



helloworld
TRAVEL LIMITED

INVESTOR PRESENTATION

FY24

ANDREW BURNES, AO
CEO & Managing Director

MIKE SMITH
Chief Financial Officer

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This document includes the presentation of results on a statutory basis as well as non-statutory information. All financial results are presented in AUD (unless otherwise stated) and rounded to millions (unless otherwise stated). Data used for calculating percentage movements has been rounded to thousands.

Key non-statutory financial metrics:

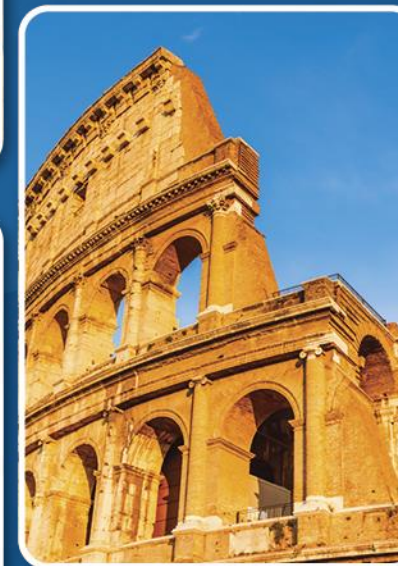
- **Total Transaction Value (TTV)** does not represent revenue in accordance with Australian Accounting Standards and is not subject to audit or review. TTV represents the price at which travel products and services have been sold across the Group, as agent for various airlines and other service providers, plus revenue from other sources. The Group’s revenue is, therefore, predominantly derived from TTV. TTV does not represent the Group cash inflows as some transactions are settled directly between the customer and the supplier.
- **Earnings Before Interest Expense, Taxation, Depreciation and Amortisation (EBITDA)** is a financial measure which is not prescribed by Australian Accounting Standards and is not subject to audit or review. Underlying EBITDA represents EBITDA excluding significant items.
- **Underlying EBITDA** is a financial measure which is not prescribed by Australian Accounting Standards but is the measure used by the Chief Executive Officer (CEO) and the Board to assess the financial performance of the Group and segments and is not subject to audit or review.
- **Revenue margin** has been calculated as revenue from contracts with customers as a percentage of TTV. The calculation does not include interest income and other income.
- **EBITDA margin** has been calculated as EBITDA as a percentage of total revenue.
- **Underlying EBITDA margin** has been calculated as Underlying EBITDA as a percentage of total revenue excluding significant items.

A reconciliation of Underlying EBITDA to profit before income tax expense is provided in Note 2.3: Segment Information of the Consolidated Financial Statements.

Unless otherwise stated, financial metrics are presented on a continuing operations basis.

AGENDA

- FINANCIAL HIGHLIGHTS
- BUSINESS HIGHLIGHTS
- SEGMENT RESULTS
- OUTLOOK
- APPENDIX



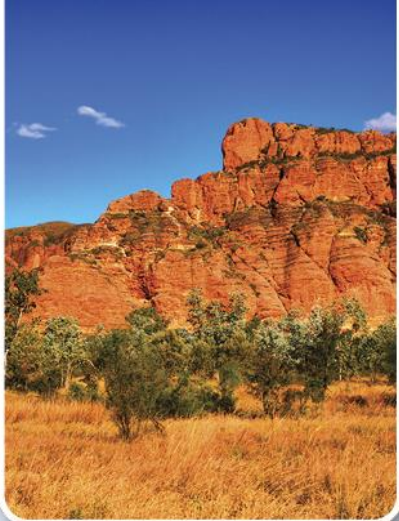
PRESENTERS



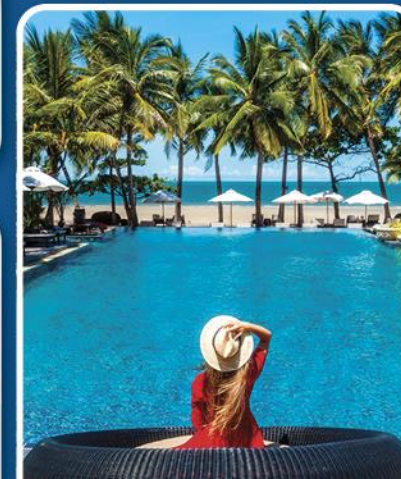
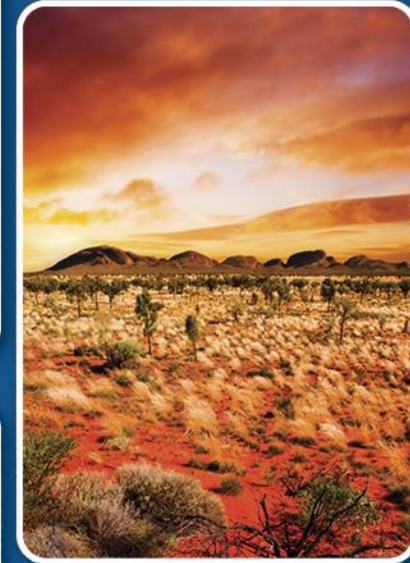
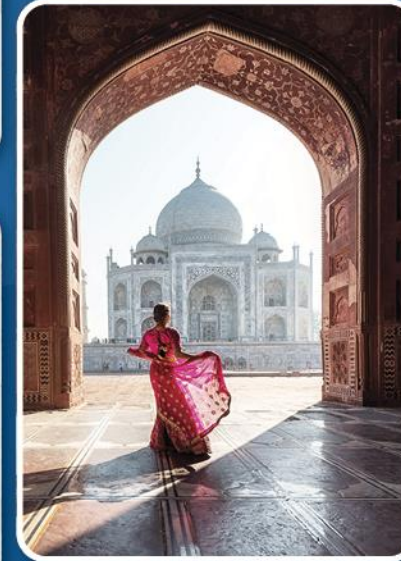
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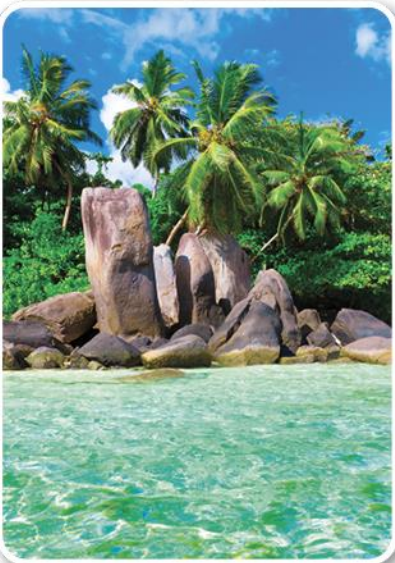


