



25 October 2024

The Manager  
Market Announcements Office  
ASX Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam,

Please find attached a copy of the CEO address, and AGM Presentation to be presented at Helloworld Travel Limited's 2024 Annual General Meeting, being held today at 11:00am AEDT.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Sylvie Moser".

Sylvie Moser  
**Group Company Secretary**  
**Helloworld Travel Limited**  
**Ph: +61 3 9867 9600**



## **CEO's Address**

**Sydney, 25 October 2024**

Thank you, Garry.

And thank you for joining us at our AGM this morning here in Sydney and for your continued support of Helloworld Travel Limited.

### **The Demand for Travel Professionals**

The services of professional travel agents remains highly valued by travellers and in high demand. Our networks have over 10,000 travel advisors in our franchise, buying group and broker networks across Australia and New Zealand offering curated itineraries, booking services and support services while customers are on the road.

In Australia and New Zealand, it is common to see international leisure travel include multiple destinations and multiple experiences. According to the Council of Australian Tour Operators, the average duration of an international leisure travel trip (from Australia) was 18 days in 2023, with the average number of countries visited being 3.1. The complexities and intricacies of travel arrangements make our markets in Australia and New Zealand uniquely placed to require and value the services of a travel agent when planning and booking travel.

We know that travel continues to be in demand, and people want the services of a professional to make sure it is done right, and to make sure they have the back up of a travel professional if anything goes wrong along the way.

### **HLO Retail Numbers**

Our network of over 2,700 travel agents and brokers across Australia and New Zealand is extensive, with a significant footprint representing the retail offerings across both countries.

Our bricks and mortar agents thrive in regional areas, suburban shopping centres, traditional strip malls and large-scale shopping centres. Plus, we have our vast mobile agent and broker members who have reach across a wide geographical area and loyal customers who return to them time after time. We are very well placed to meet the needs of the ever-increasing demand for travel advisors and professionals.

Across our networks, there are over 10,000 travel advisors delivering professional travel advice and service, by far the biggest group of travel professionals in Australia and New Zealand. From Broken Hill to Blacktown, Colac to Camperdown, the Bay of Islands to Dunedin and everywhere

in between there are members of the Helloworld retail and broker networks to meet and exceed the service demands of travellers.

To help grow personnel numbers for our agents, Helloworld launched the Helloworld Travel Academy in Australia in May 2022 and in NZ in March 2023. Since then, we have seen thousands of agents partake of the exceptional training we provide. In FY24 the HLO Academy trained over 550 new advisors to the industry all placed in the Helloworld retail network.

### **Highlights from FY24**

Helloworld performed very strongly in FY24, meeting guidance, and delivering on key business and financial initiatives.

Total Transactional Value increased to \$4.2 billion, up 62.5% or \$1.6 billion on the prior year. And Revenue increased by 37.5% year-on-year to \$228.2 million in FY24.

Full year underlying EBITDA was \$67.5 million, an increase of \$23.3 million compared with the prior year, up 52.9%. Pleasingly, both our Australian and New Zealand geographical segments reported strong growth in underlying EBITDA compared with the prior year.

The underlying EBITDA to revenue margin improved from 26.6% in FY23 to 30.0% in FY24 with the Group benefiting from its focus on profitable revenue streams, cost control and improved productivity.

Net profit after tax also increased to \$30.7 million, up 60.2% or \$11.5 million year-on-year from FY23.

Basic earnings per share for FY24 was 19.2 cents, an increase of 6.8 cents per share or 54.8% compared with the prior year and HLO generated over \$63.5 million in operating cash.

During FY24 we saw a move toward the pre COVID-19 travel cycle and seasonality within our results with quarters 1 and 4 being stronger than quarters 2 and 3. Prior to 2020 this was the pattern across our business, and it is the first year we have seen this since FY19. We expect FY25 to be similar.

### **New Acquisitions (ETG & PHT)**

In June 2023 we announced the acquisition of Express Travel Group (ETG) in Australia and New Zealand. This transaction was completed in August 2023 and the ETG businesses are now embedded within the Helloworld group. This integration has been very successful as we optimise efficiencies and synergies across the business.

In August 2023, we also acquired a 40% stake in Phil Hoffmann Travel (PHT), a South Australian travel agency group that provides leisure and corporate travel services in addition to both cruise and group travel business. This business recovered strongly throughout FY24 and is continuing

to perform well in FY25. Put and call options are in place that provide a mechanism for Helloworld to acquire the remaining 60% of PHT over a number of years.

### **Strong Performance of MTA**

The Group currently holds a 50% ownership interest in Mobile Travel Agents (MTA). MTA offers home-based travel consulting services provided by mobile travel consultants throughout Australia. As part of the sale and purchase agreement, both HLO and our partners Roy & Karen Merricks have mutual call and put options to respectively acquire / sell the remaining 50% ownership interest which can be exercised in early FY26.

### **Strong Balance Sheet, Liquidity and Dividend**

The Helloworld balance sheet remains strong with significant cash reserves, no bank debt and 1.4 million ASX listed CTM shares.

During FY24 \$63.5 million of operating cash was generated with strong cash generation in the second half which is seasonally higher than the first half. This result included \$5.9m of interest income, which is a reflection of the Group's focused and prudent management of our surplus cash.

Helloworld Travel maintains a strong balance sheet that supports future business expansion and initiatives.

We declared a fully franked final dividend of 6.0 cents per share paid on 19 September 2024. This takes the total FY24 dividends to 11.0 cents per share fully franked, an increase of 37.5% compared with the prior year and reflecting a full year payout ratio of 57%.

### **Investment in Technology**

Throughout FY24 Helloworld continued to invest in technology and innovation across our proprietary systems to improve overall network functionality, operational efficiency and productivity.

This includes our in-house retail mid-office solution, Resworld, that is currently deployed in over 170 agencies across Australia and New Zealand with 800 registered users and we expect this to more than double this over the next 12-18 months.

Our Air Tickets booking system remains at the forefront of ticketing and consolidation offerings with additional enhancements made during the year to our Smart Suite of technologies including SmartNDC and SmartRefunds.

Our wholesale hotel solution, ReadyRooms, is seeing ongoing growth in users and sales. It currently features over 300,000 hotels, activities and transfers, providing travel agents with a cutting-edge booking portal.

We have enhanced our wholesale and inbound travel agent booking platforms via Mango (Australia) and GoNet (New Zealand) by creating easier navigation tools and improvements to the payment gateways.

Technology developments across these systems are fundamental to our distribution of products and services to our extensive networks of travel industry stakeholders with enhancements specifically tailored to create efficiencies and increase productivity and profitability.

### **Investment in Marketing**

We also continue to invest in our marketing activity and undertake significant campaigns in all major metro and regional media outlets across Australia and New Zealand.

In November we will see the return of the Helloworld TV show in Australia, created in partnership with and broadcast on the Nine Network. The first screening is Sunday November 3rd and then running weekly throughout November and December. It will feature impressive destinations across Australia and the world, and each episode will include strategic advertising and exclusive travel deals following each segment.

