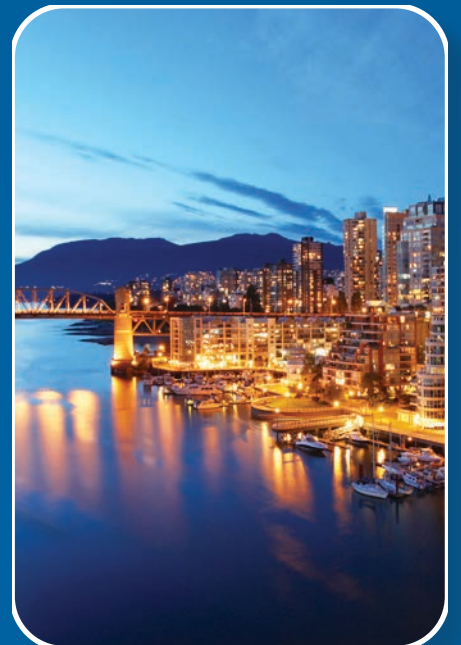
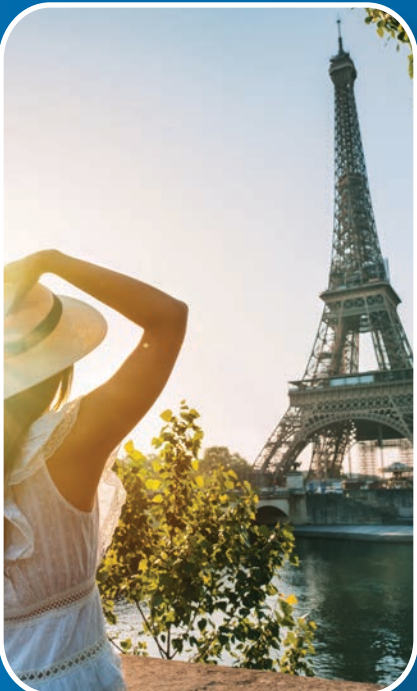
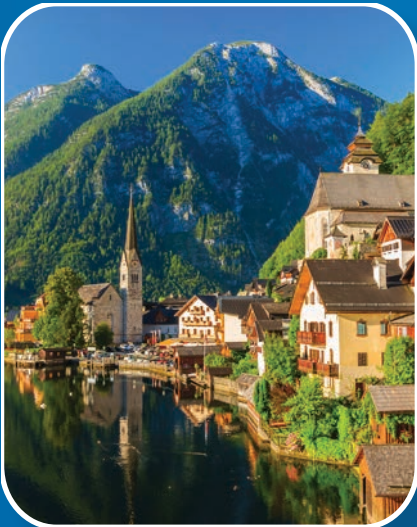


helloworld

TRAVEL LIMITED

ANNUAL REPORT 2024

HELLOWORLD TRAVEL LIMITED AND CONTROLLED ENTITIES
ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2024





CONTENTS

Corporate Information	2
Annual Report 2024 Glossary	3
Report from the Chairman	4
Report from the CEO and Managing Director	6
Executive Management Team	8
Company Snapshot	9
Industry Overview	10
Our Brands and Businesses	12
Year in Review	14
Directors' Report	18
Auditor's Independence Declaration	43
Corporate Governance Statement	44
Consolidated Income Statement	52
Consolidated Statement of Other Comprehensive Income	53
Consolidated Balance Sheet	54
Consolidated Statement of Changes in Equity	55
Consolidated Statement of Cash Flows	56
Notes to the Financial Statements	57
Consolidated Entity Disclosure Statement	115
Directors' Declaration	117
Independent Auditor's Report	118
ASX Additional Information	124

CORPORATE INFORMATION

DIRECTORS

Garry Hounsell (Chairman)

Andrew Burnes, AO (Chief Executive Officer and Managing Director)

Cinzia Burnes

Rob Dalton

Hon. Martin Pakula

Leanne Coddington

SOLICITORS

Minter Ellison

447 Collins Street
Melbourne, VIC 3000

STOCK EXCHANGE

Australian Securities Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

GROUP COMPANY SECRETARY

Sylvie Moser

ASX CODE

ASX code: HLO

REGISTERED AND PRINCIPAL OFFICE

179 Normanby Road
South Melbourne VIC 3205
Telephone: +61 3 9867 9600

SHARE REGISTRY

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

www.computershare.com
1300 850 505 (within Australia) or
+61 3 9415 4000 (outside Australia)

AUDITOR

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000

WEBSITE

www.helloworldlimited.com.au



ANNUAL REPORT 2024 GLOSSARY

THE FOLLOWING TERMS HAVE BEEN USED THROUGH THIS ANNUAL REPORT:

AGM	Annual General Meeting
AOT	AOT Group Pty Limited and its controlled entities
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COMPANY	The parent entity, Helloworld Travel Limited
DMC	Destination Management Company
EBITDA	Earnings before interest expense, tax, depreciation and amortisation
ETG	Express Travel Group
EPS	Earnings per share
FAR	Fixed Annual Remuneration
FIT	Flexible Independent Travel
FY19	Financial Year ended 30 June 2019
FY23	Financial Year ended 30 June 2023
FY24	Financial Year ended 30 June 2024
FY25	Financial Year ended 30 June 2025
GROUP	The Helloworld Travel Group, comprising Helloworld Travel Limited and its controlled entities
HELLOWORLD TRAVEL	Helloworld Travel Limited
HLO	Helloworld Travel Limited
KMP	Key Management Personnel
LTIP	Long Term Incentive Plan
MTA	Mobile Travel Holdings Pty Limited and its controlled entities
PCP	Prior Comparative Period
STIP	Short Term Incentive Plan
TTV	Total Transaction Value
VFR	Visiting Friends and Relatives

REPORT FROM THE CHAIRMAN

THROUGHOUT FY24 WE HAVE SEEN A DEMONSTRATION OF THE CONTINUING STRENGTH AND RESILIENCE OF TRAVEL AGENTS, TRAVEL BROKERS AND THE TRAVELLING PUBLIC.



As Chairman of Helloworld Travel Limited, I am very pleased to report these results, once again showing solid growth in TTV, revenue, underlying EBITDA and profit after income tax compared with the prior year.

BUILDING ON MOMENTUM

FY24 has been another year of strong business performance for Helloworld Travel Limited, ('Helloworld', the 'Company' or the 'Group') building on the growth and success of FY23.

For the year ended 30 June 2024, the Group has delivered a second successive year of post pandemic profitability and growth with underlying EBITDA of \$67.5 million, an increase of 52.9% or \$23.3 million compared to the prior year. TTV grew by 62.5% to \$4.2 billion, up from \$2.6 billion in FY23.

Revenue for the year was \$228.2 million, representing growth on the prior year of \$62.3 million. The revenue margin for the year was 5.2% compared to 6.3% in the prior year. The lower revenue margin for the Group is attributable to the acquisition of Express Travel Group which traditionally operates at lower revenue margins, and lower Entertainment Logistix revenues. Basic earnings of 19.2 cents per share was achieved this financial year, representing an increase of 6.8 cents per share or 54.8% compared with the prior year.

We are pleased to be declaring a final dividend of 6.0 cents per share fully franked, building on the 5.0 cents per share interim dividend declared in February 2024, this equates to a full dividend yield of 4.9% (based on the closing share price of \$2.23 on 24 August 2024). Further details of the financial performance of the Group are included in the Operating and Financial Review on pages 24 to 25.

STRENGTH OF THE NETWORK

Our retail networks of agents and brokers on both sides of the Tasman continue to demonstrate incredible strength as their services continue to be in high demand. Travellers understand now more than ever the importance and benefits of engaging a travel agent, and customers on both sides of the Tasman are eager to enhance their travel experiences with the backing and support of a travel professional.

In Australia and New Zealand, we are in a geographical position that necessitates a complexity to our travel arrangements. Given the time involved in travelling to many parts of the world, we are unlikely to head off on a short trip to Europe, the UK, the Americas or Africa.

Rather travellers from this region tend to plan for longer, and often multi-destination and even multi-purpose holidays. Visiting a friend or relative is often combined with more sightseeing or visiting to a wider area to make the most of the journey. It is this requirement that makes Australians and New Zealanders, uniquely placed to need and value the skills, knowledge and expertise of a travel professional. Helloworld's extensive network of agents and brokers are the travel professionals that are well placed to meet this ongoing need.

LOOKING AHEAD

As a business we are incredibly proud to once again be well-positioned to deliver continuous and long-term growth. We continue to focus on successfully advancing our momentum in growing and developing our business in Australia, New Zealand and around the world. We continue our commitment and focus to produce results and positive outcomes for our various stakeholders across the business including shareholders, travel agents and brokers, employees, supplier partners and consumers.

Once again, I would like to acknowledge the Executive Management Team, Senior Management Team and their teams, led by Chief Executive Officer and Managing Director Andrew Burnes, on the ongoing delivery of the business strategy and consistent success across the business and brands. I would also like to acknowledge and thank my fellow Board members for their contribution and commitment to the Company, both over the past year and also going forward.

Thanks and acknowledgement is also due to all personnel across the business, our industry partners and our vast networks of agents and brokers in Australia and New Zealand. We have weathered an unimaginable storm over the past few years, and it is a testament to the strength of the industry, and of everyone involved that we can once again return to the successes demonstrated in these results.

