



16 July 2020

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

Dear Sir/Madam,

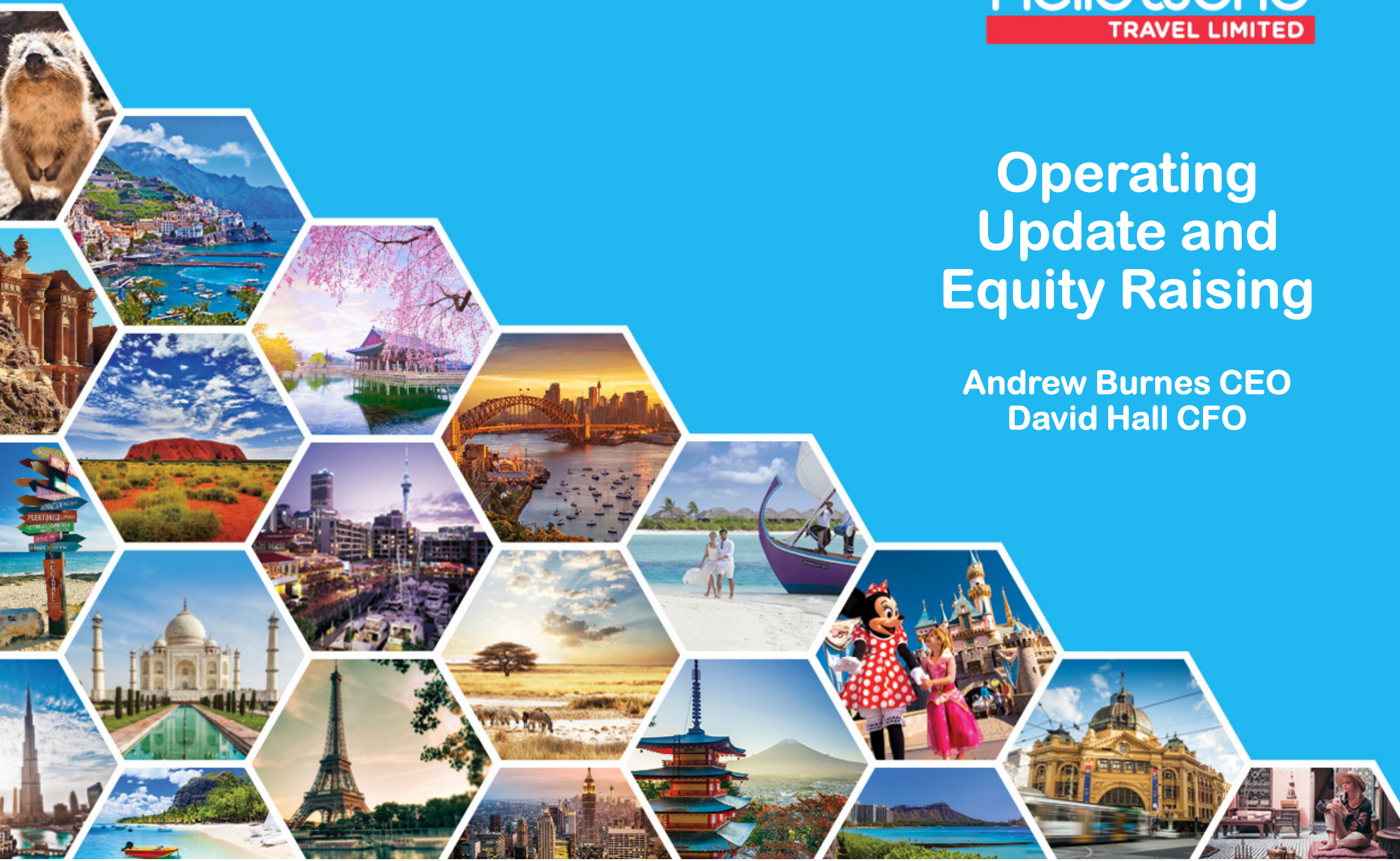
Please find attached the Helloworld Travel Limited "Operating Update and Equity Raising" Investor Presentation.

Yours faithfully,

A handwritten signature in black ink, appearing to be "D. Hall", written over a light blue circular stamp.

David Hall
Chief Financial Officer
Helloworld Travel Limited
Ph: +61 3 9867 9600

Authorised for release by Helloworld Travel Limited's Board of Directors.



Operating Update and Equity Raising

Andrew Burnes CEO
David Hall CFO

Important Notice and Disclaimer



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This Presentation is dated 16 July 2020 and has been prepared and authorised by Helloworld Travel Limited (ABN 60 091 214 998) (**Helloworld** or the **Company**) in connection with the Company's proposed fully underwritten:

- 1 for 9 pro rata accelerated non-renounceable entitlement offer of new Helloworld fully paid ordinary shares (**New Shares**) (**Entitlement Offer**) to be made under section 708AA of the Corporations Act 2001 (Cth) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73, the Corporations Act); and
 - institutional placement of New Shares to certain professional and sophisticated investors (**Placement**),
- (the Entitlement Offer and the Placement are together referred to as the **Offer** in this Presentation). The Entitlement Offer will be made to eligible retail shareholders of Helloworld (**Retail Entitlement Offer**) and eligible institutional shareholders of Helloworld (**Institutional Entitlement Offer**).

Ord Minnett Limited (**Ord Minnett** or **Underwriter**) is acting as sole lead manager and underwriter of the Offer.

Not an offer

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This Presentation contains summary information about Helloworld and its subsidiaries (**Group**) and their respective activities which is current only as at the date of this Presentation (unless otherwise stated). The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Helloworld or that would be required to be included in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. Helloworld's historical information in this Presentation is, or is based upon, information that has been released to the Australian Securities Exchange (**ASX**). This Presentation should be read in conjunction with Helloworld's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au.

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There can be no assurance that actual outcomes will not differ materially from these statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of COVID-19, the Australian and global economic environment and capital market conditions and other risk factors set out in this Presentation. Investors should consider the forward-looking statements contained in this Presentation in light of those risks and disclosures. The forward-looking statements are based on information available to Helloworld as at the date of this Presentation. To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise is disclaimed. Helloworld disclaims any responsibility to update or revise any forward-looking statement to reflect any change in the Group's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law.

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Disclaimer (Cont'd)

- exclude and disclaim all liability (including, without limitation, for negligence) for any direct or indirect expenses, losses, damages or costs incurred as a result of participation in the Offer or the information in this Presentation being inaccurate or incomplete in any way for any reason; and
- make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of information in this Presentation and take no responsibility for any part of this Presentation.

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Financial Information and References to Helloworld

In this Presentation, unless otherwise stated or the context requires otherwise, references to "dollar amounts", "\$", "AUD" or "A\$" are to Australian dollars.

This Presentation includes certain historical financial information extracted from Helloworld's audited consolidated financial statements for the 6 months ended 31 December 2019 (collectively, the Historical **Financial Information**). The Historical Financial Information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures, statements or comparative information as required by the Australian Accounting Standards (**AAS**) and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. The Historical Financial Information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of the Helloworld's views on its future financial condition and/or performance. Investors should be aware that certain financial measures included in this Presentation are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and are not recognised under AAS or International Financial Reporting Standards (IFRS). Such non-IFRS financial information does not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Although Helloworld believes these non-IFRS financial measures provide useful information to investors in measuring the financial performance and condition of the Group's business, investors are cautioned not to place undue reliance on any non-IFRS financial information included in this Presentation.

In this presentation references to "Helloworld", "we", "us" and "our" are to Helloworld Travel Limited and its controlled subsidiaries. A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.

Withdrawal and Cooling-Off

Helloworld reserves the right to withdraw or vary the timetable for any part of the Offer without notice. Cooling off rights do not apply to the acquisition of New Shares.



AGENDA

1. Operational Update and Outlook
2. Capital Structure and Liquidity
3. Details of the Offer

Appendix A: Key Risks

Appendix B: Foreign Selling Restrictions

Appendix C: Underwriting Agreement Summary

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Executive Summary

Ongoing impact of COVID-19

- Pro-longed travel restrictions in place and expected to last through the remainder of 2020 and into 2021.
- Globally, governments and border controls have resulted in travel restrictions to inbound and outbound tourists entering countries.
- Current domestic border restrictions impact domestic tourism businesses and Australian interstate travel.
- Bookings, measured in Total Transaction Value (TTV), not likely to significantly increase until restrictions are reduced and currently ~10% of p.c.p. levels and expected to increase as restrictions are eased.

