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18 October 2017

## **MEDIA | NZX RELEASE**

### **TOURISM HOLDINGS LIMITED (thl) ANNUAL MEETING – 18 OCTOBER 2017**

#### **CHAIRMAN | CHIEF EXECUTIVE ADDRESS**

#### **SLIDE 1 – Tourism Holdings Ltd Annual Meeting**

##### **Chairman’s Address – Rob Campbell**

##### **SLIDE 2 – Chairman’s Address – Rob Campbell**

Welcome to the 31st Annual Meeting for Tourism Holdings Limited. My name is Rob Campbell, your Chairman.

As we have a quorum present, and it is 2:00pm, I declare the Annual Meeting open.

We are conducting this Annual Meeting simultaneously online and welcome all participating shareholders. We were pleased with the initial uptake online last year and expect it to have grown this year. We anticipate continuing to hold both the physical and virtual meeting.

I am joined on stage by fellow directors Debbie Birch, Kay Howe, Cathy Quinn, Gráinne Troute and Graeme Wong. Christina Domecq has resigned from the Board, effective December, and provides her apologies for not being able to attend today. We’re also joined on stage by our Chief Executive Officer, Grant Webster; Chief Financial Officer, Mark Davis and Board Secretary, Steven Hall.

We also have a number of the team from the business here. I will quickly introduce the executives in the room – Jo Allison, Keith Chilek, Dave Simmons, Gordon Hewston, Ben Lane, Brett Morris, Ollie Farnsworth and Paul Shale. We also have Kate Meldrum online in the virtual meeting and our JV partner, Grant Brady, from Action Manufacturing in the room. We also have representatives from the New Zealand Rentals business, our support crew in Auckland, Kiwi Experience and the vehicle sales business based in Albany.

Finally, we also have representatives from our auditors, PricewaterhouseCoopers; solicitors, Minter Ellison Rudd Watts; banking partners, Westpac, ANZ and HSBC; and our share registrar, Link Market Services, who are managing the polling process.

##### **SLIDE 3 – Proxies and Postal Votes Received**

As indicated on the screen, we have received 34.8 million valid proxies and postal votes, representing 28.9% of the ordinary shares on issue. Of those, 23.1 million have identified me, as Chair of the meeting, as proxy.

##### **SLIDE 4 - Agenda**

I will provide a brief overview on where we are today as a company and then hand over to our Chief Executive, Grant Webster, to provide more detail on the year that has passed and the future direction of

**Self drive  
Experiences**  
New Zealand  
Australia  
USA  
UK

**Design &  
manufacturing**  
New Zealand  
Australia

**Guided  
Experiences**  
New Zealand

the company. As always, we appreciate the questions and feedback we receive at these sessions and I look forward to those.

#### **SLIDE 5 – Chairman’s Introduction**

Twelve months ago I spoke about *thl* needing to look and think globally, and the need to be platform-focused and to be leaders in what we do. There has been some progress along this path, but we are by no means where we need to be.

We have continued to grow globally, and the transactions and goals we announced in December 2016 have definitively reset expectations for *thl* into the future.

Before reviewing the details of *thl*’s performance, I would like to comment on the backdrop for economic performance today from my perspective.

We are operating in a period of significant political, technological and social change on a global basis. As a global company, we need to stay mindful of that situation and consider the impacts on this business. They are all changing the ways that people think about holiday experiences, which are at the core of our business.

In the last 12 months, we have seen some impact on youth travel from Brexit, as the Pound devalued against most currencies, we have seen some reduction in visitor arrivals to the USA from Europe, with the election of Donald Trump, and we have seen some instability in Japan and South Korean outbound visitor markets, with the recent political uncertainties with North Korea.

These events - singularly or collectively – have not yet created a material impact on the company, our results and our forecasts, but we have had to adjust in reaction and they have highlighted to us the importance of flexibility and quick reaction in all aspects of our business. The structural changes we have made in the business have increased diversity of earnings and flexibility, but these are ongoing challenges.

