

helloworld
TRAVEL LIMITED

INVESTOR PRESENTATION

1H FY25

ANDREW BURNES, AO
CEO & Managing Director

MIKE SMITH
Chief Financial Officer

DISCLAIMER

The information contained in these materials or discussed at the presentation is not intended to be an offer for subscription, invitation or recommendation with respect to shares or securities in any jurisdiction. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Helloworld Travel Limited, their directors, employees or agents, nor any other person accepts any liability for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including without limitation, any liability arising from fault or negligence on the part of Helloworld Travel Limited, or its directors, employees or agents.

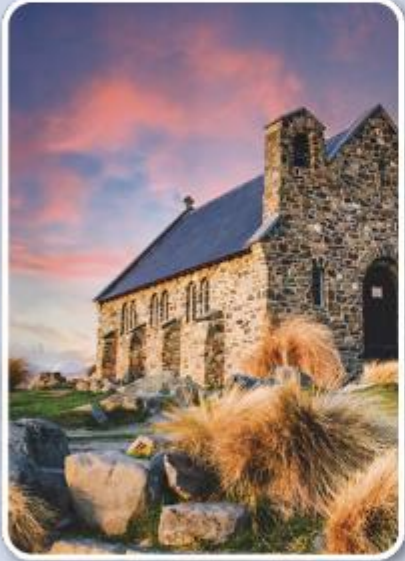
This presentation contains forward-looking statements which can be identified by the use of words such as “may”, “should”, “will”, “expect”, “anticipate”, “believe”, “estimate”, “intend”, “scheduled” or “continue” or similar expressions. Any forward-looking statements contained in this presentation are subject to significant risks, uncertainties, assumptions, contingencies and other factors (many of which are outside the control of, and unknown to, Helloworld Travel Limited and its directors, employees, agents or associates), which may cause the actual results or performance to be materially different from any future result so performed, expressed or implied by such forward looking statements. There can be no assurance or guarantee that actual outcomes will not differ materially from these statements.

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.
- **Significant items** are those gains or losses where their nature, including the expected frequency of the events giving rise to them, and impact is considered material to the financial statements.

A reconciliation of Underlying EBITDA to profit before income tax expense is provided in Note 3: Segment Information of the Consolidated Interim Financial Statements.



PRESENTERS



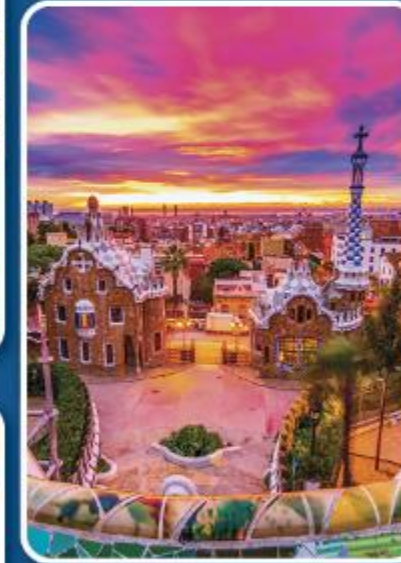
ANDREW BURNES, AO
CEO & Managing Director