Cost saving initiatives implemented

- Helloworld moved quickly to reduce costs to seek to preserve liquidity and can sustain the business over a prolonged period of disruption to global travel.
- Net cash operating costs progressively reduced to ~\$2.0 million per month (net of Job Keeper in Australia and Wage Subsidy in New Zealand) from late March 2020.
- Discretionary variable expenditure reduced to near nil from April 2020.
- Material cost reductions, including those from landlords and suppliers, will be sustained over the balance of 2020.
- We have closed our offshore centres in Manila and Mumbai. In aggregate, ~90% of associated Manila and Mumbai personnel have already been made redundant. We have also divested our US wholesale operation.
- The Company is assisting our ~2,500 retail travel agents and brokers to manage their way through this period until demand returns including suspending all franchise and marketing fees from 1 April 2020 to 31 March 2021 and we are working with them to promote available destinations with a wide range of domestic products now in market. To date, 5% of franchisees have elected to close.

Trading update and outlook

- Bookings expected to remain at ~10-12% of previous levels until September 2020 and are then expected to progressively increase as State borders and the potential trans-Tasman bubble open.
- Our diversified business includes a mix of domestic and international leisure travel, corporate travel and wholesale travel. This means we are well placed to benefit from a recovery. We are seeing an increase in domestic air and land bookings, aligned to planned capacity increases by the domestic carriers (notably Qantas who have indicated plans to ramp-up domestic capacity to 40% of pre COVID-19 levels during July 2020).
- HLO's corporate business comprises 70% domestic TTV and is increasing week by week as borders open up.

Executive Summary

Balance sheet and liquidity initiatives

- Helloworld is undertaking a ~\$50.0 million fully underwritten equity raising (**Equity Raising** or **Offer**) of new fully paid ordinary shares in the Company (New Shares). The Offer comprises a:
 - ~\$27.1 million institutional placement (**Placement**); and
 - ~\$22.9 million 1 for 9 accelerated pro rata non-renounceable entitlement offer (**Entitlement Offer**), comprising an institutional entitlement offer (**Institutional Entitlement Offer**) to raise ~\$17.5 million and a retail entitlement offer (**Retail Entitlement Offer**) to raise ~\$5.4 million.
- Entities associated with Andrew Burnes (CEO) and Cinzia Burnes (Executive Director) have indicated their intention to subscribe for \$5.0 million of New Shares under the Entitlement Offer in aggregate which represents ~70% of their pro rata entitlement.
- Helloworld remains in a strong position with an extended debt maturity profile, cash reserves and undrawn facilities.
- Pro forma liquidity position, with ~\$187.1 million¹ cash and facilities post equity raising. Proceeds of the Offer will be used to increase Helloworld's balance sheet flexibility and provide liquidity to manage the business through a prolonged period of disruption to the global travel industry.

Notes:

1. Includes client cash of ~\$60.0 million. Cash balances per general ledger. A dividend of \$11.2 million was paid on 19 March 2020.

Track Record of Performance

- Since the completion of the merger between Helloworld and AOT Travel Group in 2016, Helloworld has reported consecutive periods of EBITDA and EBITDA margin growth from FY2016 to FY2019.
- From FY2016 to FY2019, Helloworld has successfully completed and integrated several acquisitions and have implemented significant cost reduction strategies as evidenced by the reported EBITDA results.
- Several of the additional cost saving initiatives implemented as a result of the COVID-19 pandemic are expected to yield long term benefits and further improve margins once domestic and global travel return to normal levels.

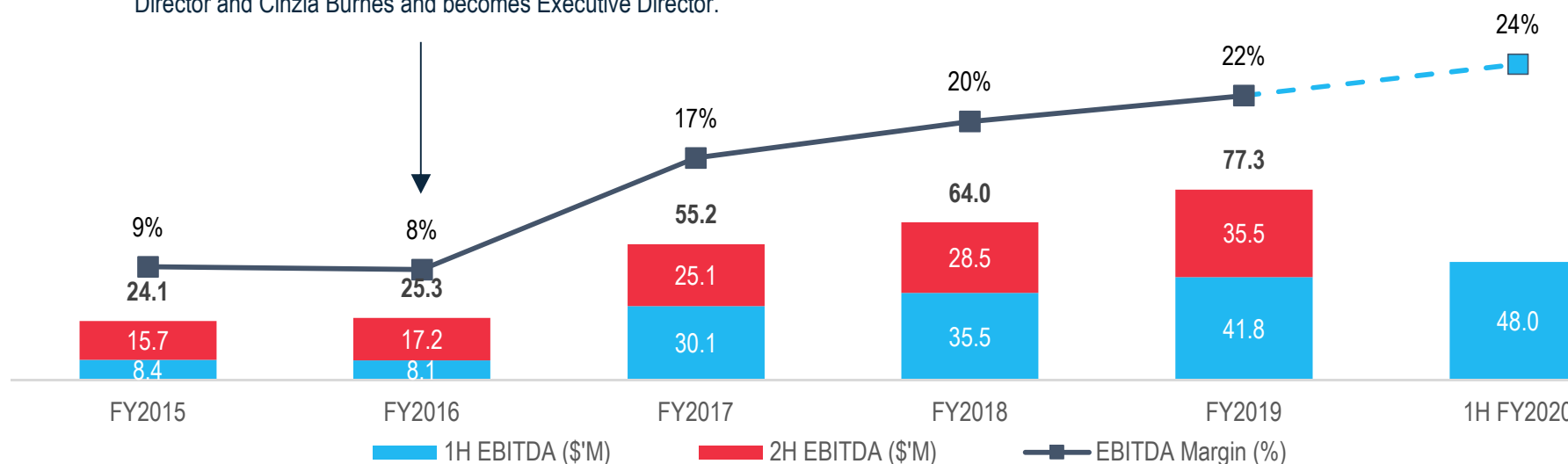
Helloworld Reported EBITDA (A\$'millions) FY2015 – 1H FY2020

January 2016

- Merger of Helloworld and AOT Travel Group completed.
- Andrew Burnes appointed Chief Executive Officer and Managing Director and Cinzia Burnes becomes Executive Director.

March 2020

- Helloworld withdrew guidance on 11 March 2020 due to COVID-19. Prior to this, Helloworld expected to deliver underlying EBITDA within the range of the earnings guidance previously provided (being \$86.0 million to \$90.0 million).



Source: Company reported results.

Notes:

- 1H FY2020 represents underlying EBITDA and excludes the impact of AASB 16: Leases. The FY2019 Underlying EBITDA result will be presented in the FY2020 financial statements.



SECTION 1: Operational Update and Outlook

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COVID-19 Cost Mitigation

Helloworld has taken several critical steps with a view of cost mitigation to minimise ongoing cash burn:

Operating costs	<ul style="list-style-type: none">▪ Net cash operating costs progressively reduced to ~\$2.0 million per month (net of JobKeeper in Australia and Wage Subsidy in New Zealand) from late March 2020.▪ Government support in Australia is expected to be available in the short-term.▪ Reduction in net salary costs from ~\$12.0 million per month to ~\$1.7 million per month net of Government allowances and recoveries from clients.▪ Two executive directors and three non-executive directors reduced remuneration to zero from late March until June 2020. Senior management remain at 60% of their previous remuneration. Remuneration for the two executive directors are currently at ~ 20% of pre COVID-19 levels.▪ We continue to promote domestic travel with marketing spend co-funded by partners.▪ Our occupancy costs will continue to be reviewed as the COVID-19 pandemic evolves. Savings have been realised through the closure of our offshore centres in Mumbai and Manila and the divestment of our US wholesale operation.▪ June quarter EBITDA loss expected to be limited to ~\$3.5 million (unaudited)¹.
Workforce	<ul style="list-style-type: none">▪ Helloworld currently has ~1,500 personnel, with:<ul style="list-style-type: none">– ~800 working in the business on reduced hours, representing ~480 FTE; and– ~700 personnel who remain stood down.
Government Assistance	<ul style="list-style-type: none">▪ In aggregate, we have accessed the Australian Government's JobKeeper scheme and the New Zealand Government's Wage Subsidy Scheme for over 1,200 employees.▪ We anticipate further wage relief may be made available in Australia and possibly New Zealand and will form part of our ongoing workforce strategy. Any such relief may mitigate further job losses. In the event that wage relief available to Helloworld is materially reduced, one-off charges may be incurred.
Capital Expenditure	<ul style="list-style-type: none">▪ Technology investment slowed with mission-critical investments in technology proceeding.

Notes:

1. Excludes impairments of intangible assets and restructuring related provisions that are expected to arise as a consequence of COVID-19.