### **New Events Business**

In September 2024 we launched a new Events division. The vision for this newly created business is to be the premier experience integration provider for ticketed sports and entertainment events globally providing a convenient, reliable and streamlined solution for fans trying to secure multiple components of their live event experience. Led by Simon Lethlean and Roger Field, the business is called My Way Travel & Events. We have product already in market including theatre, concert and sporting events both in Australia and around the world. We currently have a small, but dedicated team that has been laying the foundations as we build this business stream for the future.

### **Outlook**

At the end of FY24 travel numbers in and out of Australia were between 90% & 100% of FY19 levels, and slightly lower in New Zealand at 85-95% of FY19 levels.

While cost of living pressures have curbed discretionary spending in some sectors, travel continues to remain in high demand especially among the older demographics which form a large part of our network members customer base.

ABS data from earlier this month shows international arrivals and departures continuing to grow year on year with total arrivals up 8.9% and total departures up 11.1% on FY24.

Our trading results from Q1/25 are positive and broadly in line with our budgets. Wholesale and inbound businesses in Australia are up 55% and 7% respectively on FY24 numbers. In New Zealand wholesale has increased 42% on last year while inbound business is down but coming off a very low base in Q1 as usual.

Air sales in Australia via our agency networks are down 7% on the previous year while in New Zealand, we are line ball with FY24 with a 7% decline in ticket numbers offset by a 7% increase in average fares.

Interestingly business class TTV in NZ increased 6% while economy class TTV fell 6% while in Australia, business class TTV rose to 2% by value while economy class TTV fell 2%.

On the margin front in both Australia and New Zealand retail margins have improved by 0.15% while Australian wholesale is down 1% due to the higher percentage of FIT bookings. NZ wholesale margins are slightly up on last year.

And in terms of destinations, ex Australia demand has increased significantly in early FY25 for Bali, up 23%, Vietnam, up 35% and Japan, up 45%. Obviously, sales to the Middle East have declined however not as much as we had expected to end September.

HLO expects to continue to capitalise on the strong demand for leisure travel into 2025 and beyond. However, given the degree of global uncertainty, we are not providing guidance at this time.

We are committed to the long-term future of travel agents and brokers and can see first-hand the demand for these services shows no signs of lessening.

The outlook for Helloworld Travel Limited is very positive. Our diversified business model allows us to remain focused on growing our TTV at profitable margins while carefully controlling our costs.

### **Thank You**

I would like to acknowledge and thank the many people involved in our Company across our global offices as well as our agent and broker networks.

I would like to thank all of our shareholders for their continued support and can I also thank the Board of Helloworld Travel.

I want to thank our Executive and Senior Management Teams and all of our Helloworld personnel, as well as our many preferred partners and supporters who are integral to our success.

Thank you, for your time today and I look forward to continuing the journey for the business in the years ahead and speaking with you again at our AGM in 2025.

Back to you Garry.





helloworld  
TRAVEL LIMITED

ANNUAL GENERAL MEETING

2024

REGISTRATION

<https://meetnow.global/MTM56ZS>

# DISCLAIMER

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

*This document includes the presentation of results on a statutory basis as well as non-statutory information. All financial results are presented in AUD (unless otherwise stated) and rounded to millions (unless otherwise stated). Data used for calculating percentage movements has been rounded to thousands.*

## **Key non-statutory financial metrics:**

- **Total Transaction Value (TTV)** does not represent revenue in accordance with Australian Accounting Standards and is not subject to audit or review. TTV represents the price at which travel products and services have been sold across the Group, as agent for various airlines and other service providers, plus revenue from other sources. The Group’s revenue is, therefore, predominantly derived from TTV. TTV does not represent the Group cash inflows as some transactions are settled directly between the customer and the supplier.
- **Earnings Before Interest Expense, Taxation, Depreciation and Amortisation (EBITDA)** is a financial measure which is not prescribed by Australian Accounting Standards and is not subject to audit or review.
- **Underlying EBITDA** represents EBITDA excluding significant items. Underlying EBITDA is a financial measure which is not prescribed by Australian Accounting Standards but is the measure used by the Chief Executive Officer (CEO) and the Board to assess the financial performance of the Group and segments and is not subject to audit or review.
- **Revenue margin** has been calculated as revenue from contracts with customers as a percentage of TTV. The calculation does not include interest income and other income.
- **EBITDA margin** has been calculated as EBITDA as a percentage of total revenue.
- **Underlying EBITDA margin** has been calculated as Underlying EBITDA as a percentage of total revenue excluding significant items.

*A reconciliation of Underlying EBITDA to profit before income tax expense is provided in Note 2.3: Segment Information of the Consolidated Financial Statements.*

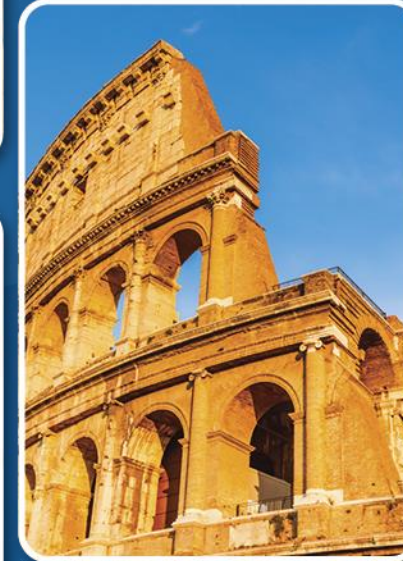
*Unless otherwise stated, financial metrics are presented on a continuing operations basis.*



# AGENDA

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- Chairman - Garry Hounsell
  - Directors Present
  - Management Present
  - Auditors Present
  - Questions & Voting Process
  - Chairman's Comments
  - CEO's Comments
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- Formal Business
  - Re-election of Director
  - Poll Procedure



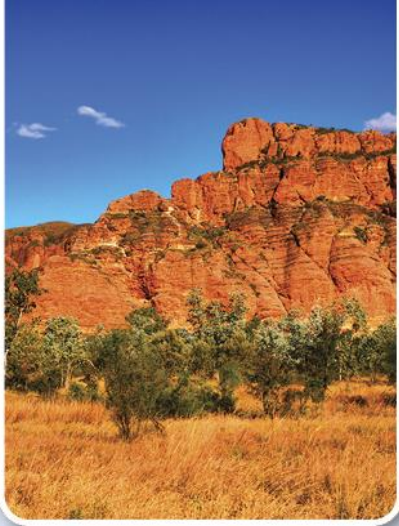


# CHAIRMAN

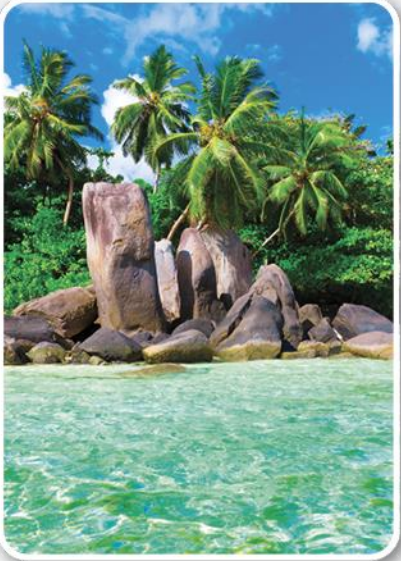
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GARRY HOUNSELL







