



## ASX ANNOUNCEMENT

Melbourne, 24 September 2024

### **HELLOWORLD ISSUES FRANCHISEE MEMBERS WITH LOYALTY SHARES**

Helloworld Travel Limited (HLO) today announced that it was issuing 2.5 million shares to its agents under its latest franchisee share loyalty program.

The shares, which have a total value of over \$4.5 million, will be allocated by the end of October 2024 to members of the Branded and Associate networks in Australia and New Zealand, together with members of the Alatus network in Australia. Members will receive shares in return for their continued commitment to the brands.

HLO Chief Executive Officer and Managing Director, Andrew Burnes, AO, said he was delighted with the most recent re-sign process which saw over 320 agents re-sign for terms between 3 and 5 years with the business and he thanked members for their continued commitment.

“This reaffirms Helloworld’s position as the leading franchise network in Australia and New Zealand. The franchise members are a part of our broader group which also includes our buying group networks and our broker networks on both sides of the Tasman.”

“We’re seeing airfares returning to what some might call ‘normal’, but the good news is this is driving increased demand, and consequently, ticket volumes over the last few months are up. The other significant shift is that sales of our preferred non-air products are also up anywhere between 5% and 25% with people taking the savings on their airfares and putting this into longer stays, bigger cabins, upgraded hotels and other upgraded services, which is a very positive outcome for the industry more broadly.”, said Mr Burnes.

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

- ENDS -

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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 businesses have over 900 staff located in Australia, New Zealand, Fiji and Greece, and over 2,700 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  
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# Helloworld Travel Limited ACN 091 214 998

ASX: HLO

Prospectus

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This Prospectus relates to potential offers of up to 2,500,000 Shares to selected branded and associate retail network franchisees and members of the HLO group pursuant to the terms and conditions set out in this Prospectus. Only eligible franchisees and members in the HLO network may apply for the Shares offered under this Prospectus.

## **IMPORTANT NOTICE**

This document is important and should be read in its entirety. It is a prospectus issued pursuant to section 713 of the Corporations Act.

If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

# Helloworld Travel Limited ACN 091 214 998

## Prospectus

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<b>Corporate directory</b>	<b>2</b>
<b>Summary of the Offer</b>	<b>3</b>
1. <b>Important notices</b>	<b>7</b>
2. <b>Details of Offer</b>	<b>9</b>
3. <b>Purpose and use of funds</b>	<b>13</b>
4. <b>Effect on Helloworld</b>	<b>14</b>
5. <b>Rights and liabilities attaching to the Shares</b>	<b>17</b>
6. <b>Risk factors</b>	<b>20</b>
7. <b>Additional information</b>	<b>24</b>
<b>Glossary</b>	<b>35</b>

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# Corporate directory

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## Directors

Garry Hounsell (Chairman)  
Andrew Burnes, AO (Chief Executive Officer  
and Managing Director)  
Cinzia Burnes  
Rob Dalton  
Hon. Martin Pakula  
Leanne Coddington

## Registered Office

179 Normanby Road  
South Melbourne Vic 3205  
Australia  
Telephone +61 3 9867 9600

## Group Company Secretary

Sylvie Moser

## Chief Financial Officer

Mike Smith

## Share Registry

Computershare Investor Services Pty Limited  
Yarra Falls, 452 Johnston Street,  
Abbotsford, VIC 3067,  
Australia

[www.computershare.com](http://www.computershare.com)  
1300 850 505 (within Australia)

+61 3 9415 4000 (outside Australia)

## Solicitors

MinterEllison  
Level 20, 447 Collins Street,  
Melbourne, Victoria 3000  
Australia

## Auditor

Ernst & Young  
8 Exhibition Street  
Melbourne Vic 3000

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# Summary of the Offer

Topic	Details	Where to find more information
<b>What is the Offer?</b>	This Prospectus relates to the Offer to be made by Helloworld to eligible Franchisees for no monetary consideration for the issue of up to a total of 2,500,000 Shares, in accordance with the terms and conditions set out in this Prospectus.	Section 2.1
<b>What is the purpose of the Prospectus?</b>	The Prospectus has been prepared in accordance with section 713 of the Corporations Act for the purpose of: <ul style="list-style-type: none"> <li>▪ making available Shares to Franchisees for no monetary consideration under a prospectus; and</li> <li>▪ enabling the relevant Shares to be freely traded and without restriction under section 707(3) of the Corporations Act after the Vesting Date,</li> </ul> in accordance with the terms and conditions set out in this Prospectus.	Section 2.2
<b>Application for Shares</b>	An application for Shares can only be made by Franchisees and only by using an Application Form, and in accordance with the instructions set out in the Application Form. A duly completed Application Form must be emailed or mailed to Helloworld as set out in this Prospectus (or otherwise provided for in an Offer Letter).  Franchisees are eligible to apply for Shares.	Section 2.4
<b>Opening and Closing Dates</b>	The Opening Date is 24 September 2024, and the Closing Date is 5.00 pm (Melbourne time) 15 October 2024.	Section 2.6
<b>Eligible Franchisees</b>	Franchisees who have provided a written intention to HLO to enter into a franchise agreement by the Opening Date are eligible to participate and be allocated Shares under the Offer.  If a Franchisee has not executed the franchise agreement in accordance with its written	Section 2.3

