimisation and capital management;
- people & culture; and
- other merger-related factors.

Short-term incentive - equity

For FY21 and FY22, the normal cash-based STI was replaced with an equity-based retention scheme, as detailed earlier in this report. No cash payments were made to the CEO under the STI scheme in those financial years. Instead, the CEO was awarded certain share options and share rights that were subject to retention criteria, some of which have vested in FY23 and FY24.

Share rights

Reporting Period	Number Vested	Value on Vesting
FY24	26,588	$94,919
FY23	139,655	$183,393

Vested share rights were automatically converted into an equivalent number of ordinary shares issued upon vesting. There are no remaining share rights.

Share options

Reporting Period	Number Vested	Value on Vesting
FY24	101,346	$121,615
FY23	215,872	$38,939

The values expressed above reflect the difference between the ***thl*** share price on the applicable vesting date and the exercise price of the vested share option. Most of the share options that vested in FY24 and FY23 have not been exercised by the CEO. Given the recent decline in ***thl***'s share price, the value of the unexercised portion of the share options is now materially lower.

Refer to the table below for further detail on all the CEO's remaining vested share options, including their value when compared to the ***thl*** share price on 30 June 2024:

Tranche	Award Date	Vesting Date	Number Unexercised	Exercise Price	Value of Unexercised Share Options[1]
T1 FY21	July 2020	July 2021	114,527	$2.00	$0
T2 FY21	July 2020	July 2022	114,527	$2.00	$0
T1 FY22	July 2021	July 2022	101,345	$2.55	$0
T2 FY22	July 2021	July 2023	101,346	$2.55	$0
Total			**431,745**		**$0**

1 Reflects the difference between the ***thl*** share price on 30 June 2024 and the share option exercise price, multiplied by the number of unexercised options in the tranche.

Long-term incentive

The annual LTI entitlement of the CEO is for the award of options to the value of 35% of fixed remuneration.

Vesting of options

Reporting Period	Number Vested	Value on Vesting
FY24	553,333[1]	$408,100
FY23	551,667[2]	$756,300

1 Various tranches awarded in FY20, FY21 and FY22.

2 Various tranches awarded in FY19, FY20 and FY21.

The values expressed above reflect the difference between the ***thl*** share price on the applicable vesting date and the exercise price of the vested option. Most of the options that vested in FY24 and FY23 have not been exercised by the CEO. Given the recent decline in ***thl***'s share price, the value of the unexercised portion of the options is now materially lower.

Refer to the table below for further detail on all the CEO's remaining vested and unvested options, including their value when compared to the ***thl*** share price on 30 June 2024.

Unvested

Tranche	Award Date	Vesting Date	Number Awarded	Exercise Price
T1 2024	Apr-24	Apr-26	150,666	Not confirmed
T2 2024	Apr-24	Apr-27	150,666	Not confirmed
T3 2024	Apr-24	Apr-28	150,667	Not confirmed
T1 2023	May-23	May-25	131,000	Not confirmed
T2 2023	May-23	May-26	131,000	Not confirmed
T3 2023	May-23	May-27	131,000	Not confirmed
T2 2022	Apr-22	Apr-25	143,333	$3.32
T3 2022	Apr-22	Apr-26	143,334	$3.32
T3 2021	Apr-21	Apr-25	200,000	$2.79

Vested

Tranche	Award Date	Vesting Date	Number Awarded	Number Remaining	Exercise Price	Current Value of Unexercised Options[1]
T1 2022	April 2022	April 2024	143,333	143,333	$3.32	$0
T1 2021	April 2021	April 2023	200,000	200,000	$2.79	$0
T2 2021	April 2021	April 2024	200,000	200,000	$2.79	$0
T1 2020	April 2020	April 2022	210,000	–	$1.57	$0
T2 2020	April 2020	April 2023	210,000	55,000	$1.57	$12,100
T3 2020	April 2020	April 2024	210,000	210,000	$1.57	$46,200
T1 2019	April 2019	April 2021	141,666	141,666	$5.68	$0
T2 2019	April 2019	April 2022	141,666	141,666	$5.68	$0
T3 2019	April 2019	April 2023	141,667	141,667	$5.68	$0
T1 2018	April 2018	April 2020	80,000	80,000	$7.00	$0
T2 2018	April 2018	April 2021	80,000	80,000	$7.00	$0
T3 2018	April 2018	April 2022	80,000	80,000	$7.00	$0

1 Reflects the difference between the ***thl*** share price on 30 June 2024 and the option exercise price, multiplied by the number of remaining options in the tranche.

