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TOURISM &  
LEISURE LTD

# H1 FY2021

## Results Presentation





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# Important Points to Note

## AASB 16 Leases

- The Company adopted the new Accounting Standard AASB 16 Leases from 1 July 2019 and accordingly the H1 FY21 and H1 FY20 results in this presentation have both been prepared in accordance with the new standard.

## General

- All comparisons are against prior corresponding period (pcp).
- All figures in this presentation are rounded to the nearest \$100,000.
- Where a balance was negative in the pcp and is positive in the current financial year (or vice-versa), the percentage change cannot be calculated. The percentage change in these instances has been reflected as "N/M", being Not Meaningful.
- All figures in this report are presented in Australian dollars, unless otherwise stated. The exchange rates used to convert foreign currencies to AUD are set out below:

Exchange rates	Average for period		Rate at period end		
AUD to:	H1 FY21	H1 FY20	Dec-20	Jun-20	Dec-19
NZD	1.0715	1.0605	1.0665	1.0703	1.0412
USD	0.7302	0.6845	0.7702	0.6863	0.7006
CAD	0.9607	0.9032	0.9818	0.9387	0.9144
GBP	0.5533	0.5436	0.5657	0.5586	0.5340
EUR	0.6130	0.6174	0.6269	0.6111	0.6254

## Key Financial Metrics<sup>1</sup>

- Average Funds Employed = Total Assets – Non-Interest Bearing Liabilities – Cash On Hand (calculated as the average of the opening and closing funds employed balances).
- Return On Funds Employed (ROFE) = Earnings Before Interest & Tax (EBIT) / Average Funds Employed.
- Average Total Equity = (Opening Total Equity + Closing Total Equity) / 2.
- Return on Equity (ROE) = Net Profit After Tax (NPAT) / Average Total Equity.
- Debt : EBITDA ratio = Net Debt / Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA).

<sup>1</sup>For half year reporting, metrics involving performance based results (i.e. EBIT/NPAT), have been calculated using calendar year results, to account for the impact of seasonality, which disproportionately skews the Company's results towards H1, due to Northern Hemisphere operations.



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# Introduction



# Executive Summary

## Financial Results

- Statutory Net Loss After Tax of \$7.5M.
- Impact of COVID-19 on rental business remains profound.
- Strong RV sales orders taken globally.
- Permanent improvements in operating foundations.
- Sound liquidity position to manage through uncertain rental revenue outlook.

## Positioned to benefit from tourism rebound



- Rental focus on domestic only travel. Each region presented with opportunities and challenges:
  - Australia: large domestic pool and limited seasonality / threat of interstate border closures.
  - New Zealand: strong appetite for travel / small population limits opportunities.
  - Canada: large domestic pool and reduced competition / constrained by seasonality.
  - Europe/UK: existing guest profile largely in-market / impacted by lockdowns.



- Continued investment in systems, processes and people, to create a strong foundation for future growth.
- Fleet sales in all regions accelerated in response to COVID-19 and to capitalise on record RV sales demand.
- Group debt<sup>1</sup> reduced by \$40.6M from 30 June 2020, materially reducing repayment commitments.
- Limited new fleet planned to be built for Australia and New Zealand for the remainder of FY21. Fleet numbers will be replenished gradually, in response to rising demand.
- No interim dividend declared for FY21 and no guidance to be provided given the significant impact of COVID-19 and ongoing uncertainty present in all markets.



<sup>1</sup> Excluding lease liabilities recognised in accordance with AASB 16 Leases.



# Liquidity

## Sound liquidity position to manage through recovery

Apollo is confident it has sufficient liquidity and capacity to trade through a prolonged period of subdued rental market demand, based on its current cash reserves and undrawn loan facilities, as follows:



### Group

- Cash at 31 December 2020 of \$37.8M, plus \$23.6M of undrawn COVID-19 government support loans.
- In October 2020 the Group recommenced principal repayments on its fleet finance facilities, a number of rent relief periods ended and a large portion of the Australian JobKeeper subsidy was lost. Since this time the cash burn has averaged \$3.8M per month. Future cash burn is dependent on rental revenue, fleet disposals and acquisitions and working capital to meet the retail demand.

### Australia

- Financial assistance secured of \$25.0M, comprised of:
  - \$15.0M loan (two-year term) under the Federal Government's COVID-19 Export Capital Facility, administered by Export Finance Australia. Drawn in full in September 2020.
  - \$10.0M loan (two-year term, with option to extend for an additional year) under the Queensland Government's Industry Support Package. The facility has not been drawn down as at the date of this presentation.



### Canada

- C\$2.0M working line (three-year term) drawn down in July 2020, provided by Business Development Bank of Canada (BDC) under its COVID-19 relief program.
- C\$1.7M term loan (five-year term) drawn down in March 2020, provided by Royal Bank of Canada (RBC) under its COVID-19 relief program.
- 2x C\$6.25M funding facilities approved (five-year terms), under a co-lending arrangement between RBC, BDC and Export Development Canada (EDC). Neither facility has been drawn down at the date of this presentation.



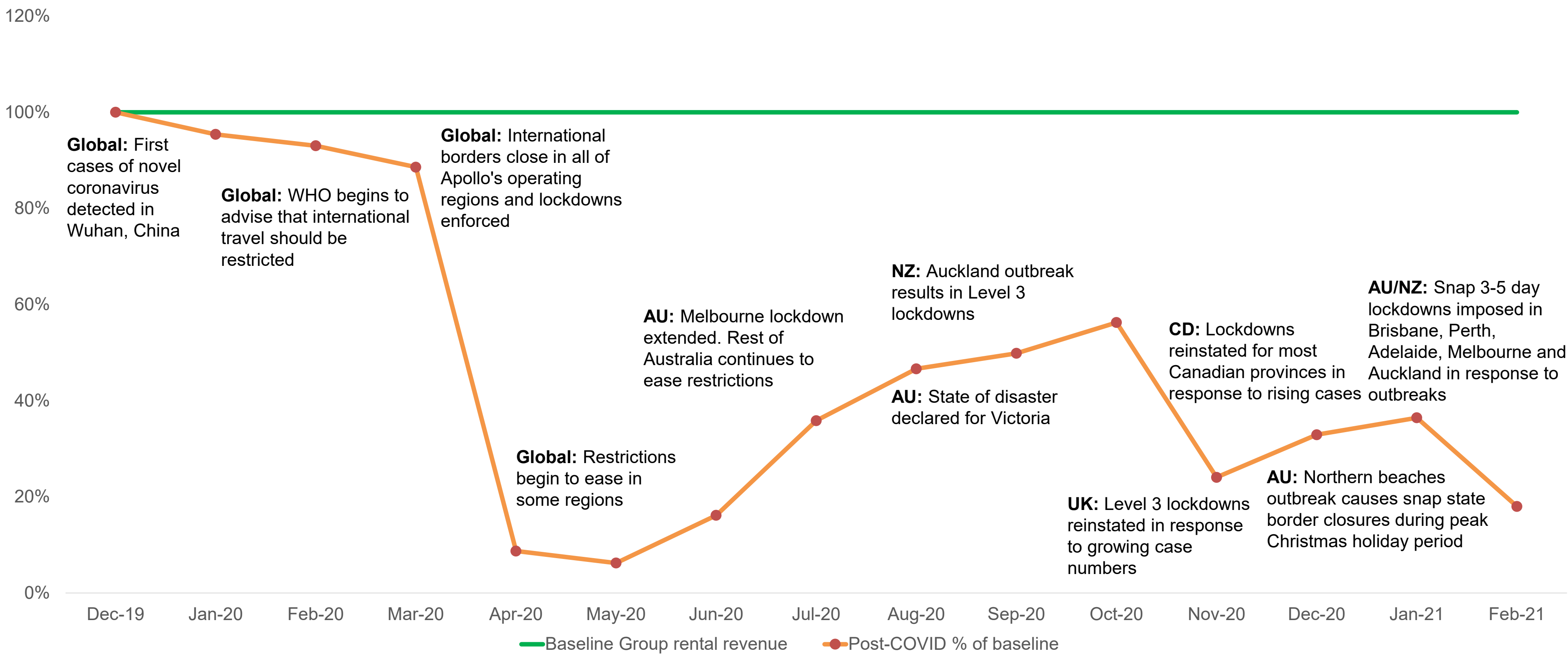
### Europe

- £1.0M support loan (three-year term) drawn down in November 2020 by Camperco. The loan was provided by British Business Bank under the Coronavirus Large Business Interruption Loan Scheme (CLBILS).
- An additional £0.5M overdraft facility accessible under the CLBILS facility, currently undrawn.



# COVID-19 Timeline

Recovery to pre-COVID-19 rental revenue levels continues to be affected by travel restrictions, snap-lockdowns and border closures.



\*Baseline Group rental revenue represents monthly rental revenue for CY2019.