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Topic	Details	Where to find more information
	intention on or before 31 October 2024 (or a later date approved by HLO), then no Shares will be issued to the Franchisee under this Prospectus and the Franchisee will no longer be considered an eligible Franchisee.	
<b>Escrow and forfeiture</b>	<p>All Shares issued will be escrowed until and including 31 October 2026 (<b>Vesting Date</b>) and may not be transferred until after the Vesting Date. Helloworld reserves the right however to determine a different Vesting Date for a Franchisee offered Shares under this Prospectus.</p> <p>Subject to certain conditions, if a Franchisee issued with Shares is no longer a member of the Helloworld network on or before the Vesting Date, the Shares issued to the Franchisee (and held in escrow) under this Prospectus will be forfeited. Helloworld as the Franchisee's attorney will effect the forfeiture of Shares through a sale of those Shares at a time and for a price as Helloworld determines in its sole and absolute discretion. The Franchisee will be entitled to receive a total of \$1 consideration (or \$NZ1 if the Franchisee is based in New Zealand) as a result of the sale of all their forfeited Shares. As the Franchisee's attorney (and as authorised by the Franchisee), Helloworld will direct the payment of the net proceeds of sale of the forfeited Shares to Helloworld (after payment of any applicable brokerage and payment of \$1 to the relevant Franchisee to the Franchisee's nominated Australian bank account, or in the case of a New Zealand based Franchisee payment of \$NZ1 to the Franchisee's nominated NZ bank account). The net proceeds received by Helloworld will be retained by Helloworld for its own use and benefit.</p>	Section 2.3
<b>Risk Factors</b>	Eligible Franchisees who choose to apply for Shares may be exposed to risks, including but not limited to the following factors which could affect Helloworld's future financial performance and conduct of its businesses:	Section 6

Topic	Details	Where to find more information
	<ul style="list-style-type: none"> <li>• changes in economic conditions within and outside Australia;</li> <li>• commercial and operational risks (for example loss or bankruptcy of major clients or suppliers, increased competition or business interruption);</li> <li>• technical problems with internet or operating platforms which Helloworld relies on heavily in operating its business;</li> <li>• fluctuating levels of demand for travel services offered by Helloworld;</li> <li>• reliance on key personnel;</li> <li>• termination or non-renewal of key client contracts;</li> <li>• fluctuation of market price of Helloworld shares;</li> <li>• exposure to fluctuations in foreign exchange rates;</li> <li>• competition from Australian and international travel companies including online travel companies and travel product suppliers;</li> <li>• agent network closure;</li> <li>• changes in regulatory and legal environment applicable to Helloworld's operations;</li> <li>• inability to maintain and update Helloworld's technology platforms;</li> <li>• loss of reputation or adverse impact on branding;</li> <li>• material litigation or industrial actions; and</li> <li>• changes in interest rates impacting on interests paid by Helloworld and impacting on consumer sentiment.</li> </ul>	
<p><b>How do the Shares which may be issued under this Prospectus rank in comparison to existing Shares?</b></p>	<p>All Shares issued under this Prospectus will rank equally in all respects with existing Shares from the date of their issue.</p>	<p>Section 2.1</p>



Topic	Details	Where to find more information
<b>What is the effect of the Offer on Helloworld?</b>	The effect of the Offer on the capital structure and financial position of Helloworld is described in Section 4.  The Offer will not have a material effect on the control of Helloworld.	Section 4
<b>Enquiries</b>	Any enquiries concerning the Offer should be directed to Mike Smith, Chief Financial Officer, at Helloworld on email <a href="mailto:CompanySecretary@helloworld.com.au">CompanySecretary@helloworld.com.au</a>	-

# 1. Important notices

## 1.1 General

This Prospectus is dated 24 September 2024 and has been lodged with ASIC. ASIC and its officers take no responsibility for the content of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities will be issued on the basis of this Prospectus later than the Prospectus Expiry Date.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by Helloworld in connection with this Prospectus.

This Prospectus has been prepared in accordance with Section 713 of the Corporations Act, which allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus, regard has been had to the fact that Helloworld is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

To the extent that statements in this Prospectus constitute statements relating to intentions, future acts and events, such statements are generally classified as forward looking statements and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or implicitly portrayed in this Prospectus.

The Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this document under the laws applicable in that jurisdiction.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and any person into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not take into account the investment objectives, financial situation and particular needs of any person. Professional advice should be obtained before deciding to invest in any securities the subject of this Prospectus. No cooling off period applies to the acquisition of any Shares offered under this Prospectus. Helloworld is not licensed to provide financial product advice in relation to Shares or any other financial products.

## 1.2 Defined terms

Certain abbreviations and other defined terms are used throughout this Prospectus. Details of the definitions and abbreviations used are set out in the Glossary. All financial amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated. \$ means Australian dollars and \$NZ means New Zealand dollars. Numbers used in this Prospectus may be subject to rounding.

References to time in this Prospectus are to the legal time in Melbourne, Australia.

## 1.3 Website

Any references to documents included in Helloworld's website at [www.helloworldlimited.com.au](http://www.helloworldlimited.com.au) are provided for convenience only and none of the documents or other information on the website is incorporated by reference into this Prospectus.

## 1.4 Risk factors

An investment in the Shares involves a number of risks, the key risk factors of which you should be aware are set out in Section 6. These risks, together with other general risks applicable to all investments in securities not specifically referred to, may affect the value of the Shares.

## 2. Details of Offer

### 2.1 Offer

The Offer is being made solely to, and may only be accepted by, eligible Franchisees.

All of the Shares issued under this Prospectus will rank equally with the Shares on issue at the date of issue of the Shares. Please refer to Section 5 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares.

This Prospectus has been prepared in accordance with section 713 of the Corporations Act. Up to 2,500,000 Shares may be issued under this Prospectus and in accordance with the terms and conditions set out in this Prospectus (refer to Section 2.3).

The opening date of the Offer is 24 September 2024 (**Opening Date**) and the closing date of the Offer is 5.00 pm (Melbourne time) 15 October 2024 (**Closing Date**). Helloworld reserves the right to extend the duration of the Offer or to close the Offer early without notice.

Helloworld is already included in the official list of the ASX (ASX: HLO) and the ASX Listing Rules apply to all ordinary shares issued by Helloworld.

### 2.2 Purpose of the Offer

In recognition of the commitment made by branded and associate retail network franchisees and members to the Helloworld Group, eligible Franchisees will be invited to apply for Shares for no monetary consideration. The Offer underpins the Helloworld Group strategy of rewarding loyalty displayed by Franchisees and the issue of Shares under this Prospectus is intended to facilitate building a strong member network.