#### **SLIDE 6 – FY17 Financials**

The FY17 result for the company was another record, but we still have plenty of opportunity. This is the balance that is assisting *thl* in driving for more every year. None of our growth is reckless but, looking forward, measured innovation, acquisition and internal improvement in process will continue to support strong growth. This will reflect in 2018 and subsequently. We will meet our declared goals and keep defining new goals.

I will leave it to Grant to discuss the result in a little more detail, acknowledging that it has been well covered in the Annual Report and investor presentations.

#### **SLIDE 7 – Share Price and Returns**

Most of us are keen on a Warren Buffet maxim at one point or another. With the graphs on the screen, I am reminded of him saying, “Games are won by players who focus on the playing field, not by those whose eyes are glued to the scoreboard”.

It is unusual for me to focus on the share price in an Annual Meeting, but the results for *thl* are worthy of note.

If you purchased **thl** shares five years ago and, throughout that time, reinvested all your dividends, you would now have made a 1000% return. I would note this is based on a Bloomberg report using the dates and details on the screen.

It is not lost on me that you can comment on how low the **thl** share price was five years ago as a negative; however, I choose today to reflect on the positive approach the team have taken to creating a business that is more flexible, global and disciplined.

More importantly, the performance could beguile the need for further work. That is not the case. The result this year had large areas for improvement - pleasingly clearly and honestly identified by management. The business still needs to improve.

We have also set another clear goal for the business. In 2015 we set a target of achieving \$30M NPAT by FY19. We achieved it in FY17. Today, we remain focused on our new goal - \$50M NPAT by 2020.

As noted in the Annual Report, this business responds to these goals. Budget setting is not a case of who argues the best; who can produce the most cleverly disguised sandbag. Budgets are based on market realities, with a clear direction to 2020. Each business has slight adjustments to the plan each year, but shortfalls are aggressively hunted down and opportunities to overachieve are delivered.

We have delivered a good return for those of you who have invested in the past; however, we have new shareholders every day and we are just as focused on playing the right game to deliver to you for tomorrow.

We will not continue to generate shareholder returns at the rate of increase in recent years, but we are not at a plateau - nor do I accept that this is just the boom period of a repeated historical pattern, as has recently been suggested. **thl** today is nothing like the business that showed such patterns. We have, and will increase, diversity of earnings, we have a clear strategy for our role in the global RV ecosystem, we have tight discipline on capital allocation, and our execution capability at management level is strong. I welcome people betting against us, but I do not advise you to join them.

#### **SLIDE 8 – Sustainability**

This year the business launched its first sustainability report.

We need to be real, authentic and take sustainability seriously as a tourism operator. We rely on the physical environment, the social environment and the ongoing economic prosperity of the business and our teams to win in the long term.

The report we presented this year acknowledged some excellent work we have been doing from a sustainability and responsible tourism operator perspective. It also acknowledged that we are only near the start of our journey, but set some challenging goals, which we will set to achieve and report on, openly, annually.

We also recognise the need to partner. In a global context, we are small - but our ambitions are larger. Whether it be in the electric vehicle space, autonomous vehicles or in other new clean technologies, we

are working with other companies on a global basis to find the most effective way forward to reach our goals. You will not find us chasing fads, but you will find us adopting and embracing proven models.

#### **SLIDE 9 – Board**

Christina Domecq recently resigned from the Board. We appreciate her contribution.

Cathy Quinn was recently appointed to the Board and will stand for election today.

We have reviewed the capability matrix for the Board and we will most likely commence a search for one additional Director, who fills some of the areas we identified need some bolstering. We have no set timeframe we will operate to and don't expect to make any announcement until sometime in 2018.

As a Board, we also agreed this year to be early adopters of the NZX new code for governance, and we will continue to actively engage with stakeholder groups such as the New Zealand Shareholders Association, to ensure we hold ourselves to the appropriate standards of communication, accountability and transparency.