# Financial Performance



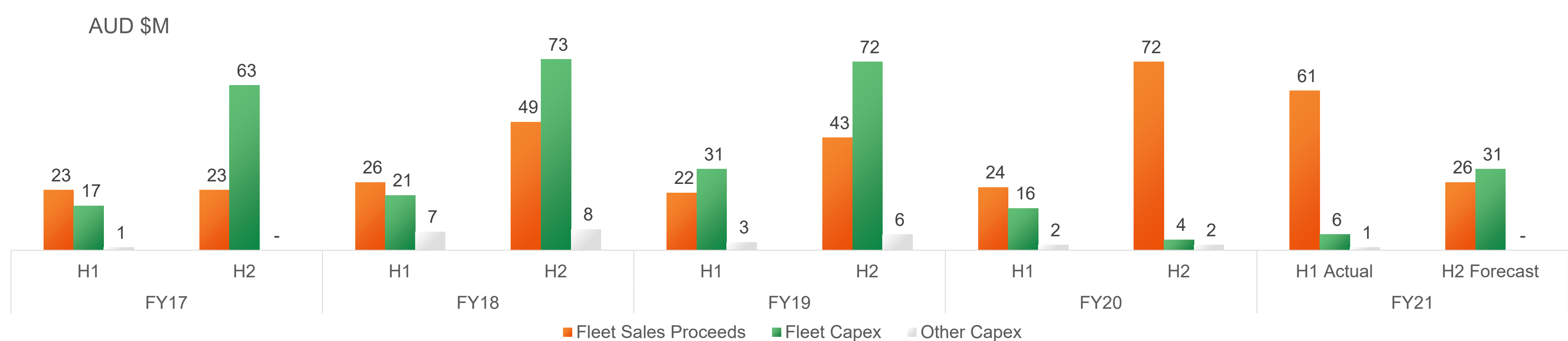
# Results Overview

- COVID-19 materially impacted the Company's rental operations for the full six month reporting period, with Government-imposed lockdowns and travel restrictions occurring in each region.
- The Company continues to strengthen its foundations and invest in growth initiatives.
- Globally, new and ex-fleet RV sales have been buoyant throughout the period, as consumers have embraced domestic, self-drive holidays.
- Australia's retail sales division performed strongly during the period, despite stock shortages flowing from COVID-19 imposed factory closures in 2020.
- Net Loss After Tax for the period includes \$4.0M in government wage subsidies.
- Due to the strength of the Australian retail sales, a number of Australia's businesses, including the rental business, became ineligible for the Australian Government's JobKeeper subsidy from October 2020.
- The USA operations remain in hibernation and Canadian fleet sales continue to re-align fleet size with expected demand.
- Domestic only rental focus has improved revenue generation from domestic guests, but won't fully mitigate the loss of international guest revenues.
- Performance of the European region for the period exceeded expectations, as guests took advantage of reduced lockdown restrictions over the 2020 summer holiday period.

AUD \$M	H1 FY21	H1 FY20	Movement	% Change
Total revenue	160.2	197.2	(37.0)	(18.8%)
EBIT	(4.9)	24.9	(29.8)	N/M
EBIT margin	(3.1%)	12.6%	(15.7%)	
<b>Net Profit/(Loss) After Tax</b>	<b>(7.5)</b>	<b>11.3</b>	<b>(18.8)</b>	<b>N/M</b>
Calendar Year ROFE	(29.1%)	4.6%	(33.7%)	
Calendar Year ROE	(153.6%)	1.0%	(154.6%)	
Basic earnings per share (cents)	(4.0)	6.0	(10.0)	N/M
BALANCE SHEET	Dec-20	Jun-20	Movement	% Change
Cash and cash equivalents	37.8	23.5	14.3	60.9%



# Capital Expenditure and Rental Fleet Sales



## Fleet Sales Proceeds

- Fleet sales proceeds for the period are up significantly on pcp as the Company continues to sell down fleet in response to COVID-19. Total FY21 proceeds are forecast to be below FY20, however, due to the entire USA fleet being sold in FY20, following that business being placed into hibernation.

## Fleet Capex

- Fleet acquisitions have been largely ceased in H1 FY21, to right size the fleet, relative to COVID-19 impacted demand. Forecast acquisitions for H2 FY21 relate to the replenishment of CanaDream’s fleet, to meet domestic demand expectations over the 2021 summer season, following the recent acceleration of ex-fleet sales in response to strong RV sales demand.
- Fleet numbers will continue to be adjusted in response to demand.

## Other Capex

- FY21 other capex is being kept to a minimum, based on business needs.



# Borrowings

AUD \$M	Closing Drawn Balance				Headroom			
Facility Type	Dec-20	Jun-20	Movement \$	Movement %	Dec-20	Jun-20	Movement	Movement \$
Fleet financing <sup>1</sup>	149.4	190.0	(40.6)	(21.4%)	76.6	72.4	4.2	5.8%
Floor Plan	16.0	31.3	(15.3)	(48.9%)	31.7	31.5	0.2	0.6%
Bank loans	25.7	27.3	(1.6)	(5.9%)	0.0	1.7	(1.7)	(100.0%)
COVID-19 Support Loans	20.5	3.6	16.9	469.4%	23.6	0.0	23.6	N/M
<b>Total<sup>2</sup></b>	<b>211.6</b>	<b>252.2</b>	<b>(40.6)</b>	<b>(16.1%)</b>	<b>132.0</b>	<b>105.6</b>	<b>26.4</b>	<b>25.0%</b>

## Floor Plan Facilities

- Floor plan facilities provide the Group with an efficient source of capital to fund its retail inventory holdings. New and ex-fleet vehicles can be added to a facility, up to the value of the facility's limit, with only interest payments being required in the first six months of the vehicle's finance term and no penalties incurred to pay out a sold vehicle.
- Floor plan finance debt has decreased by \$15.3M from 30 June 2020 as a result of the strong retail sales achieved during the period and lower inventory levels of new stock on-hand.

## Bank Loans

- CanaDream owns the properties on which four of their rental branches are located. These properties are financed via mortgages.

## COVID-19 Support Loans

- At 31 December 2020 COVID-19 support loans are comprised of a \$15.0M loan received from Export Finance Australia, a C\$1.7M working capital facility and C\$2.0M term loan held by CanaDream and a £1.0M loan held by Camperco.
- During the period, Apollo received approval for an additional \$10.0M loan from the Queensland government and 2x C\$6.25M loans from the Canadian government, none of which has been drawn down at the date of this presentation. An additional £0.5M working capital facility is also available for drawdown in the UK, under the CLBILS program. Refer slide 7 for further information on these loans.

## Treasury

- All floor plan facilities and the portion of fleet financing facilities due to be repaid within the next 12 months, including any debt repayable on demand, are treated as current liabilities in accordance with Australian Accounting Standards. The majority of underlying assets being financed (e.g. rental fleet vehicles) are treated as non-current assets, which results in a net current liability position of \$54.8M, as at 31 December 2020. The Group has sufficient cash flows to satisfy all debt obligations with an expiry of 12 months or less. Refer to slide 35 for additional detail.
- The Consolidated Entity is subject to lending covenants in New Zealand and Canada. Due to the impact of COVID-19 on the Group's rental activities, some of these covenants are currently forecast to be at risk of breach during the 2021 financial year. The Group has obtained waivers from the New Zealand and Canadian lenders in respect to the covenants at risk. The New Zealand lender has waived their covenants up to and including 30 June 2022, while the Canadian lenders have changed their debt service covenant and the date of measurement. One Canadian lender has a first measurement date of 30 September 2021 and the other Canadian lenders have a first measurement date of 30 June 2022.

<sup>1</sup> Refer slide 13 for additional information on fleet financing.

<sup>2</sup> Borrowings as at 31 December 2020 per the Company's balance sheet total \$259.0M. The variance to total debt in the table above relates to \$47.4M of lease liabilities recognised in accordance with AASB 16.



# Intrinsic Asset Equity

Approximate Intrinsic Asset Equity Position as at 31 December 2020			
Segment (AUD \$M)	Asset Value <sup>1</sup>	Drawn Debt Balance	Equity
<b>Rental fleet</b>			
Australia	71.2	58.0	13.2
New Zealand	44.1	35.5	8.6
North America	52.7	42.6	10.1
Europe	16.2	13.3	2.9
<b>Total</b>	<b>184.2</b>	<b>149.4</b>	<b>34.8</b>
<b>Properties</b>			
North America	44.8	25.7	19.1
<b>Total</b>	<b>44.8</b>	<b>25.7</b>	<b>19.1</b>
<b>GRAND TOTAL</b>	<b>229.0</b>	<b>175.1</b>	<b>53.9</b>

## Fleet Financing Facilities

- Each rental fleet unit is individually financed through fleet financing facilities with financiers in each region.
- Depreciation rates are set on vehicle classes to achieve a written down value (WDV) at the end of a vehicle's lifecycle, approximately equal to its sale value.
- Underlying debt is paid down faster than a vehicle's decline in value over its lifecycle, creating an intrinsic unrealised equity value in each vehicle. As at 31 December 2020, approximate Group equity held in the rental fleet across all segments is \$34.8M. Refer to slide 34 for an example of the relationship between a vehicle's realisable sale value and its corresponding finance value, over the vehicle's lifecycle.
- Group fleet finance debt has decreased by \$40.6M over pcp, due to the accelerated ex-rental fleet sales across all regions in response to COVID-19.

<sup>1</sup> Rental fleet values represent the written down value of fleet assets (including held-for-sale vehicles), net of any impairments. North American properties are shown at estimated market value and have a current book value of \$34.0M.