### 2.3 Terms and conditions of the Offer

A separate Offer Letter, accompanied by a copy of this Prospectus, will be provided to each eligible Franchisee, detailing the specific number of Shares offered to the Franchisee and will be subject to the terms and conditions set out below.

- (a) All Shares issued will be escrowed until and including 31 October 2026 (being the Vesting Date, although Helloworld reserves the right in its absolute discretion to specify in the separate Offer Letter to an eligible Franchisee an alternative date as the Vesting Date). The alternative date may be earlier or later than the date specified above as the Vesting Date and the shares may not be transferred or otherwise dealt with until after the Vesting Date. By applying for Shares, you agree as the applicant to:
  - (i) the transfer and other restrictions described in Section 5.1 of this Prospectus;
  - (ii) receive and be bound by a restriction notice in relation to the Shares if Helloworld determines in its discretion to issue it;

- (iii) the application of a Holding Lock to the Shares you are issued under this Prospectus;
  - (iv) the forfeiture and sale of the Shares in the circumstances set out in Sections 2.3(d) and 2.3(e); and
  - (v) irrevocably appoint Helloworld and any person nominated by Helloworld from time to time jointly and severally, as the applicant's attorney (**Attorney**) to do all acts, matters or things (including giving instructions to a broker to execute a sale and the execution of an instrument of transfer of the Shares and the giving of instructions to effect an electronic transfer of the Shares), which the Attorney considers necessary or desirable in order to give effect to the forfeiture or sale referred to in this Section 2.3, including disposing of the escrowed Shares and providing a good discharge for the receipt of the proceeds of sale.
- (b) Shares held in escrow will be entitled to dividends paid by Helloworld (if any) equally with existing Shares.
  - (c) Franchisees who have provided a written intention to HLO to enter into a franchise agreement by the Opening Date are eligible to participate and be allocated Shares under the Offer. However, if a Franchisee has not executed the franchise agreement in accordance with its written intention on or before 31 October 2024 (or a later date approved by HLO), then no Shares will be issued to the Franchisee under this Prospectus and the Franchisee will no longer be considered an eligible Franchisee.
  - (d) Subject to paragraph (f) below, if the Franchisee is no longer a member of the Helloworld network on or before the Vesting Date, the Shares issued to the Franchisee (and held in escrow) under this Prospectus will be forfeited.
  - (e) Helloworld as the Franchisee's attorney will effect the forfeiture of Shares through a sale of those Shares at a time and for a price as Helloworld determines in its sole and absolute discretion. The Franchisee will be entitled to receive a total of \$1 (NZ\$1 if the Franchisee is based in New Zealand) consideration as a result of the sale of all their forfeited Shares. As the Franchisee's attorney (and as authorised by the Franchisee), Helloworld will direct the payment of the net proceeds of sale of the forfeited Shares to Helloworld (after payment of any applicable brokerage and payment of \$1 or \$NZ1 to the relevant Franchisee). Payment of the net proceeds will be retained by Helloworld for its own use and benefit.
  - (f) If an agency is subsequently sold to a third party by a Franchisee who has been issued Shares under this Prospectus, the vendor Franchisee will continue to be entitled to the Shares (and any dividends payable on the Shares) if the new owner of the agency remains in the Helloworld network up to and including the Vesting Date.

Helloworld reserves the right to accept applications under, and issue Shares pursuant to, the Offer prior to the Closing Date and the close of the Offer. Unless determined by

Helloworld, any such acceptance or issue is not taken to change the Closing Date or close the Offer.

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## 2.4 Acceptance of Offer

The Offer may only be accepted by eligible Franchisees.

Applications for Shares under the Offer must be made by Franchisees using the personalised Application Form accompanying this Prospectus. The Directors reserve the right to issue Shares pursuant to the Offer at their absolute discretion.

A duly completed application form may be provided by:

Email (HLO preferred) to: [CompanySecretary@helloworld.com.au](mailto:CompanySecretary@helloworld.com.au)

Post to: Company Secretary, 179 Normanby Road, South Melbourne, Vic. 3205

## 2.5 ASX quotation

Helloworld will apply to ASX within 7 days after the date of this Prospectus for the Official Quotation of Shares issued under this Prospectus.

The fact that ASX may subsequently grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of Helloworld or the Shares offered under this Prospectus.

## 2.6 Timetable

Lodgement of the Prospectus with ASIC	24 September 2024
Opening Date	10.00am (Melbourne time) on 24 September 2024
Closing Date	5.00pm (Melbourne time) on 15 October 2024

The dates above and other dates referred to in this Prospectus (except the date of the Prospectus) are indicative only. Subject to the ASX Listing Rules and the Corporations Act, Helloworld may amend the timetable in its sole and absolute discretion.

### 3. Purpose and use of funds

No funds will be raised by this Offer.

The expenses of the Offer will be met from Helloworld's working capital.

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## 4. Effect on Helloworld

### 4.1 Effect of Offer

An issue of the Shares under this Prospectus will have an effect on the capital structure and the financial position of Helloworld.

As no funds will be raised under this Offer, it is expected that, after taking into account the expenses of this Offer, there will be a net decrease to Helloworld's cash reserves. It is estimated that the expenses of this Offer will amount to approximately \$75,000.

### 4.2 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue in Helloworld (on an undiluted basis) are set out below:

Shareholder	Number of Shares held	%
The Burnes Group and Associates	39,191,832	24.34
Sintack Pty Ltd and Associates	23,946,957	14.88
FIL Limited	14,475,534	8.99

### 4.3 Impact on control of Helloworld

The issue of the Shares under this Prospectus is not expected to have any effect on the control of Helloworld.

### 4.4 Pro-forma balance sheet

The pro-forma balance sheet as at 30 June 2024 shown below has been prepared to reflect the changes to Helloworld's financial position assuming completion of the offer of the Shares pursuant to this Prospectus as at that date.