# DIRECTORS

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**Garry Hounsell**  
Chairman



**Andrew Burnes, AO**  
Chief Executive Officer &  
Managing Director



**Cinzia Burnes**  
Chief Operating Officer &  
Executive Director



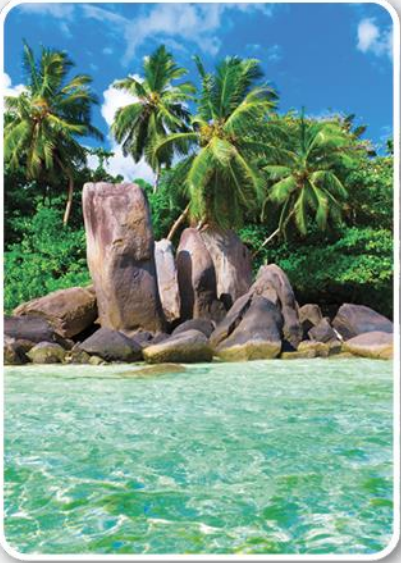
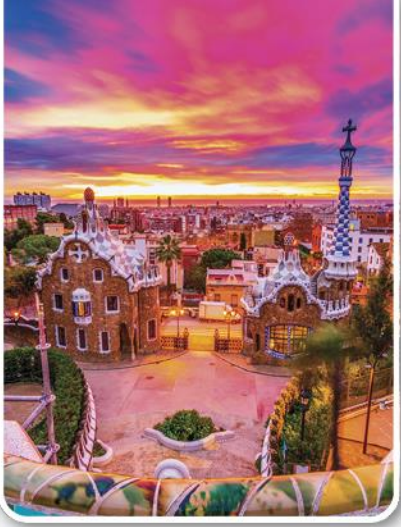
**Rob Dalton**  
Non-Executive Director



**Hon. Martin Pakula**  
Non-Executive Director



**Leanne Coddington**  
Non-Executive Director



# MANAGEMENT

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**Mike Smith**  
Chief Financial Officer



**Sylvie Moser**  
Group Company Secretary

# AUDITORS

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**Brett Croft**  
Partner Assurance

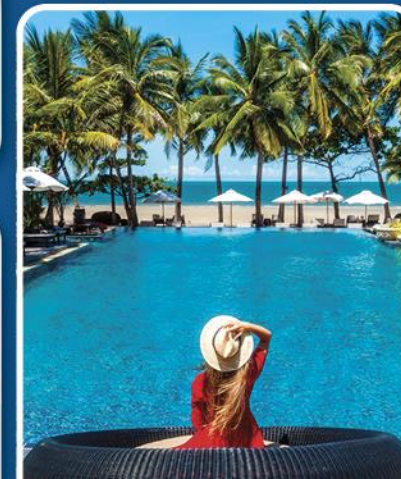
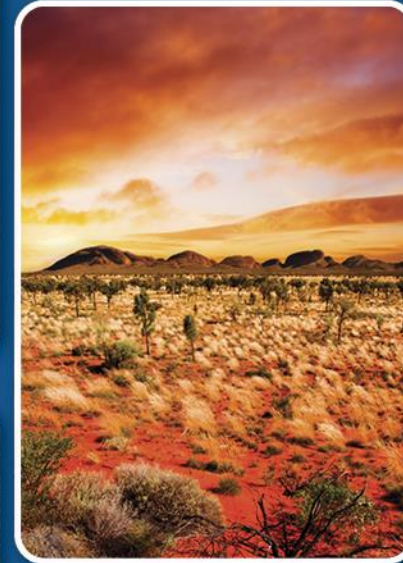
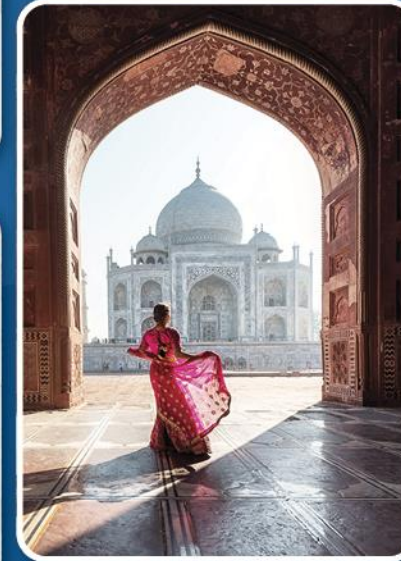
**Amy Burgin**  
Partner Assurance





# QUESTIONS AND VOTING PROCEDURES

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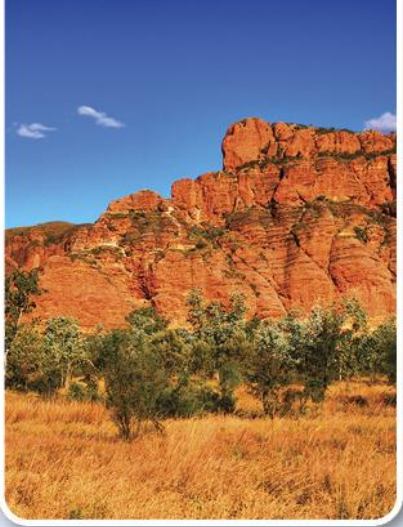