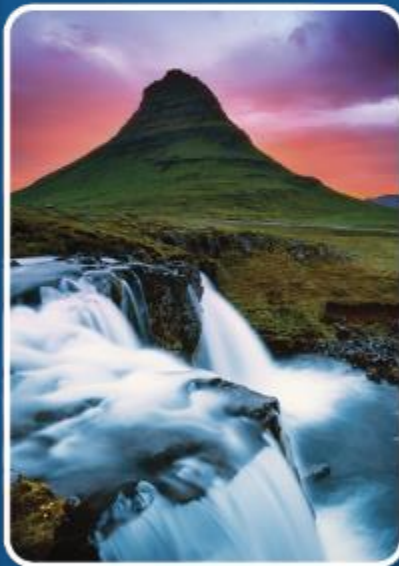
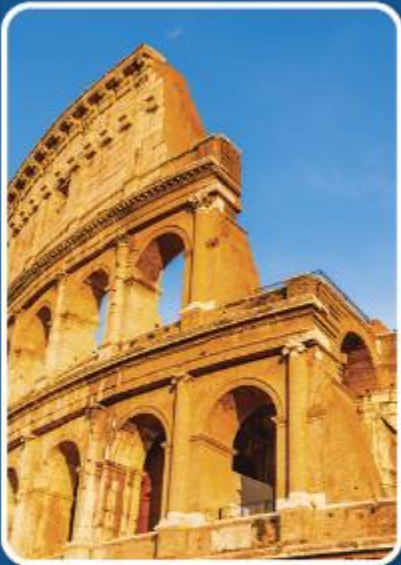
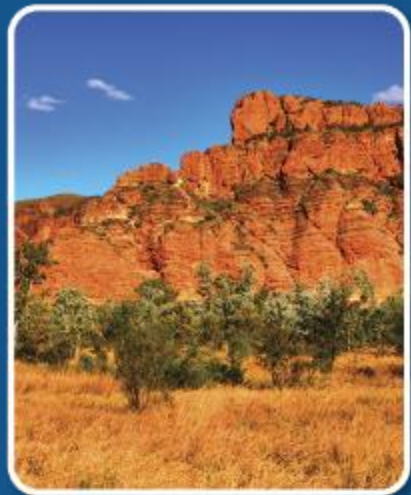


MIKE SMITH
Chief Financial Officer

AGENDA

- ❖ FINANCIAL RESULTS
- ❖ BUSINESS HIGHLIGHTS
- ❖ OUTLOOK
- ❖ APPENDIX





FINANCIAL RESULTS

1H FY25 KEY METRICS



TTV
\$2.1b



down 6.9% vs pcp

REVENUE
\$103.8m



down 7.6% vs pcp

UNDERLYING
EBITDA
\$27.2m



down 20.2% vs pcp

UNDERLYING
EBITDA
MARGIN
26.2%



vs 30.3% pcp

REVENUE
MARGIN
4.9%

in line with pcp

PROFIT AFTER
TAX
\$10.8m



down 32.4% vs pcp

EARNINGS PER
SHARE
7.1 cents



down 29.7% vs pcp

INTERIM
DIVIDEND

8.0 cents per
share, fully franked
up 60% vs pcp



TTV \$2.1 BILLION



TOTAL TRANSACTION VALUE (TTV) (\$000'S)

FY24 FY25

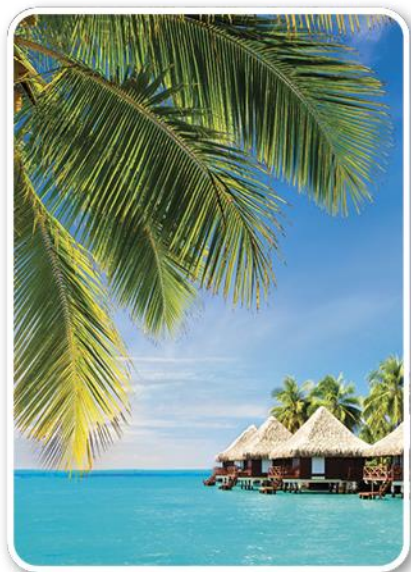


GROUP RESULTS

	1H FY25 \$000's	1H FY24 \$000's	Change
Total Transaction Value (TTV)	2,050,037	2,202,079	(6.9%)
Revenue from contracts with customers	100,003	108,165	(7.5%)
<i>Revenue margin</i>	4.9%	4.9%	
Other income	470	1,264	(62.8%)
Interest income	3,311	2,831	17.0%
Total revenue and other income	103,784	112,260	(7.6%)
Employee benefit expenses	(36,004)	(33,135)	8.7%
Selling & marketing expenses	(30,109)	(33,288)	(9.5%)
Comms & technology expenses	(5,201)	(4,700)	10.7%
Other expenses	(8,692)	(10,229)	(15.0%)
Total expenditure	(80,006)	(81,352)	(1.7%)
Share of profit of equity accounted investments	2,047	1,802	13.6%
Underlying EBITDA	27,168	34,024	(20.2%)
<i>Underlying EBITDA margin</i>	26.2%	30.3%	
EBITDA	25,825	32,710	(21.0%)
<i>EBITDA margin</i>	24.9%	29.1%	
Depreciation and amortisation	(8,052)	(8,539)	(5.7%)
Interest expense	(588)	(583)	0.9%
Profit before income tax	17,185	23,588	(27.1%)
Profit after income tax	10,845	16,047	(32.4%)
Basic earnings per share	7.1 cents	10.1 cents	(29.7%)