The pro-forma balance sheet has been prepared and presented in accordance with the recognition and measurement principles of the Australian Accounting Standards (including the Australian Accounting Interpretations), made by the Australian Accounting Standards Board, which are consistent with International Financial Reporting Standards and interpretations as issued by the International Accounting Standards Board. The pro-forma balance sheet is presented in an abbreviated form and does not contain all of the disclosures, statements or comparative information required by the Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The pro forma balance sheet has been derived from Helloworld's audited financial statement for the year ended 30 June 2024 and adjusted for the effect of the transactions contemplated in this Prospectus as if they occurred on 30 June 2024. The audited financial statements of Helloworld for the year ended 30 June 2024 have been prepared in accordance with Australian Accounting Standards and the Corporations Act.

The pro-forma balance sheet assumes that the Offer is completed on 30 June 2024 which involves the following event:

- issue of up to 2,500,000 Shares for no monetary consideration under this Prospectus and associated offer costs, assuming all Shares vest on the Vesting Date in accordance with the terms and conditions set out in section 2.3.

	As at 30 June 2024	
	Actual	Pro forma
	\$'000	\$'000
<b>Assets:</b>		
Cash and cash equivalents	161,752	161,752
Other current assets	91,918	92,968
Non-current assets	360,378	363,878
Total assets	614,048	618,598
<b>Liabilities:</b>		
Current liabilities	228,003	228,003
Non-current liabilities	57,699	57,699
Total liabilities	285,702	285,702
Net assets	328,346	332,896
<b>Equity:</b>		
Issued capital	487,631	492,181
Reserves	(10,001)	(10,001)
Accumulated losses	(149,864)	(149,864)
Non-controlling interest	580	580
Total equity	328,346	332,896

*Note: The fair value of the shares issued has been recorded as a current asset and a non-current asset in the proforma balance sheet. These assets will be amortised to profit & loss over the term of the franchise and member agreements. The shares have been valued at the closing share price on 12 September 2024 (\$1.82).*

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#### 4.5 Effect on capital structure

The effect of the Offer on the capital structure of Helloworld is set out below. The below table assumes that prior to the Closing Date there will be no other Shares issued by Helloworld other than those offered under this Prospectus.

<b>Capital Structure</b>	<b>Number on Issue</b>
Shares currently on issue	160,979,622
Maximum number of Shares issued under the Prospectus	2,500,000
Total number of Shares on issue assuming the maximum number of Shares are issued under this Prospectus	163,479,622
Percentage which the maximum number of Shares offered under this Prospectus represents, as a percentage of the total number of Shares on issue	1.55%

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## 5. Rights and liabilities attaching to the Shares

### 5.1 Shares

#### (a) General

The Shares issued under this Prospectus will be fully paid ordinary shares and will, as from their issue, rank equally in all respects with all Shares then on issue. The Shares will be governed by the Corporations Act, the ASX Listing Rules and the Constitution. The following is a summary of the more significant rights and liabilities attaching to the fully paid ordinary shares on issue in Helloworld. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should obtain independent legal advice.

Full details of the rights attaching to Shares are set out in the Constitution which is available on the Helloworld Limited website at [www.helloworldlimited.com.au/corporate-governance/](http://www.helloworldlimited.com.au/corporate-governance/). In applying for Shares under this Prospectus, the applicant agrees that it and any Shares issued to the applicant are bound by the terms of the Constitution.

#### (b) General meetings and notices

Each Shareholder will be entitled to receive notices of general meeting of Helloworld.

Shareholders are entitled to be present in person, or by proxy, attorney or representative (in the case of a Shareholder who is a body corporate) to attend and vote at general meetings of Helloworld.

Shareholders may request meetings in accordance with section 249D of the Corporations Act and the Constitution and call meetings in accordance with section 249F of the Corporations Act.

Each Shareholder will be entitled to receive all notices, accounts and other documents required to be sent to Shareholders in accordance with the Constitution, the ASX Listing Rules and the Corporations Act.

#### (c) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative (in the case of a Shareholder who is a body corporate);
- (ii) on a poll, every Shareholder present in person, or by proxy, attorney or representative has one vote;
- (iii) on a poll, every Shareholder present in person, or by proxy, attorney or representative (in the case of a Shareholder who is a body corporate) has

one vote for each Share held and in the case of partly paid shares, that proportion of a vote as is equal to the proportion which the amount paid up on that Shareholder's share bears to the total issue price for that share (excluding calls paid in advance of the due date for payment); and

- (iv) subject to the Corporations Act and the ASX Listing Rules, in the case of an equality of votes, the Chairman has a casting vote in addition to the Chairman's deliberative vote (if any).

(d) Dividend rights

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, Helloworld may from time to time pay dividends as the Directors so resolve. All dividends must be paid according to the amounts credited as paid on the fully paid (not partly paid) shares and paid proportionally to the amounts paid for the shares during any part or parts of the period in respect of which the dividend is paid.

Helloworld must not pay interest on unpaid dividends.

(e) Winding-up

If Helloworld is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders in kind the whole or any part of the property of Helloworld and may, for that purpose, set such value as the liquidator considers fair upon any property to be so divided and may decide how the division is to be carried out as between the contributors or different classes of shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the Shareholders as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(f) Transfer of shares

Generally, shares in Helloworld are freely transferable, subject to satisfying the requirements of the ASX Listing Rules, the ASX Settlement Operating Rules and the Corporations Act. Subject to the ASX Listing Rules and the ASX Settlement Operating Rules, the Directors may in certain circumstances (as set out in the Constitution) decline to register a transfer of shares or apply a holding lock to prevent a transfer. Shares issued to applicant under this Prospectus will be subject to escrow restrictions as outlined below.

(g) Variation of rights

Subject to the Corporations Act, where shares of different classes are on issue, the rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of those shares of that class, or with the written consent of the holders of at least 75% of the issued shares in that class.

At present, the only class of Shares that Helloworld has on issue are fully paid ordinary shares.