Travel is indeed an inspiring industry and one I continue to be pleased to be a part of as we continue to regrow our success. As the Chairman of this Company, I am looking forward to continuing to work towards the future successes that Helloworld Travel Limited has ahead.



Garry Hounsell

Chairman
Helloworld Travel Limited
Melbourne, 27 August 2024

REPORT FROM THE CEO & MANAGING DIRECTOR

THE ONGOING IMPORTANCE OF PROFESSIONAL TRAVEL ADVISORS CONTINUES TO GO FROM STRENGTH TO STRENGTH IN A MARKET THAT VALUES THEIR EXPERT SERVICES.



RESULTS

Helloworld Travel performed very strongly in FY24, meeting guidance, delivering on key business and financial initiatives with strength and improvement in our key financial indicators across TTV, revenue, underlying EBITDA and net profit after tax compared with the prior year.

Total Transactional Value (TTV) increased to \$4.2 billion, up 62.5% or \$1.6 billion on the prior year. Revenue growth of 37.5% year-on-year to \$228.2 million in FY24. Full year underlying EBITDA is \$67.5 million, an increase of \$23.3 million compared with the prior year, up 52.9%. Underlying EBITDA to revenue margin increased from 26.6% in FY23 to 30.0% in FY24. Net profit after tax also increased to \$30.7 million, up 60.2% and \$11.5 million year-on-year from FY23. Full year dividend of 11.0 cents per share fully franked.

Our geographical segments across Australia and New Zealand reported strong growth in underlying EBITDA compared with the prior year. Our underlying EBITDA as a percentage of revenue continues to improve as the Group benefits from its focus on profitable revenue streams, cost control and improved productivity.

During FY24 we saw a move toward the pre COVID-19 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 time we have seen this since FY19.

THE IMPORTANCE AND VALUE OF TRAVEL PROFESSIONALS

The services of a travel advisor have never been more highly valued or in demand.

Due to the geographical location of Australia and New Zealand it is common to see international leisure travel include multiple destinations and multiple experiences. According to CATO (the Council of Australian Tour

Operators) the average duration of an international leisure travel trip (from Australia) was 17.7 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.

The same CATO survey data found that 88% of Australians plan to take a holiday in the coming two years, and of that set, 96% are planning within the next 12 months. These findings closely mirror the travel planning trends seen in 2019.

The bottom line is that people want to travel, and they want the services of a professional to make sure it is done right and they have the back up of a travel professional if anything goes wrong along the way.

Our network of over 2,700 agents and brokers across Australia and New Zealand is extensive, with a significant footprint representing our retail offerings that expands well beyond the capital cities. 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 any geographical location and loyal customers who return to them time after time. We are very well placed to meet the needs of this ever-increasing demand for travel advisors and professionals.

Across our agency and broker networks, there are over 10,000 travel advisors delivering professional advice and service across Australia and New Zealand, by far and away the biggest group of travel professionals in Australia and New Zealand.

From Broken Hill to Blacktown, Colac to Camperdown, Grey Lynn to Gore and everywhere in between there is a member of the Helloworld retail and broker networks to meet and exceed the service demands of travellers.

INVESTMENT IN FUTURE SUCCESS

Throughout FY24 Helloworld continued to invest in technology and innovation across our proprietary systems, to improve overall network functionality operational efficiency and productivity. Our investment includes our in-house retail mid-office solution, Resworld. Resworld is 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.

Our Air Tickets booking system remains at the forefront of ticketing and consolidation offerings with additional enhancements to our SmartSuite 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 instrumental in our distribution of products and services to our extensive networks of travel industry stakeholders, including our agents and brokers throughout Australia and New Zealand with enhancements specifically tailored to create efficiencies and increase productivity and profitability for their businesses.

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. We are grateful for the ongoing relationships with our preferred partners, as well as State and National Tourism Authorities for their partnerships on our sales and marketing activities. They are very important to our retail and wholesale operations and allow us to put a wide range of product options in front of customers throughout Australia and New Zealand.

In late 2024 we will also see the return of Hello World the TV show, created in partnership with and broadcast on the Nine Network. Featuring impressive destinations across Australia and the world each episode includes strategic advertising offers for viewers to access exclusive travel deals following each segment.

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.

We also acquired a 40% stake in Phil Hoffman Travel in South Australia in August 2023 and this business has also performed very well throughout FY24.

DIVIDEND

We are pleased to announce a fully franked final dividend of 6.0 cents per share. The dividend is to be paid on 19 September 2024 and brings the total dividends declared, fully franked, for the current financial year to 11.0 cents per share.

OUTLOOK

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

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.

I would like to acknowledge and thank the many people involved in our Company across our global offices, our agent and broker networks, our shareholders, all of our Helloworld personnel and our many preferred partners and supporters who are integral to our success. Without the dedication and commitment of all of our stakeholders we would not be able to achieve this success and I am looking forward to continuing the journey for the business in the years ahead.



Andrew Burnes, AO

Chief Executive Officer and Managing Director
Helloworld Travel Limited
Melbourne, 27 August 2024



EXECUTIVE MANAGEMENT TEAM 2024



HELLOWORLD TRAVEL LIMITED - BRAND PORTFOLIO



COMPANY SNAPSHOT

TTV
\$4.2 billion
 Up \$1.6 billion

UP
62.5%

Total Revenue
\$228.2 million
 Up \$62.3 million

UP
37.5%

Underlying EBITDA
\$67.5 million
 Up \$23.3 million

UP
52.9%

Net Profit After Tax
\$30.7 million
 Up \$11.5 million

UP
60.2%



**HELLOWORLD
 BUSINESSES
 EMPLOYEE NUMBERS**

FY24 900



**AIR TICKETS
 SOLD**

FY24 20%↑



**SUPPLIERS IN OUR
 GLOBAL DATABASE**

FY23 49,000

FY24 58,500



**AGENCIES SERVICED BY
 WHOLESALE DIVISION**

FY23 2,250

FY24 2,560



**DMC CLIENTS
 (# OF COUNTRIES)**

FY23 48

FY24 50

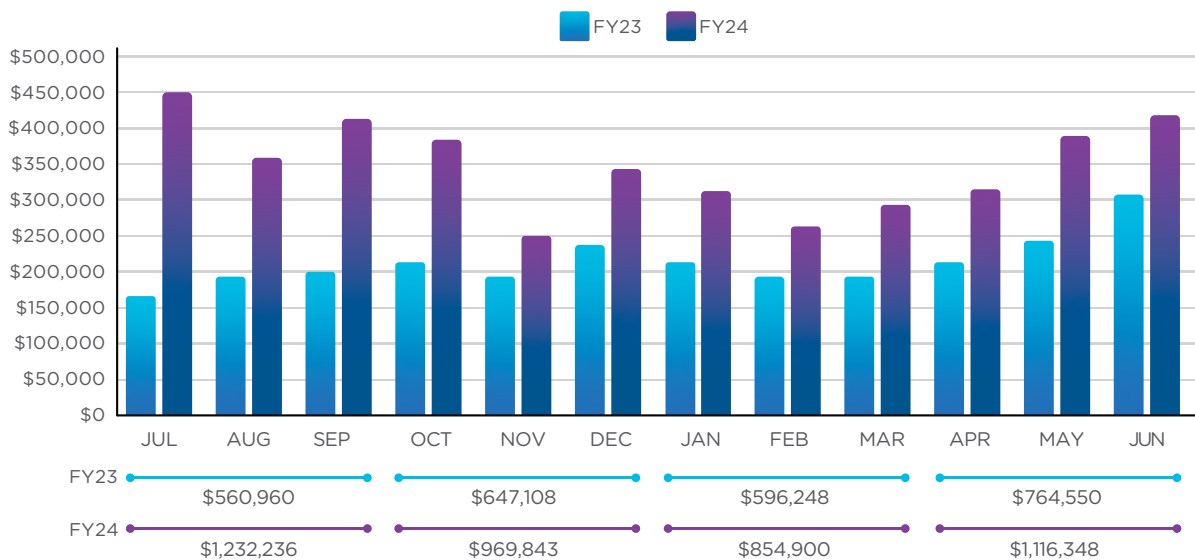


**READYROOMS HOTEL
 CONTENT & ACTIVITIES**

FY23 212,000

FY24 300,000

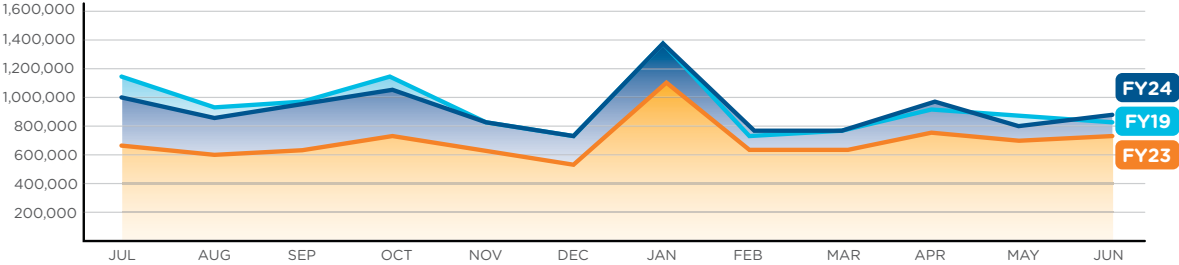
TOTAL TRANSACTION VALUE (TTV) (\$000'S)



INDUSTRY OVERVIEW

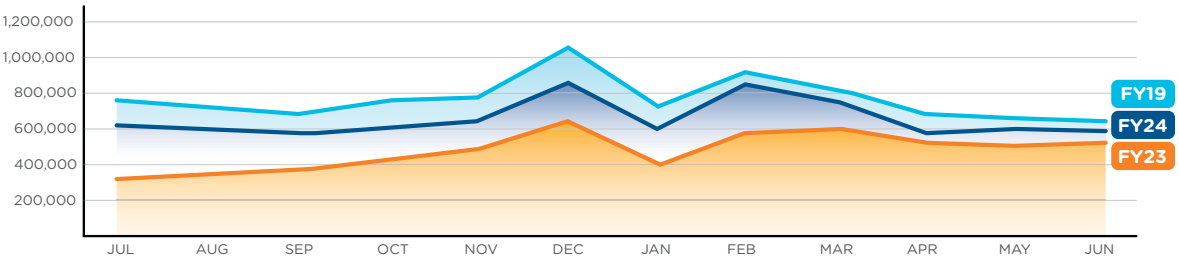
Throughout FY24 we saw predominantly positive statistics and trends around traveller activity in Australia and New Zealand.