FINANCIAL HIGHLIGHTS





FY24 FINANCIAL HIGHLIGHTS



TTV

up 62.5%
to \$4.2b
(FY23: \$2.6b)



REVENUE

up 37.5%
to \$228.2m
(FY23: \$165.9m)



UNDERLYING EBITDA

up 52.9%
to \$67.5m
(FY23: \$44.1m)



UNDERLYING EBITDA MARGIN

of 30.0%
(FY23: 26.6%)



PROFIT AFTER TAX

up 60.2%
to \$30.7m
(FY23: \$19.2m)



EARNINGS PER SHARE

19.2 cents
up 54.8%
(FY23: 12.4 cents)



FINAL DIVIDEND

6.0 cents per
share
(FY23: 6.0 cents)

FULL YEAR DIVIDEND

11.0 cents per
share
(FY23: 8.0 cents)



FY24 FINANCIAL HIGHLIGHTS



Total Transactional Value (TTV) increased to \$4.2 billion, up 62.5% or \$1.6 billion on the prior year.



Revenue growth of 37.5% year-on-year to \$228.2 million in FY24.



Underlying EBITDA is \$67.5 million, an increase of \$23.3 million compared with the prior year, up 52.9%.



Underlying EBITDA margin increased from 26.6% in FY23 to 30.0% in FY24.



Net profit after tax increased to \$30.7 million, up 60.2% and \$11.5 million year-on-year from FY23.



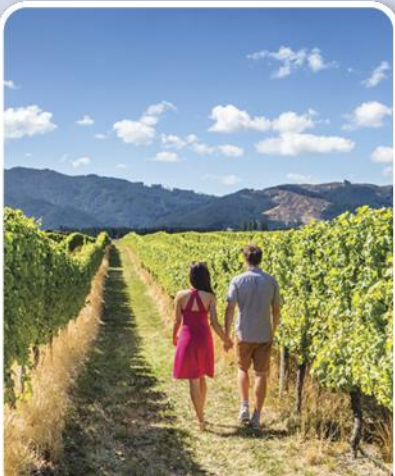
Earnings per share of 19.2 cents, an increase of 54.8% to prior year.



Final dividend of 6.0 cents per share, fully franked (payment date 19 September 2024), bringing full year dividends to 11.0 cents per share.