# CHAIRMAN'S COMMENTS

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GARRY HOUNSELL

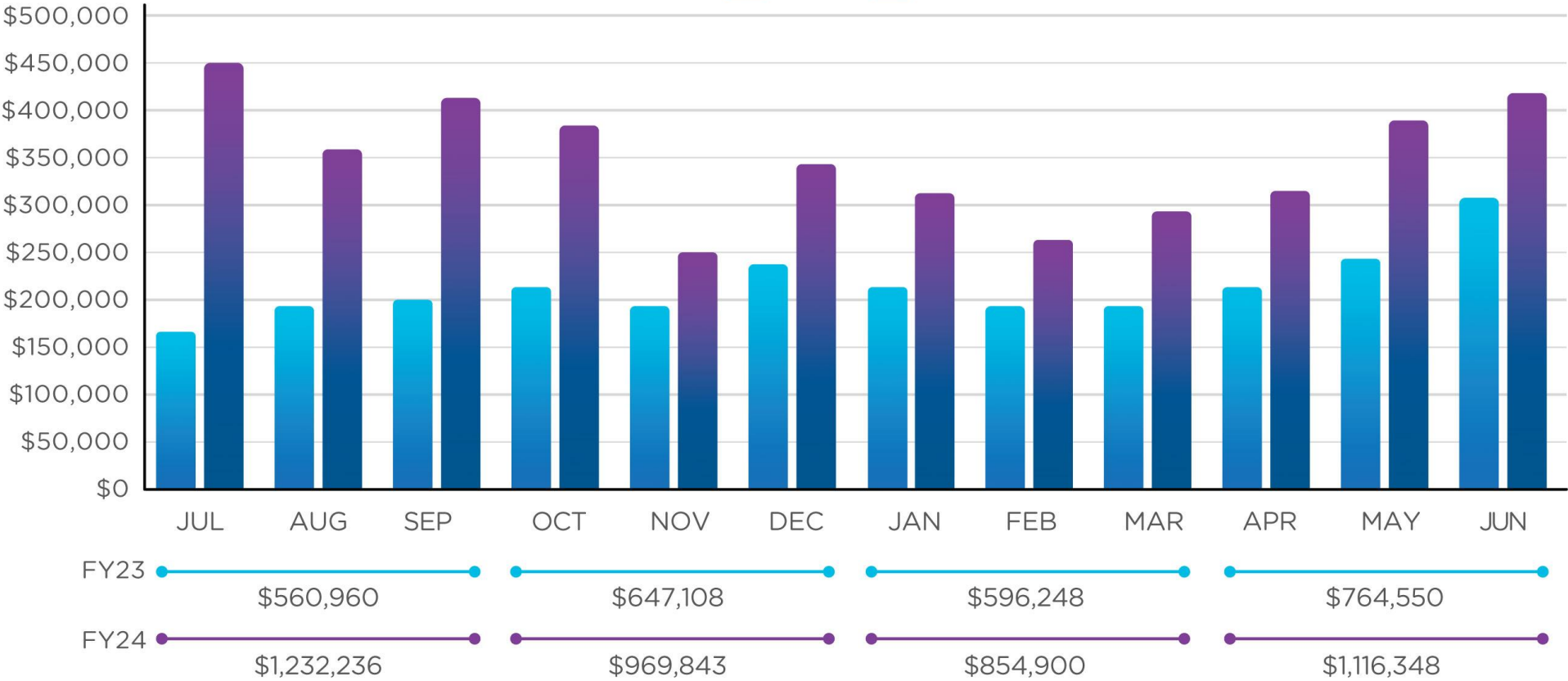




# TTV INCREASED 62.5% TO \$4.2 BILLION

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

FY23 FY24

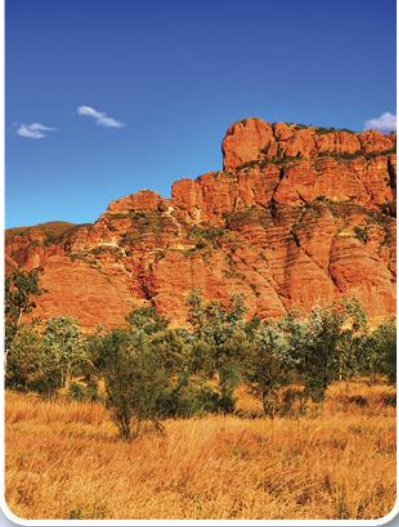


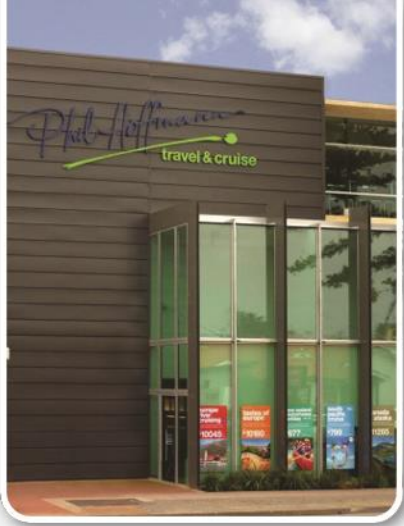


# CEO'S COMMENTS



ANDREW BURNES, AO  
CHIEF EXECUTIVE OFFICER &  
MANAGING DIRECTOR



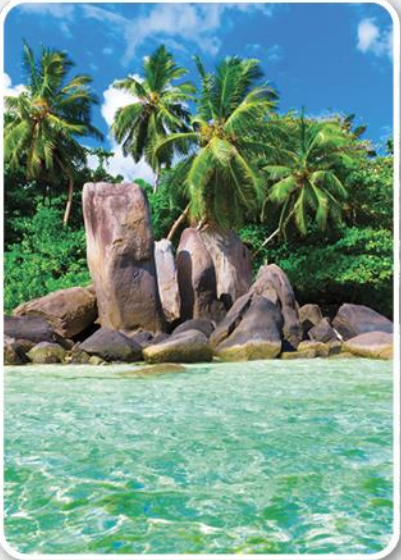


# DEMAND FOR TRAVEL ADVISORS

- The services of a travel agents remains highly valued by travellers and in demand.
- Our networks have over 10,000 travel advisors in our franchise, buying group and broker networks across Australia and New Zealand, offering curated itineraries, booking services and support services while customers are on the road.
- In Australia and New Zealand, it is common to see international leisure travel include multiple destinations and multiple experiences. According to the Council of Australian Tour Operators, the average duration of an international leisure travel trip (from Australia) was 18 days in 2023, with the average number of countries visited being 3.1.
- We know that travel continues to be in demand, and people want the services of a professional to make sure it is done right, and they have the backup of a travel professional if anything goes wrong along the way.







# RETAIL NETWORKS

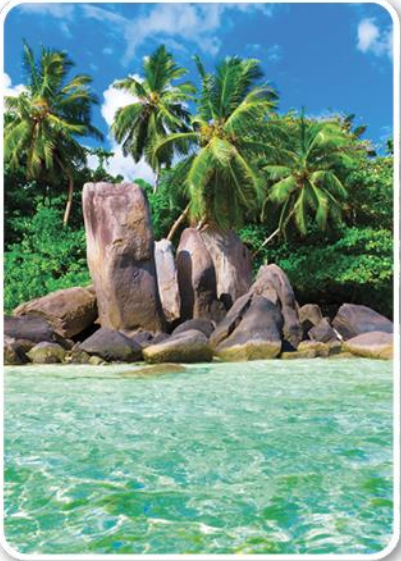
- Helloworld’s network of over 2,700 agents and brokers across Australia and New Zealand is extensive, with a significant footprint representing the retail offerings across both countries. The Company’s bricks and mortar agents thrive in regional areas, suburban shopping centres, traditional strip malls and large-scale shopping centres. Additionally, the Company’s vast mobile agent and broker members reach across any geographic location and have loyal customers who return to them time after time.
- To help grow personnel numbers for our agents, Helloworld launched the Helloworld Travel Academy in Australia in May 2022 and in NZ in March 2023. In FY24 the Helloworld Travel Academy trained over 550 new advisors to the industry all placed in the Helloworld retail network.