AUSTRALIA OUTBOUND NUMBERS



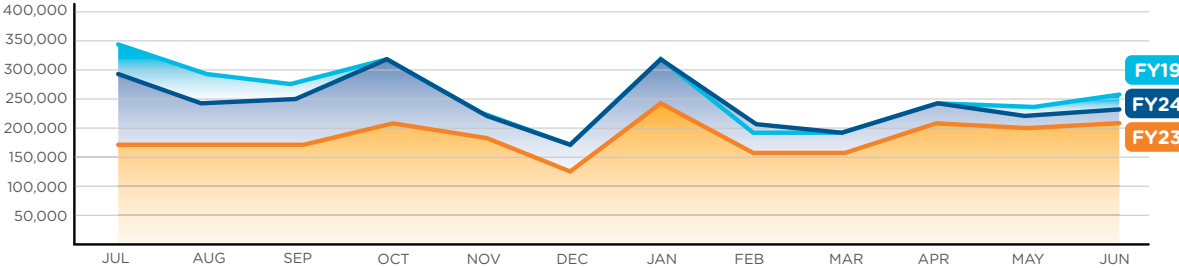
Source: ABS (June 2024)

AUSTRALIA INBOUND NUMBERS



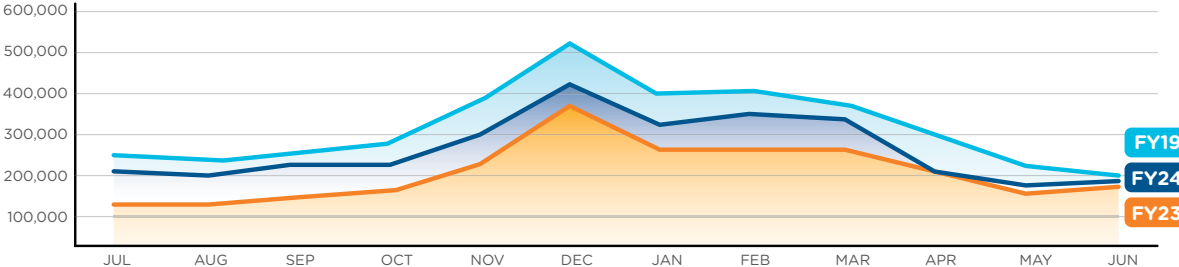
Both international visitors to Australia and Australian’s travelling out of the country are showing substantial growth in the 12 months to end June 2024. The total number of Australian travellers going overseas increased by 32%, from 8.3 million in FY23 to 11.0 million in FY24, an increase of 2.7 million people. Similarly, the total number of travellers coming into Australia increased by 36%, from 5.9 million to 8.0 million year on year in the twelve months to June 2024.

NEW ZEALAND OUTBOUND NUMBERS



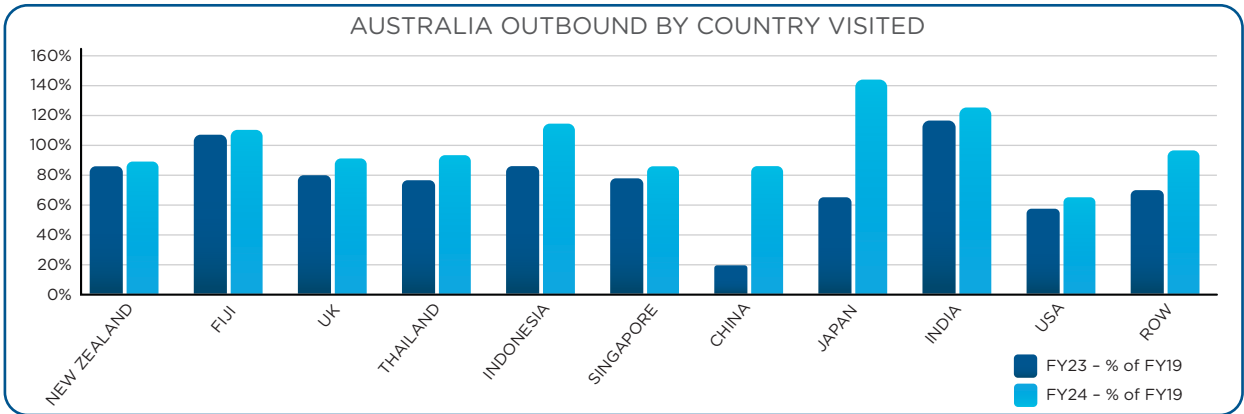
Source: Stats NZ (June 2024)

NEW ZEALAND INBOUND NUMBERS

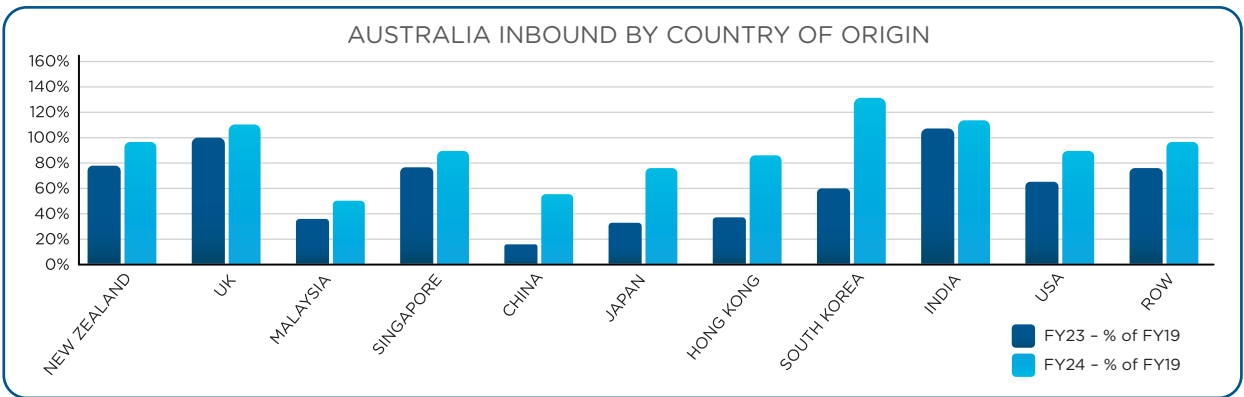


In New Zealand we are seeing the same growth with outbound travellers increasing year on year by 32% from 2.2 million to 2.9 million and inbound visitors to New Zealand increasing by 27% from 2.5 million to 3.2 million year on year.

AUSTRALIA

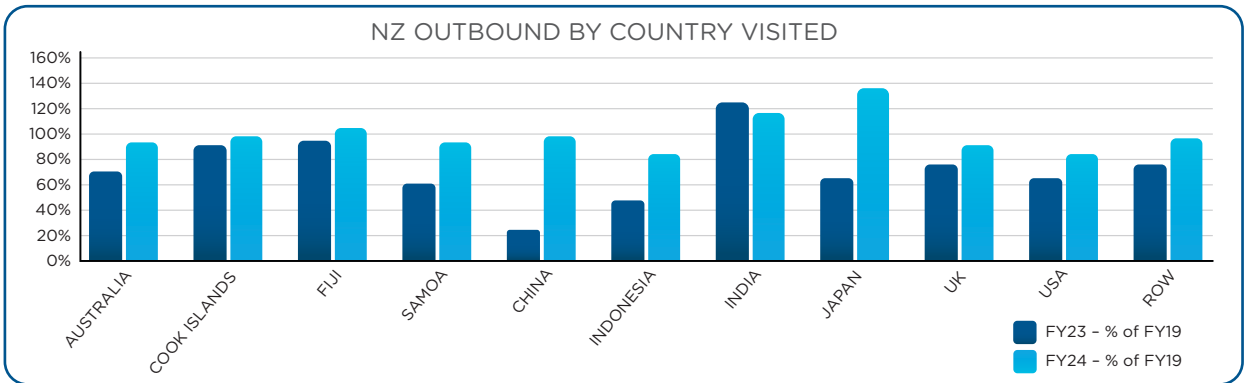


Australian travel to Fiji, Indonesia, Japan and India is above FY19 levels. Travel to New Zealand, UK, Thailand, Singapore, China and Rest Of World is all over 80% of FY19. Travel to USA is at 66% of FY19 levels.