Note: Rows in orange show the tranches that vested during FY24 because the retention conditions were met. Rows in grey show the tranches that expired during FY24 because they were not exercised within six years of the award date.

Awarding of options

New options awarded during the reporting period are set out below.

Reporting Period	Number Awarded	Fair Value on Awarding	Total Fair Value on Awarding
FY24	452,000	$0.672 per option	$303,744
FY23	393,000	$0.837 per option	$328,941

The options awarded are subject to certain criteria. As the remuneration is not yet earned and remains at risk, it has not been included in the CEO remuneration summary table.

The fair value of options for accounting purposes is completed in reliance upon a valuation undertaken by KPMG using the Binominal Option Pricing Model. The fair value is expensed on the income statement over the life of the option, with a corresponding credit to the employee share scheme reserve.

The actual remuneration cost borne by ***thl*** for the LTI in the reporting period relates to the fair value of the options awarded in the reporting period.

CEO FY25 Remuneration

The standard annual review of the CEO's base salary for FY25 (undertaken in July 2024) resulted in a 3.5% increase in base salary to $1,002,000, effective from 1 July 2024.

Additionally, for FY25 the CEO's contractual STI entitlement has increased to 40% of fixed remuneration. As the Merger STI opportunity does not apply to FY25, the maximum potential STI payable will reduce from $484,100 in FY24 to $400,834 in FY25.

The CEO's STI for FY25 will be measured against the followings KPIs:

KPI Component	Weighting
Group NPAT target	50%
Continuous improvement to ***thl***'s approach to health, safety & wellbeing	15%
Achievement of fleet build cost synergies	10%
Delivery of several digital transformation projects on ***thl***'s path towards single platform consolidation	15%
People & culture	10%
Total	**100%**

The CEO's FY25 STI will include a new deferred component where ***thl*** will hold back 20% of any earned STI, to be paid 12 months after the STI is earned.

These funds are retained by ***thl*** in connection with ***thl***'s discretion to amend or reclaim STIs in situations of serious misconduct, or a material error in ***thl***'s financial statements that result in an excess payment of STI.

Executive Director remuneration

Executive Directors receive performance-based remuneration packages in their roles as Executives in the Company. Executive Directors do not receive Director remuneration benefits in addition to the remuneration they receive as employees of ***thl***. The remuneration of the CEO (who is an Executive Director) is addressed in the previous section.

Luke Trouchet is currently in the role of Executive Director - M&A and Global Transitions. Luke oversees the global exploration of ***thl***'s M&A opportunities and has oversight over several special projects.

Total Executive Director Remuneration

The table below refers to the cash-based STI earned and LTI vested in the reporting year. Further information is set out below on STI and LTI awarded in the year. Luke Trouchet is resident in Australia and paid in AUD. For this report, figures for FY23 and FY24 have been converted from AUD to NZD at 0.9239.

The total remuneration of Luke Trouchet was as follows:

Year	Fixed Remuneration		Cash-Based Short-Term Incentive			Long-Term incentive (LTI)		Total[1]
	Base Salary[2]	Other Benefits	Earned[3]	Amount Earned[4]	Total Cash-Based Remuneration Earned	Vested/ Earned	Total Amount Earned	
FY24	$762,182	$0	$0	0%	$762,182	$0	$0	$762,182
FY23	$702,193[5]	$0	$142,237	100%	$844,431	$0	$0	$844,431

1 Includes fixed remuneration paid, cash-based STI earned, and equity based LTI vested.

2 Includes Superannuation contribution.

3 Earned in relation to the bonus and performance for the financial year, but which may have been paid in the following financial year. E.g. the FY23 STI was paid in the FY24 period.