COVID-19 Cost Mitigation

Helloworld has taken several critical steps with a view of cost mitigation to minimise ongoing cash burn:

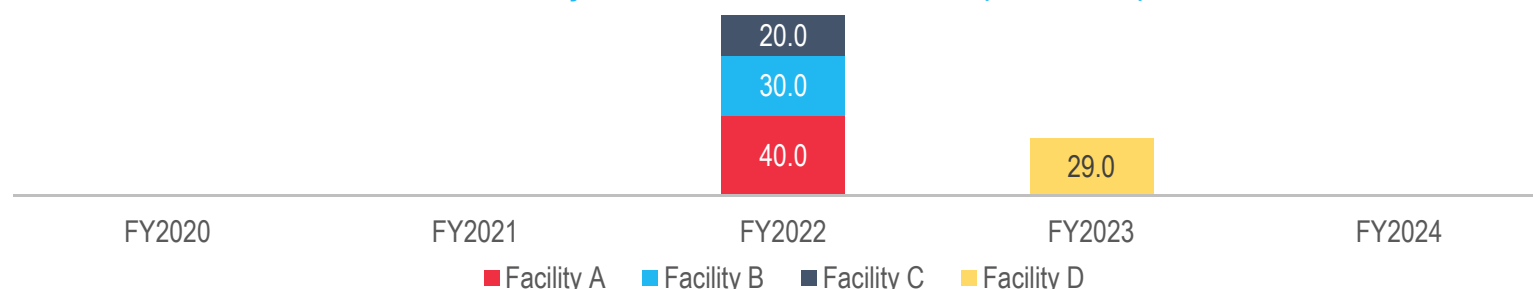
Debtor and Creditor Control

- Suppliers, particularly airlines and cruise companies, introduced unilateral changes to their refund policies including some businesses refusing to refund at all, imposing additional cancellation and refund charges, insisting on bookings being paid for in full when it was unlikely for the aircraft or cruise to depart before they would consider a refund (rather than just refunding the deposit) and significant delays (3 months) in receiving refunds.
- The Company is owed ~\$3.7 million by Virgin Australia in commission overrides and marketing contributions. At this stage, it is unclear what recovery may be realised. Helloworld has not experienced material debtor defaults. Debtor provisioning at 30 June 2020 is expected to increase from historical levels reflecting slower collections than achieved historically.
- Helloworld has a large number of material customer and supplier contracts. As at the date of this Presentation, the Company has no reason to believe that any individually significant contracts may be lost or not renewed at this time.

Liquidity

- Pro forma liquidity position of \$187.1 million at 30 June 2020 (unaudited) reflecting a ~\$50.0 million fully underwritten Equity Raising is expected to provide Helloworld with significant liquidity to withstand the prolonged disruption to global travel.
- Helloworld has revised its banking arrangements. Key outcomes include:
 - Our shorter dated facilities totalling \$17.9 million and \$29.0 million are now due to expire in Apr-22 and Sep-22 respectively, an extension of 12 months.
 - Renewed facility pricing remains unchanged.
 - Net leverage covenant waived between December 2020 and June 2021, and interest coverage covenant significantly relaxed. Liquidity covenant of \$35.0 million.
 - No dividends prior to December 2021 without bank consent.

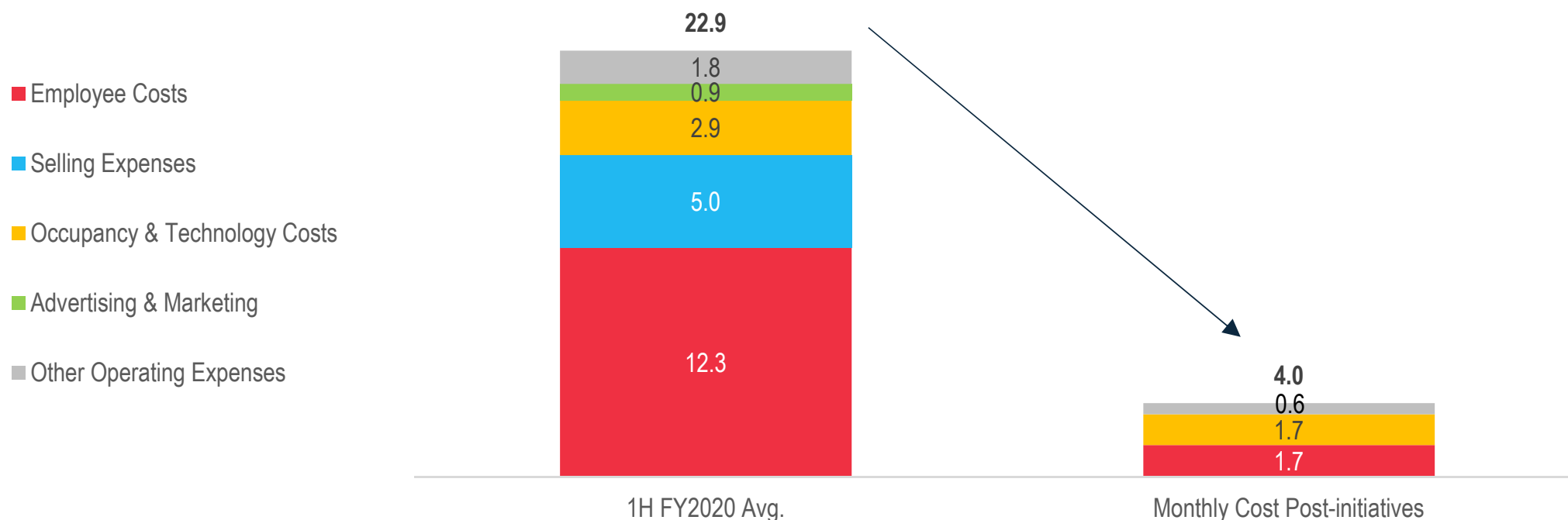
Debt Maturity Profile – Total Debt Facilities (A\$'millions)



Cost-out Initiatives

- Helloworld has implemented material cost savings initiatives, which have reduced monthly costs from ~\$22.9 million per month pre COVID-19 to ~\$4.0 million per month currently (including the benefits of Job Keeper and the New Zealand wage subsidy).
- Helloworld continues to generate income of ~\$2.0 million per month, mainly from transaction fees and commissions, which partially offsets the current cost run rate. Net monthly cash burn of ~\$2.0 million aligns to the update provided to the ASX on 1 May 2020.
- Several of these cost savings initiatives are expected to be retained when travel volumes return to pre COVID-19 levels.

Helloworld Average Monthly Operating Cost Base (A\$'millions)¹



Notes:

1. Monthly costs post initiatives are unaudited. Analysis excludes interest costs and taxation.

Outlook for Domestic Travel

- Domestic flight frequencies have increased significantly since late June and expected to continue to increase throughout the remainder of the year (despite current restrictions on VIC travellers).
- Domestic carriers will continue to ramp up their services Australia wide as travel restrictions ease.
- Continued increase in domestic Air and Land bookings off a low base, with focus to continue on domestic tourism opportunities to capture travel demand ahead of expected return to international travel in 2022.

Outlook for International Travel

- Current restrictions on Australians travelling overseas until 17 September 2020 with such restrictions expected to be extended beyond that.
- We believe that the post COVID-19 complexities of international travel will increase the importance of travel agents.
- Trans-Tasman travel currently expected to open up later in 2020, which we anticipate will result in a resumption of quarantine free travel between Australia and New Zealand and possibly one or two Pacific Island nations.
- Further bilateral “Bubbles” may subsequently open up in 2021 with a limited number of countries at first. We do not anticipate a return to significant air capacity and travel until Q1 or Q2 FY2022.

Helloworld positioned for Return to Travel

- Helloworld’s cost mitigation strategies and enhanced liquidity positions it to benefit from return to domestic and international travel over the following two years.
- Helloworld does not anticipate TTV returning to previous FY2019 levels until FY2023, consistent with IATA estimates regarding international air travel.

- Helloworld believes that it is well placed to capitalise on the disruption to the global travel industry by identifying, and having the financial flexibility, to continue to gain market share and drive sustainable cost efficiencies.
- As domestic and global travel returns, Helloworld believes that it will be well positioned to generate increased levels of TTV and EBITDA.

1

Market Share Gains

- Opportunity to increase market share in the bricks and mortar space, given planned reductions by competitors.
- Ongoing support being provided to our extensive network of retail agents to assist them in emerging from current disruption.
- Focus on domestic tourism opportunities to capture pent-up travel demand ahead of expected return to international travel.

2

New Market Opportunities

- Agency services in high demand for both leisure and corporate due to new complexities in international travel during the COVID-19 recovery phase.
- Possible requirement for travellers to have arrangements fully confirmed and recorded prior to departure.
- Cruise travel to recover with implementation of new well-being protocols and on-board health facilities.
- Increased demand for family travel as a result of extended lockdowns and increased family time.

3

Retention of Cost Synergies

- Cost saving initiatives implemented as a result of COVID-19 are expected to deliver long-term benefits.
- Ability to retain these cost initiatives leading to higher EBITDA / Revenue margins.
- As a result, Helloworld is expected to be well positioned to improve EBITDA margins once travel returns to normal levels.