#### **SLIDE 10 – Chairman's Report – Closing Comments**

We are well into another year of growth for *thl*. The investments in new initiatives are being closely managed and the development of the core business is ongoing. We are not complacent and want to be more competitive as we grow, all whilst staying true to the values surrounding the business including, importantly, sustainability.

I will now pass on to Grant to provide some more details on our performance and direction.

#### **SLIDE 11 – Chief Executive's Address**

##### **CEO Address – Grant Webster**

Thank you Rob - as always, a well-written and delivered address.

I will provide a brief update on the results for the prior year but, more importantly, focus on the new initiatives in the business and direction for the coming years.

#### **SLIDE 12 – FY17 Results Review**

Firstly, a quick overview of the FY17 result.

It is important to note that the results include the first six months of the El Monte business. The six months is the low season and traditionally a loss-making time for the business, yet we obviously had the full funds employed. You will have seen, in both the Annual Report and investor presentation, that we have shown a number of figures with and without El Monte, to show the true underlying business result.

Revenue was up 22% for the year, inclusive of El Monte.

- We increased EBIT by 23%;

- Return on average funds employed decreased from 15.1% to 14.3%; however, that was the effect of El Monte and, without El Monte, we increased to 16.7%;
- We delivered an NPAT result of \$30.2M, up 24%; and
- We delivered an increase in dividend to 21cps, which had an average imputation of 76%. This was up from 19cps the previous year.

### **SLIDE 13 – FY17 Highlights**

There are two result highlights for the year – one, the New Zealand Rentals business and the second the acquisition of El Monte. I will discuss the El Monte business at a later stage.

The New Zealand rentals business increased EBIT by over 50%. The increase reflected strong demand for New Zealand RV holidays, an increase in flex fleet, an increase in yield and a strong control of costs within the business. The Lions tour had some positive impact in the last quarter as well.

Tourism New Zealand has been focused in the last 12 months on the shoulder seasons and we saw the benefit of that focus. With Easter late in April this year, we had strong volumes right through to the end of the April school holidays.

We do see ongoing growth in the New Zealand rentals business; however, we also want to keep focused on market share and we will limit the growth of margin in the coming year, as we more aggressively target share and volume. The focus is not giving away money, but ensuring we continue to use our scale for growth.

Australia, Road Bear, Waitomo and Action Manufacturing results are well covered in the Annual Report and we are happy to take questions on those, if required. We should, however, note the Kiwi Experience results, which were down on the prior year and below our expectations. We may have lost some share in this business; however, we also had the impact of the Kaikoura earthquake. We have plans in place in this business to be more cost-effective. We will also refocus on the brand and proposition in the coming year.

### **SLIDE 14 – Balance Sheet**

The position of our balance sheet remains a critical focus for *thl*. We acquired El Monte this last financial year, primarily with debt. We had signalled we had capacity to acquire using debt and we tested our assumptions against the current state, and a range of other possible scenarios. We are confident in our current position.

At year-end we had \$176M net debt, up from \$79M the prior year.

There are three key points I would like to make regarding this position:

1. We remain within our target debt to EBITDA ratio of 2.0x, and will stay close to that figure. This, along with other financial metrics, aligns with a Moody's Baa rating that we use as a benchmark and have communicated for some time.
2. We have gross capital expenditure in the coming year of close to \$200M, more than our current net debt number. Of that \$200M, over \$100M is flex-fleet, which is planned to be sold within a 12-14 month timeframe. With these levers, we have the ability to control debt and we can, when required, create significant operating cash flow through the ongoing rental and sale of vehicles, without

replacement. To support this, our current average fleet age within the company is 2.3 years. This compares to 2.9 last year and 3.1 in FY15.

3. Lastly, we have a plan to deliver \$50M NPAT in 2020. Within that plan, we are forecasting a dividend pay-out ratio within policy, we will generate the cash to fund the capital requirements to grow and we plan to reduce our debt to EBITDA ratio with a target of somewhere around 1.80X.