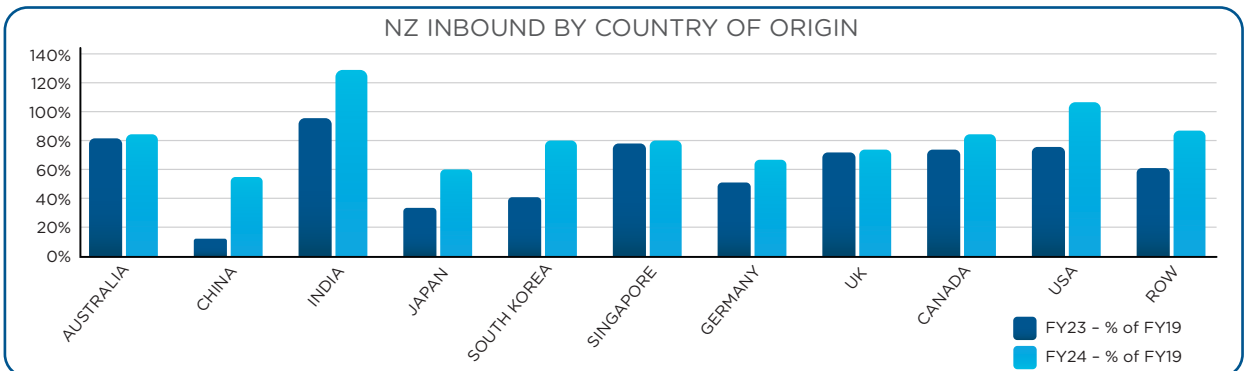


Visitors from India and South Korea are over 100% of FY19 levels. UK visitors are above 80% of FY19 and NZ is almost at FY19 levels.

NEW ZEALAND



New Zealand travel to Fiji, India and Japan is above FY19 levels. USA and Indonesia are just above 80% of FY19. Australia is at 93% of FY19 levels.



New Zealand visitors from the USA and India are exceeding FY19 levels in FY24. Australia is at 86% of FY19. China and Japan below FY19 levels at 55% and 62% respectively.

OUR BRANDS AND BUSINESSES

RETAIL - FRANCHISE NETWORKS



Travel agencies in Australia and New Zealand who adopt full branding on their agencies and collateral material. Including the tagline 'The Travel Professionals'.



Travel agencies who carry the "Member of Helloworld Travel" brand and value proposition while maintaining their own brand presence in market.



Australia's largest network of premium independently owned corporate travel agents and travel management companies.



Australian based network with loyal high-end clients managing their own brand and marketing while leveraging off the Helloworld brand and the buying strengths of the Group.



ETG's premium franchise network comprising premium and independent travel management companies that operate in the high-end leisure and corporate travel space.



One of the premier travel agency brands in South Australia. Phil Hoffmann Travel operates leisure, business and curated group travel services.



New Zealand's leading independent travel alliance, providing members with market efficiencies to enhance customer experience in retail, corporate and wholesale travel.



YOU Travel and Cruise is a branded franchise network operating in New Zealand. With a range of vibrantly branded stores across the country, YOU Travel is a trusted and award winning brand.

RETAIL - BUYING GROUP NETWORKS



Australia's largest Independent buying network affiliated to Helloworld, able to leverage the strength of Helloworld's supplier relationships and maintain their independence.



One of the largest independent travel agency networks in Australia and New Zealand, Express Travel Group was established in 183 and has developed a respected reputation through service, collaboration, tools and technology.



Part of ETG. One of the leading buying groups in Australia. 'We Speak Your Language' is the key identifier for this group, made up of agents predominantly focused on Asian markets.



Part of ETG, italktravel & cruise (ITT) operates across Australia, utilising the ITT brand as well as their own specific branding. United by their 'talk to us' identity and tagline.

RETAIL - BROKER NETWORKS



Australia's leading group of mobile travel agents for leisure and corporate travel; utilising bespoke technologies designed for home based agents whilst utilising the Helloworld Group buying power.



The Travel Brokers is one of New Zealand's leading home based travel specialist networks. Established in May 2002 their members have vast experience managing travel for leisure, corporate, weddings, groups and conventions.



Independent Travel Group encompasses independently owned and operated travel businesses in Australia. A partnership model allows members to tailor a business based on their needs.

WHOLESALE



One of the largest wholesale brands in Australia, offering an extensive range of products covering most destinations throughout the world.



New Zealand's longest serving travel wholesaler offering its travel agency distribution a diverse and extensive range of travel products around the globe.



ReadyRooms offers travel agents the ability to search, compare and book an extensive range of worldwide accommodation and activities online.



A new brand for discerning clients focusing on high-end, small group touring in Australia and international destinations.



Founded in 1967 by former All Blacks fullback, Mick Williment, Williment Travel is New Zealand's sports and events travel specialists.



Provides travel agents with everything they need to plan and book their clients' next cruise holiday, combining an unbeatable mix of service, support and value.



Cruiseco is a specialist cruise package wholesaler that provides access to cruise line products and creates exclusive fly/cruise products and specialised charters to help members grow their cruise business.

DMC - AUSTRALIA, NEW ZEALAND AND FIJI

aot inbound

Established in 1989, AOT Inbound is one of Australia's longest established inbound tour operator in Australia, offering an excellent booking platform and staff to service the FIT and Group markets from UK, Europe, USA and other long-haul Western markets

a.t.s. Pacific

A leading inbound tour operator with offices in Australia, NZ and Fiji, providing specialty inbound services in all three destinations for FIT and Group markets from UK, Europe, USA and other long-haul Western markets.



Established in 1987 - ETA is a leading Inbound Tour Operator (Asian Specialist) - working across 16 countries throughout Asia.



Australiareiser is the largest wholesaler from Scandinavia to Australia and the South Pacific, operating from Norway, Sweden and Denmark.



New Zealand's largest inbound tour operator offering an excellent booking platform and staff to service both the FIT and Group markets from UK, Europe, USA and other long-haul Western markets.

CONSOLIDATION



Air Tickets is the travel industry's major airfare distribution and ticketing service consolidator, with a 24/7 web-based portal to real-time airfares allowing agents to shop, book and ticket in one system.



Express Tickets is a service focused consolidation division backed by an advanced fares & ticketing technology platform. A market-leading consolidator providing travel agencies, tour operators and OTA's with an efficient, easy-to-use airfare and airline ticketing solution.

TECHNOLOGY

Mango

Mango is a B2B booking engine used by Australian and New Zealand travel agents to search and book accommodation, transfers, car hire and tours. Mango supports Viva Holidays, Go Holidays, AOT Online, ETA Online and ATS Pacific.



Resworld is Helloworld's bespoke Retail Mid-Office Solution with optimised booking management workflows able to import bookings from multiple GDS systems. Agents can automate payments to suppliers and generate documentation.



World class technology providing travel agents with a ticket processing system subject to rigorous real-time validation and a queuing system the envy of global consolidators.



SmartFares® is a web based shopping tool sourcing the latest airline fares for our travel agent customers. Locating flight options for every airline in the world, in real time 24/7.



SmartNDC is integrated with IATA's "New Distribution Capabilities - NDC" and uses the latest APIs and airline technologies. With the ability to shop, book, ticket, cancel, re-shop, exchange and refund NDC airline tickets via SmartFares and Smart Tickets solutions.

TOUR OPERATING



Tourist Transport Fiji operates a fleet of 40 vehicles providing transfer services throughout Fiji with sightseeing tours and adventure packages under the Great Sights and Feejee Experience brands.



Entertainment Logistix is Australia's largest freight operator providing specialised and dedicated purpose built equipment for local and international touring artists and other entertainment options operating a fleet of over 140 vehicles and trailers and extensive warehousing facilities.

YEAR IN REVIEW

RETAIL NETWORKS

The value of a travel professional in arranging leisure and corporate travel for Australian and New Zealand travellers remains incredibly high. Travellers know the value, advantages and assurances that come with using the advice of a Helloworld agent and want to avoid the risk of doing it themselves or experiencing challenges along the journey. Having a professional on call to assist if needed is a highly valued component of the travel experience for our customers.

NETWORKS

With significant retail travel brands, Helloworld has over 2,700 members in Australia and New Zealand across its retail networks including fully branded Helloworld Travel outlets, Helloworld Travel Associate members, Helloworld Business Travel, Magellan Travel, The Travel Brokers (NZ), NZ Travel Brokers, Mobile Travel Agents and the My Travel Group.

At the beginning of the 2024 financial year, the acquisition of Express Travel Group (ETG) was completed. ETG is one of the largest independent travel agency networks in Australia and New Zealand. The ETG retail networks welcomed to the business in Australia included Alatus, Independent Travel Group, Select Travel Group, Independent Travel Advisors, and in New Zealand, You Travel Group and First Travel Group.

Across all our networks we have seen the demand for the services of a travel professional remain high. Throughout FY24 our retail network members in both Australia and New Zealand continue to be valued by leisure and corporate travellers and very much in demand. And this shows no sign of changing into FY25 and beyond.