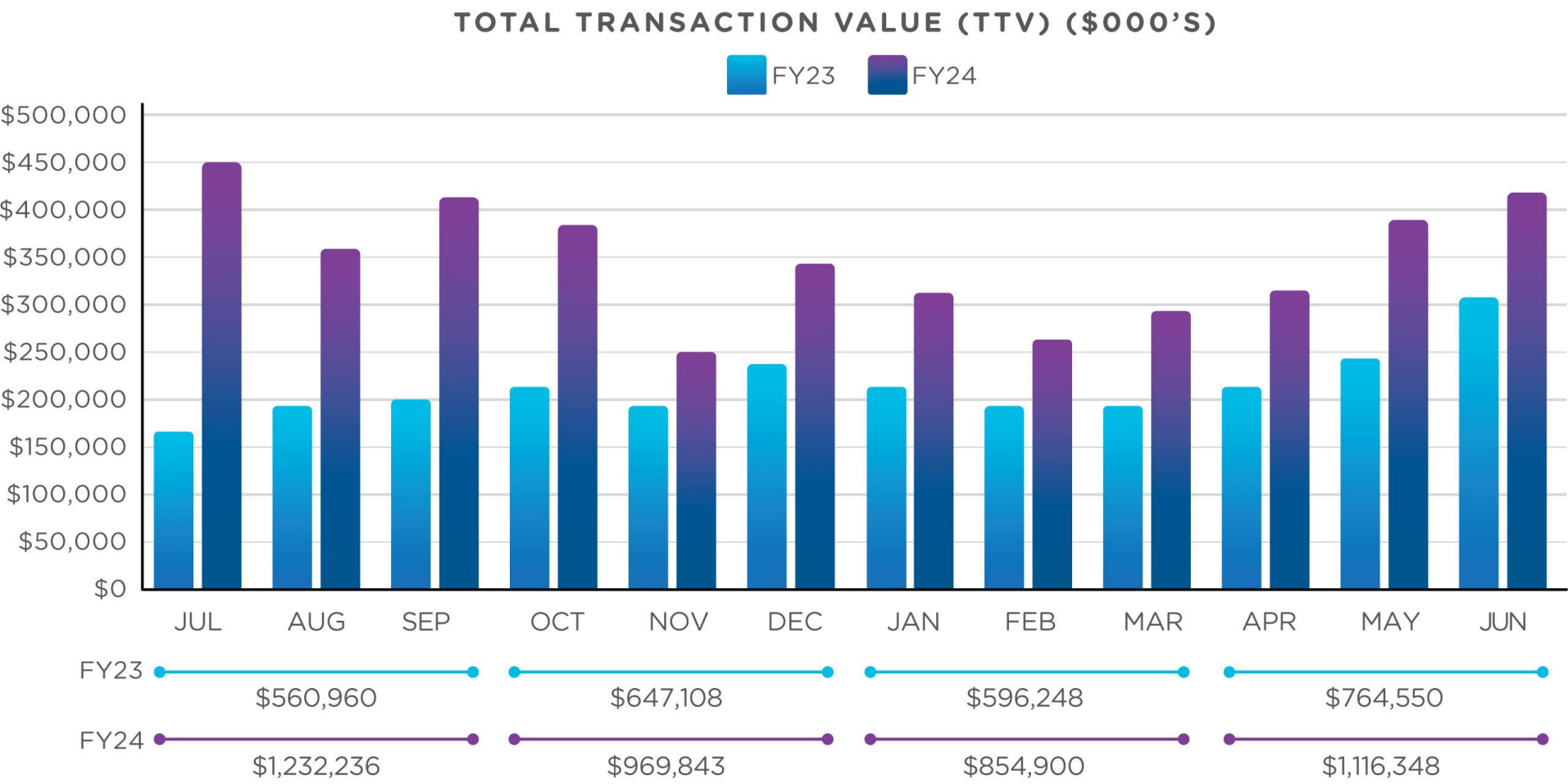


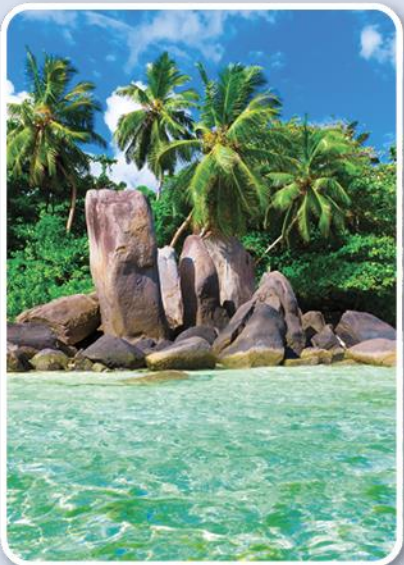
Strong liquidity position with significant cash reserves, no bank debt and 1.4 million ASX listed CTM shares.





TTV INCREASED 62.5% TO \$4.2 BILLION





GROUP RESULTS

	FY24 000's	FY23 000's	Change %
Total Transaction Value (TTV)	\$4,173,327	\$2,568,866	62.5%
Revenue from contracts with customers	\$216,860	\$160,884	34.8%
<i>Revenue margin %</i>	5.2%	6.3%	
Other income	\$5,452	\$1,837	196.8%
Interest income	\$5,896	\$3,193	84.7%
Total revenue and other income	\$228,208	\$165,914	37.5%
Employee benefit expenses	(\$66,578)	(\$53,044)	25.5%
Selling & marketing expenses	(\$63,695)	(\$36,644)	73.8%
Comms & technology expenses	(\$8,663)	(\$7,803)	11.0%
Other expenses	(\$33,322)	(\$30,621)	8.8%
Total expenditure	(\$172,258)	(\$128,112)	34.5%
Share of profit of equity accounted investments	\$4,857	\$1,981	145.2%
Underlying EBITDA	\$67,462	\$44,119	52.9%
<i>Underlying EBITDA margin %</i>	30.0%	26.6%	
EBITDA	\$60,807	\$39,783	52.8%
<i>EBITDA margin %</i>	26.6%	24.0%	
Depreciation and amortisation	(\$18,798)	(\$18,023)	4.3%
Interest expense	(\$1,217)	(\$703)	73.1%
Profit before income tax	\$40,792	\$21,057	93.7%
Profit after income tax	\$30,729	\$19,185	60.2%
Basic earnings per share	19.2 cents	12.4 cents	54.8%

KEY OUTCOMES

- Continued strong growth in TTV (up 62.5% on pcp).
- Revenue margin decrease attributable to the acquisition of Express Travel Group which operates at a lower revenue margin, and lower Entertainment Logistix revenue.
- Focused cash management generating strong interest income.
- Growth in employee costs below that of revenue growth.
- Resumption of national marketing campaigns in Australia and NZ.
- Equity accounted investments performing strongly (MTA, PHT and Australiareiser).
- Underlying EBITDA margin of 30.0% driven by strong revenue growth, a continued focus on cost control and delivering improved productivity.



CASH FLOW

	FY24 000's	FY23 000's
Receipts from customers	\$2,888,549	\$1,287,946
Payments to suppliers & employees	(\$2,826,552)	(\$1,263,693)
Interest received	\$5,896	\$3,193
Interest paid	(\$1,217)	(\$703)
Net income tax refund received/(paid)	(\$3,198)	\$135
Net operating cash flows	\$63,478	\$26,878
Transfers from/(to) term deposits	\$14,002	(\$8,000)
Payments of intangibles	(\$946)	(\$1,183)
Payments of property, plant and equipment	(\$1,881)	(\$2,257)
Payments for investments – ETG, ELX, PHT, Australiareiser	(\$58,601)	(\$6,197)
Proceeds from sale of CTM shares	\$8,668	\$36,327
Proceeds from sale of Corporate business	-	\$6,113
Proceeds from disposal of property, plant and equipment	\$327	\$570
Dividends received	\$2,961	\$1,972
Net investing cash flows	(\$35,470)	\$27,345
Dividends paid	(\$17,490)	(\$18,483)
Payment of principal elements of leases	(\$6,522)	(\$5,257)
Net financing cash flows	(\$24,012)	(\$23,740)
Net decrease in cash and cash equivalents	\$3,996	\$30,483

KEY OUTCOMES

- Strong operating cash flow in 2H (with 2H cash generation being seasonally higher than 1H).
- 11.0 cents in fully franked dividends paid to shareholders in FY24, with a 6.0 cents fully franked final dividend declared on 27 Aug 2024.
- Payments made in FY24 for the 100% acquisition of Express Travel Group and 40% stake in Phil Hoffmann Travel.
- Strong liquidity position with significant cash reserves, no bank debt and 1.4 million ASX listed CTM shares.