# Cash Flow Summary

Cash flow movements	H1 FY21	H1 FY20	Movement	Comments
<b>EBITDA</b>	<b>9.9</b>	<b>44.6</b>	<b>(34.7)</b>	
Change in working capital	2.1	(11.3)	13.4	Negative working capital in H1 FY20 attributable to the time delay between the sudden drop in revenue from international guests and ability to scale-back costs relative to the reduction in activity. H1 FY21 reflects a more "steady state", strict cost controls and improved cash generation from vehicle sales.
Rental fleet sales proceeds	61.4	23.7	37.7	Acceleration of fleet sales globally, in response to COVID-19.
Finance costs paid	(5.6)	(9.6)	4.0	Accelerated fleet sales has reduced underlying debt and subsequent interest costs.
Tax paid	0.0	(2.5)	2.5	No tax was payable as all segments recorded a tax loss during the period.
<b>Net cash from operating activities</b>	<b>67.8</b>	<b>44.9</b>	<b>22.9</b>	
Fleet capex	(6.2)	(7.7)	1.5	Reduced fleet acquisition required as a result of reduced rental demand due to COVID-19.
Other PPE and intangibles capex	(1.0)	(2.4)	1.4	Continued scale-back of capital outlays to preserve liquidity.
<b>Free cashflow</b>	<b>60.6</b>	<b>34.8</b>	<b>25.8</b>	
Net proceeds from/(repayment of) borrowings	(45.6)	(52.2)	6.6	Reduction in overall debt repayments due to reduced fleet sizes globally.
<b>Net cash flow</b>	<b>15.0</b>	<b>(17.4)</b>	<b>32.4</b>	



# Segment Performance

# Global Footprint

## EUROPE & UK

RENTAL FLEET<sup>1</sup>

~350

RV RENTALS  
NEW AND EX-RENTAL  
RV SALES

## USA & CANADA

RENTAL FLEET<sup>1,2</sup>

~850

RV RENTALS  
EX-RENTAL RV SALES

## AUSTRALIA

RENTAL FLEET<sup>1</sup>

~1,400

RV RENTALS  
NEW AND EX-RENTAL RV SALES  
MANUFACTURING

## NEW ZEALAND

RENTAL FLEET<sup>1</sup>

~800

RV RENTALS  
NEW AND EX-RENTAL RV SALES

<sup>1</sup>Rental fleet sizes represent fleet sizes as at 31 December 2020.

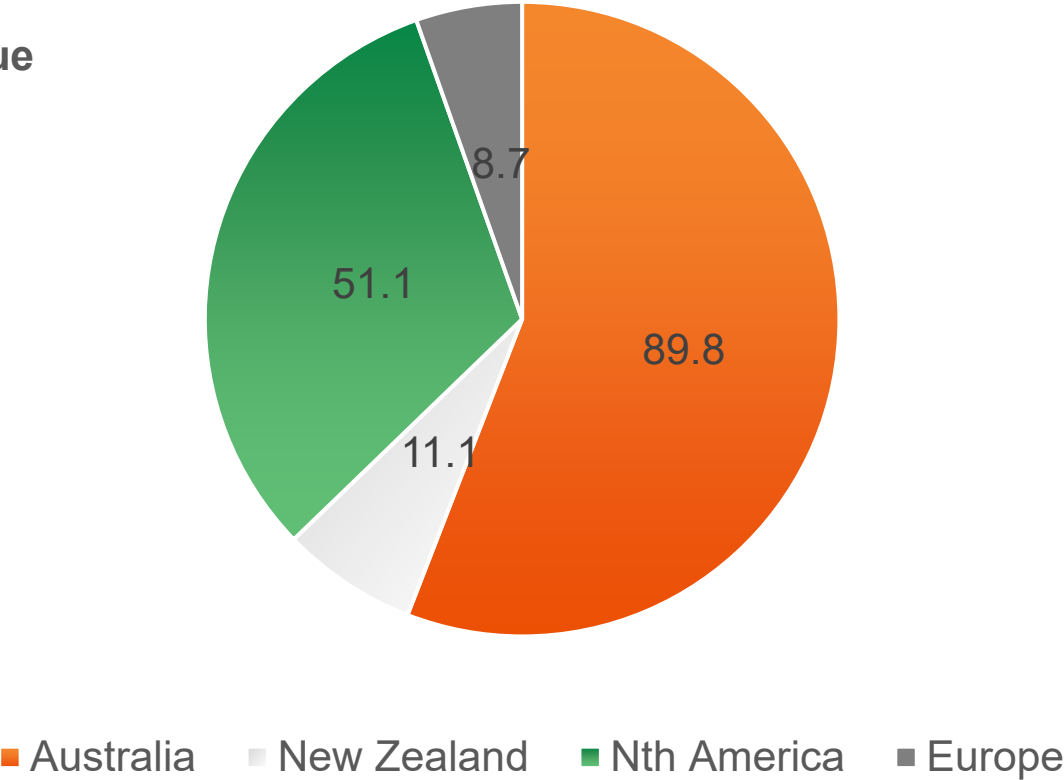
<sup>2</sup>North American fleet numbers represent CanaDream's fleet only, as the USA business is in hibernation.



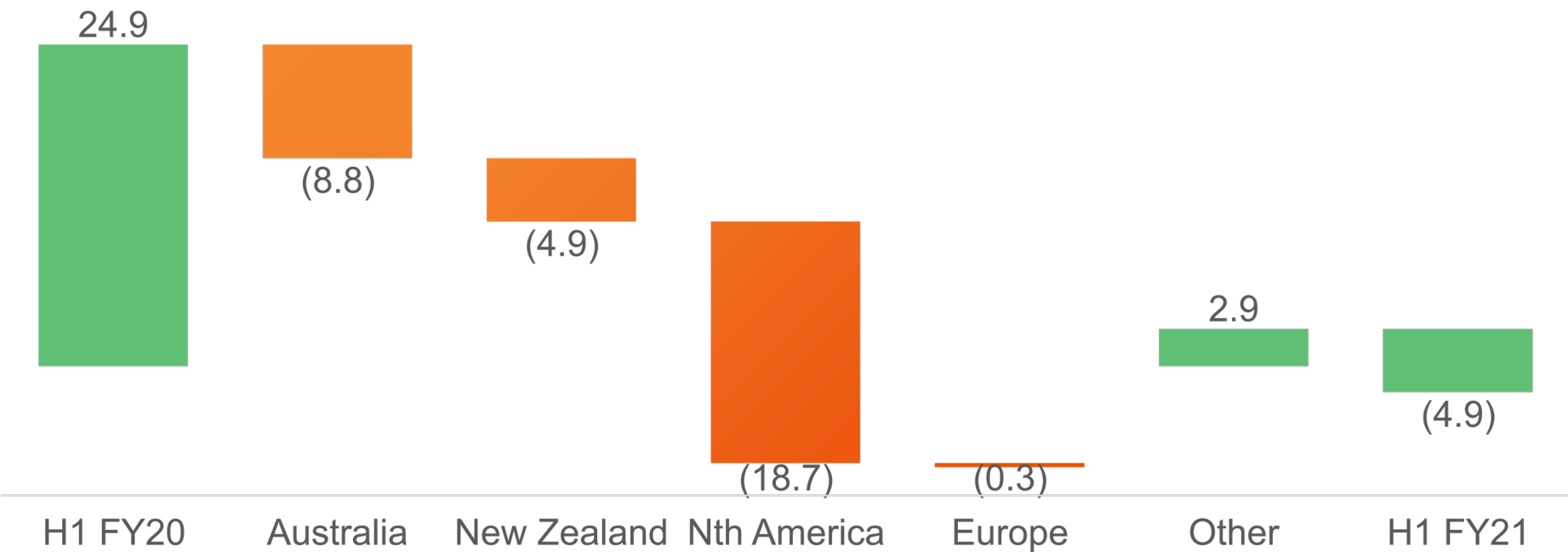
# Segment Results

AUD \$M	H1 FY21		H1 FY20		Growth (\$)		Change (%)	
	REVENUE	EBIT	REVENUE	EBIT	REVENUE	EBIT	REVENUE	EBIT
Australia	89.8	(7.0)	110.8	1.8	(21.0)	(8.8)	(19.0%)	N/M
New Zealand	11.1	(2.6)	15.0	2.3	(3.9)	(4.9)	(26.0%)	N/M
North America	51.1	1.7	65.0	20.4	(13.9)	(18.7)	(21.4%)	(91.7%)
Europe	8.7	0.9	7.1	1.2	1.6	(0.3)	22.5%	(25.0%)
Other/eliminations	(0.5)	2.1	(0.7)	(0.8)	0.2	2.9	(28.6%)	N/M
Total	160.2	(4.9)	197.2	24.9	(37.0)	(29.8)	(18.8%)	N/M

H1 FY21 Revenue



EBIT Waterfall



- Other/eliminations segment represents the elimination of inter-entity charges, interest charged on loans between segments and amortisation of internally generated intangibles on acquisitions.
- The tourism industry is subject to seasonal fluctuations with peak demand for tourism attractions and transport occurring in summer months. Accordingly, Apollo’s results are skewed to the first half. Earnings in Australia and New Zealand are typically generated over the southern hemisphere summer months, while earnings in North America and Europe are generated over the northern hemisphere summer.

# Australia

- Rental performance continued to be hindered by domestic and international travel restrictions. However, the forward rental order book continues to grow as consumer confidence returns.
- Revenue from domestic guests increased by 28% over pcp. However, extended state border closures and short-notice lockdowns prevented the domestic market from reaching its full potential and mitigating lost international guest volume.
- New retail stock supply during the period was restricted due to a large portion of caravan manufacturers being closed during Victoria's extended lockdown and Apollo's own scale-back of production. Supply chain delays will flow into H2 FY21.
- Despite these stock constraints, international travel restrictions contributed to a significant boost in demand for Apollo's retail division. Forward orders not yet delivered as at 31 January 2021 totalled \$49.4M, an increase of 192% on pcp.
- The temporary shutdown and subsequent reduction in operating hours of Apollo's Brisbane factory, in response to COVID-19, allowed for an extensive review of the facility, with improvements in design, procurement and workflow processes being targeted, to benefit future periods.
- As a result of the strong retail sales revenues during the period, a number of entities, including the rental business, became ineligible for the Australian Government's JobKeeper subsidy from October 2020. This will result in approximately \$1.5M less support being received in FY21 than originally projected.