TRAINING ACADEMY

In order to help grow personnel numbers in the retail sector we launched the Helloworld Travel Academy in Australia in May 2022 and in New Zealand in March

2023. In FY24 the Helloworld Travel Academy trained over 550 new advisors to the industry all placed in the Helloworld retail network. In addition to rookies coming into our network's businesses, the Academy has gone from strength to strength with over 5,500 travel advisors across all levels of experience attending for a variety of training in Product, Destination, Technical and Human skills in both virtual and face to face sessions.

MARKETING ACTIVITY

Helloworld undertakes significant marketing activity with substantial investment to drive leads and customers to our agents as well as building brand awareness. Throughout FY24 we executed over 150 substantial marketing campaigns for the Helloworld retail networks.

Branded advertising featured across major metro and regional newspapers, radio, TV, outdoor and online. Helloworld has negotiated preferred partnerships with all major media across Australia and New Zealand. These partnerships allow Helloworld to leverage their relationships for the best outcome and return on investment to the benefit of the agent networks.

Returning in November 2024 is the Hello World TV show a travel and lifestyle program created in partnership with and broadcast on the Nine Network. Featuring impressive destinations around the world, each episode includes strategic advertising offers for viewers to access exclusive travel deals following each segment.

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



WHOLESALE

Helloworld's wholesale operations distribute travel products and services to markets all over the world, using significant buying power to negotiate the best contracted rates with preferred partner suppliers globally.

Wholesale businesses include Viva Holidays, Cruiseco, Creative Cruising, GO Holidays and Williment Travel in New Zealand, and the HLO owned and operated ReadyRooms hotel booking platform.

Viva Holidays caters for all holidaymakers and budgets with an extensive range of fun and affordable holiday deals in Australia and around the world. Celebrating its 50th Anniversary in 2024, Viva continues to produce an extensive range of brochures covering domestic, international, and special interest product. The demand for brochures remains very high and we are pleased to create such a wide selection for agents to use as valuable selling tools. Viva Holidays was proud to be recognised as the Most Outstanding Wholesaler Product/Service at the 2023 National Travel Industry Awards (NTIA), and is a finalist for the same award in 2024, to be announced on 26 October 2024.

Ultimate Journeys by Viva Holidays offers a range of bespoke journeys catering to the discerning traveller. Specifically designed to meet the demands within the luxury category Ultimate Journey itineraries are designed to make the most of bucket-list destinations and exclusive experiences. Building on the success of previous seasons, we relaunched our most popular destinations and added new experiences to the collection in 2024/25.

Cruise continues to generate strong growth and demand. The cruise division provides innovative cruise packaging

and distributes cruise products from over 70 global cruise partners. Offering white-label websites to give agents digital capabilities to transact cruise product 24/7, the cruise division contracts and secures cruise allocation to guarantee rates and availabilities for agents. Brands include Cruiseco in AU, GO Cruise in NZ, and Creative Cruising in AU and NZ, that was integrated in the acquisition of ETG. Cruiseco is a finalist in the 2024 NTIA Awards in the category of Most Outstanding Wholesaler Product/Service.

GO Holidays is New Zealand's longest serving travel wholesaler with over 45 years of experience offering product distribution to a wide range of top retail travel brands throughout New Zealand. Producing 16 branded brochures annually featuring a comprehensive range to suit all travel styles. GO Holidays has been awarded New Zealand's Best Wholesaler at the annual TAAZ awards for 6 years.

Williment Travel is based in New Zealand and boasts and maintains a leading presence in the sports travel industry offering a broad selection of sporting events and experiences, including Formula 1, Supercars, MotoGP, tennis, rugby league, rugby union, football, horse racing and golf. The commercial relationships Williment has in place with rights holders continues to flourish, ensuring their range of the very best sporting experiences around the world continues to grow.



INBOUND

Helloworld's Inbound division, consisting of well-respected global brands AOT Inbound, ATS Pacific and ETA, have continued their strong recovery post COVID and have recorded significant growth for the financial year.

Various factors are driving this increase including increased airline capacity to Australia and New Zealand, easing airfare pressure for inbound travellers. A favourable AUD exchange rate against both the Euro and USD puts travel within reach of more travellers. A strong outbound market is easing pressure on local

hotel and touring availability and rates, and a strong global consumer demand for luxury experiences has increased average booking value. Plus, Australia and New Zealand continue to have a preferred status globally as a safe and friendly destination.

With clients in 50 countries around the world our inbound brands work closely with agent partners globally and approximately 4,000 supplier partners in Australia, New Zealand and the South Pacific.

FIJI



Helloworld's Fiji operations include inbound (ATS Pacific) and transport (Tourism Transport Fiji - TTF) divisions as well as Shared Services personnel.

Tourist Transport Fiji (TTF) is Fiji's premier transport operator and ground handler having been in operation for over 35 years. Based in Nadi, Fiji, TTF's operation is conveniently based at our own facility at Nadi International Airport. Recent investment includes further development of the depot, new vehicles and fleet refurbishment. Six new vehicles added 78

additional seats to the current TTF fleet fulfilling the increasing demand for our family market and cruise ship customers.

The Helloworld Shared Services operations in Nadi undertakes support in areas of administration, finance services including accounts payable and accounts receivable as well as content, contracting and product development.

Helloworld's operations in Fiji are well placed to cater for the increasing tourism growth and demand in Fiji we are seeing.



ENTERTAINMENT LOGISTIX



Providing services to the entertainment industry, Entertainment Logistix is a leading choice for complex freight and logistics management to a range of customers across various sectors including the Performing Arts, Live Music, Theatre and Stage, Media, Production, Sports and large national Festivals and Corporate Events.

With a specialised fleet of over 140 company owned vehicles, a dedicated network of drivers and

contractors, Entertainment Logistix offers tailored solutions specific to the requirements of each project.

The Entertainment Logistix business continues to invest in fleet and infrastructure, which will provide a platform for future growth. Activity in this year has included a number of high-profile events, including Taylor Swift, Pink, Ed Sheeran, Robbie Williams, The Wiggles, Post Malone, Paramore, Mary Poppins, Miss Saigon and Mamma Mia.



OUR TECHNOLOGY

Helloworld's technologies continue to be an extremely important component of our business. Our ongoing investment in these systems and platforms enables delivery of world class outcomes for our agents, wholesale and inbound customers as well as for travellers.

Helloworld has a suite of sophisticated in-house technologies and systems that are continually in development to remain at the forefront of the industry.

AIR TICKETS

A wholly owned business and proprietary software of Helloworld Travel Limited, Air Tickets is an industry leading in-house ticketing service, providing travel industry customers with an award-winning, one-stop solution for airfare distribution and ticketing services.

We continue to upgrade our Air Tickets system, with ongoing development within the SmartSuite of technologies. SmartNDC has joined the suite of products and provides a single shopping solution to search and compare the best air offers into one single shopping page as part of the NDC (New Distribution Capability) launched by airlines.

A new addition to the SmartSuite is SmartRefunds, a first-in-market online refund capability. Designed, owned and operated by Air Tickets. In just two clicks, refunds are processed online instantly via the GDS, delivering quick turnaround of funds. The ultimate time saver for travel industry customers with automation and efficiency allowing more time for revenue generation, resulting in better outcomes for both agents and their customers.

Since early 2024 all ETG agent networks in Australia and FTG agent network in New Zealand have been using Air Tickets technology and the feedback on the greater automation and efficiencies has been overwhelmingly positive.

RESWORLD

A key technology for Helloworld Retail is our in-house designed and built mid-office platform, Resworld. Resworld enhances our agents' productivity by providing a streamlined booking management process that seamlessly integrates with our partner systems to import segments, quickly generate itineraries and provide robust reporting and CRM tools.

Using advanced API connections, Resworld links with our key suppliers. These connections enhance the speed and accuracy of managing a booking for our agents and we continue to encourage and support more partner connections to our platform.

Recently we completed additional connections to Helloworld's own ReadyRooms, Mango, GoNet and CruiseCO systems as well as external preferred partners, enabling agents to bring itineraries and pricing directly into Resworld in just a few clicks. These direct connections between a supplier's booking platform and Resworld can save a consultant up to an hour a day in data entry time, depending on the complexity of the

reservation. Resworld is directly driving efficiencies and enabling agents to offer the best service to clients.

Resworld is 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.

READYROOMS

We are excited about the continued success and ongoing growth in users of our updated wholly owned and operated ReadyRooms platform. Providing travel agents with a cutting-edge booking portal, key features include the 'Search By Anywhere' feature and our unique 'Name Your Own Price' function. Currently featuring over 300,000 hotels, activities and transfers, we are continually growing our connections and offerings. The system, thanks to recent enhancements, has been widely embraced by our networks and continues to record triple digit growth week on week.

WHOLESALE PLATFORMS

In the Wholesale area our Travel Agent Booking Platforms continue to be developed. We continue to enhance the travel agent experience via Mango (Australia) and GoNet (New Zealand) by creating easier navigation tools, the ability to view Instant Purchase product as a priority and improvements to the payment gateways. We are also working on integration that will allow our inbound trade partners to move to the Mango platform.