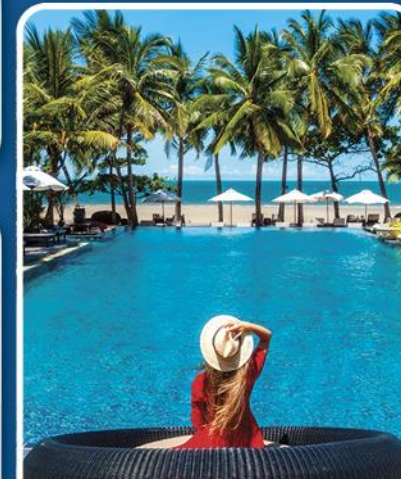
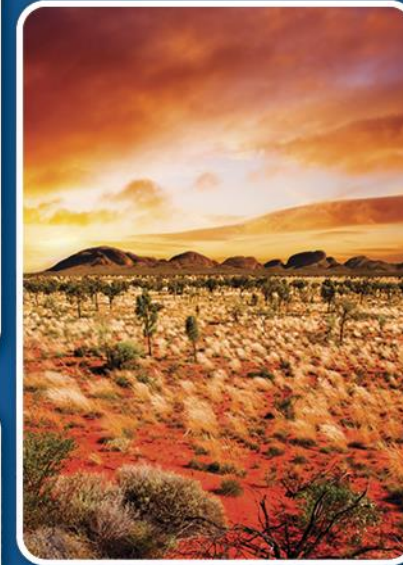
BALANCE SHEET

	30 Jun 2024 000's	30 Jun 2023 000's
Cash	\$161,877	\$160,888
Trade and other receivables	\$56,195	\$42,744
Accrued revenue	\$28,369	\$29,311
Other current assets	\$7,229	\$6,903
Total current assets	\$253,670	\$239,846
PPE and ROU assets	\$27,520	\$27,774
Equity accounted investments	\$28,123	\$18,793
Other investments	\$20,322	\$34,329
Intangibles	\$282,325	\$223,898
Deferred tax assets	\$1,897	\$927
Other non-current asset	\$191	\$263
Total non-current assets	\$360,378	\$305,984
Trade and other payables	\$184,047	\$153,978
Lease liabilities	\$6,570	\$5,266
Provisions	\$13,310	\$11,304
Deferred revenue	\$7,623	\$6,374
Income tax payable	\$15,959	\$225
Other current liabilities	\$494	\$383
Total current liabilities	\$228,003	\$177,530
Lease liabilities	\$15,627	\$16,878
Deferred tax liabilities	\$39,883	\$46,992
Provisions	\$1,253	\$1,265
Other non-current liabilities	\$936	\$140
Total current liabilities	\$57,699	\$65,275
Net assets	\$328,346	\$303,025

KEY OUTCOMES

- Strong liquidity position with significant cash reserves and no bank debt.
- Cash includes \$48.9m of restricted cash (2023: \$41.2m).
- Investments include MTA (50%), Phil Hoffmann Travel (40%), Australiarieser (34%) and 1.4 million ASX listed CTM shares.
- Intangibles increased due to ETG acquisition (goodwill: \$38.5m, identifiable intangibles: \$29.0m).
- Business moves back into tax paying position having utilised carry forward losses.
- Franking credits will accumulate on payment of FY24 taxes.