KEY OUTCOMES

- TTV at \$2.1b due to marginally lower customer numbers, changes in destination mix from higher spending long-haul trips to more mid-haul destinations and lower airfares.
- Overall revenue margin was maintained at 4.9% compared to pcp.
- Ongoing cash management generated a 17% increase in interest income.
- Growth in employee costs reflects annual salary increments and right sizing of staffing levels for future growth.
- Overall cost base (excluding the impact of significant items and Entertainment Logistix) in line with prior period.
- Equity accounted investments growth of 13.6% on pcp (MTA, PHT and Australiareiser).



CASH FLOW

	1H FY25 \$000's	1H FY24 \$000's
Receipts from customers	1,278,217	1,475,318
Payments to suppliers & employees	(1,317,717)	(1,465,051)
Interest received	2,647	2,831
Interest paid	(588)	(583)
Net income tax refund received/(paid)	(4,685)	(215)
Net operating cash flows	(42,126)	12,300
Transfers from/(to) term deposits	(52,094)	4,000
Payments of intangibles	(768)	(450)
Payments of property, plant and equipment	(248)	(897)
Payments for investments – ETG, PHT, Australiareiser	-	(43,941)
Proceeds from sale of CTM shares	-	7,604
Proceeds from disposal of property, plant and equipment	110	246
Dividends received	3,039	509
Net investing cash flows	(49,961)	(32,929)
Dividends paid	(9,599)	(9,491)
Payment of principal elements of leases	(3,266)	(3,352)
Net financing cash flows	(12,865)	(12,843)
Net decrease in cash and cash equivalents	(104,952)	(33,472)

KEY OUTCOMES

- Cash generation in 1H is seasonally and historically lower than 2H.
- Net operating cash outflow driven by an additional BSP payment in 1HFY25 (last BSP payment made on Mon 30 Dec 2024 compared to Mon 24 Jun 2024 and Mon 25 Dec 2024) plus income tax payments.
- Continued prudent cash management with net transfers of cash into term deposits to maximise interest earnings.
- 6.0 cents fully franked final dividends paid to shareholders in both 1H FY25 and 1H FY24.
- Payments made in 1H FY24 for the 100% acquisition of Express Travel Group (Tranche 1) and 40% stake in Phil Hoffmann Travel.
- Strong liquidity position with significant cash reserves, no bank debt and ASX listed CTM shares.