Mango and GoNet are powered by Tourplan, and our supplier integrations are delivered via the Tourplan DX platform. Our dedicated supplier connectivity team remain focused on developing new supplier connections and maintaining the mapping of existing ones.

In the Cruise wholesale divisions, we operate a third party system, Odysseus, which has direct API feeds of content coming directly from the cruise lines. Our version of Odysseus has bespoke enhancements allowing for a quick turnaround on creating whitelist sites for the agents as well as Finance modules, increasing the productivity of division.



DIRECTORS' REPORT

The Directors of Helloworld Travel Limited (Helloworld Travel), present their Report together with the Financial Statements of the Consolidated Entity (Group) being Helloworld Travel Limited and the entities that it controlled at the end of, or during, the year ended 30 June 2024 and the Independent Auditor's Report.

The Directors of the Company in office at any time during or since the end of the financial year are as follows:



Garry Hounsell

B Bus, FAICD, FCA

Non-Executive Director and Chairman

APPOINTMENT

Garry Hounsell was appointed to the Board and as Chairman from 4 October 2016.

EXPERIENCE AND EXPERTISE

Garry has extensive Director experience on a wide range of highly successful Boards. Garry was formerly Senior Partner of Ernst & Young, Chief Executive Officer and Country Managing Partner of Arthur Andersen, a Board member of Freehills (now Herbert Smith Freehills) as well as Deputy Chairman of the Board of Mitchell Communication Group Limited.

Garry was formerly the Chairman and a Non-Executive Director of Hiro Brands Limited formerly known as Wellness and Beauty Solutions Limited, a Non-Executive Director of Qantas Airways Limited, Orica Limited and Dulux Group Limited.

Garry is a Fellow of the Australian Institute of Company Directors and a Fellow of Chartered Accountants in Australia and New Zealand.

OTHER CURRENT DIRECTORSHIPS OF LISTED ENTITIES:

- Treasury Wine Estates Limited (since 2012).
- Electro Optic Systems Holdings Ltd, Chairman (since November 2022).

OTHER CURRENT DIRECTORSHIPS:

- Commonwealth Superannuation Corporation Limited, Director since 2016 and Chairman from July 2021.

SPECIAL RESPONSIBILITIES:

- Chairman of the Board.
- Chairman of the Remuneration Committee and Nominations & Governance Committee.
- Member of the Audit & Risk Committee.

INTERESTS IN SHARES:

- A legal and beneficial interest in 153,890 fully paid ordinary shares.



Andrew Burnes, AO

LLB, B Comm. (Melb)

Chief Executive Officer and Managing Director

APPOINTMENT

Andrew Burnes, AO was appointed Chief Executive Officer and Managing Director of Helloworld Travel Limited on 1 February 2016.

EXPERIENCE AND EXPERTISE

Upon completing degrees in both Law and Commerce at Melbourne University in 1984, Andrew was employed by Blake Dawson Waldron where he completed his articles and worked as a solicitor.

On 1 November 1987, Andrew founded The Australian Outback Travel Company, which later became The AOT Group. After the merger of The AOT Group and Helloworld in January 2016, he was appointed Chief Executive Officer of Helloworld Travel Limited on 1 February 2016.

Andrew was Honorary Federal Treasurer of the Liberal Party of Australia from July 2015 to June 2019.

Andrew was made an Officer of the Order of Australia (AO) in the June 2020 Queen's Birthday honours for his distinguished services to business, particularly through a range of travel industries, to professional tourism organisations, and to the community.

SPECIAL RESPONSIBILITIES:

- Chief Executive Officer and Managing Director.

INTERESTS IN SHARES:

- A legal and beneficial interest in 10,495,531 fully paid ordinary shares.
- In conjunction with Cinzia Burnes a further beneficial interest in 18,358,287 fully paid ordinary shares.



Cinzia Burnes

Chief Operating Officer and Executive Director

APPOINTMENT

Cinzia Burnes, Chief Operating Officer and Executive Director was appointed to the Helloworld Travel Limited Board on 1 February 2016.

EXPERIENCE AND EXPERTISE

Cinzia brings extensive sector and management experience to the Board.

In 1982, Cinzia commenced her career in travel and after working as a travel wholesaler in Italy for nine years, she played a pivotal role in growing AOT from a regional safari operator into one of Australasia's leading travel distribution businesses. The AOT Group was privately owned by Andrew and Cinzia Burnes until its merger with Helloworld in February 2016.

Cinzia was a Director of Tourism Victoria from 2013 to 2015. She also served as a Board member of Health Services Australia from 2005 to 2007 and the Australian Tourist Commission from 2001 to 2004. Cinzia was appointed a Director of Australian Travel Industry Association (ATIA) on 14 December 2022, formally known as Australian Federation of Travel Agents (AFTA).

SPECIAL RESPONSIBILITIES:

- Chief Operating Officer and Executive Director.

INTERESTS IN SHARES:

- A legal and beneficial interest in 10,138,014 fully paid ordinary shares.
- In conjunction with Andrew Burnes a further beneficial interest in 18,358,287 fully paid ordinary shares.



Rob Dalton

B Bus, FCA, GAICD

Non-Executive Director

APPOINTMENT

Rob Dalton was appointed to the Board on 9 November 2021.

EXPERIENCE AND EXPERTISE

Rob's career has spanned over 35 years where he was a Partner at Arthur Andersen from 1995 – 2002 and Senior Partner at Ernst & Young from 2002 – 2019 where he undertook many complex engagements on large corporations in Australia and overseas, as well as engagements involving transformational change.

Rob provided advice and assurance on mergers, acquisitions and divestments as well as the implementation of governance frameworks within the Manufacturing, Infrastructure, Consumer Products and Service Organisations.

Rob held the role of Acting Chief Executive of Sports Australia and the Australian Sports Commission based in Canberra, where he oversaw 110 National Sporting Organisations providing funding to sports and activity providers to grow participation from Feb 2020 to April 2022.

Rob also held the role of Finance Director for Richmond Football Club from 2004 – 2019.

OTHER CURRENT DIRECTORSHIPS OF LISTED ENTITIES:

- K&S Corporation Limited (since August 2021), a member of the Audit committee.
- Equity Trustee Holding Limited (since September 2023).

OTHER CURRENT DIRECTORSHIPS:

- Kookaburra Sport Pty Ltd (since December 2021).
- Blue Cross Community Care Services Pty Ltd (7 June 2022 – 30 June 2024).

SPECIAL RESPONSIBILITIES:

- Chairman of the Audit & Risk Committee.
- Member of the Remuneration Committee and Nominations & Governance Committee.



Hon. Martin Pakula

B Economics (Monash University), LLB
(Hons) (Monash University), GAICD

Non-Executive Director

APPOINTMENT

Hon. Martin Pakula was appointed to the Board on 30 November 2022.

EXPERIENCE AND EXPERTISE

Martin served as a Member of the Victorian Parliament for 16 years, from 2006 to 2022. In that time he held a range of ministerial portfolios including Minister for Industry, Minister for Trade, Minister for Industrial Relations, Minister for Public Transport, Attorney General, Minister for Racing, Minister for Innovation, Minister for Jobs, Minister for Business Precincts and Minister for Tourism, Sport and Major Events. Martin served a six and half year term as an MLC in the 2000's and a ten-year term as an MLA from 2013 to 2022.

Prior to entering Parliament, Martin worked as a solicitor and as a senior trade union official.

OTHER CURRENT DIRECTORSHIPS:

- Sport Australia Hall of Fame, Independent Director (since March 2023).
- Australian Grand Prix, Chairman (appointed 10 October 2023).

SPECIAL RESPONSIBILITIES:

- Member of the Audit & Risk Committee, Remuneration Committee and Nominations & Governance Committee.

INTERESTS IN SHARES:

- A legal and beneficial interest in 7,000 fully paid ordinary shares.



Leanne Coddington

B Bus, GAICD, FAIM

Non-Executive Director

APPOINTMENT

Leanne Coddington was appointed to the Board on 1 February 2023.

EXPERIENCE AND EXPERTISE

Leanne has a deep level of broad industry experience in the tourism, events and hospitality sectors spanning more than 30 years. As CEO of Tourism and Events Queensland for nine years from 2013 to 2022, Leanne led the strategic positioning of Queensland's tourism and events industry including marketing, global trade distribution, industry and aviation partnerships, event acquisition and experience development. Leanne guided the State's tourism and events industry through the COVID-19 pandemic ensuring it was well positioned as state and international borders reopened. Prior to that, she held senior executive roles with Tourism Queensland including Destination Partnerships, Strategy and Research and Human Resources. Her early career in hospitality

management included senior executive roles with the Hyatt Hotel Group. Leanne is also an Adjunct Professor of the University of Queensland Business School.

OTHER CURRENT DIRECTORSHIPS:

- Museum of Brisbane (since February 2020).
- Netball Queensland (since 12 February 2023), Chair (appointed 25 March 2023).
- Queensland Performing Arts Trust (appointed 22 May 2024).

SPECIAL RESPONSIBILITIES:

- Member of the Audit & Risk Committee, Remuneration Committee and Nominations & Governance Committee.

INTERESTS IN SHARES:

- A legal and beneficial interest in 45,000 fully paid ordinary shares.