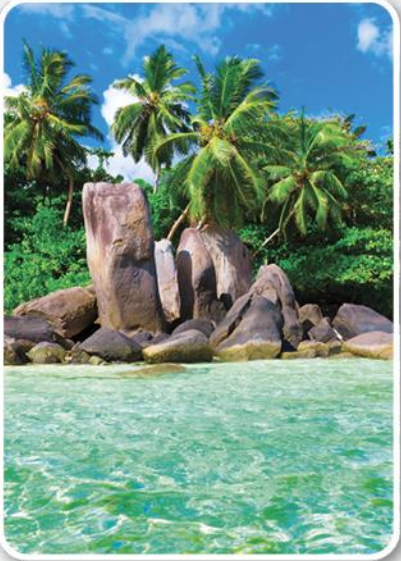
BUSINESS HIGHLIGHTS





BUSINESS HIGHLIGHTS FY24

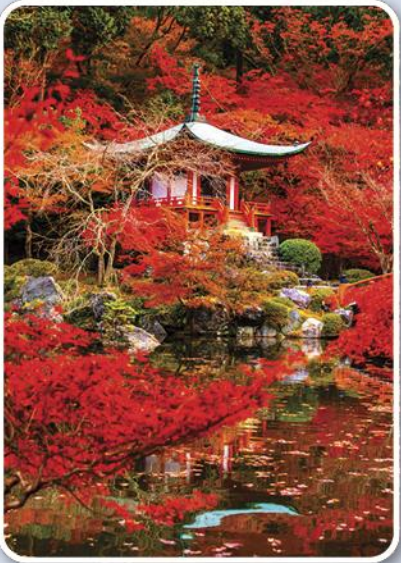
- **Retail** – Continues to perform strongly in Australia and New Zealand due to the ongoing high demand for the services and expertise of a professional travel advisor in making travel arrangements.
- **Wholesale** – Viva Holidays celebrates its 50th year and received the National Tourism Industry Award (NTIA) for the Most Outstanding Wholesaler in 2023 and is a finalist for the same award in 2024. Cruiseco is also a finalist for the 2024 awards in the same category.
- **Inbound** – With clients in 50 countries around the world the Company's inbound brands have continued their strong recovery post COVID and have recorded significant growth for the financial year.
- **Consolidation** – Air Tickets continues to lead the industry in technology automation and innovation with additions to the SmartSuite of technologies including SmartNDC and SmartRefunds.
- **Logistics** – Continued capital investment in fleet and warehouse infrastructure.
- Integration of **Express Travel Group (ETG)** substantially complete with efficiencies achieved across both businesses with integration of technologies and core functions.

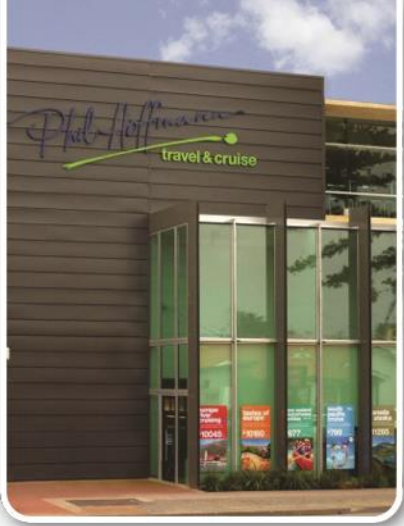




TECHNOLOGY

- Throughout FY24 Helloworld continued to invest in technology and innovation across its proprietary systems, to improve overall network functionality, operational efficiency and productivity.
- This investment includes the Company's in-house retail mid-office solution, Resworld. Currently deployed in over 170 agencies across Australia and New Zealand with 800 registered users and we expect this to more than double over the next 12-18 months.
- Helloword's Air Tickets booking system remains at the forefront of ticketing and consolidation offerings with additional enhancements to the SmartSuite of technologies including SmartNDC and SmartRefunds.
- The Company's wholesale hotel solution, ReadyRooms, is also seeing rapid growth in users and sales. It currently features over 300,000 hotels, activities and transfers, providing travel agents with a cutting-edge booking portal.



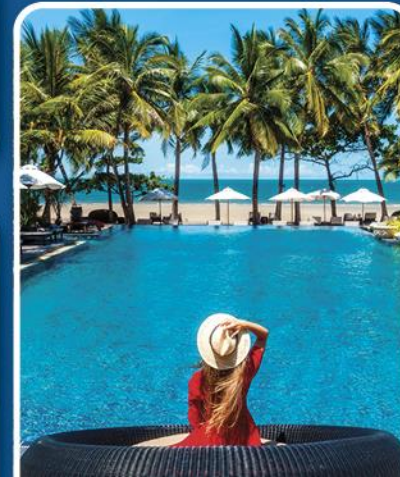
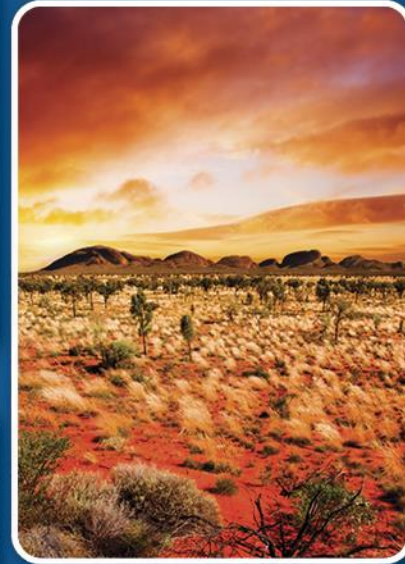


DEMAND FOR TRAVEL ADVISORS

- The services of a travel advisor have never been more highly valued or in demand.
- Due to the geographic location of Australia and New Zealand, it is common for international leisure travel to have increased complexity and include multiple destinations and multiple experiences. The bottom line is that people want to travel, they want the services of a professional to make sure it is done right, and they want to have the back up of a travel professional if anything goes wrong along the way.
- Helloworld's network of agents and brokers across Australia and New Zealand is extensive, with a significant footprint representing our retail offerings that expands well beyond the capital cities. The Company's bricks and mortar agents thrive in regional areas, suburban shopping centres, traditional strip malls and large-scale shopping centres. Additionally, the Company's vast mobile agent and broker members reach across any geographic location and have loyal customers who return to them time after time.
- Helloworld is well placed to meet the needs of this ever-increasing demand for travel advisors and professionals.