SECTION 2:

Capital Structure and Liquidity

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Updated Liquidity Position

- Helloworld's liquidity position will be enhanced following completion of the Equity Raising with sufficient liquidity to provide for operating and capital expenditure through to the end of 2022 assuming ongoing disruption to the international travel markets.
- Cash continues to be collected from debtors. Helloworld has not experienced material debtor defaults, though some amounts are being collected slower than historical levels. Amounts owed by Virgin Australia will continue to be assessed for recoverability.
- Net working capital position remains robust, complemented by pro forma available liquidity and an extended debt maturity profile.
- Helloworld expects to report impairments of intangible assets and restructuring related provisions as a consequence of COVID-19.

Liquidity (A\$'millions)	30 June 2020 Estimate	1H FY 2020	FY2019	FY2018
Total Cash ¹	132.1	142.0	204.8	203.5
Drawn debt ²	(101.0)	(91.0)	(57.0)	(42.1)
Net Cash ³	31.1	51.0	147.8	161.4

Funding (A\$'millions)	30 June 2020 Estimate	1H FY 2020	FY2019	FY2018
Funding facility	119.0	120.0	90.0	60.0
Used facility ⁴	(112.5)	(104.1)	(69.0)	(52.2)
Unused facility	6.5	15.9	21.0	7.8

Liquidity Position (A\$'millions)	30 June 2020 Estimate
Total cash ¹	132.1
Plus: unused facility	6.5
Available liquidity	138.6
Plus: Net proceeds from Equity Raising ⁵	48.5
Pro forma available liquidity	187.1

Net working capital (A\$'millions)	30 June 2020 Estimate	1H FY20
Total cash ¹	132.1	142.0
Net of receivables, accrued income and payables ⁶	(58.9)	(59.4)
Net working capital including cash	73.2	82.6

Notes:

- 30 June 2020 figures are per unaudited management accounts.
- Includes client cash of ~\$60.0 million. Cash balances per general ledger. A dividend of \$11.2 million was paid on 19 March 2020.
- Drawn facilities of \$101.0 million at 30 June 2020 mature between April 2022 and September 2022.
- \$19.9 million reduction in net cash between 31 December 2019 and 30 June 2020 includes a dividend of \$11.2 million which was paid on 19 March 2020.
- Includes off balance sheet borrowings, comprised of Letters of Credit and Bank Guarantees.
- After deduction of \$1.5 million of transaction costs associated with this Equity Raising.
- Excludes general prepayments, loans to related parties, loans to the franchisee network, contingent consideration receivable and unearned income relating to GDS contracts which is not settled in cash. Employee entitlements, income tax liabilities and lease liabilities are also excluded. The estimate at 30 June 2020 includes \$3.7 million of receivables from Virgin Australia.

Pro forma Balance Sheet

A\$'millions	31 December 2019 ¹	March 2020 dividend ²	Impact of Equity Raising ³	31 December 2019 Pro forma
Assets				
Cash	142.0	(11.2)	48.5	179.3
Receivables and accrued revenue	176.1	-	-	176.1
Other current assets	0.5	-	-	0.5
Total Current Assets	318.6	(11.2)	48.5	355.9
Other non-current assets	432.2	-	0.5	432.7
Total Assets	750.8	(11.2)	49.0	788.6
Trade and other payables	175.3	-	-	175.3
Deferred revenue	62.2	-	-	62.2
Lease liabilities, current and non-current	27.7	-	-	27.7
Deferred tax liability	47.3	-	-	47.3
Other current and non-current liabilities	25.6	-	-	25.6
Non-current borrowings, net of capitalised borrowing costs	90.4	-	-	90.4
Total Liabilities	428.5	-	-	428.5
Net assets	322.3	(11.2)	49.0	360.1
Equity				
Share capital and reserves	419.6	-	49.0	468.6
Accumulated losses	(99.1)	(11.2)	-	(110.3)
Non-controlling interests	1.7	-	-	1.7
Total Equity	322.3	(11.2)	49.0	360.1

Notes:

1. Extracted from the 31 December 2019 half year accounts which were subject to review by Helloworld's auditor.
2. On 24 February 2020, the Group declared a 9.0 cents per share fully franked dividend. The dividend was paid on 19 March 2020.
3. \$50.0 million Equity Raising, transaction costs of \$1.5 million with \$0.5 million Deferred Tax Asset.



SECTION 3: Details of the Offer

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Details of the Offer

Offer Structure	<ul style="list-style-type: none"> ~\$50.0 million fully underwritten Equity Raising comprising a: <ul style="list-style-type: none"> ~\$27.1 million institutional placement. ~\$22.9 million 1 for 9 accelerated pro rata non-renounceable entitlement offer, consisting of: <ul style="list-style-type: none"> the Institutional Entitlement Offer expected to raise ~\$17.5 million; and the Retail Entitlement Offer¹ expected to raise ~\$5.4 million. ~30.3 million New Shares to be issued under the Equity Raising representing ~24.3% of existing Helloworld ordinary shares on issue.
Offer Price	<ul style="list-style-type: none"> All New Shares issued under the Placement and Entitlement Offer will be issued at a fixed price of \$1.65 per New Share (Offer Price). The Offer Price represents: <ul style="list-style-type: none"> 16.0% discount to the last traded price of \$1.965 on 15 July 2020; and 13.3% discount to TERP² of \$1.903.
Institutional Entitlement Offer and Placement	<ul style="list-style-type: none"> The Placement and Institutional Entitlement Offer will be conducted by way of a bookbuild process on Thursday, 16 July 2020. Entitlements under the Institutional Entitlement Offer that are not taken up and entitlements of ineligible institutional shareholders and ineligible retail shareholders under the Entitlement Offer will be offered for sale in the bookbuild.
Retail Entitlement Offer	<ul style="list-style-type: none"> The Retail Entitlement Offer will open on Thursday, 23 July 2020 and close on Monday, 3 August 2020. Eligible retail shareholders who take up their entitlement in full under the Retail Entitlement Offer can also apply for additional New Shares in excess of their entitlement up to a maximum of 100% of their entitlement under a 'top up' facility.
Ranking	<ul style="list-style-type: none"> New Shares issued under the Equity Raising will rank equally in all respects with Helloworld's existing ordinary shares (Shares).

Notes:

- The Retail Entitlement Offer is only available to eligible retail shareholders of Helloworld with a registered address on the Company's share register in Australia or New Zealand on the Record Date – see the Retail Offer Booklet for further details on eligibility once available.
- Theoretical ex-rights price (**TERP**) includes the New Shares issued under the Placement, Institutional Entitlement Offer and the Retail Entitlement Offer. TERP is the theoretical price at which Shares should trade on ASX immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Shares trade on ASX immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price of Helloworld's Shares as traded on ASX on 15 July 2020, being the last trading day prior to the announcement of the Offer.

Details of the Offer

Record Date	<ul style="list-style-type: none"> Entitlement Offer is open to certain eligible existing Helloworld shareholders on the register as at 7.00pm (Melbourne, Australia time) on the Record Date of Monday, 20 July 2020.
Major Shareholder Participation	<ul style="list-style-type: none"> Entities associated with Andrew Burnes (CEO) and Cinzia Burnes (Executive Director) have indicated their intention to subscribe for \$5.0 million of New Shares under the Entitlement Offer in aggregate which represents ~70% of their pro rata entitlement. Entities associated with Spiros Alysandratos and Irene Alysandratos have indicated they will consider their participation upon receipt of the Offer documentation. Q H Tours Limited (an entity associated with Qantas Airways Limited) has indicated that it will not be participating in the Offer. As a result, Q H Tours Limited's shareholding in Helloworld is expected to be diluted from ~15.4% to ~12.4% at completion of the Offer.
Underwriting	<ul style="list-style-type: none"> The Offer is fully underwritten by Ord Minnett Limited.
Use of Funds	<ul style="list-style-type: none"> Proceeds of the Offer will be used to increase Helloworld's balance sheet flexibility and provide liquidity to manage the business through a prolonged period of disruption to the global travel industry.