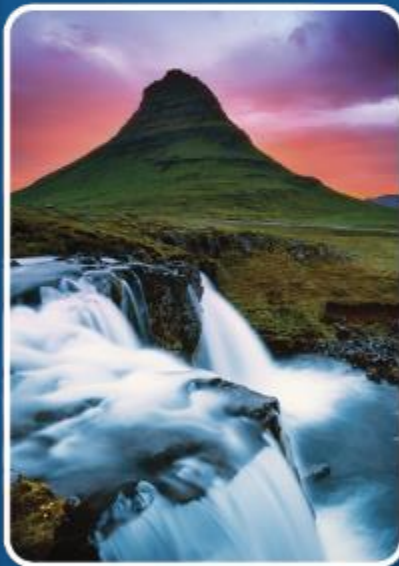
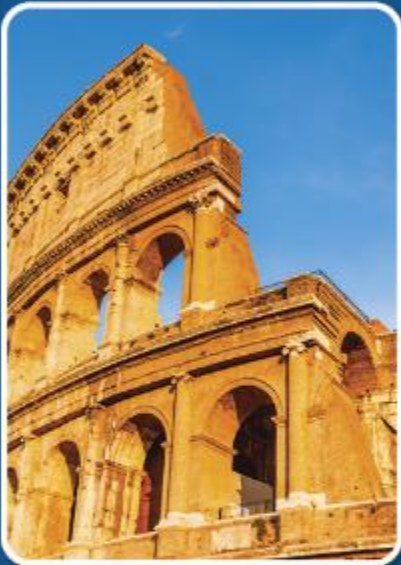
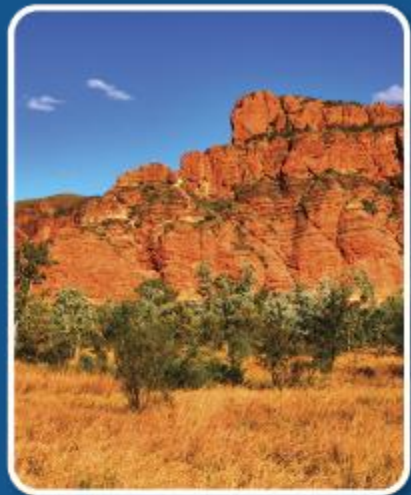


BALANCE SHEET

	31 Dec 2024 \$000's	30 Jun 2024 \$000's
Cash, cash equivalents and cash deposits	108,758	161,877
Trade and other receivables	48,226	56,195
Accrued revenue	34,480	28,369
Other current assets	9,580	7,229
Total current assets	201,044	253,670
Trade and other receivables	2,821	191
PPE and ROU assets	20,801	27,520
Equity accounted investments	27,396	28,123
Other investments	20,909	20,322
Intangibles	278,962	282,325
Deferred tax assets	665	1,897
Total non-current assets	351,554	360,378
Trade and other payables	127,426	184,047
Lease liabilities	6,500	6,570
Provisions	8,703	13,310
Deferred revenue	6,112	7,623
Income tax payable	15,767	15,959
Other current liabilities	371	494
Total current liabilities	164,879	228,003
Lease liabilities	12,437	15,627
Deferred tax liabilities	40,492	39,883
Provisions	1,280	1,253
Other non-current liabilities	941	936
Total current liabilities	55,150	57,699
Net assets	332,569	328,346

KEY OUTCOMES

- Strong liquidity position with significant cash reserves and no bank debt.
- Cash reduction due to timing of BSP payments (30 Dec 2024 and 24 Jun 2024). Cash includes \$19.7m of restricted cash (2024: \$48.5m).
- Investments include MTA (50%), Phil Hoffmann Travel (40%), Australiarieser (34%) and ASX listed CTM shares.
- Trade and other payables at 31 Dec 2024 are lower than 30 June 2024 due to the timing of BSP payments and 30 June 2024 being positively impacted by the strong demand for travel during the northern hemisphere summer.
- Committed to a plan to offer for sale HLO's 85% share of the Entertainment Logistix business.



BUSINESS HIGHLIGHTS

BUSINESS HIGHLIGHTS 1H FY25

➤ Retail

- Branded and Associate Helloworld agents, together with Alatus agents, re-committed to the network across the first half. In the second quarter 1,738,000 HLO shares were issued to agents in recognition of their continued support and renewal of their franchise or membership agreements.
- “Helloworld”, the TV show aired across the Nine network across November and December with very positive feedback from relevant agent networks.
- Helloworld Travel Academy continues to grow with over 10,000 program participants over the last 3 years.

➤ Wholesale

- Viva Holidays awarded the National Tourism Industry Award (NTIA) for the Most Outstanding Wholesaler for the second year running.
- New programs including Greece, Bali, Singapore & Malaysia, and USA Road Trips added to the extensive wholesale range.
- Our new luxury brand, Viva Gold, was launched in December with a dedicated luxury product selection to meet the demands at the top end of the luxury travel market.
- Positive results with strong demand for travel to mid-haul destinations including Singapore, Japan, Hawaii, Bali, Fiji and Thailand, while demand for UK/Europe and North America was similar to the previous year.