BRANDED NETWORK	
ASSOCIATE NETWORK	
MAGELLAN TRAVEL GROUP	
CORPORATE NETWORK	
INDEPENDENT NETWORK	
AUSTRALIAN TRAVEL BROKER NETWORK	
NEW ZEALAND NETWORKS	
EXPRESS TRAVEL GROUP RETAIL BRANDS	





# FY24 FINANCIAL HIGHLIGHTS



## TTV

up 62.5%  
to \$4.2b  
(FY23: \$2.6b)



## REVENUE

up 37.5%  
to \$228.2m  
(FY23: \$165.9m)



## UNDERLYING EBITDA

up 52.9%  
to \$67.5m  
(FY23: \$44.1m)



## UNDERLYING EBITDA MARGIN

of 30.0%  
(FY23: 26.6%)



## PROFIT AFTER TAX

up 60.2%  
to \$30.7m  
(FY23: \$19.2m)



## EARNINGS PER SHARE

19.2 cents  
up 54.8%  
(FY23: 12.4 cents)



## FINAL DIVIDEND

6.0 cents per  
share  
(FY23: 6.0 cents)

## FULL YEAR DIVIDEND

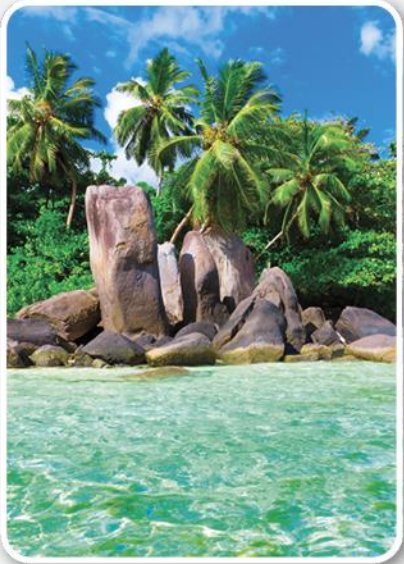
11.0 cents per  
share  
(FY23: 8.0 cents)





## NEW ACQUISITIONS ETG & PHT

- Express Travel Group (ETG) transaction completed in August 2023, and the ETG businesses are now embedded within the Helloworld Group.
- Integration of ETG is complete with efficiencies achieved across both businesses with integration of technologies and core functions.
- During August 2023, Helloworld acquired a 40% stake in Phil Hoffmann Travel (PHT), a South Australian travel agency group. The business performed very well throughout FY24.



## STRONG PERFORMANCE OF MTA

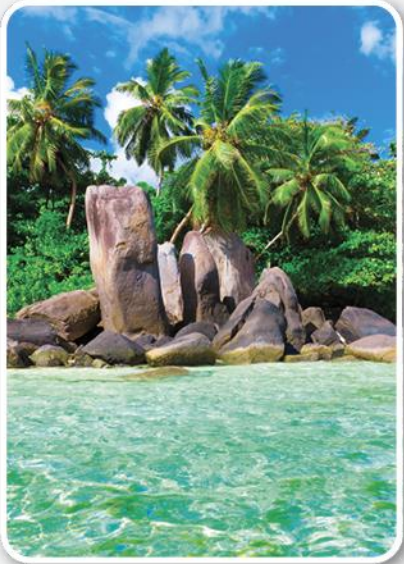
- The Group holds a 50% ownership interest in Mobile Travel Agents (MTA).
- MTA offers home-based travel consulting services provided by mobile consultants throughout Australia.





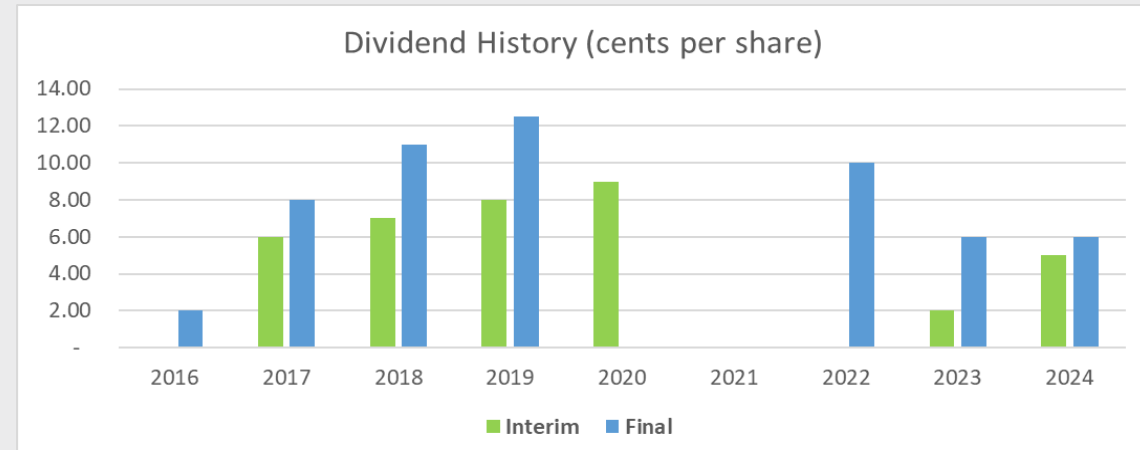
# CAPITAL AND DEBT MANAGEMENT

- Strong liquidity position with significant cash reserves and no bank debt.
- \$63.5 million of operating cash was generated with strong cash generation in the second half (which is seasonally higher than the first half). Includes \$5.9 million of interest income, a reflection of the Group's focused and prudent management of surplus cash.



# DIVIDEND HISTORY

- A fully franked dividend of 6 cents per share was declared on 27 August, which was paid on 19 September 2024.
- Total dividends declared and paid for FY24 is 11 cents per share fully franked, an increase of 37.5% compared with the prior year and reflecting a full year payout ratio of 57%.