Sources of Funds	(A\$'millions)
Institutional Placement	27.1
Entitlement Offer	22.9
Total Source of Funds	50.0

Uses of Funds	(A\$'millions)
Working Capital	48.5
Offer Costs	1.5
Total Use of Funds	50.0

Offer Timetable

Event	Date
Equity Raising announcement and Placement and Institutional Entitlement Offer opens	Thursday, 16 July 2020
Placement and Institutional Entitlement Offer closes	Thursday, 16 July 2020
Trading in Helloworld shares resumes on an ex-entitlement basis	Friday, 17 July 2020
Record date for determining entitlement for the Entitlement Offer	7:00pm, Monday, 20 July 2020
Despatch of Retail Offer Booklet and Retail Entitlement Offer opens	Thursday, 23 July 2020
Settlement of Placement and Institutional Entitlement Offer	Friday, 24 July 2020
Allotment of New Shares issued under the Placement and Institutional Entitlement Offer	Monday, 27 July 2020
Normal trading of New Shares issued under the Placement and Institutional Entitlement Offer	Tuesday, 28 July 2020
Retail Entitlement Offer closing date	5:00pm, Monday, 3 August 2020
Settlement of Retail Entitlement Offer	Friday, 7 August 2020
Allotment of New Shares issued under the Retail Entitlement Offer	Monday, 10 August 2020
Normal trading of New Shares issued under the Retail Entitlement Offer	Tuesday, 11 August 2020
Despatch of holding statements	Wednesday, 12 August 2020

Note: All dates and times are indicative and Helloworld reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. All times and dates are in reference to Melbourne, Australia time.



APPENDIX A: Key Risks

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Introduction

This section describes the key business risks of investing in Helloworld together with the risks relating to participation in the Offer which may affect the value of Helloworld shares and its ability to operate as a going concern. It does not describe all the risks of an investment. Before investing in Helloworld, you should be aware that an investment in Helloworld has a number of risks, some of which are specific to Helloworld and some of which relate to listed securities generally, and many of which are beyond the control of Helloworld.

Investors should consult their own professional, financial, legal and tax advisers about those risks and the suitability of investing in light of their particular circumstances. Investors should also consider publicly available information on Helloworld (including information available on the ASX website) before making an investment decision.

The risks are categorised as follows:

1. Key business risks
2. Offer and general risks

References to “Helloworld” or “the Group” in the key risks section of this Presentation include Helloworld and its related bodies corporate (as defined in the Corporations Act 2001 (Cth)), where the context requires.

1. Key Business Risks

1.1 Travel industry disruption and the impact of COVID-19

Helloworld’s operating and financial performance is dependent on the health of the travel industry generally. A decline in the domestic and/or international travel industry, whether as a result of a particular event (such as a war, terrorist attack, outbreak of disease epidemic/pandemic or a natural disaster, such as earthquakes and volcanic ash clouds), economic conditions (such as a decrease in consumer and business demand), or any other factors would have a material adverse effect on Helloworld’s operating and financial performance.

The events relating to COVID-19 have recently resulted in unprecedented restrictions on domestic and international travel, major reductions in airline capacity and general disruption to the tourism industry. These restrictions have been imposed by domestic and international governments and regulatory authorities, and/or implemented as a matter of best practice during a health crisis. These developments have resulted in a decline in international and domestic travel and tourism services (including hotels, accommodation and tourism activities) and an increase in travel cancellation rates, which has had a very significant short term impact and is expected to have a very significant medium term impact on Helloworld’s business and operations and in particular, the demand for its services. There is continued uncertainty as to the duration of and further impact of COVID-19 including (but not limited to) in relation to government, regulatory or health authority actions, work stoppages, lockdowns, quarantines, travel restrictions and the impact on the Australian and global economy. There is a risk that if the spread of COVID-19 continues, and/or the actions taken to combat COVID-19 persist, Helloworld’s operational and financial performance could deteriorate further. There is no certainty that demand for Helloworld’s services will normalise to a level existing prior to the impact of COVID-19 (or how long such normalisation could take), even once the domestic and international travel restrictions are lifted.

1.2 General economic conditions

Helloworld's operating and financial performance is influenced by a variety of general economic and business conditions in Australia and overseas. A prolonged deterioration in general economic conditions, including a decrease in consumer and business demand, would likely have a material adverse effect on Helloworld's business or financial condition (or both). This risk is heightened in the current uncertain economic environment.

In light of recent Australian and Global macroeconomic events, including but not limited to the global impact of COVID-19, it is likely that Australia will experience an economic downturn of uncertain severity and duration which would affect discretionary spending on travel and leisure and the operating and financial performance of the Group.

Furthermore, the containment measures implemented in response to COVID-19 are expected to result in significant and prolonged dislocation to economies globally. It is anticipated that many of the markets in which Helloworld operates will have economic downturns of uncertain severity and duration, which could affect (a) the desire of people to travel in those markets; and (b) spending on travel and leisure in those markets, which would in turn impact on the operating and financial performance of the Group.

There are also other changes in the macroeconomic environment which are also beyond the control of Helloworld and may be exacerbated in an economic recession or downturn. These include, but are not limited to:

- changes in inflation, interest rates and foreign currency exchange rates;
- changes in employment levels and labour costs, which will affect the cost structure of the Group;
- changes in aggregate investment and economic output; and
- other changes in economic conditions which may affect the revenue or costs of the Group.

Due to the impact of COVID-19, many of these factors are in a state of change, and may have an adverse impact on the financial position and prospects of the Group in the future. If market conditions continue to deteriorate, Helloworld may need to take additional measures in order to respond and there is a risk of future impairment of the carrying value of Helloworld's assets.

1.3 Supplier risk

Helloworld's business activities and financial performance are reliant on suitable contractual arrangements being negotiated with major airlines, global distribution system providers, and other suppliers of goods and services. Helloworld's supply chain consists of a complex series of travel providers and intermediaries. There are a variety of credit risks inherent in this supply chain which are particularly heightened in the current economic environment. A dispute, or a breakdown in the relationship, between Helloworld and its suppliers, a failure to reach a suitable arrangement with a particular supplier, or the failure of a supplier to pay or otherwise satisfy its contractual obligations (including as a result of insolvency, financial stress or the impacts of COVID-19), could have an adverse effect on the reputation and/or the financial performance of Helloworld. The recent Australian and Global macroeconomic events described in paragraph 1.2 may also have an adverse impact on the financial position of the Group's suppliers, which may impact their ability to carry on business with Helloworld.

1.3 Supplier risk (Cont'd)

To the extent suppliers, partners or counterparties (such as international airlines, whose operations have been completely or substantially suspended) are facing financial stress, they may seek to change the terms upon which they engage with, cease or significantly reduce engagement with Helloworld (including through the reduced supply of inventory), or in extreme cases, may not pay their debts as and when they fall due. Such circumstances may impact upon the operations and financial performance of Helloworld.

1.4 Customer risk

Recent developments in international and domestic travel restrictions as a result of COVID-19 have resulted in a significant disruption to customer bookings and travel plans. As a result of the unprecedented travel restrictions, Helloworld has experienced a significant increase in the number of customer requests for travel cancellations and refunds. The high volume of cancellation and refund requests during the COVID-19 crisis has placed significant burden on the Group's personnel in responding to and processing customer requests for travel credits and refunds. Delays in repayments by suppliers may have an adverse impact on Helloworld's operational and financial performance. Customers may also seek a chargeback (or reversal) for certain types of card purchases. Any such actions may place a burden on the Group's resources which may have an adverse impact on Helloworld's operational and financial performance. See also paragraph 1.5 regarding the risks associated with Helloworld's working capital requirements.

Uncertainty in relation to the future of the travel industry may also have detrimental effect on the confidence of customers in the ability of the Group to recover from this disruption to the industry and continue to operate in future. See also paragraph 1.10 regarding regulatory risk, paragraph 1.23 regarding litigation risk, and paragraph 1.19 regarding diminution of customer satisfaction and loyalty.

1.5 Working capital requirements

Helloworld's business model includes payment terms relating to the pre-payment by customers for travel and tourism related services and the maintenance of corporate credit balances, and related payment terms between Helloworld and its suppliers. To the extent these terms of payment and supply change, customers seek refunds (particularly in the current environment), receivables are uncollectable fully or partly, contract assets on balance sheet are unrecoverable or counterparties do not act consistently with supply terms, Helloworld may need to obtain additional working capital financing. In addition, transactional banking facilities, including credit card processing facilities, operated by Helloworld may be withdrawn by the banks or other providers, or the terms and conditions of those facilities may be materially amended, which may have an adverse impact on Helloworld's operational and financial performance. Helloworld's working capital position may be impacted to the extent the current economic environment increases the risk of counterparties not complying with their obligations. To the extent that there is a continued decline in sales as a result of COVID-19 and ongoing expenses associated with operating the business would place pressure on Helloworld's liquidity. In the event that Helloworld did not have sufficient liquidity to manage its working capital cycle, Helloworld would not be able to continue operating its business in the ordinary course. See also slide 5 regarding going concern basis of preparation of financial information included in this Presentation.

Slide 12 of this Presentation sets out an illustrative liquidity buffer based on a combination of Helloworld's initiatives, including the equity injection contemplated under the Offer, extension of Helloworld's debt facilities, headroom and estimates of Helloworld's working capital position. While Helloworld has provided the illustrative liquidity position using all information currently available to it, there can be no assurance that this illustration will capture or predict all of the actions which may be taken by customers, suppliers and debtors of the Group that impact its working capital requirements.