(h) Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least 75% of the votes cast at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(i) Buy Backs

Subject to applicable laws, in particular the Corporations Act and the ASX Listing Rules, Helloworld may buy back shares on such terms and conditions as the Board may determine from time to time.

(j) Escrow

By applying for Shares under this Prospectus and completing and returning an Application Form, an applicant agrees to the escrow restrictions applicable to the Shares issued to the applicant, pursuant to which each applicant is prevented from dealing with the escrowed Shares from the date of issue of the escrowed Shares until and including the Vesting Date. The restriction on 'dealing' is broadly defined and includes among other things, disposing of, agreeing or offering to dispose of, the relevant securities or creating, or agreeing or offering to create, any security interest in the relevant securities or any act or omission would have the effect of transferring effective ownership or control of, or an economic interest in the escrowed Shares. The applicant also agrees to hold the Shares issued to the applicant on Helloworld's issuer-sponsored sub-register and agrees to have a Holding Lock applied to the Shares until and including the Vesting Date.

(k) Forfeiture

Helloworld as the Franchisee's attorney will effect the forfeiture of Shares through a sale of those Shares at a time and for a price as Helloworld determines in its sole and absolute discretion. The Franchisee will be entitled to receive a total of \$1 (\$NZ1 if the Franchisee is based in New Zealand) consideration as a result of the sale of all their forfeited Shares. As the Franchisee's attorney (and as authorised by the Franchisee), Helloworld will direct the payment of the net proceeds of sale of the forfeited Shares to Helloworld (after payment of any applicable brokerage and payment of \$1 (or \$NZ1 as applicable) to the nominated Australian or New Zealand bank account of the relevant Franchisee). Payment of the net proceeds will be retained by Helloworld for its own use and benefit.

## 6. Risk factors

An investment in Shares carries certain risks, many of which are not in the control of Helloworld or its management. These risks include the risks set out in this Section 6. Additional risk factors in relation to Helloworld are set out in detail in Helloworld's latest annual financial report which was lodged with ASX on 27 August 2024.

### 6.1 Specific risks

(a) Changes in economic conditions

The financial performance of Helloworld could be affected by changes in economic conditions both within and outside Australia including in respect of economic growth, unemployment levels and consumer confidence, underlying cost structures for labour, technology and service charges, inflation and interest rates, and exchange rates.

(b) Commercial and operational risks

The Helloworld Group will be subject to general commercial and operational risks, including the loss or bankruptcy of major clients or major suppliers, increased competition and other causes of business interruption, which may have a material adverse impact on Helloworld in the future. In addition, the competitive landscape faced by the Helloworld Group agents will change and could be eroded in the long-term through competition. These events could materially adversely affect Helloworld's future financial performance.

(c) Technology risk

The Helloworld Group relies heavily on internet and other technology operating platforms (both internal and external) that may be susceptible to technical problems and viruses. Although the Helloworld Group has appropriate systems in place to manage the impact of these risks, such occurrences have the potential to interrupt the efficient conduct of the Helloworld Group businesses.

(d) Demand risk

The operations and profits of Helloworld may be affected by fluctuating levels of demand for the travel services offered by the Helloworld Group. Travel demand is sensitive relative to disposable consumer income, which in turn is influenced by many variables including changes in interest rates and mortgage repayments, levels of unemployment, the fundamental price of travel in its own right (including any impact that arises from increases in the cost of oil or changes in foreign exchange rates), bowser petrol price shocks, consumer confidence and the buoyancy of the stock market. Travel demand can also be affected by certain events that can affect travellers' preparedness to travel, including pandemics, terrorism incidents, natural disasters, civil unrest and wars.

(e) Reliance on key personnel

The continued success of Helloworld will, in part, be reliant on the future performance, abilities and expertise of its senior management team and Directors. There is no guarantee that Helloworld will be able to retain the services of these employees in the future on acceptable terms.

(f) Client relationships

The Helloworld Group has key commercial contracts. Contracts have specified service level agreements under which they provide specified travel related services. If the Helloworld Group does not satisfy its obligations under these agreements, this may lead to termination of the contract. Further, some contracts with customers may have expired and are operating on a rollover basis. Significant clients may choose to terminate their agreements, fail to renew their agreements for further terms or become financially distressed or insolvent. Helloworld's financial performance would be adversely affected if key customer contracts were terminated or not renewed or these customers were unable to operate.

(g) General market risks

Generally, the market price of Helloworld shares will be affected by factors that impact on the market price of all ASX listed shares (such as economic policy, international market, economic or political conditions and changes in investor sentiment relating to domestic and international stock markets). The market price of Helloworld shares may rise or fall over any given period as a result of one or a combination of these factors over which Helloworld and the Board has no control.

(h) Foreign exchange risk

The Helloworld Group operates in multiple jurisdictions and will source products internationally. As a result, the Helloworld Group is exposed to fluctuations in foreign exchange rates. Adverse movements in exchange rates may have a material adverse effect on the future financial performance of Helloworld.

(i) Industry competition

The Helloworld Group may face strong competition from both Australian and international travel companies, including online travel companies and from product suppliers and other providers of travel related goods and services. To the extent that there is price discounting or other changes in strategy by existing competitors, or new entrants to the markets in which the Helloworld Group will operate, the market share of, and the margins earned by, Helloworld (and therefore its future financial performance) may be adversely affected.

(j) Changes in regulatory and legal environment

The Helloworld Group will be subject to, and must comply with, changes in the regulatory conditions under which it operates, including the requirements of the Corporations Act, ASIC policy and the Listing Rules. Changes to legislation or



policy and procedures may affect the Helloworld Group, its business operations and financial performance, or have other unforeseen implications.

(k) New technology

The ability of the Helloworld Group compete effectively in the future will, in part, be driven by its ability to effectively maintain and update its technology platforms. Failure to maintain appropriate standards of technology may adversely affect the future operating and financial performance of Helloworld.

(l) Loss of reputation, brand risk

The success of Helloworld will be affected by its reputation and branding. Unforeseen issues or events that diminish Helloworld's reputation or branding may impact on its future growth and profitability.