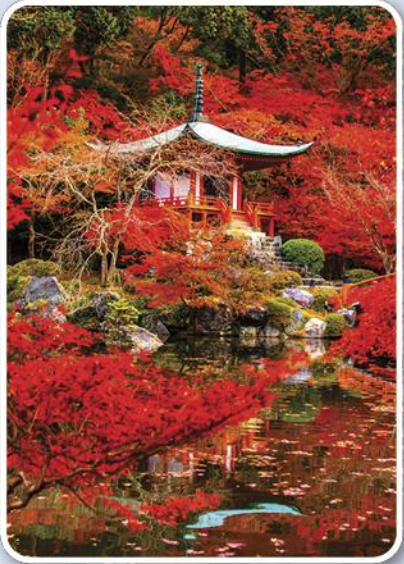


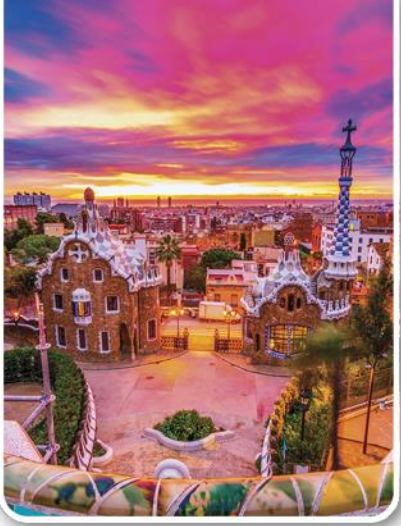




# TECHNOLOGY

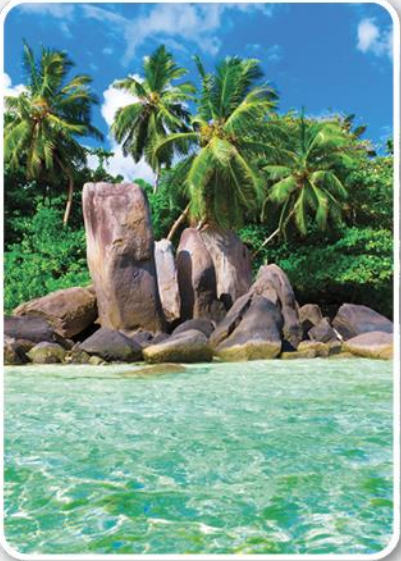
- Throughout FY24 Helloworld continued to invest in technology and innovation across its proprietary systems, to improve overall network functionality, operational efficiency and productivity.
- This investment includes the Company's in-house retail mid-office solution, Resworld. Currently deployed in over 170 agencies across Australia and New Zealand with 800 registered users and we expect this to more than double over the next 12-18 months.
- Helloword's Air Tickets booking system remains at the forefront of ticketing and consolidation offerings with additional enhancements to the SmartSuite of technologies including SmartNDC and SmartRefunds.
- The Company's wholesale hotel solution, ReadyRooms, is also seeing rapid growth in users and sales. It currently features over 300,000 hotels, activities and transfers, providing travel agents with a cutting-edge booking portal.



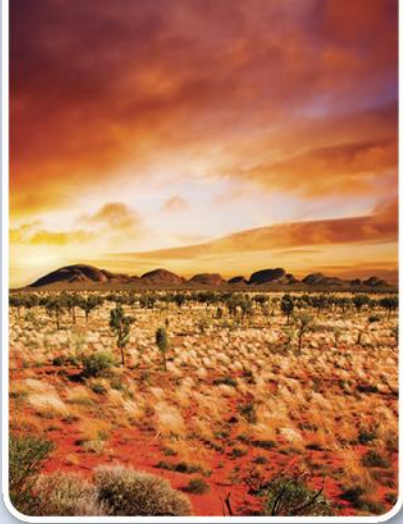


# MARKETING AND EVENTS

- Major campaigns - We continue to invest in significant marketing campaigns in all major metro and regional media outlets across Australia and New Zealand.
- Television show - The Helloworld TV Show is returning for a new season. Created in partnership with and broadcast on the Nine Network, across November and December, featuring impressive destinations across Australia and the world with each episode including strategic advertising and exclusive travel deals following each segment.
- Events – In September 2024, Helloworld launched a new events division called **My Way Travel & Events**. A newly created entity, the vision is to be the premier experience integration provider for ticketed sports and entertainment events globally. Providing a convenient, reliable and streamlined solution for fans trying to secure multiple components of their live event experience. Led by Simon Lethlean and Roger Field, the business has launched product in market so far including Hamilton, MJ the Musical, The Weeknd and Coldplay.





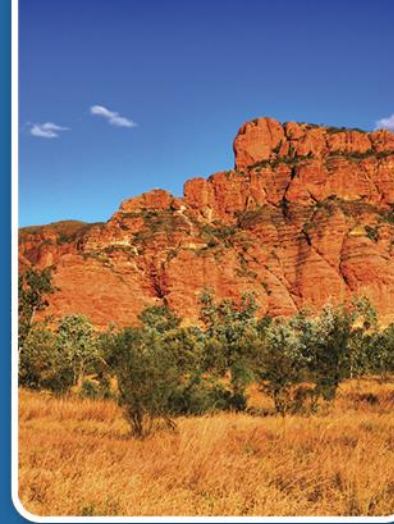


# OUTLOOK

- At the end of FY24 travel numbers in and out of Australia were at 90-100% of FY19 levels, and just slightly lower in New Zealand at 85-95% of FY19.
- ABS data from early October 2024 shows international arrivals and departures continuing to grow year on year, with total arrivals up 8.9% and total departures up 11.1% on FY24.
- Trading results for Q1/25 are positive and broadly in line with our budgets. Wholesale and inbound in Australia are up 55% and 7% respectively on FY24 numbers. New Zealand wholesale increased 42% on FY24 while inbound business is down, but coming off a very low base in Q1.
- The Company's diversified business model allows it to remain focused on growing TTV at profitable margins while carefully controlling costs.
- The Company expects to capitalise on strong demand for leisure travel into 2025 and beyond. However, given the degree of global uncertainty, we are not providing guidance at this time.
- Helloworld is committed to the long-term future of travel agents and brokers and can see the demand for these services shows no signs of lessening.

# THANK YOU

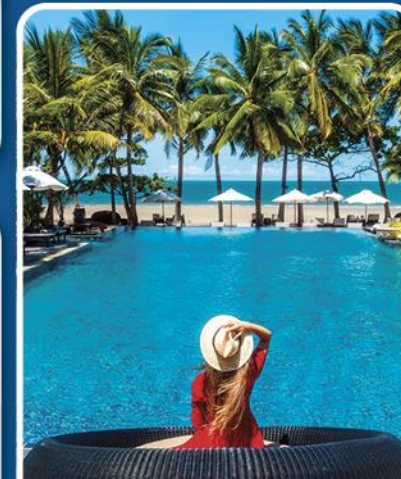
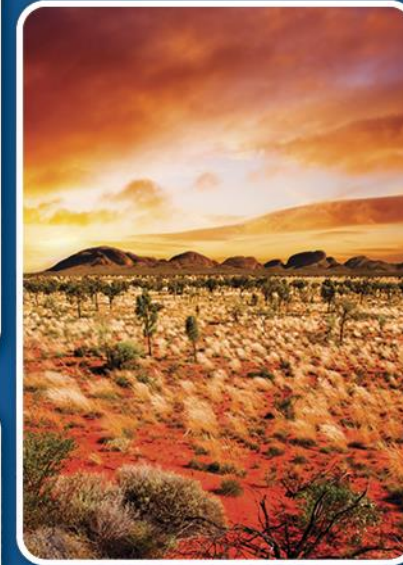
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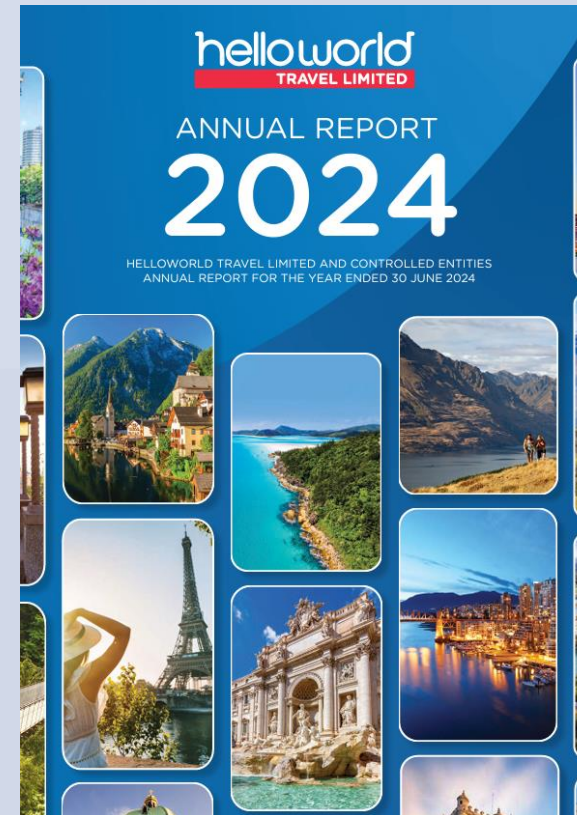
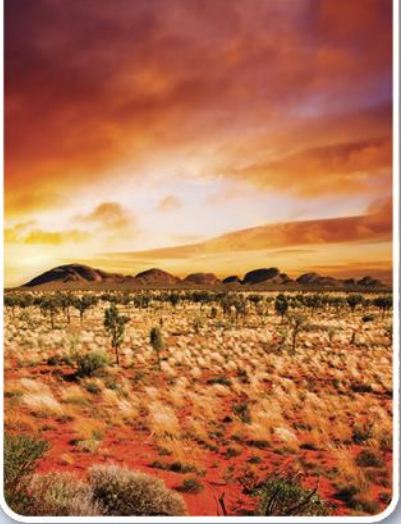
# FORMAL BUSINESS