4 As a % of the maximum STI payment available.

5 Includes remuneration received prior to merger of ***thl*** and Apollo.

Fixed remuneration

In FY24, Executive Director Luke Trouchet, received fixed remuneration including superannuation and allowances of $762,182 (FY23: $702,193).

The standard annual review of Luke Trouchet's base salary for FY24 (undertaken in July 2023) resulted in a 3% increase in base salary to $732,524, effective from 1 July 2023.

Superannuation

Luke Trouchet is an Australian employee and entitled to receive an employer superannuation contribution as per the Australian Government Superannuation Guarantee legislation. In FY24 this contribution was $29,566 (FY23: $29,566).

Short-term incentive

The annual STI entitlement of Luke Trouchet is a cash payment of up to 20% of fixed remuneration if all performance targets are achieved.

The total STI earned by Luke Trouchet is set out in the table below. No payments were made for performance in FY24 as the Board exercised its discretion to cancel all STI payments.

Financial Year	Maximum STI Available	STI Earned	STI Earned as % of Maximum
FY24	$146,505	$0	0%
FY23	$142,237	$142,237	100%

Long-term incentive

The annual LTI entitlement of Luke Trouchet is for an award of options to the value of 35% of fixed remuneration. As Luke Trouchet joined ***thl*** as part of the merger with Apollo on 30 November 2022, there were no LTIs from previous years vesting in FY23 or FY24.

Between FY23 and FY24, the LTI entitlement for all Australia-based Executives (including Luke Trouchet) changed from a future cash bonus opportunity to ***thl***'s long-term incentive options scheme. Further detail on the operation of each of these schemes is set out on page 120.

As such, in FY23, Luke Trouchet's LTI consisted of a cash bonus opportunity of up to $248,915 (being 35% of fixed remuneration). The LTI is payable if the ***thl*** share price achieves a prescribed target after a two-year period, as detailed on page 120.

If the target is achieved in May 2025, 50% of the bonus will be payable at that time and the remaining 50% will be payable in May 2026.

Awarding of options

New options awarded to Luke Trouchet during the reporting period are set out below.

Reporting Period	Number Awarded	Fair Value on Awarding	Total Fair Value on Awarding
FY24	283,000	$0.672 per option	$190,176
FY23	0	N/A	N/A

The options awarded are subject to retention criteria. As the remuneration is not yet earned and remains at risk, it has not been included in the Executive Director remuneration summary table.

The fair value of options for accounting purposes is completed in reliance upon a valuation undertaken by KPMG using the Binominal Option Pricing Model. The fair value is expensed on the income statement over the life of the option, with a corresponding credit to the employee share scheme reserve.

The actual remuneration cost borne by ***thl*** for the LTI in the reporting period relates to the fair value of the options awarded in the reporting period.

ESG Disclosures

thl is in progress of setting guidelines, systems and processes for greater/deeper ESG disclosure including the implementation of a single-platform HR system which allows such data to be extrapolated. The intention for FY25 will be to assess the data in preparation for disclosures on diversity including information on gender remuneration and CEO/worker pay ratio.

Staff remuneration bands

The following table notes the number of employees or former employees of ***thl***, not being directors of ***thl***, who, in the year ending 30 June 2024, received remuneration and any other benefits in their capacity as employees, the value of which was or exceeded $100,000 per annum, in brackets of $10,000. This table does not contain the remuneration for Grant Webster and Luke Trouchet, as they also hold positions as Directors of ***thl***.