We know tourism businesses have shock events and we know we need to be prudent with your shareholder funds. We believe we have the right balance today for this business in the industry in which we operate.

#### **SLIDE 15 – The Turnaround – A View on the Key Elements**

I was recently asked what I saw as the key elements that have led to the turnaround in *thl*'s performance over the last few years. A quick reflection may be useful to provide context on our broader strategy and direction as a business.

I think we can thank our Chairman for the relentless focus on ROFE. It has become so ingrained, it has been personified - MR ROFE. It is important to note that even the new initiatives, that aren't making money today, have a plan to deliver an appropriate return. It's not a matter of if, but when - or the investment will stop.

We have been brave at the right times, but with caution and a backup plan.

We have also continued to develop the business model and you can hear that in our actions and focus today.

We understand that we are an operational business. We have hundreds of people on the frontline every day, delivering to customer's needs. Ensuring they are focused, have the right tools and are appropriately motivated is key. This is a detail business and we need to get the detail right constantly.

Along the way, we have ensured we engage with likeminded people with the right values. Today we have six owner-operators still engaged in the business in various forms. Whilst that's a lot of owners' views to manage, the reality is that we benefit from both the experience and mentality, and we have a culture and business they have wanted to remain a part of. It's all about the people at the end of the day.

#### **SLIDE 16 – New Initiatives**

Moving on.

As we have indicated over the last 12 months, we are focused on being a global player in the RV industry and we have a number of initiatives which we are progressing alongside the current and normal operating business.

As mentioned, we have strong focus on ROFE in the business.

We know we need these new business opportunities to develop globally and we are confident they will.

In FY17, we invested in these start-up initiatives with a combined \$2.2M, after tax, impact on Group NPAT, and in FY18 we expect a similar impact on NPAT. Within the 2020 goal of \$50M NPAT, we are expecting these new initiatives to either breakeven or make a small profit.

### **SLIDE 17 – Roadtrippers and CamperMate**

With the announcements in December 2016, we highlighted the investment we have made in Roadtrippers USA.

This business is the leading travel planning app in the USA and has 2.5M users per month over the peak season and average monthly users currently of around 2.0 million.

As part of the transaction, we sold the IP associated with CamperMate into the Roadtrippers business. CamperMate in New Zealand and Australia has currently over 80,000 users per month, up over 40% on a year ago, with high expectations for the coming summer.

Why have we invested in these businesses? Simply put, we see them as leaders in the provision of digital touring services, which we see as a critical component of the self-drive experience now and in the future.

We see these businesses as having the opportunity to break into several advertising markets and assist with the manner in which we engage with customers whilst on the journey.

As importantly, they also provide us with some exposure to customer markets that are currently not in the RV world, yet are close to it. The self-drive customer who visits places like Yellowstone National Park or Fox Glacier may well be our next RV customer.

With Roadtrippers, we have gained access to a different set of technology, skills and thinking.

### **SLIDE 18 – Highway**

Our equivalent of Air BnB is now two years old, having been launched at the 2015 Annual Meeting.

Highway has grown well in New Zealand and we are on track for a positive summer season, based on current forward bookings. We have grown our owner base to over 600. More importantly, we are starting to create a closer engagement with our owners.

We have launched a pilot in the USA, and have had a faster uptake in owners than in New Zealand, though our bookings intake has been slower than we might have hoped.

The future of Highway appears sound. It may evolve, it will be more integrated into the core and it will continue to grow owner engagement.

It is the primary interface for **thl** into the broader RV ecosystem we talk about so passionately.

From an operating markets perspective, we see the opportunity to expand in the USA and we see Australia, the UK and Europe all as possible markets. We will, however, ensure we can gain more confidence in the methodology we use to launch into new markets to minimise the financial impact. I would not expect any new country expansion in FY18; however, we continue to explore the opportunities in each of these markets.

### **SLIDE 19 – Investing in Technology**

We have headed the annual report “Growing Globally”. We have made acquisitions over the last few years and, within those, we have made a variety of choices about technology, often retaining the systems in place in those businesses.

