



2 May 2024

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

Dear Sir/Madam,

Please find attached the Helloworld Travel Limited ASX Release: Trading Update for the March Quarter, 2024.

Yours faithfully,

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



ASX ANNOUNCEMENT

Melbourne, 2 May 2024

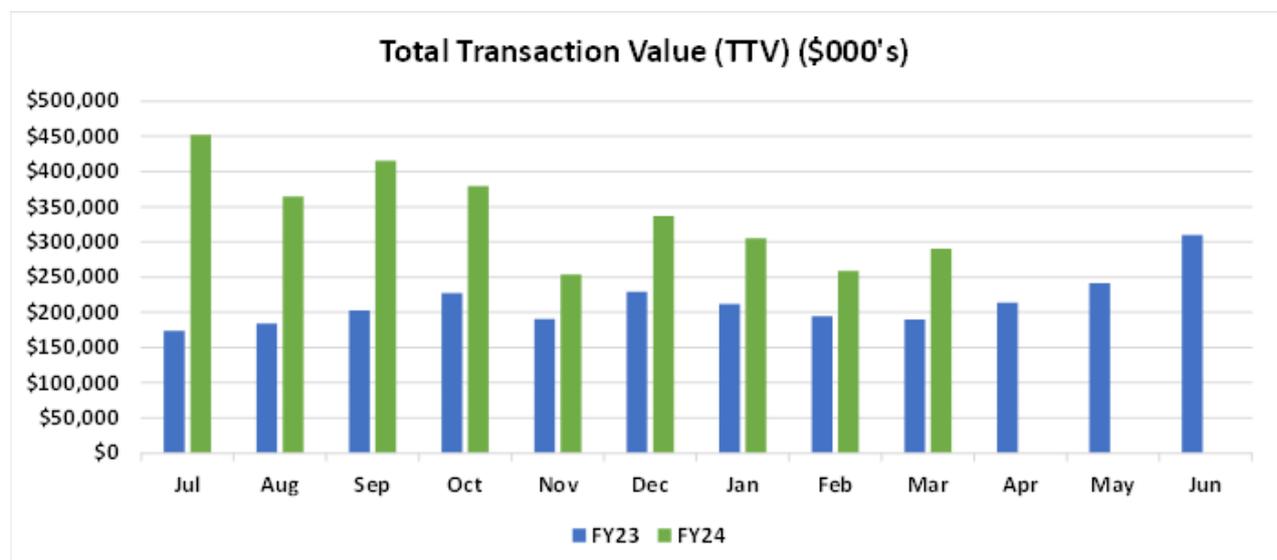
TRADING UPDATE FOR THE MARCH QUARTER, 2024

Helloworld re-affirms full year guidance

Helloworld Travel Limited (ASX: HLO) provides the following trading update for the March quarter, 2024.

Recent trading results

- Underlying EBITDA¹ for the March quarter (unaudited) was \$14.6m compared with \$14.2m in Q3 FY23.
- Total Transaction Value (TTV)² for the March quarter (unaudited) was \$854.9m compared with \$596.2m in Q3 FY23.
- Total revenue for the March quarter (unaudited) was \$55.5m, while the revenue margin³ for the quarter was 6.3% and the underlying EBITDA to revenue margin was 26.3%.
- Underlying EBITDA¹ YTD (unaudited) was \$48.6m compared with \$29.8m YTD FY23 (+63.1%).
- Total Transaction Value (TTV)² YTD (unaudited) was \$3.057bn compared with \$1.804bn YTD FY23 (+69.5%).



Highlights

- Helloworld Travel network agents continue to experience high demand for leisure and corporate travel in Australia and New Zealand. Demand for our inbound services continues to recover and on a geographical basis, Helloworld's Australian, New Zealand and Fijian operations were all profitable in Q3 FY24 including Entertainment Logistix.
- FTE numbers have stabilised at 750 including 480 in Australia, 112 in New Zealand and 137 in Fiji as at the end of March 2024.
- Productivity gains locked in with a 29.0% underlying EBITDA to revenue margin YTD.