1.6 Cost reduction

The cost reduction initiatives outlined in this Presentation have been based on cost-saving initiatives already undertaken by Helloworld, together with a number of assumptions made with respect to Helloworld's ability to achieve these cost-saving targets, one-off-costs associated with realisation of those cost savings and legal advice in respect to Helloworld's rights with respect to its employees, landlords, customers and suppliers. Inability to meet these cost-saving targets may impact upon Helloworld's operations and financial performance. There is a risk that these assumptions are not correct, such that the cost-saving initiatives are not as effective as currently anticipated by management, or the one-off costs required to implement these cost reduction initiatives are larger than anticipated.

Slides 11–13 of this Presentation set out significant cash preservation actions to be implemented by Helloworld and illustrate the projected impact of those actions on Helloworld's operating cost base. These actions include changes to the employee cost base, operating and capital expenditure plans.

This Presentation sets out initiatives contemplated at launch of the Offer, however Helloworld may require further initiatives in the case of an extended downturn. Helloworld anticipates that further wage relief will be made available in Australia and New Zealand and will form part of our ongoing workforce strategy. Any such relief may mitigate one-off costs associated with these cost reduction initiatives. Given the dynamic nature of the current environment, there can be no assurance that these initiatives and other cost-out efforts can or will be achieved as or to the extent envisaged by Helloworld.

1.7 Financing risk

The Group has obtained waivers of its leverage covenant between December 2020 and June 2021. In addition, the Group's interest coverage covenant has been relaxed between December 2020 and March 2021. Helloworld will be subject to an additional covenant on its level of liquidity. In event that covenants are breached, financiers may require that their loans be repaid immediately, which may have a material adverse effect on Helloworld's future financial performance and position.

1.8 Human resources risk

Helloworld is dependent upon the experience of its Directors, key senior management and staff generally. The loss of any key personnel (i.e. by death, total or permanent disablement or resignation), as well as high staff turnover could cause disruption to the conduct of Helloworld's business in the short term and negatively affect Helloworld's operating and financial performance.

The cost reduction initiatives being undertaken as outlined in this Presentation could also cause significant disruption to operations and impact on Helloworld's ability to retain high quality staff, operate its business in the ordinary course, effectively manage operational risks and/or take advantage of a recovery in the sector when the travel restrictions cease. In addition, while the actions taken by Helloworld to preserve cash and Helloworld's survival are believed by the Directors to have been appropriate and consistent with those taken across the industry, the area of labour relations can be subject to dispute and possible legal and industrial relations challenge.

In addition, any outbreak of COVID-19 within Helloworld's workforce could have an adverse effect on the operating and financial performance of the Group.

1.8 Human resources risk (Cont'd)

Complexities in the application of award and minimum conditions payments (including wages and overtime) during COVID-19 disruption also raises risks for the Group as with a large number of employers in Australia and overseas. While the Group has processes in place to ensure compliance with applicable labour laws, the overlap of workplace agreements, awards and industrial relations rules can give rise to risks of breaches having occurred in the countries in which the Group operates.

1.9 Growth strategy execution and business model disruption

The disruption to the Australian and global economy, and specifically the travel and tourism sectors is likely to impact upon Helloworld's ability to drive its growth agenda in the short and medium term. The financial performance of investments and the economic conditions they operate within may result in investment impairment should the recoverable amount of the investment fall below its carrying value.

1.10 Regulatory risk

Regulatory action against the Group under legislation and government policy may adversely affect the Group. For example, as a retailer of travel and travel-related products, the Group engages in extensive promotional and other advertising activities, conducts a foreign currency exchange business and processes its employees' and customers' personal information/data. Further, the Group's various cancellations and refunds policies and procedures may also expose it to regulatory scrutiny or action. Any media attention, regulatory scrutiny or other action taken against the Group members in any of the countries in which it operates may have adverse effects on the reputation of the Group or on its operating and financial performance. Similarly, a variation in law or regulation requiring Helloworld or any of its other businesses to hold or treat customer deposits differently to the way in which these are currently managed may have financial implications for the Group.

A variation in legislation and government policy may also affect the Group and the business environment in which it operates. Legislative changes could directly and indirectly alter consumer demand for and consumer attitudes towards international or domestic travel.

1.11 Climate change

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaption requirements related to climate change. Physical risks resulting from climate change can be event driven or longer-term shifts in climate patterns and may have financial implications for Helloworld, such as indirect impacts from supply chain disruption and travel patterns and habits of customers.

There is uncertainty about how Helloworld's customers will respond to the effects of climate change (and therefore on possible changes in customer demand).

1.12 Business systems risk

Helloworld relies on the performance, reliability and availability of its information technology, communication and other business systems. Any damage to, or failure of, Helloworld's key systems may result in disruptions to Helloworld's business (especially its online services). Any failures of, or malicious attacks on, Helloworld's business systems or any compromise to the security of data (including any personal information / data) held by Helloworld may similarly impact both Helloworld's business and its reputation. Financial penalties for data breaches can be significant, which if levied on Helloworld could have an adverse effect on the reputation and the financial performance of Helloworld. The cost reduction initiatives being undertaken by Helloworld, as well as the disruption caused to operations as a result of COVID-19, may also affect its information technology, communications and other business systems.

1.13 Financial risk

Access to capital is a fundamental requirement to achieve Helloworld's business objectives and to meet its financial obligations when they fall due.

The inability to maintain a strong balance sheet or to secure new capital or credit facilities (from time to time) at market rates could impact upon Helloworld's operational and financial performance and the ability to meet its ongoing liquidity needs.

There is no guarantee that equity or debt funding will be available to Helloworld when an existing facility expires or is otherwise terminated (e.g. due to an event of default), or that Helloworld will be able to refinance that debt facility on reasonable terms.

As a borrower of capital, Helloworld is exposed to fluctuations in interest rates which may increase the cost of servicing Helloworld's debt.

Developments in global financial markets, such as the impact of COVID-19, may adversely affected the liquidity of global credit markets and Helloworld's access to those markets. This may have a material adverse effect on Helloworld's future financial performance and position.

1.14 Taxation risk

A change to the current taxation regime in Australia or overseas, including changes in interpretation or application of the law by courts or taxation authorities, may affect Helloworld or its shareholders. Tax liabilities are the responsibility of each individual shareholder.

1.15 Currency risk

Helloworld operates internationally and is exposed to foreign exchange risk arising from currency exposures on future cash flows. Helloworld actively measures these exposures and has measures in place to manage some of that exposure. However, notwithstanding those measures, the movement of foreign exchange rates could still have an adverse effect on Helloworld's operating and financial performance. See also paragraph 1.2 regarding the risks in relation to the current economic environment.

Helloworld consolidates results of overseas businesses into Group results and the performance of overseas businesses in Australian dollars when reported in Group financial statements may vary due to the movement of foreign exchange rates. This could have an adverse effect on Helloworld's financial performance.

1.15 Currency risk (Cont'd)

Furthermore, due to the nature of Helloworld as an international tourism business, changes to foreign exchange rates impact upon the underlying demand for travel and tourism services. The movement of foreign exchange rates are beyond Helloworld's control and could still have an adverse effect on Helloworld's operating and financial performance.

1.16 Investment risk

Helloworld invests funds it receives in the course of conducting its business. The value of those investments or the return on them may rise or fall as a result of circumstances beyond Helloworld's control, including general economic conditions in Australia or overseas. Risks associated with returns on investments are particularly acute during periods of elevated global financial market volatility, such as those experienced post the outbreak of the global COVID-19 pandemic. Helloworld only invests funds with selected counterparties, under a Board-approved Treasury Policy, but the risk of counterparty default is heightened during periods of global financial market volatility, which could lead to the loss of funds invested.

1.17 Insurance

Helloworld maintains insurance cover that is consistent with standard industry practice, including workers compensation, business interruption, property damage, public liability and product liability, cyber, directors and officers and professional indemnity insurance. However, no assurance can be given that such insurance will be available in the future on commercially reasonable terms or that any cover will be adequate and available to cover all or any future claims.

1.18 Political, economic and social instability

Helloworld's operations are focussed in Australia, New Zealand and Fiji. Helloworld sells travel products across the globe. Any regional, political, economic or social instability (including as a result of COVID-19) could negatively impact sales or the payment for sales.