The reality is, we have been more focused on getting the business operating models right than the technology that sits behind them. We have, in some cases, had to increase overhead costs, due to the need to integrate and manage disparate systems.

We are now ready to get the real benefits of scale and consistency in the back-of-house operations of the business and we are ready to create a meaningful connected customer journey.

Over the coming months we will launch:

- Dynamics 365 – Microsoft’s fully cloud-based ERP system to be used for finance and operations across the group.
- Cosmos - our new RV booking, scheduling and fleet management platform to be used by all rentals and sales divisions.
- A new automated marketing software package, which will enable us to execute customised marketing programmes that drive demand and greater revenue conversion.
- And we will integrate all of this with a clear connected customer journey that will leverage the new database of information we have regarding our customers, their preferences, habits and travel patterns.

When all this is in place, we will start to see the benefits of growing globally on an integrated basis.

### **SLIDE 20 – ABE and the RV Ecosystem**

Finally, from a new initiative perspective, I would like to briefly talk about another way in which we are bringing our platform to life in the RV industry.

Using the skills we have learnt in telematics, the capability of our new Cosmos system and the integration with our partner investments such as Roadtrippers, we will soon be launching an integrated owner RV management system, with the working title of ABE:

- Assets
- Behaviour
- Experiences

Let’s use a Highway owner as an example of the benefit of ABE.

An owner signed up to ABE, will have the ability to choose between a variety of packages, which will enable some of the following:

- An online logbook with all details of his or her vehicle, servicing, equipment warranties and travel requirements.
- A fully integrated telematics offer providing all the safety and security benefits that we use in the rental fleet today.
- An integrated trip planning tool.

- Retail product offers.
- Integrated owner insurance offer.
- And more.

### **SLIDE 21 – Recognition**

As a business, we remain focused on ensuring we have credibility with you, our shareholders, keeping you informed and delivering on what we say we will do. We are also gaining more credibility externally and within the broader industries in which we operate.

This year we have been nominated for several awards, including the NZ Tourism Awards (where we were a finalist in two categories) and the New Zealand Innovation Awards, where both CamperMate and Mighway are finalists.

We have also recently been awarded the Australasian Fleet Management Association Fleet Safety Award. We understand we are the first, or one of the few, B2C businesses to be given this award. Congratulations must go to the Australian telematics and scheduling teams for the outstanding work they have done in this space. We have seen speeding incidents reduce by over 70% in the last 12 months and overhead roof damage reduce by over 70% as well.

### **SLIDE 22 – Strategic Imperatives**

The focus for us over the next year is simple.

We need the base business to continue the plan towards our 2020 target and implement the actions we expect.

We will drive our new initiatives to continue to develop and build revenue quickly.

And we will do it all in a sustainable and responsible fashion.

### **SLIDE 23 – Key Focus for FY18**

We outlined our key focus for FY18 in our annual results presentation and I have already touched on most of these areas. We will balance the operation and growing of the core business including joint ventures, integrating El Monte into the business, progressing our development initiatives and successfully implementing our new technology.

### **SLIDE 24 – Our People**

I want to also quickly acknowledge the superb teams we have in the business. We have also had some great new skills join us this year. On the screen, we have a shot of two of our new GMs that have started this month - Travis Donaghue and Ollie Farnsworth - as well as some of our data team; a new team established this year.

With machine learning algorithms, automated marketing and the new ABE technology platforms, the effective and efficient use of data in the business is paramount. We could easily get drowned in the volume of data we have today and we need this different skill set to ensure we gain insights and make the right decisions at the right time.

**SLIDE 25 – El Monte**

The acquisition of El Monte was the highlight of FY17 in many ways. Some quick comments on El Monte.

The integration is going well.

We have taken the best of the old and added some new thinking, goals and processes.

ROFE, utilisation and increased vehicle sales have been the drivers for change this year and all three metrics are showing big improvements.

The synergies are on track.

