

**24 September 2019**

### **Acquisition of TravelEdge Group**

Helloworld Travel Limited (ASX: HLO) is pleased to announce that it has agreed to acquire the TravelEdge Group.

TravelEdge is one of Australia's largest privately-owned corporate travel management company, offering a full suite of services of corporate travel services including travel management solutions, academic travel services, event and group planning and delivery, holiday and leisure services and travel pricing and incentives.

The consideration for the acquisition is \$28.0 million which will be funded from a new bank facility. There is potential for additional consideration to the vendors in FY21 if certain defined earnings thresholds in FY20 are satisfied. The additional consideration is not considered material. The acquisition will be earnings accretive in FY20 and beyond. The consideration represents an FY19 EBITDA multiple of approximately six times.

TravelEdge operates through six divisions:

- **TravelEdge Corporate** offers the full range of end to end solutions for the corporate travel market;
- **Communico Services** offers tailored in-house travel management solutions for corporate clients;
- **TravelEdge Events** offers event management, groups travel, conference and meetings services;
- **Business Travel by STA** offers travel management services for leading Australian learning institutions;
- **TravelEdge Holidays** provides exclusive offers and packages for leisure travelers; and
- **Granted Worldwide** offers travel prizes and employee incentive programs for corporate clients.

Andrew Burnes, CEO and Managing Director of Helloworld Travel Limited said "We are very pleased with the addition of TravelEdge to the Helloworld Travel Limited business. This will allow HLO to expand in the corporate and education travel sectors and the business complements our existing corporate operations in Australia and New Zealand with additional expertise knowledge and capability."

Mr. Burnes went on to say, "With nearly 20 years' experience, TravelEdge is a highly respected TMC business that generated over \$300m of TTV in FY19. We will continue to provide outstanding services to TravelEdge's many clients across the corporate and education sectors in Australia."

"HLO's existing TMC businesses include QBT, Show Travel, Inspire, AOT Hotels and in New Zealand APX and with the addition of TravelEdge to our wholly owned TMC operations, our trans-Tasman corporate TTV on an annualized basis will be approximately \$1.55 billion in FY20. In addition, our Helloworld Business Travel



network of corporate agencies in Australia and New Zealand has TTV of over \$850m, taking the total corporate business in our wholly owned operations and our business network members in Australia and New Zealand to over \$2.4 billion in FY20”

Nick Sutherland, Group General Manager Corporate for Helloworld Travel Limited said, “TravelEdge is a leading specialist corporate travel business and adds great strength to our expanding TMC businesses in both Australia and New Zealand. QBT was recently awarded the corporate travel contracts for News Corp Australia and Foxtel and is expanding in other areas and we look forward to continuing to provide outstanding service to our many corporate clients throughout Australia and New Zealand.”

Kim Wethmar, CEO of TravelEdge commented that she is very pleased that TravelEdge will now be a part of Helloworld Travel Limited and that she can see significant benefits for customers and opportunities for employees. Kim, who joined TravelEdge four years ago, will continue to run the business from its Sydney headquarters.

-ENDS-

#### **About Helloworld Travel Limited**

- Helloworld Travel Limited (ASX: HLO) is a leading Australian & New Zealand travel distribution company, comprising retail travel networks, corporate travel management services, destination management services (inbound), air ticket consolidation, wholesale travel services, and online operations.
- Post this acquisition, HLO will have over 2,200 staff located in Australia, New Zealand, Fiji, the USA, Asia, India and UK/Europe and over 2,400 members of its travel agency networks in Australia and New Zealand.
- Helloworld Travel is the proud naming rights partner of Volleyball Australia and the *Helloworld Travel Volleyroos* men’s and women’s national teams.

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