1.19 Diminution of customer satisfaction and loyalty

Helloworld's business model is dependant on customer satisfaction and loyalty. The operational and financial challenges associated with COVID-19, the associated impact on the travel and tourism industry and Helloworld's response to these challenges, could impact upon customer satisfaction and loyalty, the reputation of the Group and its ability to attract customers in future. A decline in customer satisfaction or loyalty may also materialise as a result of changing community expectations, activism in relation to particular travel destinations or activities which are booked through the Group, and in the event that the Group's employees fail to comply with approved customer service and pricing policies in relation to the pricing, terms and conditions offered to customers. Any diminution in customer satisfaction and customer loyalty or the Group's reputation may have an adverse impact on the operating and financial performance and position of Helloworld.

See also paragraphs 1.4 and 1.10 in relation to the risks associated with an increase in customer refunds.

1.20 Change in consumer preferences

Helloworld is exposed to changes within the specific travel markets in which Helloworld operates, whether as a result of changes in or to key markets, changes in product availability, as well as changes in consumer travel trends and sentiment towards travel in general. Consequently, a failure by Helloworld to predict or respond to any such changes could adversely impact Helloworld's future operating and financial performance.

1.21 Agent network closure

Helloworld's agent network has been an important part of its growth as a business throughout its corporate history. A significant reduction in the size of the agent network may negatively influence Helloworld's brand and ability to generate sales and sales growth in its retail division.

1.22 Accounting standards may change

Accounting standards may change. This may affect the reported earnings of Helloworld and its financial position from time to time. Helloworld has previously and will continue to assess and disclose, when known, the impact of adopting new accounting standards in its periodic financial reporting.

1.23 Risk of litigation, claims and disputes

The Group may be subject to litigation, class actions (including consumer / customer class actions, securities / shareholder class actions, and employee class actions), and other claims and disputes in the course of its business in each of the jurisdictions it operates, including employment disputes, contractual disputes, indemnity claims, consumer actions, claims for infringement by the Group of others' intellectual property rights, occupational and personal claims, regulatory enforcement actions (see also paragraphs 1.4 regarding customer risk, 1.8 regarding human resources risk and 1.10 regarding regulatory risks) and claims in relation to creative content. There are risks that a business operated by the Group or its employees might engage in conduct that is inconsistent with the Group's Code of Conduct, consumer, trade or other regulations that apply in its various jurisdictions, or agreements with its suppliers or customers. Any litigation, class actions, claims or disputes, including the costs of settling claims and operational impacts, could materially adversely affect the Group's business, operating and financial performance.

2. Offer and General Risks

2.1 Investment in equity capital and COVID-19

There are general risks associated with investments in equity capital. The trading price of Helloworld's ordinary shares on ASX may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for the New Shares being less or more than the Offer Price.

Generally applicable factors which may affect the market price of Helloworld's ordinary shares include:

- the impact of COVID-19, including on health of workforce, the industry, customers, supply chains and travel restrictions;
- general movements in Australian and international stock markets, including market volatility;
- investor sentiment and the risk of contagion;
- Australian and international economic conditions and outlook, including changes in interest rates, the rate of inflation, exchange rates, commodity prices, employment levels and consumer demand;
- changes in Australian and foreign government regulation and fiscal, monetary and regulatory policies;
- loss of key personnel and delays in replacement;
- announcement of new technologies;
- geo-political instability, including international hostilities, acts of terrorism, the response to COVID-19 and travel restrictions;
- natural disasters, extreme weather events and catastrophes, whether in global, regional or local scale;
- epidemics and pandemics such as COVID-19;
- operating results of the Group that may vary from expectations of securities analysts and investors;
- changes in market valuations of other travel companies; and
- future issues of Helloworld equity securities.

The share prices for many listed companies have in recent times been subject to wide fluctuations and volatility, which in many cases may reflect a diverse range of non-company specific influences referred to above. In particular, the events relating to COVID-19 have recently resulted in significant market falls and volatility both in Australia and overseas, including in the prices of securities trading on the ASX.

There is continued uncertainty as to the further impact of COVID-19 on the Australian economy and share markets including in relation to governmental action, work stoppages, university and school stoppages, lockdowns, quarantines, travel restrictions and the impact on the Australian economy and equity and debt capital markets. Any of these events and resulting fluctuations may materially adversely impact the market price of Helloworld's ordinary shares.

2.1 Investment in equity capital and COVID-19 (Cont'd)

It is also possible that new risks may emerge as a result of domestic or foreign markets experiencing extreme stress, or existing risks (including the impacts of COVID-19) may evolve in ways that are not currently foreseeable. The equity capital markets have in the past and may in the future be subject to significant volatility.

No assurances can be given that the New Shares will trade at or above the Offer Price. None of Helloworld, its Board, the Underwriter, or any other person guarantees the market performance of the New Shares.

2.2 Equity raising risk

Ord Minnett Limited (ABN 86 002 733 048) (**Ord Minnett** or the **Underwriter**) is acting as underwriter, lead manager and bookrunner to the Offer. Helloworld entered into an underwriting agreement with the Underwriter in respect of the Offer on 16 July 2020 (**Underwriting Agreement**).

2.3 Risks of dilution

Shareholders who do not participate in the Placement for a pro rata share, and/or do not take up all of their entitlements under the Entitlement Offer, will have their percentage security holding in Helloworld diluted. Investors may also have their investment diluted by future capital raisings by Helloworld. Helloworld may issue new securities in the future to finance acquisitions or pay down debt which may, under certain circumstances, dilute the value of an investor's interest.



APPENDIX B:

Foreign Selling Restrictions

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Foreign Selling Restrictions

This document does not constitute an offer of new ordinary shares (**New Shares**) of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

If you (or any person for whom you are acquiring the New Shares) are in Hong Kong, you represent and warrant that you (and any such person) are a "professional investor" as defined under the SFO.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Foreign Selling Restrictions

If you (or any person for whom you are acquiring the New Shares) are in Singapore, you represent and warrant that you (and any such person) (i) are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA, (ii) will acquire the New Shares in accordance with applicable provisions of the SFA, and (iii) acknowledge that the offer of the New Shares is subject to the restrictions (including selling restrictions) set out in the SFA.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the **FMC Act**). The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.



APPENDIX C: Underwriting Agreement Summary

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Underwriting Agreement Summary



Ord Minnett Limited (**Ord Minnett**) is acting as sole lead manager and underwriter of the Placement and the Entitlement Offer. Helloworld has entered into an underwriting agreement with Ord Minnett (**Agreement**) pursuant to which Ord Minnett has agreed to fully underwrite the Placement and the Entitlement Offer on the terms and conditions of the Agreement. The Agreement contains representations and warranties and indemnities in favour of Ord Minnett.

Ord Minnett's obligations under the Agreement, including to manage and underwrite the Placement and the Entitlement Offer, are conditional on certain matters, including Helloworld delivering certain shortfall certificates, sign-offs and opinions. Further, if certain events occur, some of which are beyond the control of Helloworld, Ord Minnett may terminate the Agreement. Termination of the Agreement would have a materially adverse impact on the total amount of proceeds that could be raised under the Placement and the Entitlement Offer.

Ord Minnett may terminate its obligations under the Agreement if any of the following events occur prior to 11.00am on the settlement date for Retail Entitlement Offer by giving notice to Helloworld:

- (a) (**Listing**) Helloworld ceases to be admitted to the official list of ASX or its Shares are suspended from trading on, or cease to be quoted on ASX or it is announced by ASX or Helloworld that such an event will occur;
- (b) (**Insolvency**) Helloworld or a subsidiary which represents 5% or more of the consolidated assets or earnings of the Group (Material Subsidiary) is insolvent or there is an act or omission, or a circumstance arises, which is likely to result in Helloworld or a Material Subsidiary becoming insolvent;
- (c) (**Withdrawal**) Helloworld withdraws all or any part of the Offer;
- (d) (**Offer force majeure**) there is an event or occurrence, including any statute, order, rule, regulation, directive or request of any governmental agency, which makes it illegal for Ord Minnett to satisfy a material obligation of the Agreement;
- (e) (**Unable to issue**) Helloworld is unable to issue or prevented from issuing New Shares as contemplated by the Agreement by virtue of the ASX Listing Rules, applicable laws, a governmental agency or an order of a court of competent jurisdiction;
- (f) (**Conduct**) Helloworld or any of its directors or officers engages in any fraudulent conduct or activity in connection with the Offer;
- (g) (**Repayment of application moneys**) Any circumstance arises that results in Helloworld either repaying the money received from applicants or offering applicants an opportunity to withdraw their applications for Entitlement Offer Shares and be repaid their application moneys;
- (h) (**Regulatory action in relation to directors and senior executives**) (i) a director or the chief executive officer or chief financial officer of Helloworld is charged with an indictable offence or fraudulent conduct; (ii) any director of Helloworld is disqualified under the Corporations Act from managing a corporation; or (iii) any regulatory body commences any public action against Helloworld, or any director or the chief executive officer or chief financial officer of Helloworld, or publicly announces that it intends to take any such action;
- (i) (**Market fall**) the S&P/ASX 200 Index falls to a level which is 15% or more below the level of that index on the close of trading on the business day before the date on which the Offer is announced to ASX (Announcement Date) and closes at or below that level on: at least 2 consecutive business days during any time after the Announcement Date and on or before the business day immediately prior to settlement date for the Retail Entitlement Offer, or at the close of trading on the business day immediately prior to settlement date for the Institutional Entitlement Offer or the Retail Entitlement Offer;