The only downside has been the impact of lower visitation to the USA this year. We did have a lower rental revenue number than last year in the peak season, although the shoulder has been strong, and we have very positive feedback from the agent market on our changes in fleet for the 2018 travel season (although it's early days).

Let's watch a short clip of the El Monte business.

**SLIDE 26 – FX Translation**

Each month we translate our foreign earnings into New Zealand dollars using the average exchange rate for the month. This can create variances in reported profits versus forecast and prior periods, due to variances in those exchange rates.

While we partly hedge our balance sheet through the use of foreign denominated debt, we do not hedge our earnings. The reason for this is that we do not see ourselves as currency speculators in relation to currency movements that are unrealised in terms of cash. Where we have specific, planned cash flows, such as dividends that will convert into New Zealand dollars, we will hedge the transactions.

In measuring the Company's performance, we encourage shareholders to assess the earnings and metrics in the local currency of the business unit.

**SLIDE 27 – FY18 Outlook**

We have previously indicated a range of \$36-39M NPAT for the FY18 financial year. We are maintaining that range as we still have some unknown elements.

We have had a different exchange rate for the translation of earnings than we had planned, which has impacted our NZD translated earnings by circa \$0.7M to the end of the first quarter. This may continue to have further influence on the NZD result.

Our underlying in-country earnings have generally been on track.

The New Zealand Rental business has performed well over the first quarter.

Our tourism businesses have had a slow first quarter, with Waitomo impacted by flood and weather closures to a greater degree than we have had in the last few years, and Kiwi Experience having slower than anticipated travelled revenue. I would note, booked revenue for the high season is up on last year.

We also have a one-off tax issue in one jurisdiction, which may have some impact, depending on the outcome, but this has also been accounted for in the range. The range represents between 10-30% NPAT growth over the prior year.

Finally I would like to thank you all for your attendance and ongoing support of the business. We have done some good work but have much more to do and are focused as a business on continuing our development.

Thank you as well to all the team at **thl** - as I've indicated, we are a fast moving, global business with lots of moving parts. That takes dedication to deliver - and the **thl** team does just that.

Thank you.

I will now pass back to the Chairman to proceed with any questions from the floor and to address the proposed Resolutions.

#### **SLIDE 28 – QUESTIONS?**

**Rob Campbell**

Thanks Grant.

I would like to open up to the floor, and online, for questions. If you are attending the meeting online, you are able to ask questions by clicking on 'ask a question'. Further information on this is set out in the virtual Annual Meeting online portal guide that has been sent to shareholders. To ensure the questions on the Resolutions being asked online make it to me as we go through each Resolution, I would ask that shareholders who are attending the meeting online submit those questions now. For those who are in the room, we have microphones available and I would ask you to hold up your admittance card if you would like to raise a question. When you speak, please tell us your name and whether you are a shareholder or proxy holder, for the Minutes. Following any questions from the floor, we will answer any questions submitted online, that have not already been answered.

Are there any questions?

#### **SLIDE 29 – Formal Items of Business**

There being no more questions, I will now move on to the formal items of business on the agenda.

Under NZSX Listing rule 3.3.11, and in accordance with the constitution of the Company, at least one third, or the number nearest to one third, of the total number of Directors must retire by rotation at each Annual Meeting of shareholders.

The Directors to retire are those who have been longest in office since their last election or re-election and, if they're eligible, they may offer themselves for re-election by shareholders at the annual meeting.

The Directors stepping down by rotation this year are Graeme Wong and Gráinne Troute. Cathy Quinn, having been appointed to the Board during the year, is also up for election.

As indicated, we are operating a poll vote for all Resolutions today. Eligible shareholder or proxies have been given a voting card. For each Resolution, you need to tick the box indicating whether you are voting for or against the Resolution, or abstaining. Link representatives will collect the voting cards at the end of the Resolutions, prior to general business, and the votes will be counted and collated with the postal and online votes.

For those attending the meeting online, you will be able to cast your vote by clicking 'get voting card' - further instructions can be found in the online portal guide.