AUD \$M	H1 FY21	H1 FY20	Movement	% Change
Rental income	10.9	29.5	(18.6)	(63.1%)
Sale of goods - ex-rental fleet sales	14.1	6.3	7.8	123.8%
Sale of goods - new RV sales <sup>1</sup>	64.2	74.2	(10.0)	(13.5%)
Other income	0.6	0.8	(0.2)	(25.0%)
Costs	(96.8)	(109.0)	12.2	(11.2%)
<b>EBIT</b>	<b>(7.0)</b>	<b>1.8</b>	<b>(8.8)</b>	<b>N/M</b>
<b>Calendar Year ROFE</b>	<b>(24.2%)</b>	<b>(1.2%)</b>	<b>(23.0%)</b>	
<b>VEHICLE FLEET</b>				
UNITS	H1 FY21	H1 FY20	No. Change	% Change
Opening fleet - at 30 June	1,629	1,912	(283)	(14.8%)
Rental fleet sales <sup>2</sup>	(254)	(125)	129	103.2%
Rental fleet purchases <sup>3</sup>	23	123	(100)	(81.3%)
<b>Closing fleet - at 31 Dec</b>	<b>1,398</b>	<b>1,910</b>	<b>(512)</b>	<b>(26.8%)</b>
Retail RV sales	960	1,173	(213)	(18.2%)
<b>Total RV sales (rental + retail)</b>	<b>1,214</b>	<b>1,298</b>	<b>(84)</b>	<b>(6.5%)</b>

1. Sale of goods – new RV sales, represents delivered sales only and includes revenue generated from part sales, repairs and servicing and finance and insurance sales.

2. Rental fleet sales include vehicle write-offs and dynamic fleet returned to suppliers at the end of lease periods, which distort the calculation of average sale prices for ex-rental fleet, year-on-year.

3. Rental fleet purchases include dynamic fleet added to the rental fleet at the beginning of the lease period.



# New Zealand

- Given the small size of New Zealand's domestic market, local bookings were unable to offset the loss of international bookings, despite an increase of approximately 356% in domestic revenues over pcp.
- Vehicle sales volumes and revenues increased on pcp, with the flagship retail store at the Auckland rental branch and retail sales out of the Christchurch branch generating positive market traction.
- Ex-fleet sales were accelerated during the period in response to suppressed rental demand and this is continuing into H2 FY21.
- The impact of COVID-19 resulted in the wind down of the New Zealand manufacturing facility, which was permanently closed in July 2020. On-going fleet requirements will be satisfied by the Australian factory.

AUD \$M	H1 FY21	H1 FY20	Movement	% Change
Rental income	4.1	11.3	(7.2)	(63.7%)
Sale of goods - ex-rental fleet sales	5.2	3.2	2.0	62.5%
Sale of goods - new RV sales	1.8	0.5	1.3	260.0%
Other income	-	-	-	0.0%
Costs	(13.7)	(12.7)	(1.0)	7.9%
<b>EBIT</b>	<b>(2.6)</b>	<b>2.3</b>	<b>(4.9)</b>	<b>N/M</b>
<b>Calendar Year ROFE</b>	<b>2.1%</b>	<b>12.4%</b>	<b>(10.3%)</b>	
<b>VEHICLE FLEET</b>				
UNITS	H1 FY21	H1 FY20	No. Change	% Change
Opening fleet - at 30 June	855	939	(84)	(8.9%)
Rental fleet sales <sup>1</sup>	(88)	(75)	13	17.3%
Rental fleet purchases <sup>2</sup>	5	73	(68)	(93.2%)
<b>Closing fleet - at 31 Dec</b>	<b>772</b>	<b>937</b>	<b>(165)</b>	<b>(17.6%)</b>
Retail RV sales	14	7	7	100.0%
<b>Total RV sales (rental + retail)</b>	<b>102</b>	<b>82</b>	<b>20</b>	<b>24.4%</b>

1. Rental fleet sales include vehicle write-offs and dynamic fleet returned to suppliers at the end of lease periods, which distort the calculation of average sale prices for ex-rental fleet, year-on-year.

2. Rental fleet purchases include dynamic fleet added to the rental fleet at the beginning of the lease period.

# North America

- CanaDream experienced stronger than anticipated domestic travel, with revenue from domestic guests up 161% on pcp. Similar to Australia and New Zealand, the improvement in domestic performance was unable to materially offset the downturn in profitability attributable to the lack of international guests, over the peak summer 2020 period.
- Canadian fleet sales have been accelerated during the period, in-line with the reduced rental activity and to take advantage of strong pricing, with 535 units sold. The 2021 season planned fleet size, which reflects acquisitions to refresh the fleet and continued sales, is considered sufficient to meet expected rental demand.
- The Company's USA operations remained in hibernation throughout the half and options for recommencing operations in the USA are under consideration for when international travel resumes.

AUD \$M	H1 FY21	H1 FY20	Movement	% Change
Rental income	11.0	48.2	(37.2)	(77.2%)
Sale of goods - ex-rental fleet sales	39.6	16.6	23.0	138.6%
Sale of goods - new RV sales	0.1	-	0.1	100.0%
Other income	0.4	0.2	0.2	100.0%
Costs	(49.4)	(44.6)	(4.8)	10.8%
<b>EBIT</b>	<b>1.7</b>	<b>20.4</b>	<b>(18.7)</b>	<b>(91.7%)</b>
<b>Calendar Year ROFE</b>	<b>(31.3%)</b>	<b>)8.5%</b>	<b>(39.8%)</b>	
<b>VEHICLE FLEET</b>				
<b>UNITS</b>	<b>H1 FY21</b>	<b>H1 FY20</b>	<b>No. Change</b>	<b>% Change</b>
Opening fleet - at 30 June	1,337	2,588	(1,251)	(48.3%)
Rental fleet sales	(538)	(227)	311	137.0%
Rental fleet purchases	37	114	(77)	(67.5%)
<b>Closing fleet - at 31 Dec</b>	<b>836</b>	<b>2,475</b>	<b>(1639)</b>	<b>(66.2%)</b>
Retail RV sales	61	62	(1)	(1.6%)
<b>Total RV sales (rental + retail)</b>	<b>599</b>	<b>289</b>	<b>310</b>	<b>107.3%</b>



# Europe

- Apollo's European and United Kingdom markets service primarily in-market guests. With lighter travel restrictions for the region during the peak summer 2020 period, overall H1 FY21 performance for the segment was not as significantly impacted by COVID-19 as the Company's other regions.
- Ex-fleet sales in the region were accelerated in H2 FY20 to preserve liquidity in response to COVID-19 and this continued in H1 FY21. A strong shoulder season generated higher than anticipated rental revenues for the period; the reduced fleet numbers attributed to the reduction in overall segment performance against pcp.
- H2 FY21 performance will depend on when the current stringent lockdown restrictions being implemented across the UK and Europe are eased.

AUD \$M	H1 FY21	H1 FY20	Movement	% Change
Rental income	4.1	5.1	(1.0)	(19.6%)
Sale of goods - ex-rental fleet sales	3.6	1.8	1.8	100.0%
Sale of goods - new RV sales	1.0	0.2	0.8	400.0%
Other income	-	-	-	0.0%
Costs	(7.8)	(5.9)	(1.9)	32.2%
<b>EBIT</b>	<b>0.9</b>	<b>1.2</b>	<b>(0.3)</b>	<b>(25.0%)</b>
<b>Calendar Year ROFE</b>	<b>(177.5%)</b>	<b>1.9%</b>	<b>(179.4%)</b>	

VEHICLE FLEET UNITS	H1 FY21	H1 FY20	No. Change	% Change
Opening fleet - at 30 June	343	346	(3)	(0.9%)
Rental fleet sales <sup>2</sup>	(26)	(24)	2	8.3%
Rental fleet purchases	13	31	(18)	(58.1%)
<b>Closing fleet - at 31 Dec</b>	<b>330</b>	<b>353</b>	<b>(23)</b>	<b>(6.5%)</b>
Retail RV sales	10	2	8	400.0%
<b>Total RV sales (rental + retail)</b>	<b>36</b>	<b>26</b>	<b>10</b>	<b>38.5%</b>

1. Apollo Motorhome Holidays SARL (Apollo France) was placed into hibernation in H2 FY20 in response to COVID-19 and remained so for the entirety of H1 FY21.

2. Rental fleet sales include vehicle write-offs, which distort the calculation of average sale prices for ex-rental fleet, year-on-year.