➤ Cruise

- Cruise continues to perform strongly across our dedicated cruise brands in Australia and New Zealand.
- We saw a stronger northern summer across both river cruise and ocean cruise, a benefit of the long tail of post pandemic recovery with increased departures compared to the pcp.
- A strong summer season and overall higher yields in the Australian and New Zealand short-haul market.



BUSINESS HIGHLIGHTS 1H FY25 – cont



➤ Inbound

- Inbound traveller numbers continue to recover with 1H FY25 delivering growth.
- Demand for Australia, New Zealand and Fiji remains high with lowering airfares and favourable rates of exchange for Inbound travellers.
- The North American market remains strong and our ATS Pacific brand has won significant new high yield business from this market.
- We continue to strengthen our Agent partnerships with regular visits to market and also hosting global key partners in our region.



➤ Marketing

- Continue to undertake major campaigns for our various networks in partnership with international and domestic tourism bodies and our commercial cruise, land and destination partners.
- Delivering successful campaigns for commercial cruise, land and destination partners.
- Ongoing NewsCorp Platinum partnership in place, plus partnerships with all major media in AU and NZ.
- Solid marketing plans for calendar year 2025 with strong partner activity locked in.



➤ My Way Travel & Events

- Launched a new business division. “My Way Travel & Events”. Led by Simon Lethlean and Roger Field, both highly experienced experts in the sporting and live events industries, the business is offering a wide range of event travel packages in Australia, New Zealand and globally.
- Packages already offered include Hamilton the Musical, the Weeknd, Coldplay, Boxing Day Test, Luke Combs, the Super Bowl, LIV Golf, State of Origin, Wimbledon and more. Upcoming event packages include AFL Grand Final, Victorian Spring Racing Carnival, Book of Mormon, Beetlejuice and more.

➤ Technology

- We continue to lead the way with innovation and investment in technology solutions across our business divisions and networks. See pp. 14-15.

TECHNOLOGY

➤ Air Ticketing Consolidation

- Helloworld's air ticketing systems, Air Tickets and Express Tickets, remain at the forefront of ticketing and air consolidation with additional enhancements to the SmartSuite of technologies including SmartNDC and SmartRefunds.
- Air Tickets was awarded the National Tourism Industry Award (NTIA) for the Innovation in Travel Services for SmartRefunds in 2024.

➤ Resworld

- Resworld, Helloworld's market leading retail mid-office solution, continues to be deployed to agencies across Australia and New Zealand. A roadmap of new features and enhancements will ensure that Resworld continues to provide ongoing productivity gains to our agent networks.

➤ ReadyRooms

- HLO's wholesale hotel solution, ReadyRooms, continues to go from strength to strength as it continues to deliver rapid increase in users and also sales. The user experience and depth of product is providing agents with a great tool to help design their clients holidays wherever it is in the world at very competitive rates.

➤ Mango and GoNet

- Wholesale Travel Agent Booking platforms continue to be developed and enhanced to increase efficiency and integration.

➤ Geneysys

- HLO has integrated a new eDM platform across the business for B2C, B2B and B2B2C communications across out retail agency networks.