Remuneration in $000's	Number of Employees
100 - 109	74
110 - 119	54
120 - 129	40
130 - 139	28
140 - 149	22
150 - 159	19
160 - 169	20
170 - 179	11
180 - 189	11
190 - 199	10
200 - 209	5
210 - 219	9
220 - 229	3
230 - 239	5
240 - 249	3
250 - 259	2
260 - 269	1
270 - 279	2
280 - 289	3
300 - 309	3
310 - 319	1
320 - 329	2
330 - 339	2
340 - 349	1
360 - 369	2
390 - 399	1
440 - 449	1
450 - 459	1
480 - 489	1
490 - 499	2
540 - 549	1
610 - 619	1
1,160 - 1,169	1
Total	**342**

Due to a data error relating to the merger with Apollo where only seven months of remuneration for Canadian employees was captured (being the period under ***thl*** ownership) instead of 12 months, the remuneration band reporting in ***thl***'s FY23 Integrated Annual Report incorrectly indicated that 297 staff received remuneration in excess of $100,000. The correct number for FY23 was 320.

Non-Executive Director remuneration

Approach to Director fees

When determining the fees for Non-Executive Directors, the Board considers the ***thl*** Remuneration Policy which states in relation to Director remuneration:

- Directors should not receive performance-based remuneration, nor should they be provided with retirement benefits;
- Remuneration packages will be appropriate to the market and will reflect the time commitment and responsibilities of the role; and
- As permitted by the fixed share plan approved by Shareholders, Directors can receive fully-paid ordinary securities in lieu of Director fees (in whole or part) approved and issued in compliance with the NZX Listing Rules.

thl also has in place a fixed share plan under which Directors may elect to receive ordinary shares in ***thl*** in lieu of their Director fees (either in whole or in part). This share plan was previously approved by ***thl*** shareholders.

Executive Directors do not receive Director remuneration in addition to the executive remuneration they receive as employees of the Company.

Increase to Director fee pool in 2023

At the 2023 Annual Meeting, ***thl*** shareholders approved an increase to the annual Directors' fee pool from NZ$750,000 to NZ$850,000 (plus GST, if any). This reflected a total increase of just under 14%.

The purpose of the increase was to provide headroom to allow payments for Directors' assuming additional responsibilities above and beyond their normal duties (the previous headroom was NZ$15,000, the resolution increased this to $115,000). It was also to allow for annual inflationary adjustments to the fee schedule as required.

Adjustments to Director fees

During FY24, the Board implemented an inflationary increase of 4.5% to the Chair and base Director fees effective from 1 January 2024.

Board Subcommittee Chair fees were also reviewed during the period. An increase of $5,000 per annum was made to the fees for the Chairs of the Audit and Risk Committee, Remuneration & Nomination Committee and the Health, Safety and Sustainability Committee. The changes were effective from 1 January 2024, were within budget and were in recognition of the increased workload undertaken by the respective Chairs.

As at 30 June 2024, the schedule of Director fees per annum are as follows:

Governance Body	Position	Fee
Board	Chair	$209,000
	Director	$104,500
Audit and Risk Committee	Chair	$20,000
	Member	$0
Remuneration and Nomination Committee	Chair	$15,000
	Member	$0
Health, Safety and Sustainability Committee	Chair	$15,000
	Member	$0

No additional fees are paid to standing Committee members, only Committee Chairs.

Actual fees paid in FY24

A breakdown of the Board and Committee fees paid in the period is set out in the table below:

Director	Board	Audit & Risk Committee	Health, Safety & Sustainability Committee	Remuneration & Nomination Committee	Other Committees	Total
Cathy Quinn	204,500	–	–	–	–	204,500
Rob Baker	102,250	–	–	–	–	102,250
Debbie Birch	102,250	–	12,500	–	–	114,750
Rob Hamilton	102,250	17,500	–	–	–	119,750
Sophie Mitchell	102,250	–	–	9,167	–	111,417
Grainne Troute	102,250	–	–	3,333	–	105,583
Total	715,750	17,500	12,500	12,500	–	758,250

All fees were paid in cash. As at 30 June 2024, no ***thl*** Directors are opted in to the fixed share plan under which they may receive ordinary shares in ***thl*** in lieu of their Director fees (either in whole or in part).

Directors' fees exclude GST, where applicable. Directors are entitled to be reimbursed for costs directly associated with carrying out their duties, including travel costs.