PricewaterhouseCoopers are acting as scrutineers and, once the result of the Resolutions have been confirmed, these will be announced to the NZX. Moving on to the Resolutions:

**SLIDE 30 – Resolution 1**

**Resolution 1 – Election of Catherine Quinn**

That Catherine Agnes Quinn (appointed as a Director by the Board on 7 September 2017) be elected as a Director of the Company.

I will now ask Cathy to speak briefly.

[Cathy]

Thank you Cathy. Are there any questions for Cathy? If not, can you please cast your vote on the voting card, or online, in relation to resolution 1.

**SLIDE 31 – Resolution 2**

**Resolution 2 – Re-election of Graeme Wong**

That Graeme Henry Wong, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.

I will now ask Graeme to speak briefly.

[Graeme]

Thank you Graeme. Are there any questions for Graeme? If not, can you please cast your vote on the voting card, or online, in relation to resolution 2.

**SLIDE 32 – Resolution 3**

**Resolution 3 – Re-election of Gráinne Troute**

That Gráinne Patricia Troute, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.

I will now ask Gráinne to speak briefly.

[Gráinne]

Thank you Gráinne. Are there any questions for Gráinne? If not, can you please cast your vote on the voting card, or online, in relation to resolution 3.

**SLIDE 33 – Resolution 4**

**Resolution 4 – Director Remuneration**

That the maximum aggregate amount of remuneration payable to all Directors taken together (in their capacity as Directors) be increased from \$550,000 per annum to a maximum of \$650,000 per annum, with this sum available to be paid to the Directors of the Company as the Board considers appropriate and which may be payable either in whole or in part by way of an issue of ordinary shares in the Company, provided that any issue occurs in compliance with NZX Main Board Listing Rule 7.3.8.

I note that the Directors, and their respective Associated Persons, are disqualified from voting on this resolution. In addition, where I have been appointed as proxy for a shareholder, I am only able to exercise those votes in accordance with the express instructions of the shareholder – I cannot vote undirected proxies.

Are there any questions in relation to Resolution 4? If there are no questions, I would ask you to cast your vote on your voting card, or online, for Resolution 4.

**SLIDE 34 – Resolution 5**

**Resolution 5 – Remuneration of Auditors**

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

Are there any questions in relation to Resolution 5? If there are no questions, I would ask you to cast your vote on your voting card, or online, for Resolution 5.

**SLIDE 35 – General Business**

That ends the Resolutions for this meeting. We will move on to General Business. Are there any other items shareholders would like to raise?

There being no other matters of business, I would like to thank you all for attending and I now declare the meeting closed and invite those of you attending in person to a light afternoon tea.

**SLIDE 36 – Thank You**

**SLIDE 37 – Disclaimer**

END

**Authorised by:**

A handwritten signature in blue ink, appearing to read 'Rob Campbell', is written over a light blue horizontal line.

**Rob Campbell**  
**Chairman, Tourism Holdings Limited**

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About **thl** ([www.thlonline.com](http://www.thlonline.com))

**thl** is a global tourism operator. We are listed on the NZX and are the largest provider of holiday vehicles for rent and sale in Australia and New Zealand. In the USA we own and operate the Road Bear RV Rentals and Sales brand. Within New Zealand we operate Kiwi Experience and the Discover Waitomo group which includes Waitomo Glowworm Caves, Ruakuri Cave, Aranui Cave and The Legendary Black Water Rafting Co. In 2012 **thl** entered in a joint venture to form RV Manufacturing Group LP, now Action Manufacturing LP, New Zealand's largest motorhome and specialist vehicle manufacturer. Action Manufacturing LP has operations both in Auckland and Hamilton. In February 2015, **thl** acquired 49% of Just go Motorhome Rentals & Sales, based in the UK. In November 2015, **thl** launched Mighway – a sharing economy platform for motorhome owners. In January 2017, **thl** acquired El Monte RV Rentals and Sales in the USA.