(m) Litigation and legal risk

In the course of its operations, Helloworld may be involved in disputes, industrial action and litigation. There is a risk that any material or costly dispute or litigation or industrial action could adversely affect the value of the assets or the future financial performance of Helloworld as well as its reputation and branding.

(n) Interest rate risk

Helloworld will be exposed to changes in interest rates as a borrower of money and as a result of interest earned on cash balances for pre-payment of travel products. Increases in interest rates may also affect consumer sentiment and the level of consumer demand, potentially leading to a decrease in consumer spending.

## 6.2 General risks

(a) Tax laws

There is the potential for further changes to Australia's tax laws. Any change to the current rates of taxes imposed on Helloworld (including in foreign jurisdictions in which the Helloworld Group operates or may operate in future) is likely to affect returns to Shareholders. An interpretation of taxation laws by the relevant tax authority that is contrary to Helloworld's view of those laws may increase the amount of tax to be paid. Helloworld obtains external expert advice on the application of the tax laws to its operations. In addition, an investment in the Shares involves tax considerations which may differ for each investor. Each investor is encouraged to obtain professional tax advice in connection with any investment in Helloworld.

(b) Force majeure events

Events may occur within or outside Australia that could impact upon the Australian economy, the operations of the Helloworld Group and the price of the Shares. The events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters,

outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for the Helloworld Group's products and its ability to conduct business, and on Helloworld's business and earnings. Helloworld has only a limited ability to insure against some of these risks.

(c) Capital Structure

Changes in the capital structure of Helloworld, for example from the raising of further debt or the issue of further equity to repay or refinance debt facilities or to fund the acquisition of assets, may affect the value of, and returns from, an investment in the Shares.

(d) Dividends

If Helloworld does not generate sufficient cash flow to meet certain interest coverage ratios, gearing requirements and other covenants under its debt facilities, Shareholders may not receive any dividends. If Helloworld defaults on the payment of interest on its debt facilities, Shareholders may not receive any dividends and may suffer loss of capital due to financial institutions exercising their rights under security held over the assets of the Group.

(e) Accounting Standards

Australian Accounting Standards are set by the AASB and are beyond the control of Helloworld, the Directors and Helloworld's management team. Changes to accounting standards issued by the AASB could adversely impact the financial performance and position reported in Helloworld's financial statements.

## 7. Additional information

### 7.1 Litigation

Helloworld is not presently party to any legal proceedings that, in the opinion of Helloworld, would reasonably be expected to have a material adverse effect on its business, financial condition, operating results or cash flows if determined adversely against Helloworld.

Please see the 2024 annual report of Helloworld for further information regarding the legal proceedings to which HLO or its wholly owned subsidiaries are a party. Since the release of the 2024 annual report, Helloworld was advised that it was not granted special leave to appeal to the High Court in relation to the STA Travel Academic litigation. The related amount for this matter was fully expensed during the year ended 30 June 2024 and there is no outstanding exposure in relation to this matter.

### 7.2 Continuous disclosure obligations

Helloworld is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all ASX listed companies, Helloworld is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of Helloworld's securities.

This Prospectus is a 'transaction specific prospectus' issued under section 713 of the Corporations Act. This section enables disclosing entities to issue a prospectus in relation to securities in a class which has been continuously quoted by ASX at all times during the 12 months before the date of the Prospectus. Apart from prescribed matters, in general terms a "transaction specific prospectus" is only required to contain information in relation to the terms and conditions of the offer, the effect of the issue of securities on a company, and the rights and liabilities attaching to the securities. The prospectus must contain this information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in the prospectus. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to Helloworld which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange or financial market. You should therefore have regard to the other publicly available information in relation to Helloworld before making a decision whether or not to invest or accept the offer of the Shares under this Prospectus.

Having taken such precautions and having made such enquiries as are reasonable, Helloworld believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus, which required Helloworld to notify ASX of information about specified events

or matters as they arise for the purpose of ASX making that information available to the financial market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

Helloworld states that:

- (a) as a disclosing entity, it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to Helloworld (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, an ASIC office; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between and including the date of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged with ASIC by Helloworld;
  - (ii) any half-year financial report lodged with ASIC by Helloworld after the lodgment of the annual financial report referred to in paragraph (i) and before the lodgment of the copy of this Prospectus with ASIC; and
  - (iii) any continuous disclosure notices given by Helloworld to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgment of the annual financial report referred to in paragraph (i) and before the lodgment of the copy of this Prospectus with ASIC.

Details of documents lodged by or in relation to Helloworld with ASX since the date of lodgment of Helloworld's latest annual financial report on 27 August 2024 and before the lodgment of this Prospectus with ASIC are set out in the table below.

Date of announcement	Description
19 Aug 2024	HLO FY24 Results Webinar
27 Aug 2024	HLO FY24 Preliminary Report
27 Aug 2024	HLO FY24 Annual Report to shareholders
27 Aug 2024	HLO FY24 ASX Announcement
27 Aug 2024	HLO FY24 Investor Presentation
27 Aug 2024	HLO FY24 Appendix 4G
27 Aug 2024	Dividend/Distribution – HLO

<b>Date of announcement</b>	<b>Description</b>
30 Aug 2024	HLO 2024 Annual General Meeting
4 Sept 2024	Change of Director's Interest Notice
6 Sept 2024	Change of Director's Interest Notice
20 Sept 2024	Change of Directors' Interest Notice
20 Sept 2024	Change in substantial holding

### 7.3 Interests of Directors

#### **Overview**

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of Helloworld;
- (b) any property acquired or proposed to be acquired by Helloworld in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of Helloworld; or
  - (ii) the Offer.

#### **Security holdings**

The relevant interest of each of the Directors in the securities of Helloworld as at the date of this Prospectus, is set out in the table below. It is not currently proposed that any of the Directors be offered Shares pursuant to this Prospectus.