HLO Retail / Consolidation

- Helloworld's retail networks in Australia and New Zealand have shown significant TTV growth with travellers taking advantage of airline capacity growth and more competitive airfares.
- Consumers continue to seek out a travel professional to help plan and manage their travel needs.
- In a survey of 1,040 Australian consumers aged 30 and over between 22 March and 9 April 2024 (including 151 participants who had booked with HLO in the last 12 months), the research showed:
 - 93% of travellers prefer to know there is a travel professional they can call on for help if things go wrong while they are on holiday;
 - 86% see value in human service for travel bookings with 74% of people saying the number of online options can be overwhelming and 57% not having much trust in online review sites;
 - 65% of people are likely to use a travel agent to book a domestic holiday and 90% are more likely to use a travel agent to book an international holiday.
- Network numbers across our key agency businesses have stabilised over the last 12 months and we continue to invest in supporting agents with commercial outcomes, marketing, training and on-going systems development.
- As at 31 March 2024, the Helloworld agency and broker networks comprised 2,378 active members across Australia and New Zealand.
- The Helloworld Travel Academy continues to foster the next generation of travel consultants with 433 personnel enrolled in Australia and 35 in New Zealand as at April 2024. These personnel all work in member agencies in Australia and New Zealand while completing formal qualifications in travel.
- Successful integration of Express Travel Group including implementation of Helloworld technologies across the business now completed in AU & NZ.

HLO Wholesale / Inbound

- Helloworld's Wholesale / Inbound division's TTV was up on the prior corresponding period in Australia and New Zealand. While demand for domestic leisure travel has come down from the 2022 peak, demand for international travel and in particular cruise travel has been growing rapidly.
- HLO's wholesale content range continues to grow with programs now distributed and loaded for AU, NZ and FJ, and a further 32 international destinations.
- HLO's Ready Rooms B2C portal now has over 240,000 hotels, apartments and other accommodation options available.

- Our inbound division in AU, NZ and FJ now has active wholesale clients in 42 countries around the world (pre-Covid: 78 countries).

Entertainment Logistix

- After a disappointing first half, Entertainment Logistix (ELX), Helloworld's concert, theatre and event logistics business, recovered in Q3 on the back of major events including Taylor Swift, Pink, Blink 182 and others.
- YTD sales to end March 2024 were \$15.2m, generating a YTD underlying EBITDA of \$842,000.

Outlook

- International and domestic travel demand continues to grow as capacity expands and travellers continue to book complex international travel with longer lead times and higher average per person spend.
- Cruise operations continue to expand capacity both globally and in Australian and New Zealand waters.
- HLO has zero external borrowings and strong liquidity. All recent acquisitions have been funded from internal resources.
- The business continues to invest in its proprietary technologies in ticketing, wholesale and accommodation platforms, and the ResWorld mid-office platform is now in use by over 760 retail travel consultants in Australia and New Zealand.
- HLO reaffirms its guidance to achieve an underlying EBITDA of \$64-\$72m for the FY24 year, subject to no material adverse change in operating conditions over the remainder of the financial year.

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1. Underlying EBITDA represents Earnings before Interest Expense, Tax, Depreciation and Amortisation (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 Board to assess the financial performance of the Group.
 2. Total Transaction Value (TTV) does not represent revenue in accordance with Australian Accounting Standards. TTV represents the price at which travel products and services have been sold across the Group, as agents for various airlines and other service providers, plus revenue from other sources. The Group's revenue is, therefore, derived from TTV. TTV does not represent the Group's cash inflows as some transactions are settled directly between the customer and the supplier.
 3. Revenue margin has been calculated as revenue from contracts with customers as a percentage of TTV.

This announcement has been approved by the Board.

Andrew Burnes, AO
Chief Executive Officer

About Helloworld Travel Limited

- Helloworld Travel Limited (ASX: HLO) is a leading Australian & New Zealand travel distribution company, comprising retail leisure travel and business travel networks, travel broker networks, destination management services (inbound), air ticket consolidation, tourism transport operations, wholesale travel services, online operations, and event-based freight operations, all supported by world class proprietary and non-proprietary distribution systems.
- HLO has 750 personnel located in Australia, New Zealand, Fiji and Greece, and 2,378 members of its travel agency and broker networks in Australia and New Zealand.
- Helloworld Travel is a proud sponsor of the School of St Jude in Tanzania.



INVESTOR CONTACT:

Mike Smith
 Chief Financial Officer
 Helloworld Travel Limited
 +61 3 9867 9600
mike.smith@helloworld.com.au

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