



ASX ANNOUNCEMENT

Melbourne 2 May 2023

HELLOWORLD TO ACQUIRE STAKE IN SA BASED RETAILER PHIL HOFFMANN TRAVEL

Helloworld Travel Limited (ASX: HLO) today announced it had agreed to acquire a 40% stake in Adelaide based retail travel agency business, Phil Hoffmann Travel (PHT).

Founded by Phil Hoffmann in 1990, PHT operates in the retail leisure and corporate travel sectors in South Australia from nine locations with over 150 personnel. It is one of the most successful retail travel operations in Australia and has received the Best Retail Travel Agency Award 12 times at the National Tourism Industry Awards since first winning in 1994.

PHT has been an Associate Member of Helloworld Travel since 2014. Their head office is located in Glenelg with outlets in Nurioopta, Gawler, Hyde Park, Modbury, Norwood, Semaphore, Stirling and Victor Harbour.

The consideration for the acquisition will be funded from HLO's existing cash reserves.

HLO will be acquiring 40% of the business from Phil Hoffmann together with an option to acquire the remaining 10% of Mr Hoffmann's shareholding in the next three years while CEO and Director Peter Williams will retain his shareholding in the business.

The acquisition will be earnings accretive in FY24 and beyond. The consideration represents an FY23 EBITDA multiple of approximately six times forecast earnings for PHT.

Andrew Burnes AO, CEO and Managing Director of Helloworld Travel Limited said "We are delighted to announce our investment in PHT. They have been one of the most iconic brands in retail and corporate travel for many years and throughout that time have supported Helloworld as part of our Associate network and through our Viva Holidays, Sunlover Holidays, CruiseCo and Ready Rooms wholesale operations."

"Both Phil Hoffmann and Peter Williams are extraordinary travel professionals and have a vast knowledge of leisure and corporate travel customers in South Australia. We have been closely involved with them over many years and are looking forward to an even closer involvement through our stake in the business" Mr Burnes continued.

Phil Hoffmann said that he was delighted to see HLO taking a stake in the business and would continue with his involvement in PHT in the years ahead.

"PHT has been my professional life for the last 33 years and I am delighted to see HLO now partner up with myself and Peter to continue developing the business into the future. I see this new formal partnership between Helloworld and Phil Hoffmann Travel as an exciting opportunity for our respected brand, which will ensure both our clients and our fantastic team continue to enjoy the service, creativity and professionalism that they have been used to for over 30 years."

Peter Williams, Chief Executive Officer of Phil Hoffmann Travel said, "We see this strategic partnership as the perfect opportunity to invest in the unlocked potential of Phil Hoffmann Travel and support our vision of growth and expansion, whilst providing our team with an exciting future"

The transaction is expected to settle early July 2023.

Andrew Burnes, AO
Chief Executive Officer

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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 systems.
- HLO has over 700 staff located in Australia, New Zealand, Fiji and Greece, and over 2000 members of its travel agency networks in Australia and New Zealand.
- Helloworld Travel is a proud sponsor of the School of St Jude in Tanzania.

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