TECHNOLOGY – AUTOMATION



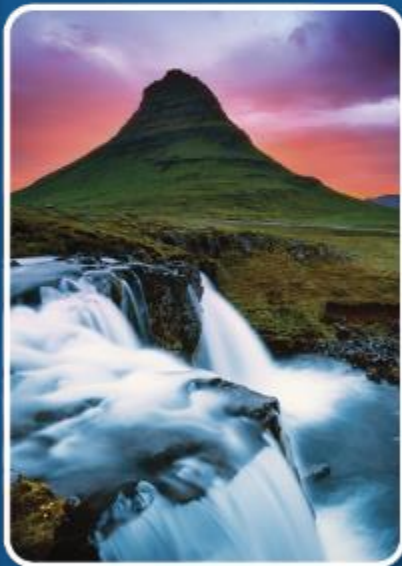
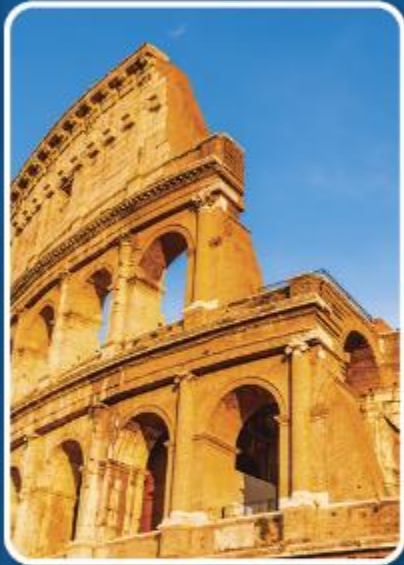
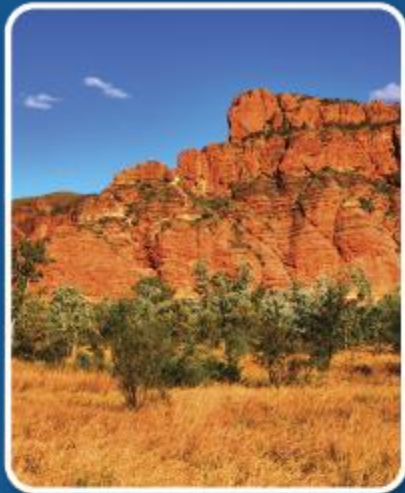
- Helloworld's automation journey continues at pace and will be further developed and enhanced over 2025.
- Air Tickets and Express Tickets, operating in both Australia and New Zealand, are utilising extensive automation processes to provide internal efficiencies and most importantly provide our customers with instant E tickets via our in-house developed technologies.
- Recent data shows that 98% of all tickets are issued by our system, providing both internal and external benefits. Our Smart Refunds system automatically calculates airline ticket refund values and then processes the refund to agents in just two clicks. This streamlines what was previously an elongated process.
- Helloworld Travel will roll out further automation developments in the second half of FY25 including an AI based communications application.



ENTERTAINMENT LOGISTIX

- Entertainment Logistix (ELX) provides freight and logistics management services to a range of customers across various sectors including the Performing Arts, Live Music, Theatre and Stage, Media, Production, Sports and large national Festivals and Corporate Events.
- Helloworld holds an 85% shareholding in ELX, with the remaining 15% being held by a third party.
- The Entertainment Logistix business is considered non-core to Helloworld.
- Prior to 31 December 2024, the Board and management committed to a plan to offer the business for sale.





OUTLOOK

OUTLOOK



- Management are focused on medium to long term value creation. HLO continues to invest to strengthen our agent and advisor networks; to target earnings-accretive core business acquisitions; leverage AI to improve productivity and efficiency and to benefit from Australian and New Zealand economic growth.
- We are forecasting a full year Underlying EBITDA of between \$56m and \$62m.
- Strong forward bookings for calendar 2025.
- Helloworld Travel's diversified business model allows it to remain focused on growing TTV at profitable margins while carefully controlling costs.
- Ongoing investment in people, technology and infrastructure.
- Commitment to technology developments, automation, innovation and AI that will keep us at the forefront of technological advancement.
- Agency succession planning and future owner training on offer.
- Continued significant investment in advertising and marketing activities (eg Helloworld TV show) to maintain strong brand awareness and drive leads to HLO's agent and broker networks in Australia and New Zealand.
- Potential complementary business acquisitions being explored.