SEGMENT RESULTS

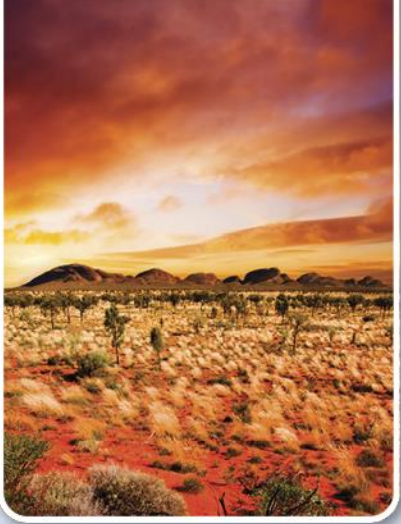


SEGMENT RESULTS - AUSTRALIA

	FY24 \$m	FY23 \$m	Change %
Total Transaction Value (TTV)	3,448.3	2,147.0	+60.6%
Revenue and other income	168.1	117.0	+43.6%
Revenue margin %	4.6%	5.3%	
Underlying EBITDA	52.1	32.9	+58.2%
Underlying EBITDA margin %	31.6%	28.1%	

KEY OUTCOMES

- TTV grew by 60.6% to \$3.45 billion in FY24.
- Revenue margin reduction of 70 basis points is attributable to the acquisition of Express Travel Group which operates at lower revenue margins.
- Continued improvement in underlying EBITDA margins reflecting focused cost control.



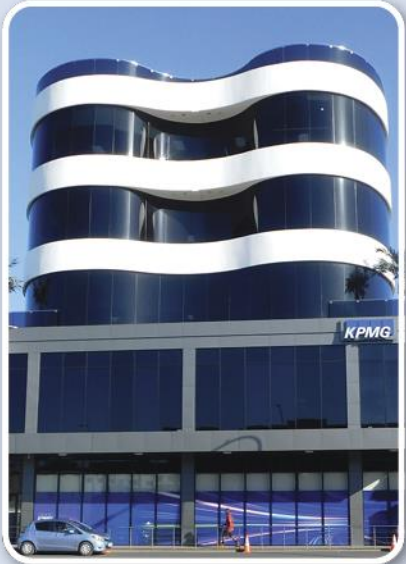
SEGMENT RESULTS - NEW ZEALAND

	FY24 \$m	FY23 \$m	Change %
Total Transaction Value (TTV)	701.5	391.0	+79.4%
Revenue and other income	39.2	21.1	+85.6%
Revenue margin %	5.4%	5.2%	
Underlying EBITDA	13.4	7.3	+83.0%
Underlying EBITDA margin %	34.3%	34.7%	

KEY OUTCOMES

- New Zealand performed strongly with TTV growth approaching 80%.
- Revenue margin improved slightly on the prior year to 5.4%.
- Underlying EBITDA margin remained strong at +34%.





SEGMENT RESULTS - ROW

	FY24 \$m	FY23 \$m	Change %
Total Transaction Value (TTV)	6.7	6.8	-1.3%
Revenue and other income	3.9	3.6	+6.9%
Revenue margin %	55.9%	52.8%	
Underlying EBITDA	0.8	0.9	-13.4%
Underlying EBITDA margin %	21.1%	26.0%	

KEY OUTCOMES

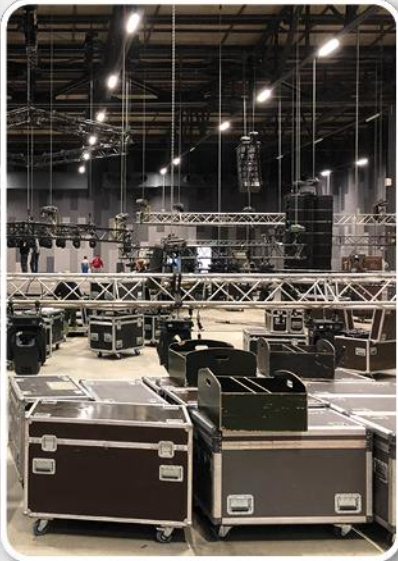
- Fiji results in FY24 remained consistent with the prior year; with an improvement in the revenue margin.
- Recent investment includes further development of the depot, new vehicles and fleet refurbishment.
- Helloworld’s operations in Fiji are well placed to cater for the increasing tourism growth and demand in Fiji.

SEGMENT RESULTS - TRANSPORT, LOGISTICS & WAREHOUSING

	FY24 \$m	FY23 \$m	Change %
Gross revenues	17.1	24.2	-29.3%
Underlying EBITDA	1.2	2.9	-60.4%
<i>Underlying EBITDA margin %</i>	6.8%	12.2%	

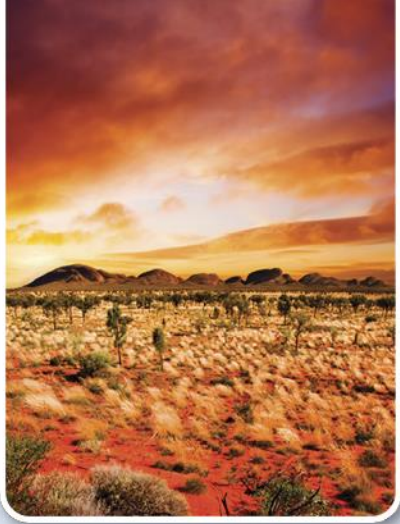
KEY OUTCOMES

- Entertainment Logistix is Australia's largest provider of specialist transport and logistics services to the entertainment industry.
- The Entertainment Logistix fleet has grown to over 140 vehicles and trailers. Continued capital investment in fleet and warehouse infrastructure.