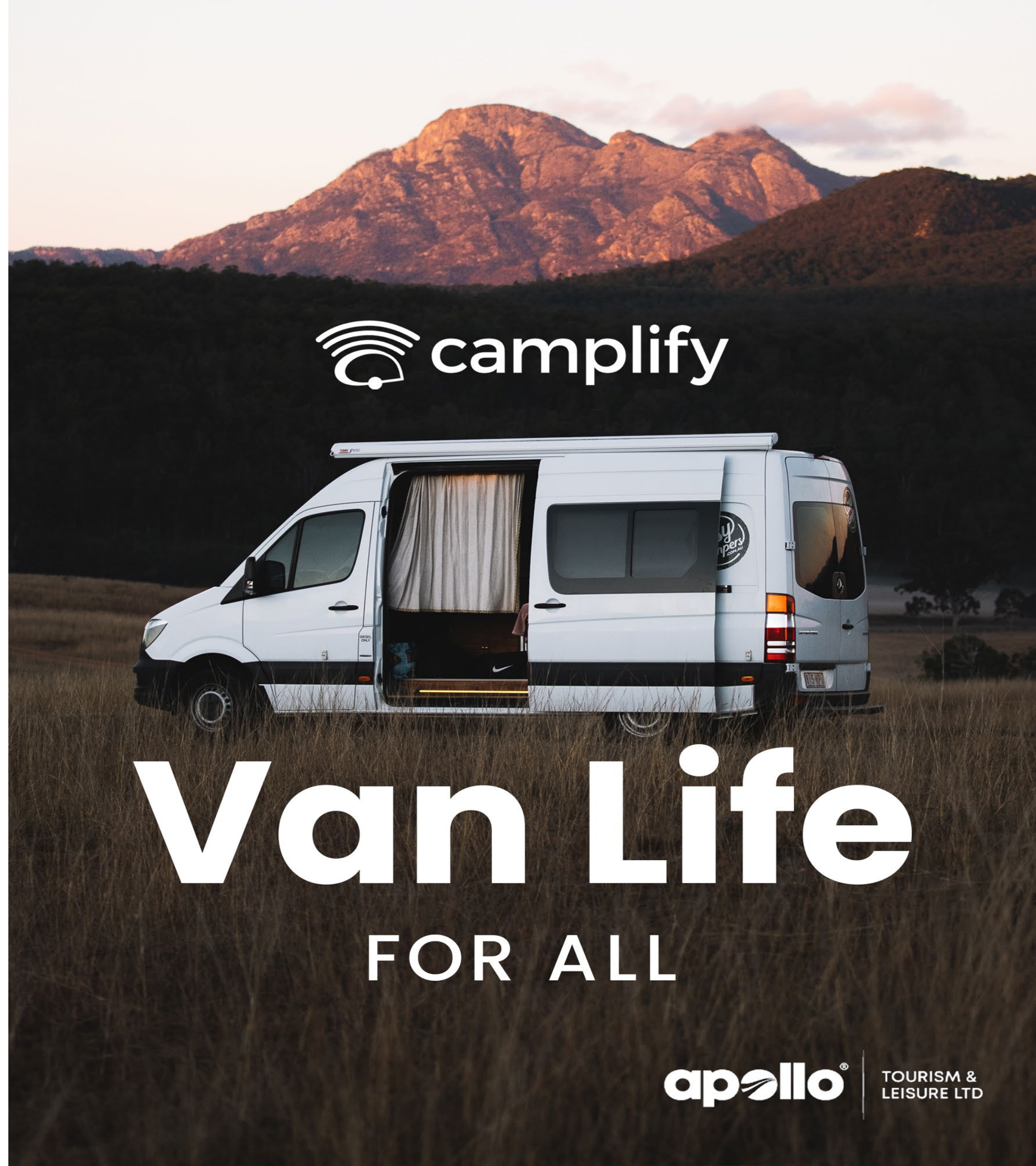
# Camplify

Apollo has a 25% investment in Camplify Co (Australia) Pty Ltd (Camplify), an online RV sharing community, connecting caravan & motorhome owners with holidaymakers seeking hire options.

## H1 FY21 Update:

- Camplify has seen a recovery from the initial Australian COVID-19 lockdown period and is experiencing strong growth.
- Total GTV (total transactions before expenses) for the period of \$11.9m\*, versus \$5.6m for pcp, which represents an increase in revenue of over 111%.
- These results are strong and demonstrate continued trajectory for the rest of FY21.

\*Based on unaudited results





# Strategy & Outlook

# Digital Ecosystem

**QUOTATION**

Number: 366  
Date created: Feb 16, 2021  
Valid Until: Mar 02, 2021  
Prepared by: Katie Ringhot

Name: Test Customer  
Address: 23 Test Street  
Mobile: 0456789986

Apollo Motorhome Holidays  
ABN: 61 051 584 153  
Address: 698 Nudgee Road,  
Northgate, QLD 4013

No.	Item Type	Description	RDP (inc GST)	Quantity	Discount	Line Total
1	Vehicle Sell	New Build 2021 Windsor Flinders	\$139,990.00	1		\$139,990.00
2	Optional Extra	WMH Bike Rack Thule (2 Bikes)	\$710.00	1		\$710.00
Sub Total:						\$140,700.00
Total Price (inc GST):						\$140,700.00

Sales Notes

Terms and Conditions  
This quotation is valid for 14 days, from the date of the quote. Please note the above prices may be varied if there is a change in the manufacturer's current price structure, including government charges or applicable taxes and charges. Any figures quoted for a trade-in vehicle are conditional upon inspection of described trade-in and the vehicle being accepted as described, by the dealer.

Dealer Licenses:  
Address: 15-02 276837 Brisbane: MD 2402041 Phone: 1800 625 867 Email: sales@apollovehicles.com.au  
Melbourne: LMCT 11672 Newcastle: MEL 21041 Website: www.apollovehicles.com.au  
Gelling: LMCT 11672

make adventure yours Page 1 of 1 driven by **apollo**

**apollo** Vehicle Post Production Inspection

VEHICLE ACTIVITY

ZCFC150C905352698 - Motorhome

Assigned To: **Shirley Laidlaw** **Owner** Completed: 15-02-2021 11:48 am

Search Inspection List By

Checklist: 72/72 entered **SHOW LIST OF SECTIONS NOT COMPLETED**

**INTERIOR INSPECTION | Appliances**

17. Rangeshood

Test light and speed operation	✓ PASS	✗ FAIL
Fitting to overhead cabinet not loose	✓ PASS	✗ FAIL
Exhaust pipe sealed to the wall	✓ PASS	✗ FAIL
No dent, damage, scratch or rust	✓ PASS	✗ FAIL

**BACK NEXT**

**apollo** Retail Operations

< All Quotes / Quote 366

Quote 366 **Open** Last Updated: Feb 16, 2021, 2:01 PM

Dealership: Brisbane

Customer: Test Customer

Vehicle: New Build 2021 Windsor Flinders Vehicle Price: \$139,990.00

Extras Extras Price: \$710.00

Trade-in

Deposit

Quote Summary Total Price (inc GST): \$140,700.00

#	Product Type	Description	RDP (inc GST)	Discount	QTY	Line Total
1	Vehicle Sell	New Build 2021 Windsor Flinders	\$139,990.00		1	\$139,990.00
2	Optional Extra	WMH Bike Rack Thule (2 Bikes)	\$710.00		1	\$710.00

Sales Notes

Subtotal: \$140,700.00

Deposit Payable

Total Price (inc GST): \$140,700.00

**DOWNLOAD ACCEPT DUPLICATE**

## Automation and Digitisation Acceleration

- COVID-safe contactless rental transactions introduced during the period.
- Digitisation and automation of core customer experience and data collection processes to generate permanent efficiency improvements.
- Move to cloud based contact systems will provide the foundation for automating and streamlining guest and customer interaction.
- Digitisation of quality inspection and handover processes was launched early CY2021, targeting product improvements and customer experience.

## Retail

- Consolidation of retail dealership technology underway, improving the utilisation of data across the Group.
- Improved integration of retail ordering process with Apollo's manufacturing facility provides opportunities for direct to consumer models.
- A pilot for retail telematics is due for completion in H2 FY21.

## Websites

- New cloud based technology has dramatically improved guest experience and scalability.
- Booking intake via Apollo's websites for all regions continues to grow the proportion of direct intake.



# Industry & Tourism Outlook

## RENTAL

- Domestic road trips continue to represent an appealing “COVID-safe” holiday option. While lead times have reduced, the forward rental book is increasing as guest confidence increases over time. Increased domestic bookings in all regions over pcp supports the Company’s ability to pivot its rental operations towards a focus on domestic guests, while international travel restrictions remain in place.
- Extremely low active COVID-19 case numbers in Australia and New Zealand may allow for the establishment of a Trans-Tasman travel bubble in 2021. This would materially improve the performance of the New Zealand segment, where the small population inhibits the ability to establish a self-sustaining domestic market.
- The global COVID-19 vaccine roll-out and decreasing number of active COVID-19 cases, in response to hard lockdowns, will support growth in domestic demand and assist in the removal of international travel bans.

## RETAIL

- Retail RV demand globally is at an all-time high, as consumers look to explore alternative holiday options in response to international travel restrictions.
- Supply is constrained in many geographies, with COVID-19 impacting the retail RV supply chain and the Company is exploring options to alleviate these constraints.



# Easy As Apollo Campaign

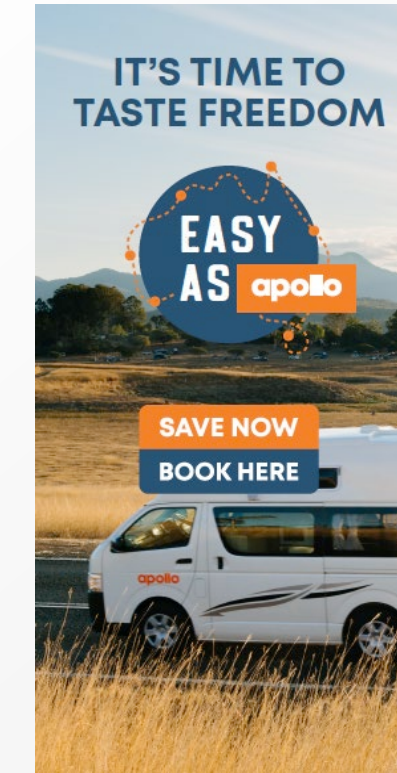
The Easy As Apollo campaign and messaging was introduced in Australia and New Zealand during November 2020 to connect with domestic consumers and drive consideration and bookings. It builds on the freedom of road trips and reminds people that its easier to have a motorhome holiday than they think.