<b>Director</b>	<b>Number of Shares currently on issue</b>	<b>Number of outstanding unexercised Options</b>

Garry Hounsell	153,890	Nil
Andrew Burnes, AO	10,695,531  Joint control of 18,348,287 held by The Burnes Group Pty Limited as trustee for The Burnes Group Service Trust  Joint control of 10,000 held by Longbush Nominees Pty Ltd	Nil
Cinzia Burnes	10,138,014  Joint control of 18,348,287 held by The Burnes Group Pty Limited as trustee for The Burnes Group Service Trust  Joint control of 10,000 held by Longbush Nominees Pty Ltd	Nil
Hon. Martin Pakula	7,000	Nil
Leanne Coddington	45,000	Nil
Rob Dalton	Nil	Nil

### **Remuneration**

The total maximum annual remuneration of non-executive Directors is set by resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made in such proportion and manner as the Board agrees or in default of agreement, equally. The current amount has been set at an amount not to exceed \$1,500,000 per annum.

A Director may be paid remuneration as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total annual remuneration paid (or to be paid) to Directors and former Directors of Helloworld within the last 2 financial years preceding lodgement of this Prospectus:

<b>Director</b>	<b>Financial year ended 30 June 2023</b>	<b>Financial year ended 30 June 2024</b>
	<b>A\$</b>	<b>A\$</b>
Garry Hounsell	212,500	222,000
Andrew Burnes, AO	1,456,239	1,273,265
Cinzia Burnes	1,435,913	965,351
Rob Dalton	132,812	147,727
Hon. Martin Pakula	63,750	111,000
Leanne Coddington	46,750	111,000

#### 7.4 Related Party Transactions

There are no related party transactions entered into as part of, or in relation to, the Offer that have not otherwise been disclosed in this Prospectus.

#### 7.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of Helloworld; or
- (c) underwriter or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

- (d) the formation or promotion of Helloworld;
- (e) any property acquired or proposed to be acquired by Helloworld in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of Helloworld; or
- (h) the Offer.

MinterEllison has acted as the solicitors to Helloworld in relation to the Offer. Helloworld estimates it will pay MinterEllison approximately \$85,000 (excluding GST and disbursements) for these services. Further amounts may be paid to MinterEllison in accordance with its usual time based charge out rates.

## **7.6 Consents**

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Computershare Investor Services Pty Limited has consented in writing to be named in this Prospectus as the share registry for Helloworld and has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

MinterEllison has given its written consent to being named as the solicitors to Helloworld in this Prospectus. MinterEllison has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Ernst & Young has given its written consent to being named as the auditor to Helloworld in this Prospectus and the inclusion in this Prospectus to references to the audited financial statements of Helloworld in the form and context in which they are included. Ernst & Young has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

## **7.7 Expenses of Offer**

The total expenses of the Offer are estimated to be approximately \$105,000 (excluding GST).

## **7.8 Restricted securities**

None of Helloworld's issued securities are currently 'restricted securities' (as defined in the ASX Listing Rules).

## **7.9 Foreign selling restrictions**

This Prospectus does not constitute an Offer of Shares in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the



Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

### *New Zealand*

#### **Warning Statement**

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the

financial products and trading may differ from financial product markets that operate in New Zealand.

A copy of this Prospectus and other documents relating to the Offer have been, or will be, lodged with the New Zealand Disclose Register (<https://disclose-register.companiesoffice.govt.nz>) under the mutual recognition regime.

While the Offer is being extended to New Zealand investors under the mutual recognition regime referred to above, no application for listing and quotation is being made to NZX Limited or any other financial product market operator in New Zealand.

## 7.10 Taxation

This taxation summary has been written to provide you with information on the proposed Offer of Shares under this Prospectus and is not intended to summarise the full terms of the Offer set out in this Prospectus.

The following taxation summary assumes the following:

- the Franchisee who receives Shares under the Offer (**Participant**) is, and remains, an Australian resident for taxation purposes and not a temporary resident; and
- the Franchisee holds their Shares on capital account i.e. not for the purposes of reselling at a profit or as part of a profit making undertaking or scheme etc. Where the shares are held on revenue account different taxation issues will arise;

This taxation summary is general in nature and is based on Australian income tax laws that are currently in force. As each Franchisee's circumstances will be different, Participants will need to obtain their own independent professional advice in relation to their own specific personal circumstances. Helloworld and its advisors will not be held responsible to Participants who act solely on the information provided in this taxation summary. We strongly recommend that you seek your own professional advice from a competent and reliable professional adviser before making any decisions about this Offer. We would also recommend that you seek advice in your local jurisdiction where you are not an Australian resident for taxation purposes.

### ***Receipt of Shares***

As outlined above, Shares will be issued to Participants for no monetary consideration upon acceptance of the Offer.

Participants should include in their assessable income the market value of the Shares on the day of issue and they will be subject to tax at their relevant rate of tax (the ultimate tax rate will, in part, be dependent on the type of entity through which the business is operated).

The market value of the Shares will be equal to the price (as quoted on ASX) of Helloworld Shares on the day the Shares were issued under the Offer.

### ***Receipt of dividends***

Any dividends received on Shares, must be included in the Participant's assessable income and will, in part, be taxed at the Participant's relevant rate of tax (the ultimate tax rate will be dependent on the type of entity through which the business is operated).

Any franking credits attaching to such dividends must also be included in the Participant's assessable income (i.e. the dividend must be grossed up and included as assessable income in the Participant's return). Subject to any integrity rules, including that the Shares have been held sufficiently "at risk" for at least 45 days, the franking credits may be used to reduce the tax payable by the Participant. There are different rules applying to different types of entities in relation to the implications of the receipt of excess franking credits (i.e. where the franking credits exceed the tax payable by the entity). We recommend each Participant obtain their own advice in relation to the operation of these rules.

### ***If the Shares are forfeited***

#### ***Shares sold on-market by Helloworld***

On forfeiture of the Shares, the Shares will be sold (including through an on market transaction) and the net proceeds of the sale (after the payment of any applicable brokerage to Helloworld and the payment of either \$1 or NZ\$1 to the relevant Participant) will be derived by Helloworld and may be retained by Helloworld for its own use and benefit.