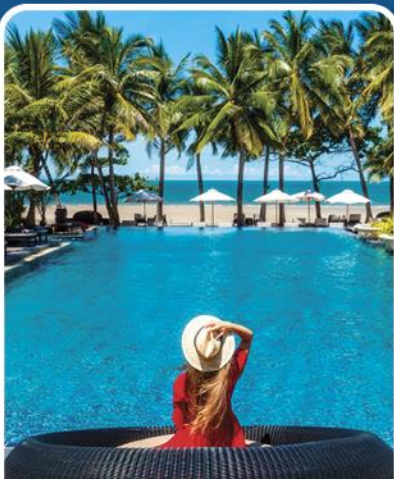
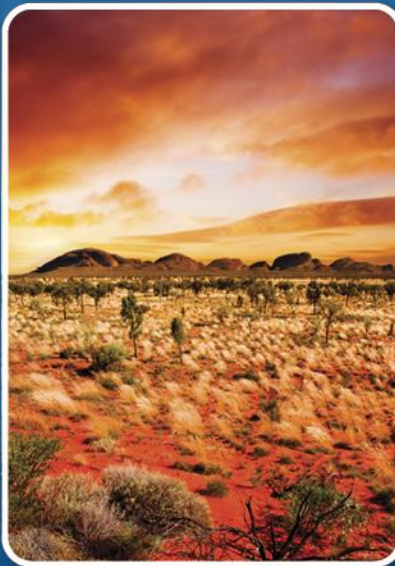
OUTLOOK





OUTLOOK

- At the end of FY24 travel numbers in and out of Australia are at 90-100% of FY19 levels, and just slightly lower in New Zealand at 85-95% of FY19.
- The outlook for Helloworld is positive. The Company's diversified business model allows it to remain focused on growing TTV at profitable margins while carefully controlling costs.
- Helloworld will continue to grow its workforce to meet increased demand with continued investment in people, technology and infrastructure.
- Helloworld Management is looking forward to continuing the successful journey for the Company in the years ahead.

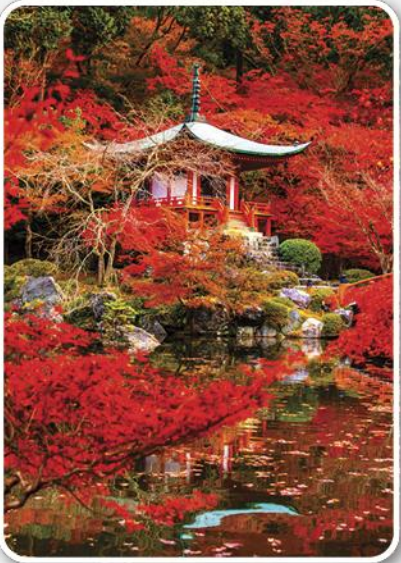


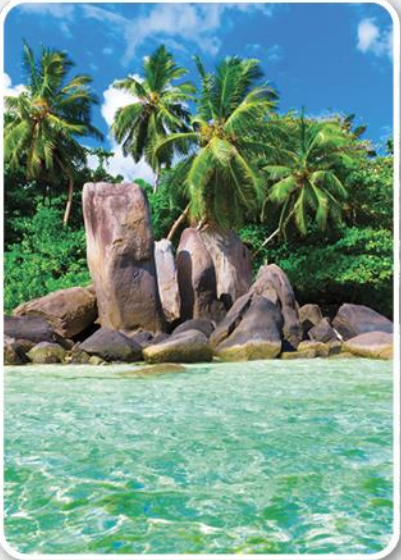
APPENDIX



HLO OPERATIONS

- Retail and corporate travel agency franchise and buying group networks in AU and NZ
- International and domestic leisure travel wholesaling
- Inbound tour operating in Australia, New Zealand and Fiji
- Air ticket consolidation
- Luxury tour operating in AU and international
- Major event freight services, logistics and warehousing Australia wide
- Tourism related transport services in Fiji





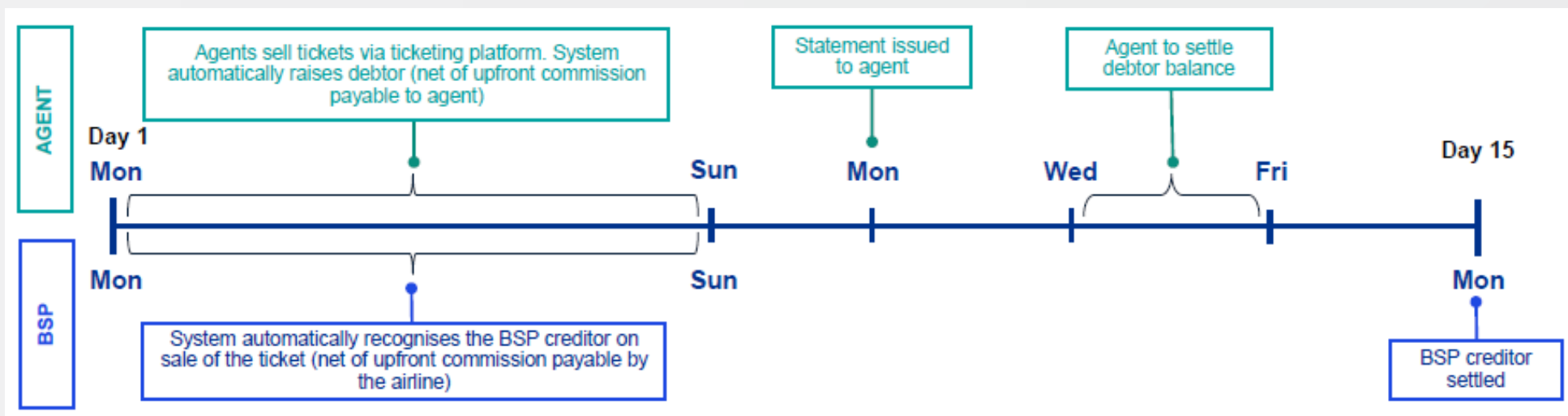
RETAIL NETWORKS

- Total agency and broker numbers across Australia and New Zealand are now over 2,700 including over 530 franchisees, over 1,500 agencies in our buying groups and over 650 members of our broker business networks.
- Across Helloworld's agency and broker networks, there are over 10,000 travel advisors delivering professional advice and service across Australia and New Zealand, the biggest group of travel professionals in Australia and New Zealand.