Sylvie Moser

B Comm, CPA, FGIA, FCG, MBA, LLB, GAICD, LLM

Group Company Secretary

Sylvie joined Helloworld Travel Limited in January 2021 and has more than 30 years finance, commercial, management and corporate experience across a number of industries. Sylvie held roles of Group Financial Controller and Company Secretary with a number of unlisted companies where she led the finance, corporate governance and risk areas.

Prior to joining Helloworld, Sylvie was most recently CFO/Company Secretary and Legal Counsel of a dual listed mining exploration company, providing strategic and commercial leadership in finance, governance compliance and risk management.

Sylvie is an experienced governance professional, Chartered Secretary, a Solicitor and a Certified Practising Accountant.

DIRECTORS' MEETINGS

During the year, 10 meetings of the Board, four meetings of the Audit & Risk Committee, three meetings of the Remuneration Committee and one meeting of the Nominations & Governance Committee were held.

Attendance at Board and Board Committee Meetings during the year is set out in the table below:

DIRECTOR	Board		Audit & Risk Committee		Remuneration Committee		Nominations & Governance Committee	
	A	B	A	B	A	B	A	B
Garry Hounsell	10	10	4	4	3	3	1	1
Andrew Burnes, AO	10	10	4	4	3	3	1	1
Cinzia Burnes	10	10	4	4	3	3	1	1
Rob Dalton	10	10	4	4	3	3	1	1
Hon. Martin Pakula	10	10	4	4	3	3	1	1
Leanne Coddington	10	10	4	4	3	3	1	1

Column A: Indicates the number of scheduled and ad hoc meetings held during the period the Director was a member of the Board and/or Board Committee or was invited to attend.

Column B: Indicates the number of scheduled and ad hoc meetings attended by the Director during the period the Director was a member of the Board and/or Board Committee or attended by invitation.

RETIREMENT IN OFFICE OF DIRECTORS

In accordance with the Company's Constitution and the ASX Listing Rules, Rob Dalton, being the longest serving Director will retire by rotation and being eligible, offers himself for re-election at the 2024 Annual General Meeting.

DIVIDEND

The Board declared that the Company will pay a fully franked final dividend of 6.0 cents per share, with a planned payment date of 19 September 2024.

EARNINGS PER SHARE

Basic earnings per share and diluted earnings per share was 19.2 cents and in the prior year was 12.4 cents.

PRINCIPAL ACTIVITIES

The principal activities during the year of the entities in the Group were the selling of international and domestic travel products and services, the operation of retail distribution networks of travel agents and specialised freight operations.

Helloworld Travel is a leading Australian and New Zealand travel distribution company comprising retail distribution travel networks, destination management services (for inbound into Australia, New Zealand and South Pacific travel), air ticket consolidation, wholesale leisure services (domestic and international), accommodation management operations and online operations, and freight and coach operations.

Helloworld's retail distribution operations include Helloworld Travel, Australia and New Zealand's largest network of branded and co-branded franchised travel agents, Magellan Travel, Helloworld Business Travel, My Travel Group, NZ Travel Brokers and our 50% investment in MTA (Mobile Travel Agents). With the acquisition of Express Travel Group in August 2023, the ETG retail networks welcomed to the Helloworld Group in Australia included Alatus, Independent Travel Group, Select Travel Group, Independent Travel Advisors, and in New Zealand, You Travel Group and First Travel Group.

Helloworld's wholesale travel businesses in Australia include Viva Holidays, Ultimate Journeys, ReadyRooms, and in New Zealand includes GO Holidays and Williment Travel. With the acquisition of Express Travel Group in August 2023, Creative Cruising in Australia and New Zealand joined the Helloworld Group.

Helloworld's inbound operations in Australia, New Zealand and Fiji include AOT, ATS Pacific and ETA while our freight and coach operations businesses include TTF Fiji and Entertainment Logistix.

Helloworld Travel's main business operations are located in Australia, New Zealand and Fiji.



OPERATING AND FINANCIAL REVIEW

SUMMARY OF RESULTS	For the year ended 30 June 2024	For the year ended 30 June 2023	Change \$000's	Change %
	\$000's	\$000's		
Total Transaction Value (TTV)	4,173,327	2,568,866	1,604,461	62.5%
Total revenue and other income	228,208	165,914	62,294	37.5%
Expenses	(172,258)	(128,112)	(44,146)	34.5%
Equity accounted profit	4,857	1,981	2,876	145.2%
Underlying EBITDA	67,462	44,119	23,343	52.9%
Underlying EBITDA margin %	30.0%	26.6%		
EBITDA	60,807	39,783	21,024	52.8%
EBITDA margin %	26.6%	24.0%		
Depreciation and amortisation	(18,798)	(18,023)	(775)	4.3%
Interest expense	(1,217)	(703)	(514)	73.1%
Profit before income tax from continuing operations	40,792	21,057	19,735	93.7%
Income tax expense	(10,063)	(1,872)	(8,191)	437.6%
Profit after income tax from continuing operations	30,729	19,185	11,544	60.2%
Total loss after tax from discontinued operations	-	(1,822)	1,822	(100.0%)
Profit after tax for the year	30,729	17,363	13,366	77.0%
Profit attributable to the owners of Helloworld Travel Limited	30,604	17,375	13,229	76.1%
	For the year ended 30 June 2024	For the year ended 30 June 2023	Change Cents	Change %
	Cents	Cents		
BASIC EARNINGS/(LOSS) PER SHARE				
Continuing operations	19.2	12.4	6.8	54.8%
Discontinued operations	-	(1.2)	1.2	(100%)
DILUTED EARNINGS/(LOSS) PER SHARE				
Continuing operations	19.2	12.4	6.8	54.8%
Discontinued operations	-	(1.2)	1.2	(100%)
INTERIM DIVIDEND PER SHARE	5.0	2.0	3.0	150.0%
FINAL DIVIDEND PER SHARE	6.0	6.0	-	-

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 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.

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 operating segments and is not subject to audit or review.

A reconciliation of Underlying EBITDA to profit before income tax expense is provided in note 2.3: Segment Information.

Underlying EBITDA margin has been calculated as Underlying EBITDA as a percentage of total revenue excluding significant items.

EBITDA margin has been calculated as EBITDA as a percentage of total revenue.



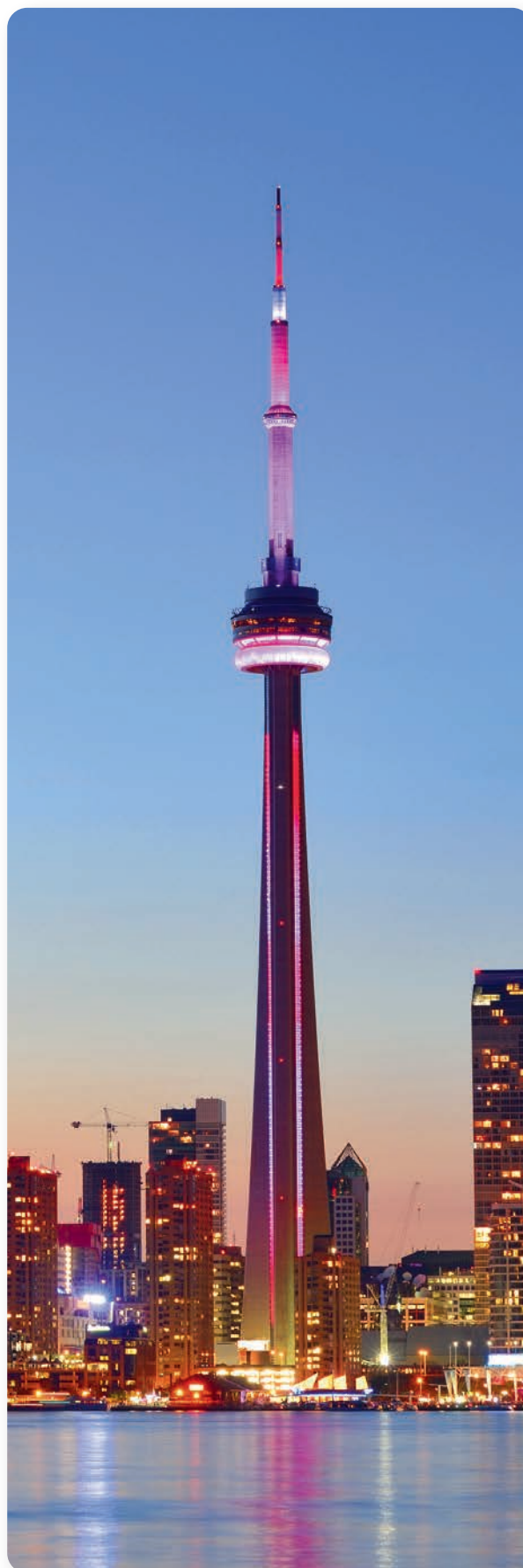
YEAR IN REVIEW

OVERVIEW OF RESULTS

Helloworld Travel recorded strong growth in Total Transaction Value (TTV), revenue, underlying EBITDA and net profit after income tax, driven by a continued focus on profitable revenue streams, cost control, improved productivity and the successful acquisition and integration of Express Travel Group (ETG). Whilst focused on delivering this result, the business further invested in its brands, products, technology and people to ensure the Group is well positioned to deliver sustainable long-term growth.

