



HELLOWORLD TRAVEL LIMITED

APPENDIX 4E

YEAR ENDED 30 JUNE 2019

ASX CODE: HLO

Results for announcement to the market

Key financial results

Helloworld Travel Limited and its controlled entities (the Group) key financial results for the year ended 30 June 2019 compared with the prior corresponding period for the year ended 30 June 2018 are:

- Total transaction value (TTV) was \$6,511.3 million, an increase of \$544.5 million or 9.1%;
- Revenue was \$357.6 million, an increase of \$31.9 million or 9.8%;
- Earnings before interest expense, tax, depreciation and amortisation (EBITDA) was \$77.3 million, an increase of \$13.3 million or 20.8%;
- Profit before tax was \$54.5 million, an increase of \$9.5 million or 21.0%;
- Profit after tax was \$38.2 million, an increase of \$7.3 million or 23.8%;
- Profit after tax attributable to members was \$38.1 million, an increase of \$7.3 million or 23.8%;
- Basic earnings per share was 31.5 cents, an increase of 5.4 cents per share or 20.7%; and
- Diluted earnings per share was 30.9 cents, an increase of 5.0 cents per share or 19.3%.

Dividends

Dividends declared or paid during the year:

	Cents per share
For the year ended 30 June 2018	
Interim dividend, paid on 9 March 2018	7.0
Final dividend, paid on 18 September 2018	11.0
For the year ended 30 June 2019	
Interim dividend, paid on 15 March 2019	8.0
Final dividend, record date of 2 September 2019 and payment date of 17 September 2019	12.5

All dividends declared or paid are fully franked.

Explanation of results

This information should be read in conjunction with the accompanying ASX release and the Helloworld Travel Limited 2019 Annual Report.



This document includes presentation of results on a statutory and non-statutory basis. The non-statutory basis relates to TTV and EBITDA as outlined below:

- TTV represents the price at which travel products and services have been sold across the Group, as agents for various airlines and other service providers, plus revenue from other sources. The Group's revenue is therefore derived from TTV. TTV does not represent revenue in accordance with Australian Accounting Standards. TTV does not represent Group cash inflows as some transactions are settled directly between the customer, agents and the supplier.
- EBITDA is a financial measure which is not prescribed by Australian Accounting Standards but is one of the key measures used by the Board to assess the financial performance of the Group and operating segments.

Net tangible assets

Net tangible assets per ordinary share as at 30 June 2019 were negative (20.3) cents compared with negative (28.8) cents as at 30 June 2018.

Net tangible assets were calculated as net assets less total intangible assets. Net tangible assets per ordinary share is based on Helloworld Travel Limited's issued capital as the legal parent entity and issuer of this financial information as at the balance sheet date.

Net assets per ordinary share at 30 June 2019 were \$2.51 compared with \$2.34 as at 30 June 2018.

Entities over which control was gained or lost during the period

During the current year, the following key entities were acquired where control was gained:

- On 20 December 2018, Helloworld Travel acquired 100% of the Show Group business for a total consideration of \$7.0 million. Show Group is a leading travel management specialist and freight logistics organisation servicing the entertainment, film, arts, fashion, corporate and sporting industries.
- On 5 June 2019, Helloworld Travel acquired 100% of the issued capital of Williment Travel Group for a consideration of \$0.8m.

The Show Group acquisition contributed EBITDA of \$0.3 million and \$0.2 million profit before income tax expense to the current year Group result from the date of acquisition. The EBITDA and profit before income tax expense for the whole of the previous year of the Show Group business were \$1.5 million and \$1.2 million respectively.

The Williment Travel Group acquisition contributed \$0.2 million profit before income tax expense to the current year Group result from the date of acquisition. The loss before income tax expense for the whole of the previous year of the Williment Travel Group was \$(0.6)m.

On 30 June 2019, Helloworld Travel disposed (and control lost) of its Insider Journeys business for a total consideration of \$2.4 million. This included the disposal of the legal foreign entities of Travel Indochina Laos Co Limited, Insider Journeys (UK) Limited, Travel Indochina (UK) Limited and Travel Indochina Vietnam Co Limited.

The Insider Journeys business contributed \$(0.7) million loss before income tax expense to the current year Group result prior to the date of the disposal. The loss before income tax expense for the whole of the previous year of the Insider Journeys business was \$(0.5)m.



Details of associates and joint ventures

Name of associate / joint venture	Reporting entity's percentage holding	
	June 2019 %	June 2018 %
Mobile Travel Holdings Pty Ltd and its controlled entities (MTA)	50.0	50.0
Inspire Travel Management Pty Ltd	40.0	40.0
Hunter Travel Group Pty Ltd	12.0	12.0
HTG Australia Pty Ltd	25.0	25.0
Cooney Investments Pty Ltd	20.0	20.0

Associates and joint ventures contributed \$1.4 million (2018: \$1.5 million) to the profit from ordinary activities before income tax during the current year. The contribution, via the equity accounting method, consisted of \$1.3 million (2018: \$1.4 million) from MTA, with no other material contribution from other associates and joint ventures.

Other information required by listing rule 4.3A

The remainder of information requiring disclosure to comply with Listing Rule 4.3A is contained in the accompanying Annual Report and ASX Media Release.

Audit review

This report has been based on accounts which have been audited by the Group's auditors. A copy of the unqualified review report can be found in the Annual Report.

For and on behalf of the Board

Andrew Burnes

Chief Executive Officer and Managing Director
21 August 2019