



24 February 2020

The Manager
Markets Announcement Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

Please find attached the Helloworld Travel Limited Appendix 4D for the half year ended 31 December 2019.

David Hall
Chief Financial Officer
Helloworld Travel Limited
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MEDIA CONTACT:

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APPENDIX 4D FOR THE HALF YEAR ENDED 31 DECEMBER 2019



Results for announcement to the market

Key financial results

Helloworld Travel Limited and its controlled entities (the Group) key financial results for the half year ended 31 December 2019 compared with the prior corresponding period for the half year ended 31 December 2018 are:

- Total transaction value (TTV) was \$3,559.9 million, an increase of \$407.0 million or 12.9%;
- Revenue was \$200.0 million, an increase of \$17.8 million or 9.8%;
- Underlying earnings before interest expense, tax, depreciation and amortisation (Underlying EBITDA) was \$48.0 million, an increase of \$6.2 million or 14.8%;
- Profit before tax was \$32.9 million, an increase of \$1.5 million or 4.9%;
- Profit after tax was \$22.7 million, an increase of \$0.9 million or 4.1%;
- Profit after tax attributable to members was \$22.5 million, an increase of \$0.7 million or 3.2%;
- Basic earnings per share was 18.2 cents, an increase of 0.1 cents per share or 0.6%; and
- Diluted earnings per share was 18.2 cents, an increase of 0.2 cents per share or 1.1%.

Dividends

Dividends declared or paid during the half year:

	Cents per share
For the year ended 30 June 2019	
Interim dividend, paid on 15 March 2019	8.0
Final dividend, paid on 17 September 2019	12.5
For the half year ended 31 December 2019	
Interim dividend, record date of 4 March 2020 and payment date of 19 March 2020	9.0

All dividends declared or paid are fully franked.

Explanation of results

For an explanation of the results please refer to the ASX website for the accompanying Media Release, Investor Presentation and "Review of Operations" within the Directors Report of the half year report.

This information should be read in conjunction with 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 Underlying 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 and the supplier.
- Underlying EBITDA represents earnings before interest expense, tax, depreciation and amortisation, adjusted to:
 - include depreciation on right of use assets and interest expense on lease liabilities arising from the application of the new lease accounting standard; and
 - exclude large non-recurring items. In the current half year, this reflects business acquisition related expenses and discretionary amounts paid to the Group's retail agents impacted by the collapse of Tempo Holidays and Bentours.

Net tangible assets

Net tangible assets were calculated as net assets less total intangible assets.

Pursuant to the introduction of the new accounting standard AASB 16 Leases, the Group reports right of use assets and lease liabilities on the balance sheet. The Australian Securities and Investments Commission (ASIC) have released guidance (19-341MR) which notes that lease liabilities are to be included in the calculation of tangible assets, whilst right of use assets are excluded.

Based on this guidance, the Group's net tangible assets per ordinary share as at 31 December 2019 was negative (54.5) cents compared with negative (40.8) cents as at 30 June 2019.

Had the right of use asset been included, the Group's net tangible assets per ordinary share as at 31 December 2019 would increase to negative (35.9) cents compared with negative (21.1) cents as at 30 June 2019.

Net assets per ordinary share at 31 December 2019 was \$2.56 compared with \$2.50 as at 30 June 2019.

Net tangible assets per ordinary share and net assets per 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. Ordinary shares include shares which had not vested at the period end date.

Entities over which control was gained or lost during the period

On 1 October 2019, the Group acquired 100.0% of the TravelEdge Group (TravelEdge) for a total consideration of \$22.6 million. TravelEdge is one of Australia's largest privately owned corporate travel management companies, offering a full suite 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.

Excluding business acquisition costs, TravelEdge contributed \$0.2 million profit before income tax expense to the current year Group result from the date of acquisition. For the half year ended 31 December 2018, TravelEdge recorded an unaudited profit before income tax expense of \$3.2 million.



Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding	
	December 2019 %	December 2018 %
Mobile Travel Holdings Pty Ltd and its controlled entities (MTA)	50.0	50.0
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
Inspire Travel Management Pty Ltd	40.0	40.0

Associates and joint ventures contributed \$0.8 million (2018: \$1.0 million) to the profit from ordinary activities before income tax during the current half year. The contribution, via the equity accounting method, consisted of \$0.8 million (2018: \$0.9 million) from MTA, with no other significant contribution from the Group's other associates and joint ventures.

Other information required by listing rule 4.2A

The remainder of information requiring disclosure to comply with Listing Rule 4.2A is contained in the accompanying interim half year report and ASX Media Release.

Audit review

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

For and on behalf of the Board

Andrew Burnes

Chief Executive Officer and Managing Director
24 February 2020