Underwriting Agreement Summary

- (j) **(ASIC action)** ASIC: (i) applies for an order under Part 9.5 of the Corporations Act in relation to the Offer, the issue of New Shares or any document released to ASX in connection with the Offer or used, with Helloworld's approval, to market the Offer (Offer Documents); (ii) holds, or gives notice of intention to hold, a hearing, inquiry or investigation in relation to the Offer, the issue of New Shares or any Offer Document under the Corporations Act or the Australian Securities and Investments Commission Act 2001 (Cth) (ASIC Act); (iii) prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, Helloworld or any of its officers, employees or agents in relation to the Offer, the issue of New Shares or any Offer Document under the Corporations Act or ASIC Act, except in circumstances where the existence of the application, hearing, inquiry, investigation, prosecution or notice has not become public and it has been withdrawn by the date that is the earlier of: (i) the business day immediately preceding the date for settlement of the Institutional Entitlement Offer or the Retail Entitlement Offer (as applicable); or (ii) the date that is 3 business days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received;
- (k) **(Application)** there is an application to a governmental agency (including the Takeovers Panel) for an order, declaration (including of unacceptable circumstances) or other remedy in connection with the Offer (or any part of it), except in circumstances where the application has been withdrawn, discontinued or terminated by the date that is the earlier of: (i) the business day immediately preceding the date for settlement of the Institutional Entitlement Offer or the Retail Entitlement Offer (as applicable); or (ii) the date that is 3 business days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received;
- (l) **(Determination under section 708A or section 708AA)** ASIC makes a determination under subsection 708A(2) of the Corporations Act or subsection 708AA(3) of the Corporations Act;
- (m) **(Corrective statement)** Helloworld becomes required to give, or gives, in respect of a cleansing notice issued in connection with the Offer which is defective, a notice in accordance with subsection 708AA(12) of the Corporations Act or subsection 708A(9) of the Corporations Act, as the case may be, to correct that cleansing notice;
- (n) **(Authorisations)** any: (i) material licence, lease, permit, concession, tenement, authorisation or concession of the Group (Authorisation) is, or is likely to be, invalid, revoked or unenforceable, including as a result of the introduction of new legislation in the relevant jurisdiction; or (ii) Authorisation is breached or not complied with in a material respect;
- (o) **(Certificate)** a certificate which is required to be furnished by Helloworld under the Agreement is not furnished when required or is untrue, incorrect or misleading or deceptive in any material respect (including by omission);
- (p) **(ASX approval)** unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the Offer) by ASX for official quotation of the New Shares is refused or is not granted by the time required to issue the relevant New Shares in accordance with the timetable for the Offer or, if granted, is modified (in a manner which would have a material adverse effect on the success or settlement of the Offer) or withdrawn;
- (q) **(Timetable)** there is a delay in the timetable for the Offer except where such delay is permitted by the Agreement;
- (r) ***(Breach)** Helloworld fails to perform or observe any of its obligations under the Agreement;
- (s) ***(Compliance)** Helloworld commits a breach of the Corporations Act, ASX Listing Rules, its constitution or other applicable laws;
- (t) ***(Due Diligence)** Any of the documents required to be provided under the due diligence planning memorandum adopted as part of the due diligence process for the Offer, having been withdrawn, or varied without the prior written consent of Ord Minnett;

Underwriting Agreement Summary

- (u) ***(Information)** the due diligence report prepared in connection with the Offer or the information provided by, or on behalf of, Helloworld to Ord Minnett in relation to the due diligence process undertaken for the Offer, the Offer Documents or the Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission);
- (v) ***(Representations and warranties)** a representation or warranty made or given by Helloworld under the Agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive;
- (w) ***(Legal proceedings)** legal proceedings against Helloworld, any other member of the Group or against any director of Helloworld or a member of the Group in that capacity is commenced or any regulatory body commences any enquiry or public action against a member of the Group;
- (x) ***(Capital structure)** There is an alteration to Helloworld's capital structure without the prior consent of Ord Minnett or as otherwise provided in this agreement;
- (y) ***(Conduct)** Helloworld or any of its directors or officers engages in misleading or deceptive conduct or activity in connection with the Offer;
- (z) ***(Change in management)** there is a change (or a change is announced) in the chief executive officer, chief financial officer or chairman of Helloworld, other than one which has already been disclosed to the market or disclosed to Ord Minnett before the date of the Agreement;
- (aa) ***(New circumstance)** a new circumstance arises which is a matter adverse to investors in New Shares and which would have been required by the Corporations Act to be included in the cleansing notice released by Helloworld in connection with the Offer had the circumstance arisen before such notice was given to ASX;
- (bb) ***(Adverse change)** there is an adverse change, or an event occurs that is likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, operations, management, outlook or prospects of Helloworld or the Group (in so far as the position in relation to any entity in the Group affects the overall position of Helloworld);
- (cc) ***(Future matters)** any expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data) in an Offer Document is or becomes incapable of being met or, in the reasonable opinion of Ord Minnett, unlikely to be met in the projected timeframe;
- (dd) ***(Offer Documents misleading)** any: (i) statement in an Offer Document is or becomes false, misleading or deceptive or likely to mislead or deceive; or (ii) Offer Document does not contain all information required to comply with all applicable laws;
- (ee) ***(Offer Documents issued or varied without approval)** Helloworld: (i) issues an Offer Document without the prior approval of Ord Minnett (such approval not to be unreasonably withheld); or (ii) varies an existing Offer Document in any material respect without the prior approval of Ord Minnett (such approval not to be unreasonably withheld);
- (ff) ***(Change in law)** There is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or prospective law or any new regulation is made under any law, or a Governmental Agency or the Reserve Bank of Australia adopts a policy, or there is an official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a governmental agency that such a law or regulation will be introduced or policy adopted (as the case may be) (other than a law or policy that has been announced before the date of this agreement), any of which does or is likely to prohibit or regulate the Offer or adversely affects the Group;

Underwriting Agreement Summary

- (gg) ***(Disruption in financial markets)** Any of the following occurs: (i) a general moratorium on commercial banking activities in Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union or Hong Kong is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or (ii) trading in all securities quoted or listed on the ASX, the London Stock Exchange, the New York Stock Exchange, the Shanghai Stock Exchange, Euronext, the SGX, the Hong Kong Stock Exchange, the Shanghai Stock Exchange or the Tokyo Stock Exchange is suspended or limited in a material respect; or (iii) the occurrence of any other adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union or Hong Kong or any change or development involving such a prospective adverse change in any of those conditions or markets;
- (hh) ***(Hostilities)** Major hostilities not existing at the date of the Agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States, Japan, Singapore, the United Kingdom, a member state of the European Union or the People's Republic of China (including Hong Kong) or a national emergency is declared by any of those countries, or a major terrorist act is perpetrated anywhere in the world; and
- (ii) ***(Prescribed occurrence)** an event specified in paragraphs (a) to (h) of section 652C(1) of the Corporations Act (as if references to 'the target' were replaced by references to 'Helloworld') occurs in respect of Helloworld occurs during the Offer period, other than: (i) as contemplated by the Agreement or pursuant to the Offer; (ii) in a manner described in, among other documents, the ASX announcement for the Offer, this Presentation or other document lodged with ASX on or before the date of the Agreement; (iii) Helloworld issuing securities pursuant to: (A) the exercise or conversion of any security on issue as at the date of the Agreement; (B) any employee incentive scheme in operation as at the date of the Agreement; or (C) any distribution reinvestment plan; or (iv) as permitted in writing by Ord Minnett.

No event listed with an (*) in this slide or the immediately preceding slides entitles Ord Minnett to exercise its termination rights unless Ord Minnett reasonably believes and does believe that the event: (i) has had, or is likely to have, a material adverse effect on: (A) the success or outcome of the Offer; (B) the willingness of investors to subscribe for New Shares; or (C) the ability of Ord Minnett to market, promote or effect settlement of, the Offer; or (ii) has given or could reasonably be expected to give rise to a contravention by, or a liability of, Ord Minnett under any applicable law or regulation.

If Ord Minnett terminates its obligations under the Agreement, Ord Minnett will not be obliged to perform any of its obligations that remain to be performed.



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