Campaign launched in key markets to:

1. Raise awareness of Apollo and the ease, fun and freedom that a road trip provides
2. Build Apollo brand awareness and relevance
3. Encourage 10+ day hires
4. Drive bookings into non-school holiday periods

Key messaging:

- ✓ Easy to drive – standard driver licence
- ✓ Easy set up and pack up
- ✓ Freedom to move on or stay where you are
- ✓ Home away from home – great way to travel in a self-contained bubble
- ✓ Limited contact pick up and returns



**READY TO ROAD TRIP?**

EXCLUSIVE OFFER FOR ESCAPE READERS FROM APOLLO RV HOLIDAYS  
Rent an Apollo motorhome, campervan or W/D camper right now and discover the unique experience of your very own RV road trip from Brisbane, Cairns or one of our other locations across Australia. It's time to taste freedom and discover your own backyard. Offer valid for a limited time only.

**SUMMER FREEDOM PACKAGE**  
**PAY 5 DAYS GET 2 DAYS FREE**  
Visit [apollocamper.com/escape](http://apollocamper.com/escape)

**PLUS OVER \$250 WORTH OF EXTRAS**

- Apollo 'trip and go' express return
- Camp chairs and table bundle
- Full Gas bottle
- \$100 Experience Oz Voucher
- No one-way fees
- Free Campervan

2 BERTH HITOP CAMPER	2 BERTH WITH SHOWER & TOILET	4-6 BERTH WITH SHOWER & TOILET
RENT FROM \$490*	RENT FROM \$690*	RENT FROM \$990*
FOR 7 DAYS (3 DAYS FREE)	FOR 7 DAYS (3 DAYS FREE)	FOR 7 DAYS (3 DAYS FREE)

\*No Brisbane or Cairns. Travel 26 Nov 2020 - 13 March 2021. Week end rates apply.

**SUGGESTED ITINERARIES**

- THE GREAT BARRIER REEF DRIVE**  
- Stunning world famous drive  
- Explore the Great Barrier Reef  
- Ancient World Heritage wilderness
- CAIRNS TO CAIRNS**  
- Tropical beaches  
- Turtle season (April to October)  
- All main towns, Bundaberg  
- Great Barrier Reef
- ULTIMATE INDULGENCE TRAIL**  
- Premier food lover's trail  
- Chateaux and breweries  
- Country and coastal driving experiences

**RENT AN RV WITH APOLLO - IT'S EASY AS 1,2,3!**  
Nothing could be easier than an RV holiday. Your motorhome or campervan is your home away from home, and there's next to no setup or pack down time required. Everything's at your fingertips, and the best thing is, anyone can do it!

**1. CHOOSE YOUR ROUTE** **2. PACK YOUR BAGS** **3. DRIVE THE RVS AND GO**

Visit [apollocamper.com/escape](http://apollocamper.com/escape)

\*LIMITED AVAILABILITY. Prices subject to change. For full details, visit [apollocamper.com/escape](http://apollocamper.com/escape). Apollo Insurance is valid for all Apollo motorhomes and campervans. Summer Freedom Package applies to all Apollo motorhomes and campervans. Book now before it's too late.



# Find Your...CanaDream Campaign

The **Find Your...**campaign is being developed to connect with domestic consumers, raise brand profile and stimulate bookings. It plays on finding whatever you love doing, brought to life on a road trip vacation.

Campaign launching end March 2021, as restrictions ease, to:

1. Promote CanaDream as the perfect choice for a staycation this summer
2. Reach key audiences: families, young couples and older couples
3. Pull on key themes which will resonate with Canadians having endured a winter of lockdown: Fun, Adventure, Happy Place, Space, Wow
4. Drive bookings for the summer season

## Key messaging:

- ✓ Targeted by audience  
E.g. Families - Find your...Happy Place, Find Your...Connection
- ✓ Visual emotional connection, through inspiring real photography of CanaDream vacations, targeting 3 key audiences
- ✓ Creating a sense of now... book now & travel now
- ✓ Stimulating people who might not normally consider RV'ing
- ✓ Safety in your home away from home – great way to travel in a self-contained bubble





# FY21 Outlook

Apollo expects the negative impact of COVID-19 to continue well into FY21, with government directives and market analysis suggesting that international travel restrictions will remain in place until early 2022. The Company's immediate focus remains on the domestic market opportunity in each region, through consistent and targeted marketing.

RV vehicle sales volumes have been increasing globally, as consumers pursue alternative holiday options while international travel restrictions remain in place. Apollo is well placed to capitalise on this increased demand.

Apollo is confident it has sufficient liquidity and capacity to trade through a prolonged period of subdued market demand:

- Secured government support facilities in Australia, Canada and the UK, with \$23.6M of additional funds available to draw down.
- Increasing domestic rental revenue in all regions in response to declining COVID-19 case numbers, following hard lockdowns and commencement of the global vaccine roll-out. Consumer confidence is expected to rise as "at-risk" populations become vaccinated.
- Aggregate intrinsic equity in the Company's rental fleet of \$34.8M as at 31 December 2020.
- Lower permanent cost base.

Due to the ongoing uncertainty of the current trading environment, Apollo is not in a position to provide earnings guidance for FY21, noting that:

- Historically Apollo has had a marked earnings skew to H1 that is expected to continue.
- Trading and traveller confidence in H2 FY21 continues to be impacted by COVID-19 related restrictions, including over the recent Australian and New Zealand summer.
- A domestic only 2021 Spring in the Northern hemisphere and loss of the Australian JobKeeper subsidy will further impact H2 FY21.

The actual FY21 results will be dependent on the level of travel activity during the period.

Apollo is well positioned to return to profitability when borders reopen.



# Corporate Governance

- Continual focus on prevention initiatives for key risk areas including data and guest privacy, work place health and safety and cyber-security.
- Governance gender diversity with a female Chair, Company Secretary and CFO and two male Independent Directors.

## Conference Call

Date: 2:00pm (Brisbane time), Tuesday 23 February 2021

### Phone:

Australia: 08 9460 0818

Overseas: (+61) 2 8038 5271

Conference ID: 8543549

# Supporting Analysis



# Profit or Loss

AUD \$M	H1 FY21	H1 FY20	\$ Change	% Change
Rental income	30.1	94.1	(64.0)	(68.0%)
Revenue from sale of goods	129.6	102.8	26.8	26.1%
Other revenue	0.5	0.3	0.2	66.7%
<b>Total revenue</b>	<b>160.2</b>	<b>197.2</b>	<b>(37.0)</b>	<b>(18.8%)</b>
Costs	(150.3)	(152.6)	2.3	N/M
<b>EBITDA</b>	<b>9.9</b>	<b>44.6</b>	<b>(34.7)</b>	<b>(77.8%)</b>
Depreciation & amortisation	(14.8)	(19.7)	4.9	N/M
<b>EBIT</b>	<b>(4.9)</b>	<b>24.9</b>	<b>(29.8)</b>	<b>N/M</b>
Finance costs	(5.3)	(10.5)	5.2	N/M
<b>Profit before income tax</b>	<b>(10.2)</b>	<b>14.4</b>	<b>(24.6)</b>	<b>N/M</b>
Income tax (expense)/benefit	2.7	(3.1)	5.8	N/M
<b>Profit attributable to Apollo shareholders</b>	<b>(7.5)</b>	<b>11.3</b>	<b>(18.8)</b>	<b>N/M</b>
Basic EPS	(4.0)	6.0	(10.0)	N/M

# Balance Sheet

AUD \$M	Dec-20	Jun-20	Dec-19	Dec-20 vs Jun-19	Dec-20 vs Dec-19
Cash and cash equivalents	37.8	23.5	17.3	14.3	20.5
Intangibles	23.1	24.1	37.1	(1.0)	(14.0)
Inventories	45.8	90.4	83.7	(44.6)	(37.9)
Equity accounted investments <sup>1</sup>	1.6	1.6	2.3	-	(0.7)
Property, plant and equipment	114.7	134.8	69.1	(20.1)	45.6
Right-of-use asset	117.9	137.8	348.3	(19.9)	(230.4)
Other assets <sup>2</sup>	19.5	18.4	24.4	1.1	(4.9)
<b>Total assets</b>	<b>360.4</b>	<b>430.6</b>	<b>582.2</b>	<b>(70.2)</b>	<b>(221.8)</b>
				-	-
Payables	18.4	27.5	25.0	(9.1)	(6.6)
Borrowings (current + non-current)	211.7	252.2	376.0	(40.5)	(164.3)
Lease liability - land and buildings (current + non-current)	47.4	53.8	-	(6.4)	47.4
Provisions (current + non-current)	4.1	4.1	3.8	-	0.3
Income tax payable	0.5	0.1	-	0.4	0.5
Other payables <sup>3</sup>	30.8	36.2	46.9	(5.4)	(16.1)
<b>Total liabilities</b>	<b>312.9</b>	<b>373.9</b>	<b>451.7</b>	<b>(61.0)</b>	<b>(138.8)</b>
				-	-
<b>Net assets</b>	<b>47.5</b>	<b>56.7</b>	<b>130.5</b>	<b>(9.2)</b>	<b>(83.0)</b>
				-	-
Net debt position <sup>4</sup>	173.9	228.7	358.7	(54.8)	(184.8)
Net tangible assets (NTA) <sup>5</sup>	24.4	32.6	(254.9)	(8.2)	279.3
NTA per share <sup>6</sup>	\$0.13	\$0.18	(\$1.37)		
Book value of net assets per share <sup>7</sup>	\$0.26	\$0.31	\$0.70		
Net debt / net debt + equity ratio (net of Intangibles)	87.7%	87.5%	345.6%		
Equity ratio <sup>8</sup>	13.2%	13.9%	22.4%		
Total no. of shares on issue at period end	186,150,908	186,150,908	186,150,908		