Board of Directors

Cathy Quinn (Auckland)

Independent Director appointed in September 2017. Cathy was appointed Chair of ***thl*** in June 2022 and serves on all of ***thl***'s Board Committees. Cathy is a former senior corporate partner at MinterEllisonRuddWatts. She served as Chair of MinterEllisonRuddWatts for eight years during a period of transformation and growth. Cathy is a Director of Fletcher Building Limited, Fonterra Co-operative Group Limited, Rangatira Limited and is Chair of Fertility Associates. Cathy is also Pro-Chancellor of the University of Auckland. Cathy is a former member of the NZ Securities Commission and Capital Markets Development Taskforce, and was made an Officer of the NZ Order of Merit in 2016 for services to law and women.

Robert Baker (Brisbane)

Independent Director appointed in November 2022. Rob serves on the Audit and Risk Committee and Health, Safety and Sustainability Committee. Rob is an experienced Non-Executive Director, and his current ASX Board positions include Non-Executive Director and Chair of the Audit and Risk Committee of Flight Centre Travel Group Ltd (ASX: FLT) and Non-Executive Chairman of Gathid Limited (ASX: GTH). Rob is also Chairman of Goodman Private Wealth Ltd and has several pro bono Board or Advisory Board roles with organisations in the not-for-profit sector including Chairman of the Audit and Risk Committee of Australian Catholic University Limited.

Debbie Birch (Taupo)

Independent Director appointed in September 2016. Debbie Chairs the Health, Safety and Sustainability Committee (appointed June 2022) and has held various Director and trustee positions over the last 14 years. She is currently a non-executive board member of Westpac NZ Limited Limited, Eastland Group Limited, Hawkes Bay Regional Investment Company Limited,Te Pūia Tāpapa GP Limited, Miraka Limited and subsidiaries; and is a Trustee of Tuaropaki Trust. Debbie has significant financial, commercial and strategic experience gained in Asia, Australia and New Zealand with more than 30 years' working in global capital markets.

Rob Hamilton (Auckland)

Independent Director appointed in February 2019. Rob Chairs the Audit and Risk Committee (appointed November 2019) and serves on the Remuneration and Nomination Committee and Market Disclosure Committee. Rob is a respected member of the finance community, with more than 30 years' experience in senior roles. Rob is currently a Director of Westpac New Zealand Limited and Oceania Healthcare Limited. He was previously Chief Financial Officer at SkyCity Entertainment Group Limited and Managing Director and Head of Investment Banking at Jarden (formerly First NZ Capital). Rob has previously been a Board member on the New Zealand Olympic Committee and Auckland Grammar School.

Sophie Mitchell (Brisbane)

Independent Director appointed in November 2022. Sophie Chairs the Remuneration and Nomination Committee (appointed October 2023) and serves on the Audit and Risk Committee and the Market Disclosure Committee. Sophie is an experienced professional in the finance industry and holds Non-Executive Director roles in Corporate Travel Management Limited (ASX: CTD), Myer Family Investments Limited, Firstmac Limited and Morgans Holdings (Australia) Limited. Sophie was previously Chair of Apollo Tourism & Leisure Ltd, prior to the merger with ***thl***.

Luke Trouchet (Brisbane)

Non-Independent Executive Director. Luke moved into the Executive Director role as part of the merger between ***thl*** and Apollo Tourism & Leisure in November 2022. In 2001, Luke was appointed as CEO and Managing Director of Apollo Tourism & Leisure Ltd, when he took over the management control of the business his parents founded, with his brother Karl. Luke led Apollo through a strong growth period, expanding internationally into New Zealand, USA, Canada, United Kingdom and Europe. Luke's entrepreneurial mindset helped the business make a number of strategic acquisitions that delivered strong financial performance. Luke continued to drive Apollo forward to become a global RV solution.

