



ASX ANNOUNCEMENT

Melbourne, 2 August 2023

TRADING UPDATE FY23

Helloworld increases FY23 guidance

Helloworld Travel Limited (ASX: HLO) provides the following update for the full financial year ending 30 June 2023.

Revised guidance

- HLO has increased its FY23 guidance for underlying EBITDA¹ for the full financial year to \$42m-\$45m. This compares to an underlying EBITDA loss of \$10.6m (on a continuing operations basis) in the previous year.
- Total Transaction Value (TTV²) should exceed \$2.56 billion for the full year, up from the previous year by 138%.
- Helloworld continues to control its costs and deliver improving EBITDA to revenue margin outcomes.
- All geographic segments are now running profitably.

ETG transaction approved

- On Wednesday 26 July 2023, HLO shareholders unanimously approved the acquisition of ETG and this is expected to complete shortly. This should add additional underlying EBITDA of \$11m-\$12m in the FY24 year.

Forward outlook

- Helloworld has no external borrowings and strong liquidity. The ETG acquisition will be fully funded from existing cash reserves.
- Leisure travel demand continues to hold up strongly on both sides of the Tasman.
- Inbound arrivals to Australia and New Zealand continue to improve from western markets while demand across traditional Asian markets remains slow. We expect to see this improve significantly in 2024.
- Cruise capacity continues to increase with cruise bookings now being taken through to the end of 2024 and early 2025.
- HLO continues to invest in our key technology platforms - Air Tickets, ResWorld, Mango and Ready Rooms, creating world class distribution platforms for our business and networks.

- HLO has transitioned over 800 agents from ETG ticketing systems to HLO ticketing systems over the last month.
 - Ready Rooms, our B2B hotel booking engine, has expanded its product range and is expected to double TTV in FY24.
 - Resworld, our agency mid-office system has now been rolled out across the Tasman and we expect to roll it out in Europe in the second half of FY24.
- HLO will be releasing its annual report and final audited accounts on Monday 28 August 2023.

This announcement has been approved by the Board.

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

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1. Underlying EBITDA represents Earnings before Interest, Taxation, 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 the Board to assess the financial performance of the Group and operating segments.
 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 cash inflows as some transactions are settled directly between the customer and the supplier.

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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 distribution systems.
- HLO has over 750 staff located in Australia, New Zealand, Fiji and Greece, and over 2,000 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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