## Notes:

1. Represents the Company's investment in Camplify.
2. Other assets is comprised of trade and other receivables, income tax refunds receivable, prepayments and other assets and deferred tax assets and other non-current asset balances, per the statement of financial position.
3. Other payables is comprised of contract liabilities, unearned rental income and other liabilities, per the statement of financial position.
4. Represents total borrowings (excluding lease liabilities recognised on land and buildings under AASB 16), less cash and cash equivalents.
5. Represents equity, net of intangibles.
6. Calculated as NTA / total no. of shares on issue at period end.
7. Calculated as equity / total no. of shares on issue at period end.
8. Calculated as equity / total assets.



# Funding

- Debt facilities as at 31 December 2020 are summarised as follows:

AUD \$M	Total facility				Drawn amount				Undrawn amount				
Segment	Fleet financing	Floor plan	Bank Loans	COVID-19 Support Loans	Fleet financing	Floor plan	Bank Loans	COVID-19 Support Loans	Fleet financing	Floor plan	Bank Loans	COVID-19 Support Loans	
Australia	91.8	43.0	N/A	25.0	58.0	13.3	N/A	15.0	33.8	29.7	N/A	10.0	
New Zealand	39.4	4.7	N/A	N/A	35.5	2.7	N/A	N/A	3.9	2.0	N/A	N/A	
North America	71.8	N/A	25.7	16.5	42.6	N/A	25.7	3.8	29.2	N/A	0.0	12.7	
Europe	23.1	N/A	N/A	2.7	13.3	N/A	N/A	1.7	9.8	N/A	N/A	1.0	
Facility totals	226.0	47.7	25.7	44.1	149.4	16.0	25.7	20.5	76.6	31.7	0.0	23.6	
Group total				343.6					211.6				
Debt from lease liabilities recognised on leases previously classified as operating leases									47.4				
Cash and cash equivalents									(37.8)				
Net debt									221.2				

# Example: Rental Fleet Debt/Equity Relationship

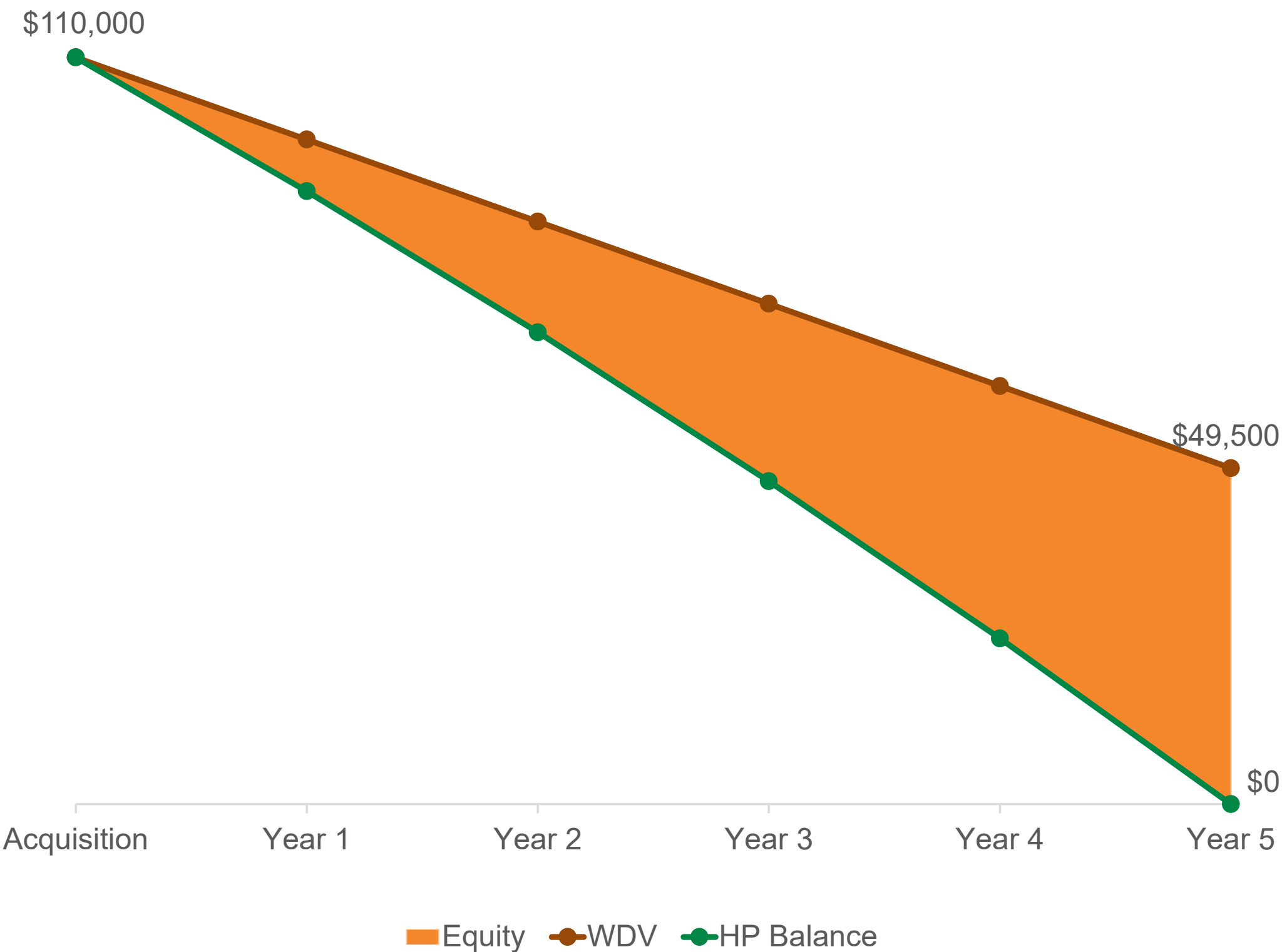
The following graph demonstrates the relationship between the fleet finance balance and the corresponding WDV of an example 6 Berth rental fleet vehicle in Australia, from acquisition date, to disposal, at the end of the vehicle's rental lifecycle. \*Note: the following figures are for illustrative purposes only.

**Assumptions:**

Assumed wholesale purchase price	\$110,000
Finance value	\$110,000
Finance term	5 years
Finance interest rate	5.50% p.a.
Depreciation rate	11.00% p.a.
Rental lifecycle	5 years
Sale price at disposal	Assumed equal to WDV

**Comments:**

- Each vehicle acquired has an intrinsic unrealised equity value at acquisition date, with the wholesale purchase price being lower than market retail price.
- Equity continues to increase as the vehicle ages, with debt being repaid at a faster rate than depreciation.
- Actual fleet lifecycles, depreciation rates and market sale prices may vary depending on prevailing market conditions in any given year.
- It is Apollo's policy to adopt depreciation rates that reduce the book value to the approximate net realisable value at the end of the vehicle's lifecycle.





# Net Current Liability Position

The Consolidated Entity is in a consolidated net current liability position as at 31 December 2020 of \$54.8M. In accordance with AASB 101 Presentation of Financial Statements, the rental fleet borrowings payable in the next 12 months, including any debt repayable on demand, are treated as current liabilities with the assets that are being financed included as non-current assets. This results in current liabilities being in excess of current assets in the statement of financial position as at 31 December 2020.

The Directors consider that the Group will generate sufficient operating cash flows to finance its ongoing operations and meet its financial obligations. Accordingly, the financial report has been prepared on a going concern basis. Refer to Note 1, Significant accounting policies, located in the financial statements for further information.