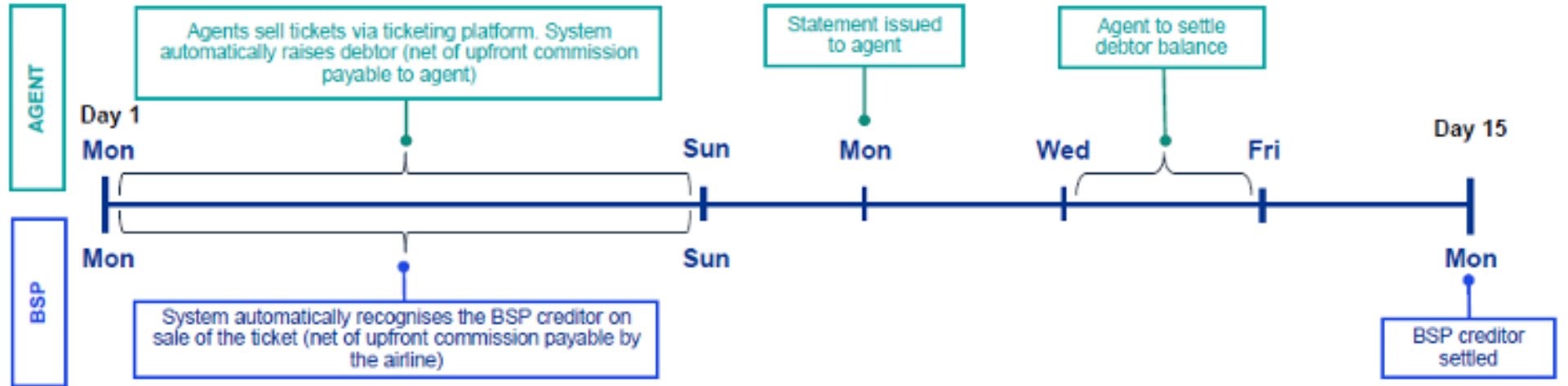
APPENDIX

HLO OPERATIONS

- Retail and corporate travel agency franchise and buying group networks in AU and NZ
- International and domestic leisure travel wholesaling; including a dedicated sporting and live events packaging business
- Inbound tour operating in Australia, New Zealand and Fiji
- Air ticket consolidation
- Luxury tour operating in AU and international
- Tourism related transport services in Fiji



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\$1.965
Share price
at 31 December 2024

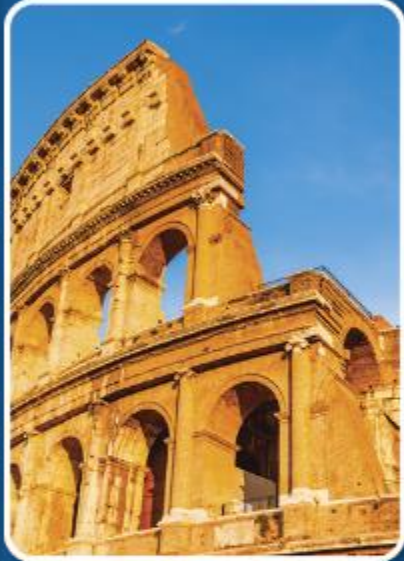
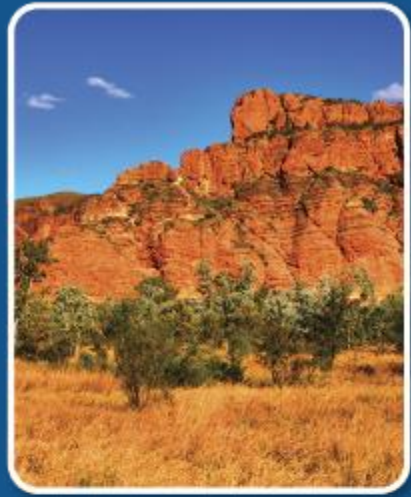
162.8 million
Shares on issue
At 31 December 2024

A\$320 million
Market capitalisation
at 31 December 2024

A\$108.8 million cash
A\$0.0 bank debt
at 31 December 2024



Substantial Shareholders at 31 December 2024		
Burnes Group & Associates	39,191,832	24.1%
Syros and Irene Alysandratos	23,946,957	14.7%
FIL Limited	14,475,534	8.9%
Total Top 10 (as at 31 Dec 2024)	93,762,408	57.6%
Total Top 10 (as at 31 Dec 2023)	90,998,574	57.2%



helloworld
TRAVEL LIMITED

INVESTOR PRESENTATION

THANK YOU