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# DISCUSSION ON FY24 FINANCIAL STATEMENTS AND REPORTS



## QUESTIONS?

# ADOPTION OF THE REMUNERATION REPORT

## RESOLUTION 1

“To consider and, if thought fit, approve the Remuneration Report, which forms part of the Directors’ Report for the financial year ended 30 June 2024.”

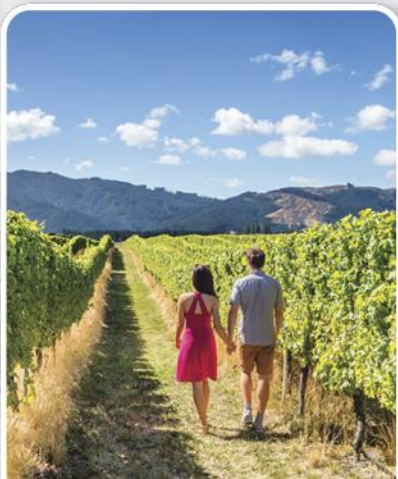
## QUESTIONS?







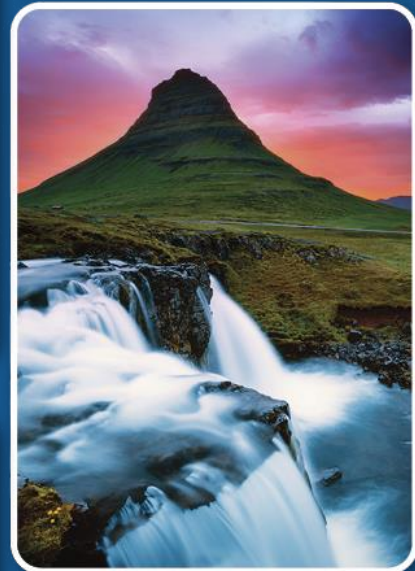
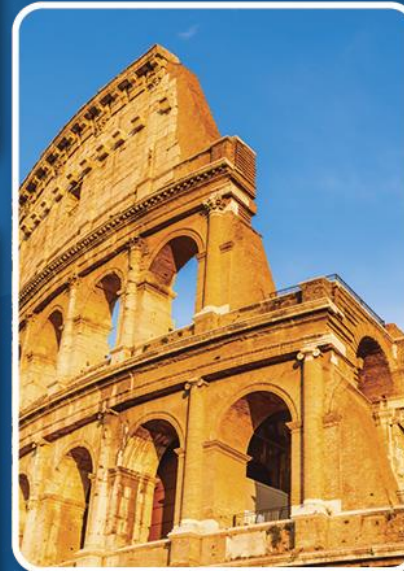
# ADOPTION OF THE REMUNERATION REPORT



Proxy Votes	Number	Percentage
For	29,913,625	98.41
Against	287,196	0.94
Open-Usable	197,082	0.65
Abstain	65,235	-
Excluded	39,460,722	-

# RE-ELECTION OF DIRECTOR

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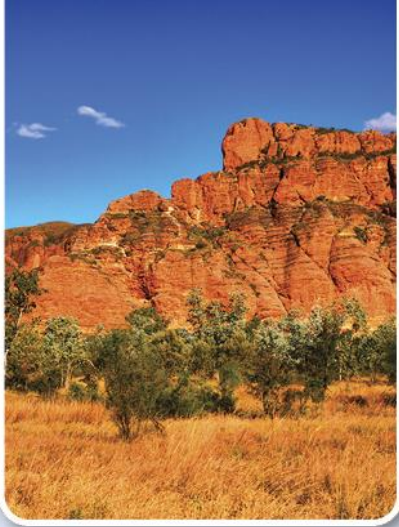
# RE-ELECTION OF DIRECTOR

ROB DALTON



## RESOLUTION 2

“That Rob Dalton, who retires by rotation in accordance with the Company’s Constitution and the ASX Listing Rules and, being eligible, is elected as a Director of HLO.”



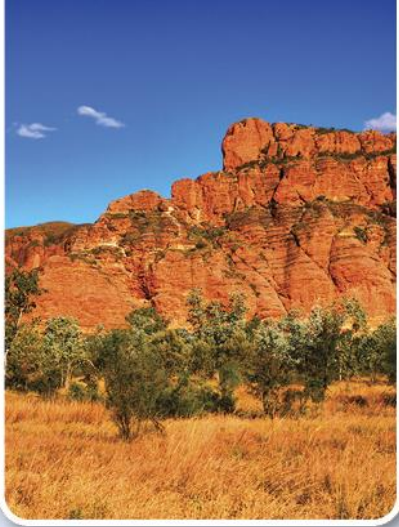


# RE-ELECTION OF DIRECTOR

ROB DALTON



QUESTIONS?