The financing arrangements for the Consolidated Entity are shown below by combining the total current and non-current liability and aligning this with the related asset value:

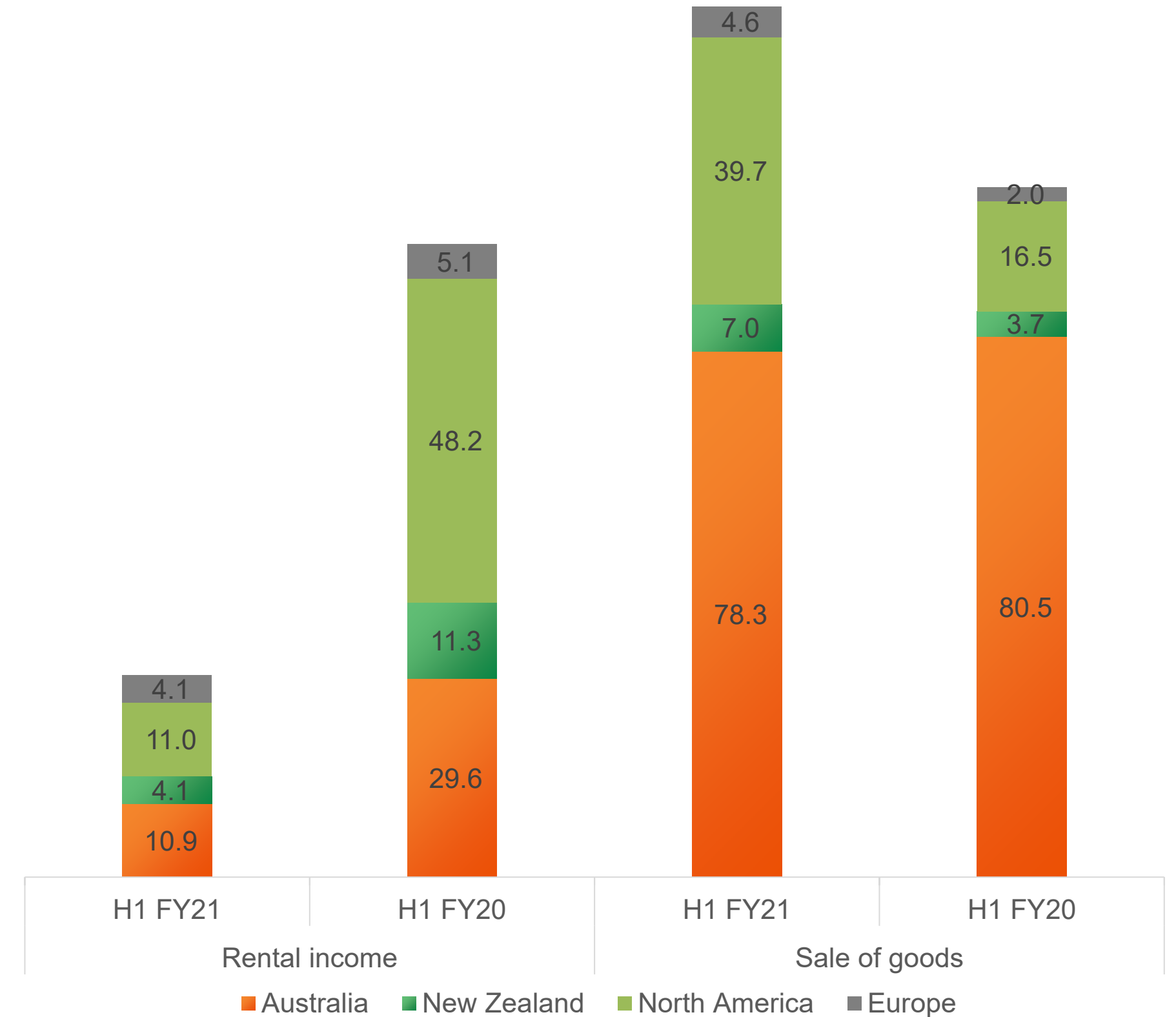
Borrowings (AUD \$M)	Liability	Related asset	Asset
<b>Property financing</b>			
Bank loans	25.7	Land and buildings: PPE	34.0
Lease liability - land and buildings <sup>1</sup>	47.4	Land and buildings: ROU asset	23.8
	<b>73.1</b>		<b>57.8</b>
<b>Vehicle financing</b>			
Floor plan and loans from other financiers	86.3	New and used vehicles for retail sale and motor vehicle PPE	104.7
Lease liability - rental fleet	79.1	Motor vehicles: ROU asset	94.1
	<b>165.4</b>		<b>198.8</b>
<b>COVID-19 support loans</b>	<b>20.5</b>		<b>0.0</b>
<b>Total</b>	<b>259.0</b>		<b>256.6</b>

1. The right-of-use asset (ROU asset) recognised for leases on land and buildings is less than the lease liability due to impairments recognised and the front loading effect whereby the right-of-use asset is depreciated on a straight-line basis and the effective interest rate method is applied to the lease liability, resulting in the liability being higher in the early years of the lease term. The effective interest rate method results in a decreasing total lease expense throughout the lease term and the lease liability decreasing unevenly over time.

# Revenue

AUD \$M	H1 FY21	H1 FY20	\$ Change	% Change
<b>Rental income</b>				
Australia	10.9	29.5	(18.6)	(63.1%)
New Zealand	4.1	11.3	(7.2)	(63.7%)
North America	11.0	48.2	(37.2)	(77.2%)
Europe	4.1	5.1	(1.0)	(19.6%)
	<b>30.1</b>	<b>94.1</b>	<b>(64.0)</b>	<b>(68.0%)</b>
<b>Sale of ex-rental fleet</b>				
Australia	14.1	6.3	7.8	123.8%
New Zealand	5.2	3.2	2.0	62.5%
North America	39.6	16.6	23.0	138.6%
Europe	3.6	1.8	1.8	100.0%
	<b>62.5</b>	<b>27.9</b>	<b>34.6</b>	<b>124.0%</b>
<b>Sale of RVs</b>				
Australia	64.2	74.2	(10.0)	(13.5%)
New Zealand	1.8	0.5	1.3	260.0%
North America	0.1	-	0.1	100.0%
Europe	1.0	0.2	0.8	400.0%
	<b>67.1</b>	<b>74.9</b>	<b>(7.8)</b>	<b>(10.4%)</b>
<b>Other Income</b>				
Australia	0.6	0.8	(0.2)	(25.0%)
New Zealand	-	-	-	0.0%
North America	0.4	0.2	0.2	100.0%
Europe	-	-	-	0.0%
	<b>1.0</b>	<b>1.0</b>	<b>-</b>	<b>0.0%</b>
Other/eliminations	(0.5)	(0.7)	0.2	(28.6%)
<b>Total revenue</b>	<b>160.2</b>	<b>197.2</b>	<b>(37.0)</b>	<b>(18.8%)</b>
<b>Segment split</b>				
Australia and other	89.3	110.1	(20.8)	(18.9%)
New Zealand	11.1	15.0	(3.9)	(26.0%)
North America	51.1	65.0	(13.9)	(21.4%)
Europe	8.7	7.1	1.6	22.5%
	<b>160.2</b>	<b>197.2</b>	<b>(37.0)</b>	<b>(18.8%)</b>

A\$M





# EBIT Margin

AUD \$M	H1 FY21	H1 FY20	Change
Australia	(7.8%)	1.6%	(9.4%)
New Zealand	(23.4%)	15.3%	(38.8%)
North America	3.3%	31.4%	(28.1%)
Europe	10.3%	16.9%	(6.6%)
Other/eliminations	(420.0%)	114.3%	(534.3%)
<b>Total</b>	<b>(3.1%)</b>	<b>12.6%</b>	<b>(15.7%)</b>

# EBITDA Margin

AUD \$M	H1 FY21	H1 FY20	Change
Australia	1.6%	10.1%	(8.5%)
New Zealand	5.4%	34.7%	(29.3%)
North America	8.0%	40.9%	(32.9%)
Europe	17.2%	31.0%	(13.7%)
Other/eliminations	(460.0%)	85.7%	(545.7%)
<b>Total</b>	<b>6.2%</b>	<b>22.6%</b>	<b>(16.4%)</b>

- While corporate overhead allocation is reviewed annually, the Australian segment retains the majority share of such costs.
- Other/eliminations segment represents the elimination of inter-entity charges, interest charged on loans between segments and amortisation of internally generated intangibles on acquisitions.
- The tourism industry is subject to seasonal fluctuations with peak demand for tourism attractions and transport occurring in summer months. Accordingly, Apollo's results are skewed to the first half. Earnings in Australia and New Zealand are typically generated over the southern hemisphere summer months, while earnings in North America and Europe are generated over the northern hemisphere summer.

# Funds Employed

AUD \$M	Average Funds <sup>2</sup>			Period End Funds		
	H1 FY21	H1 FY20	Change	Dec-20	Dec-19	Change
Australia	168.3	220.6	(23.7%)	155.9	180.6	(13.7%)
New Zealand	66.1	66.8	(1.0%)	62.3	69.9	(10.9%)
North America	91.3	203.3	(55.1%)	73.5	109.0	(32.6%)
Europe	8.5	26.4	100.0%	8.4	8.5	(1.2%)
Other/eliminations <sup>1</sup>	(43.7)	(43.4)	0.6%	(44.2)	(43.1)	2.6%
<b>Total Segment Funds Employed</b>	<b>290.4</b>	<b>473.6</b>	<b>(38.7%)</b>	<b>255.9</b>	<b>324.9</b>	<b>(21.2%)</b>
Net deferred tax position	(12.6)	(26.2)	(51.8%)	(11.0)	(14.2)	(22.5%)
<b>Total Net Funds Employed</b>	<b>277.8</b>	<b>447.5</b>	<b>(37.9%)</b>	<b>244.9</b>	<b>310.7</b>	<b>(21.2%)</b>

Calendar Year ROFE	H1 FY21	H1 FY20	Change
Australia	(24.2%)	(1.2%)	(23.0%)
New Zealand	2.1%	12.4%	(10.3%)
North America	(31.3%)	8.5%	(39.8%)
Europe	(177.5%)	1.9%	(179.4%)
<b>Total</b>	<b>(29.1%)</b>	<b>4.6%</b>	<b>(33.7%)</b>

1. Other/eliminations segment represents the elimination of inter-entity charges, interest charged on loans between segments and amortisation of internally generated intangibles on acquisitions.  
2. Average funds are calculated as the average of the closing period end funds.





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