Participants should derive a capital gain of \$1 or NZ\$1 on disposal of the Shares as a result of the forfeiture. Participants will not be entitled to a capital loss on the Shares at the time of the forfeiture as they will not have any cost base in the Shares as the Shares were issued for no monetary consideration (assuming that no further costs were incurred by the Participants in relation to the Shares on or after acquisition of those Shares).

Participants will not be entitled to a refund of any tax paid when the Shares were issued to them as a result of the forfeiture.

#### ***Shares bought back and cancelled by Helloworld***

If the forfeited Shares are subject to a buy-back by Helloworld, the tax treatment will depend on the facts that exist at the time. Specific advice should be sought at the time of the buy-back. As Helloworld is a listed entity, the buy-back proceeds will be treated entirely as proceeds in relation to the buy-back of shares and no part of the buy-back proceeds can be treated as a frankable dividend.

### ***Shares vest and subsequent sale of Shares***

The vesting of the Shares on the Vesting Date will not have any tax consequences.

The terms of the Offer allow Participants to dispose of Shares once all vesting conditions have been met.

If the Shares are sold to a third party, capital gains tax will apply to the gain that arises where the capital proceeds received in respect of the disposal exceeds the cost base of

the Shares. The cost base of the Shares in this case will include non-deductible costs of acquisition, ownership and disposal but will not include any amount paid to acquire the shares as they were acquired for no monetary consideration. However, any capital gain derived on disposal should be reduced by the market value of the Shares at the issue date, as that amount has already been included in the Participant's assessable income.

In summary, if the Shares are sold to a third party, the Participant should be subject to capital gains tax on the proceeds received on disposal less the market value of the Shares at the issue date.

A capital gain must be reported in the Participant's income tax return, and will be taxable at the Participant's relevant tax rate (the ultimate tax rate will be dependent on the type of entity through which the business is operated). A taxpayer may, subject to satisfaction of relevant loss recoupment rules, be entitled to reduce the capital gain by capital losses, prior to the application of any CGT discount (see below).

The Participant may also be eligible to reduce the gain where the Shares were held for over 12 months. The reduction is equal to 50% of the gain where the Shares were held by an individual or trust. No CGT discount is available where the Shares are held by a company.

Participants will not be entitled to a capital loss on the Shares if the capital proceeds are less than the market value of the Shares at the issue date on the basis that the Shares were issued for nil consideration.

Participants will not be entitled to a refund of any tax paid when the Shares were issued to them.

#### ***GST implications***

The issue of the Shares to Participants should not be subject to GST because the issue of the Shares should constitute either an input taxed financial supply or a GST-free supply (depending on the circumstances of the relevant Participant).

Participants may be charged GST on costs (such as third party brokerage or advisor costs) that relate to their acquisition of the Shares. Participants may not be entitled to claim full input tax credits for the GST included in such costs.

#### ***Stamp duty implications***

No Australian stamp duty should be payable by a Participant in respect of their acquisition of the Shares.

### **7.11 Privacy Act**

If you accept the Offer of Shares under this Prospectus, you will be providing personal information to Helloworld (directly or to Helloworld's share registry). Helloworld collects, holds and will use that information to process your acceptance of the Offer, service your needs as a holder of equity securities in Helloworld, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and Helloworld's share registry.

You can access, correct and update the personal information that we hold about you. Please contact Helloworld or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988 (Cth)* (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

#### **7.12 Authorisation**

Each Director has consented (and has not withdrawn their consent) to the lodgement of this Prospectus with ASIC.

# Glossary

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Term	Definition
\$ and A\$	the currency of Australia.
\$NZ and NZ\$	the currency of New Zealand.
AASB	the Australian Accounting Standards Board.
Application Form	The personalised application form accompanying this Prospectus addressed to each relevant Franchisee.
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited (ACN 008 624 691) or the financial market called the Australian Securities Exchange it operates, as the context requires.
ASX Listing Rules	the listing rules of the ASX.
ASX Settlement	ASX Settlement Pty Limited ABN 49 008 504 532.
ASX Settlement Operating Rules	the operating rules of ASX Settlement as amended from time to time, except to the extent of any express written waiver by ASX Settlement.
Board	the board of Directors unless the context indicates otherwise.
Closing Date	the date specified in the timetable set out in Section 2.6 (unless extended).
Constitution	the constitution of Helloworld as at the date of this Prospectus.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Directors	the directors of Helloworld as at the date of this Prospectus.
Franchisees	Eligible franchisees and members who are currently in the Helloworld member network including those who have signed, or provided a written intention to sign, a 3 or 5 year franchise agreement and who are selected by Helloworld in its absolute discretion to be offered Shares pursuant to this Prospectus.
Group	Helloworld and its subsidiaries.
Holding Lock	A facility that prevents the Shares from being transferred from one holder to another under the ASX Settlement Operating Rules.

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<b>Term</b>	<b>Definition</b>
Helloworld or Company	Helloworld Travel Limited ACN 091 214 998.
Melbourne time	the legal time in Melbourne, Australia.
Offer	the issue of Shares under this Prospectus.
Offer Letter	the applicable offer letter (if any) provided to Franchisees inviting them to participate in the Offer.
Official Quotation	official quotation on ASX.
Opening Date	24 September 2024.
Participant	The Franchisee who has elected to participate in the Offer.
Performance Rights	Performance rights issued in relation to the Helloworld Long Term Incentive Plan.
Prospectus	this prospectus dated 24 September 2024.
Prospectus Expiry Date	24 October 2025.
Section	a section of this Prospectus.
Share	a fully paid ordinary share in the capital of Helloworld.
Shareholder	a holder of one or more Shares.
Vesting Date	31 October 2026 (subject to any alternative date determined by Helloworld and applicable to a Franchisee specified in the Offer Letter to the Franchisee).