BRANDED NETWORK	
ASSOCIATE NETWORK	
MAGELLAN TRAVEL GROUP	
CORPORATE NETWORK	
INDEPENDENT NETWORK	
AUSTRALIAN TRAVEL BROKER NETWORK	
NEW ZEALAND NETWORKS	
EXPRESS TRAVEL GROUP RETAIL BRANDS	



EXAMPLE OF THE BSP CYCLE



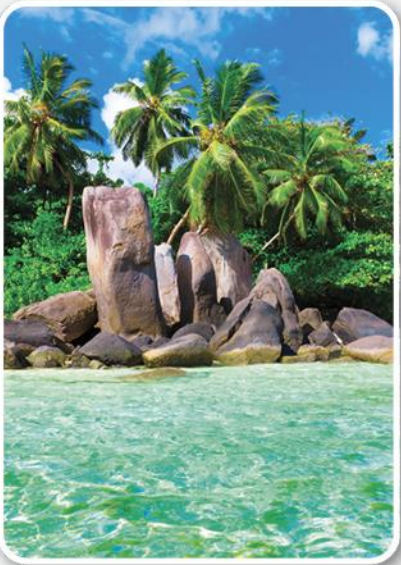
- The timeline above presents the Billing and Settlement Plan (“BSP”) cycle associated with the sale of airline tickets, a major part of Helloworld’s operations.
- Helloworld’s accounting system automatically recognises a receivable due from agents and a payable owing to the airlines when a ticket is sold.
- Agents typically settle ticket sales for the prior Monday to Sunday on a Wednesday. Helloworld is required to settle the BSP airline creditor on the Monday following receipt of those funds.
- The month end net BSP balance varies considerably depending on the day of the week on which it falls.



COMPANY BACKGROUND INFORMATION

BOARD AND MANAGEMENT TEAM

- **Non-Executive Director and Chairman – Garry Hounsell**
Garry was appointed to the Board as Chairman on 4 October 2016 and has extensive Director experience on a wide range of highly successful Boards including Qantas, Treasury Wines, Dulux and Myer.
- **CEO & Managing Director – Andrew Burnes, AO**
Andrew was appointed CEO and Managing Director on 1 February 2016. He founded The Australian Outback Travel Company (which became The AOT Group) in 1987 and merged this business with Helloworld Travel in 2016.
- **Executive Director & Chief Operating Officer – Cinzia Burnes**
Cinzia was appointed on 1 February 2016 and brings extensive sector and management experience to the board, having played a pivotal role in growing The AOT Group for over 25 years and Helloworld Travel since 2016.
- **Non-Executive Director – Robert Dalton**
Robert was appointed to the Board as Independent Non-executive Director and Chair of the Audit & Risk Committee on 9 November 2021. Robert has over 30 years accounting, advisory and leadership experience.
- **Non-Executive Director – Hon. Martin Pakula**
Martin was appointed to the Board as Independent Non-executive Director on 30 November 2022 following his retirement as an MP and Minister in the Victorian Government, where he served as Tourism Minister amongst several other portfolios.
- **Non-Executive Director – Leanne Coddington**
Leanne was appointed to the Board as an Independent Non-executive Director on 1 February 2023 following a long career with Tourism and Events Queensland including 9 years as CEO.
- **Chief Financial Officer – Mike Smith**
Mike was appointed CFO in May 2022. Michael was previously the CFO and CEO of Amplifon Australia. Prior to this Mike was the CFO at Adacel Technologies and a senior manager at PwC.
- **Group Company Secretary – Sylvie Moser**
Sylvie joined Helloworld Travel in January 2021 as Company Secretary and was appointed Group Company Secretary in April 2022. Sylvie has several years' experience in CFO and company secretarial roles.



A\$2.20

Share price at
30 June 2024

161.0 million
Shares on issue

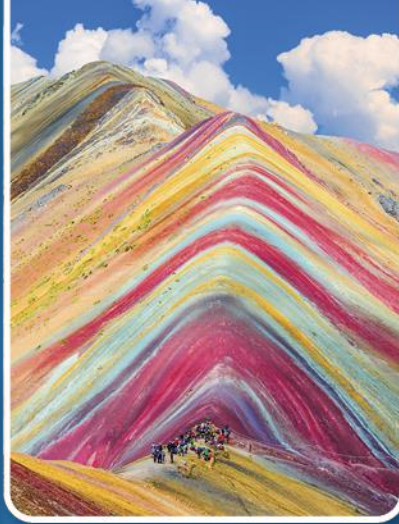
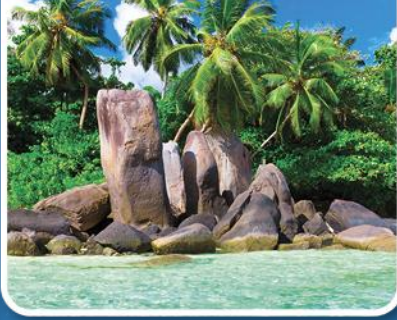
A\$354.2 million
Market capitalisation at
30 June 2024

A\$161.9 million cash
A\$0.0 debt



Substantial Shareholders at 30 June 2024

Burnes Group & Associates	38,991,832	24.22%
Spyros and Irene Alysandratos	23,946,957	14.88%
FIL Limited	14,475,534	8.99%
Total Top 10 (as at 30 Jun 2024)	107,784,546	66.95%
Total Top 10 (as at 30 Jun 2023)	95,642,539	61.69%



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INVESTOR PRESENTATION

THANK YOU