Gráinne Troute (Auckland)

Independent Director appointed in February 2015. Gráinne serves on the Remuneration and Nomination Committee and Health, Safety and Sustainability Committee. Gráinne is a Chartered Fellow of the Institute of Directors and is also a Director of Summerset Group Holdings Limited, Investore Property, Duncan Cotterill, and is Chair of Montana Group. Gráinne is a professional Director with many years' experience in senior Executive roles. Gráinne was General Manager, Corporate Services at SkyCity Entertainment Group and Managing Director of McDonald's Restaurants (NZ). Gráinne also held senior management roles with Coopers and Lybrand (now PwC) and HR Consultancy Right Management. She has also spent many years as a Trustee and Chair in the not-for-profit sector, including having been the Chair of Ronald McDonald House Charities New Zealand for five years.

Grant Webster (Auckland)

Non-Independent Managing Director. Grant was appointed Managing Director in December 2022 and was originally appointed as Chief Executive Officer in December 2008. Grant has served on various industry and Government bodies including nine years on the Tourism Industry Aotearoa Board including periods as Chair and Deputy Chair. Grant was also a co-Chair for the New Zealand Government's Tourism Futures Taskforce in 2020. Grant was awarded the CEO of the Year award at the New Zealand Deloitte Top 200 awards in 2023.

Grant's background includes senior executive roles across the tourism, hospitality, gaming and retail industries, where he held Director and general management roles within the retail sector before moving into tourism. Grant holds a Bachelor of Commerce degree from Victoria University and has completed executive studies at the Insead Advanced Management Programme in Fontainebleau and Monash University, Melbourne Australia. Outside of ***thl***, Grant is on the Board of Les Mills Holdings NZ.

Corporate Information

Directors

Cathy Quinn – Chair
Robert Baker
Debbie Birch
Rob Hamilton
Sophie Mitchell
Luke Trouchet
Gráinne Troute
Grant Webster

Executive Team

Grant Webster – Chief Executive Officer and Managing Director
Luke Trouchet – Executive Director
Cameron Mathewson – Chief Financial Officer
Stacey Davis – Chief Operating Officer (Australia)
Chris Devoy – Chief Executive Officer – Action Manufacturing
Kate Meldrum – Chief Operating Officer (North America)
Kristen Evans – Chief Operating Officer (Canada)
Scott Fahey – Chief Marketing Officer
Ollie Farnsworth – Chief People & Transformation Officer
Steven Hall – Deputy Chief Financial Officer
Matthew Harvey – Chief Operating Officer (New Zealand)
Jo Hilson – Chief Technology Officer
Nick Roach – Chief Operating Officer (United Kingdom)
Juhi Shareef – Chief Responsibility Officer

Registered office

Level 1
83 Beach Road
Auckland 1010
New Zealand

Securities exchange

Tourism Holdings Limited shares are primary listed on the New Zealand Stock Exchange (NZX), with a foreign-exempt listing on the Australian Stock Exchange (ASX).

Share registrar

MUFG Pension & Market Services (formerly Link Market Services)
PO Box 91976
Auckland