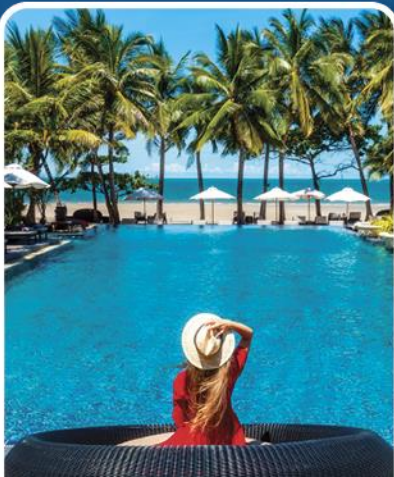
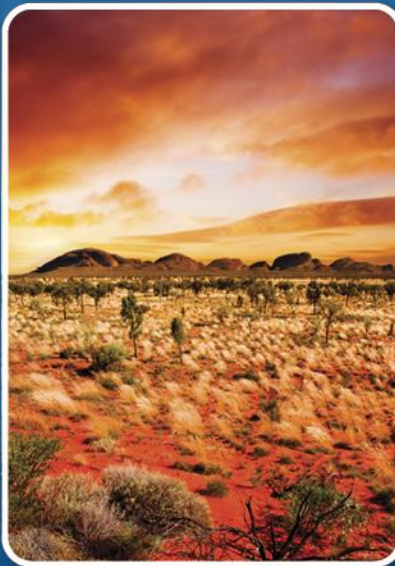


# RE-ELECTION OF DIRECTOR

ROB DALTON

Proxy Votes	Number	Percentage
For	65,519,070	99.47
Against	168,099	0.24
Open-Usable	198,682	0.29
Abstain	38,009	-
Excluded	-	-



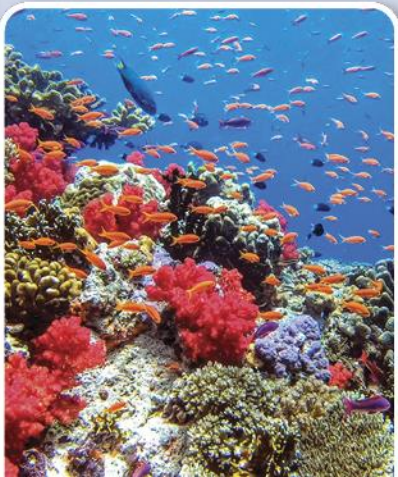
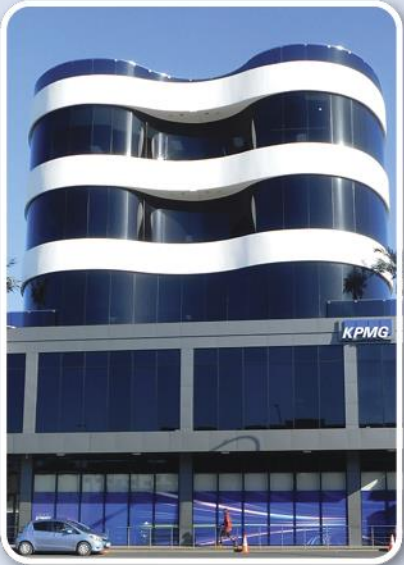


# POLL PROCEDURE



# CLOSURE OF POLL RESULTS OF POLL ANNOUNCED TO ASX

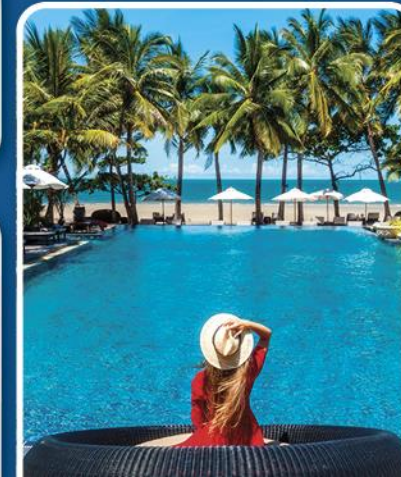
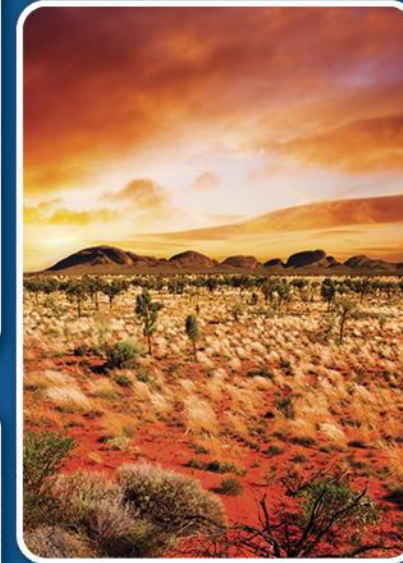
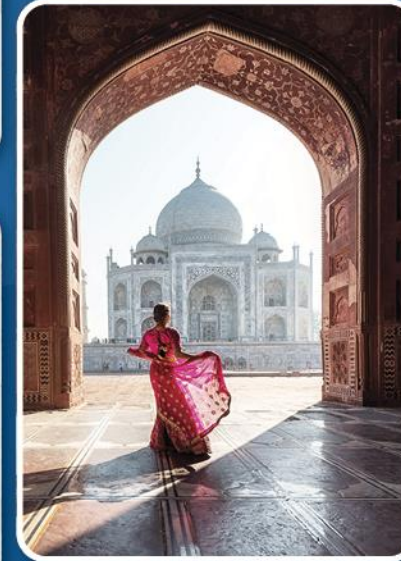
QUESTIONS?



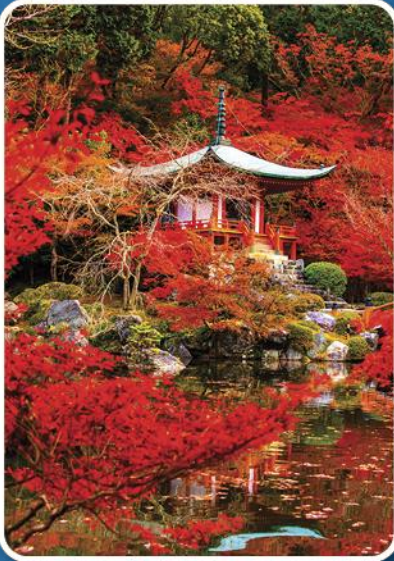
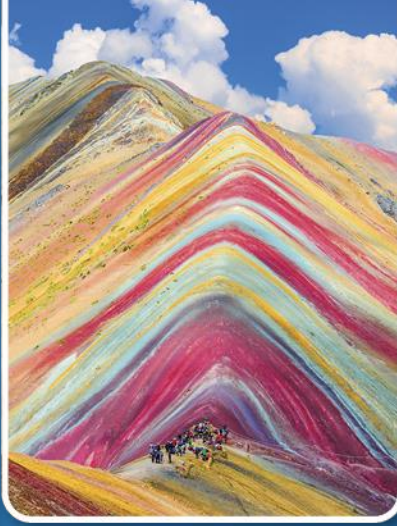
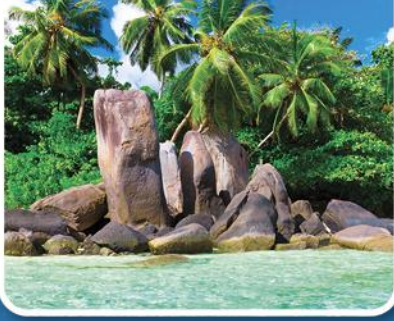


# CLOSURE OF MEETING

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THANK YOU