Tel: +64 9 375 5998
Email: enquiries@linkmarketservices.co.nz

Primary Solicitors

MinterEllisonRuddWatts

Primary Bankers

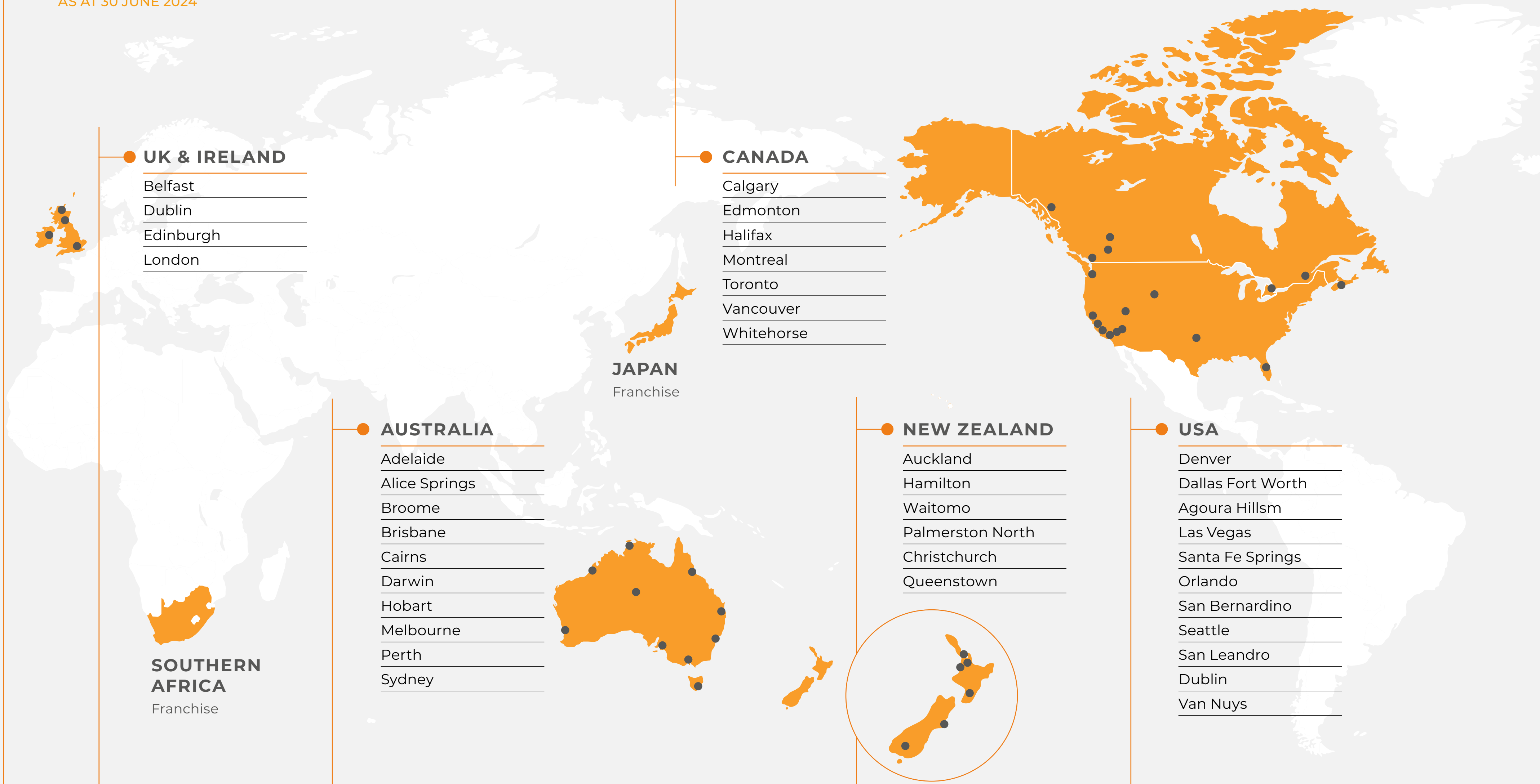
ANZ Bank New Zealand Limited
Australia and New Zealand Banking Group Limited
Westpac New Zealand Limited
Westpac Banking Corporation

Auditors

EY

Global Footprint

AS AT 30 JUNE 2024



UK & IRELAND

- Belfast
- Dublin
- Edinburgh
- London

CANADA

- Calgary
- Edmonton
- Halifax
- Montreal
- Toronto
- Vancouver
- Whitehorse

JAPAN

Franchise

AUSTRALIA

- Adelaide
- Alice Springs
- Broome
- Brisbane
- Cairns
- Darwin
- Hobart
- Melbourne
- Perth
- Sydney

NEW ZEALAND

- Auckland
- Hamilton
- Waitomo
- Palmerston North
- Christchurch
- Queenstown

USA

- Denver
- Dallas Fort Worth
- Agoura Hillsm
- Las Vegas
- Santa Fe Springs
- Orlando
- San Bernardino
- Seattle
- San Leandro
- Dublin
- Van Nuys

SOUTHERN AFRICA

Franchise

36°27' N — 116°52' W

See you out there.

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