Helloworld's key financial results for the year ended 30 June 2024 (FY24) compared with the prior year ended 30 June 2023 (FY23) on a continuing operations basis are:

- TTV grew by 62.5% to \$4.2 billion in FY24, up from \$2.6 billion in FY23. Both the Australian and New Zealand geographical segments benefited from the ETG acquisition and grew TTV by 60.6% and 79.4% respectively.
- Revenue for FY24 was \$228.2 million, up 37.5% on the FY23 revenue of \$165.9 million. The revenue margin decrease from 6.3% in FY23 to 5.2% in FY24 was attributable to the acquisition of Express Travel Group which operates at a lower revenue margin and lower Entertainment Logistix revenue.
- Operating costs increased compared with the prior year because of the inclusion of the cost base of the ETG acquisition and as the business continued to invest in short and longer-term growth (including resuming marketing campaigns in Australia and New Zealand).
- The share of profits from equity accounted investments increased 145.2% year-on-year to \$4.9 million in FY24. This was driven from strong results by MTA (50% owned by Helloworld) and Phil Hoffmann Travel (40% owned by Helloworld, effective August 2023).
- The Entertainment Logistix business, Australia's largest provider of specialist transport and logistics services to the entertainment industry, reported full year revenues of \$17.1 million (down from \$24.2 million in FY23) and an FY24 underlying EBITDA of \$1.2 million.
- Underlying EBITDA of \$67.5 million, up \$23.3 million or 52.9% on the prior year. The underlying EBITDA margin improved from 26.6% in FY23 to 30.0% in the current year.
- Profit before income tax increased \$19.7 million to \$40.8 million in FY24.
- Profit after income tax increased to \$30.7 million, up 60.2% or \$11.5 million year-on-year.



SHAREHOLDER RETURNS

The Board declared that the Company will pay a final dividend of 6.0 cents, fully franked, with a planned payment date of 19 September 2024. This follows a 5.0 cent interim dividend which was paid on 22 March 2024.

Helloworld's basic and diluted earnings per share for was 19.2 cents, compared to 12.4 cents in the prior year on a continuing operations basis.

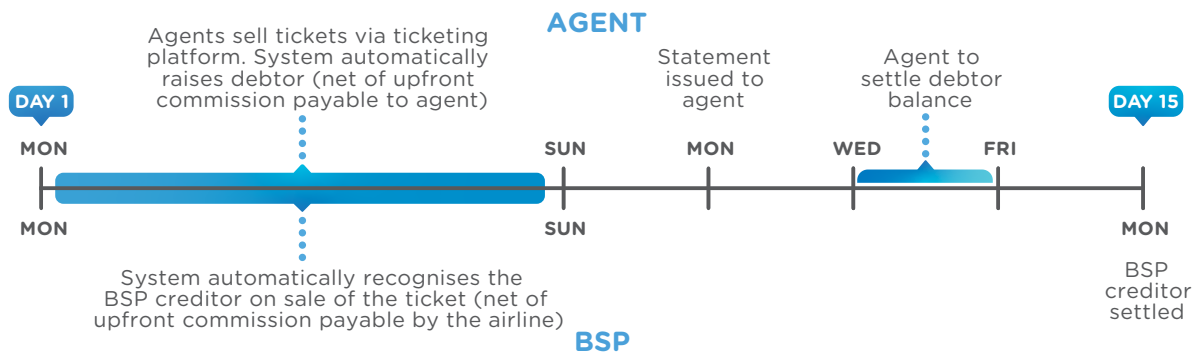
LIQUIDITY AND FUNDING

As at 30 June 2024, the Group held a total cash balance of \$161.9 million compared with \$160.9 million at 30 June 2023.

The Company holds 1.4 million shares in ASX listed Corporate Travel Management (ASX: CTD) at 30 June 2024.

Further, Helloworld has no external bank debt at balance date.

ILLUSTRATIVE EXAMPLE OF THE BSP CYCLE



The timeline above presents the weekly IATA Billing and Settlement Plan ("BSP") payment cycle associated with the sale and purchase of airline tickets, a major part of Helloworld's operations. Helloworld's accounting system automatically recognises a receivable due from agents and a payable owing to the airlines when a ticket is sold. Agents typically settle ticket sales for the prior Monday to Sunday on a Wednesday. Helloworld is required to settle the IATA BSP account on the Monday following receipt of those funds. The month end and year end net BSP cash balance varies considerably depending on the day of the week on which the month end / year end falls.



MATERIAL BUSINESS RISKS

Helloworld is exposed to a range of business, social sustainability and economic risks and seeks to mitigate any significant exposures to its operations through a range of measures implemented in line with its risk management framework.

Helloworld's approach to risk management is based on established governance processes and relies on both individual responsibility and shared oversight, supported by various tools to facilitate comprehensive reporting. Allowing for proactive participation by the Executive Management Team (EMT) in all significant risk matters.

The Audit & Risk Committee meets with members of the EMT to review the material risks encountered by the Group and the business practices and processes in place to mitigate these risks or their impact. Every attempt is made to identify and manage material risks, however, risks not currently known or listed above that may adversely impact the Company are set out below

Economic risks

- Economic conditions
- Pandemic and health crises
- Changes in consumer preferences
- Financial risks
- Agent network risks
- Impact of war, terrorism, and other external events
- Changes to Government policies and regulations
- Indirect taxes
- Technological disruption/ IT system failure

Helloworld understands that travel is subject to the effects of key economic risks, such as recession, global conflicts, currency movements, interest rates, and consumer confidence. In this economic environment these factors remain a challenge. Changes in employment levels and labour costs affect the cost structure of the Group. Helloworld offers a range of

global travel destinations and related products which allows for quick response to changes in demand based on changing economic conditions. Helloworld Travel's agent network remains an important part of its growth, a reduction in its agent network may adversely influence Helloworld Travel's brand and ability to generate sales and increase sales in its retail division. This risk is managed by the size of the agent network, the geographic spread, a diverse portfolio of customers and the continued focus on the management, mentoring and engagement with our members.

Further details as to how the Company is managing its key environmental, social and governance risks which may impact on the business are set out in the Company's Corporate Social Responsibility which is available on the Company's website (www.helloworldlimited.com.au/company-overview).

Supplier risk

Helloworld's supply chain comprises many travel providers and intermediaries. Credit risk in this supply chain increases in uncertain economic environments. Any interruption in the Group's relationship with suppliers or the failure of a supplier to honour contractual obligations could result in adverse reputational impacts on Helloworld Travel, and potentially affect operations which may result in the Group being unable to generate earnings equal to those historically generated by those contracts.

Human resources risk

The Group relies on the talent and experience of its Directors, senior management and employees. The loss of any key personnel or an increase in staff turnover could affect the performance of the Group's business and compromise its growth forecast.



While the Group has processes in place to ensure compliance with applicable labour laws, the overlap of workplace agreements, awards and industrial relations rules can give rise to risks of breaches in the countries in which the Group operates.

Political and social risks

Regional, political or social instability could negatively impact the Group's revenue streams and ultimately its financial performance, access to new markets, disruption to global supply chains, and other barriers to the movement of people across international borders. The diversification of the Groups businesses and a diverse portfolio of customers provides the Group with greater resilience if regional political or social instability arises.

Regulatory risk

Regulatory action against the Group under legislation and government policy may have a detrimental impact. For instance; the Group, as a retailer of travel and travel-related products, engages in large promotional and advertising campaigns and processes employees' and customers' personal information. Any regulatory scrutiny, media attention or any action taken against the Group in any location where it operates, could be harmful to the reputation of the Group including its operating and financial performance.

Changes to regulatory requirements are broad ranging and could immediately affect consumer demand and attitude towards international or domestic travel. Remaining compliant with, and abreast of additional regulations and changes to existing regulations requires diligent and ongoing monitoring by the Group.

Climate change and social sustainability

Transitioning to a lower-carbon economy will require policy, legal, technology and market changes to address these. Physical risks resulting from climate change could be event driven with longer-term shifts in global climate patterns creating financial implications for Helloworld Travel.

Helloworld Travel recognises the potential environmental and social impact that tourists have on destinations in Australia and internationally, we are committed to a range of initiatives integrating sustainability in the business. In each region that we operate, we aim to

reduce our environmental footprint across every aspect of our business.

We are aware that the activities of our value chain also have an impact on the environment. Our approach is to ensure our long-term sustainability drives innovation in travel solutions to assist our clients and networks to achieve their own sustainability goals.

By combining innovative thinking with long-term planning and collaboration, we will strive to balance economic drivers with environmental, social and governance sustainability initiatives for the benefit of all our stakeholders.

Helloworld continues to work towards improving oversight and management of sustainability issues and risks over the long term.

IT systems risk

Helloworld Travel relies on the performance, reliability and availability of its information technology, communication and other business systems cyber and information security is essential to protect business critical intellectual property and privacy of data. Any damage or failure to Helloworld's key systems could result in disruptions to its business (especially its online services). Any failures of, or malicious attacks on Helloworld Travel's business systems or compromise to the security of data (including personal information) held by the Company may similarly impact Helloworld Travel's business and its reputation. The financial penalties attached to data breaches are generally sizable and could have an adverse effect on the reputation and the financial performance of the Group.

Financial risk

Access to capital is a fundamental requirement to achieve the Group's business objectives and to meet its financial obligations.

Developments in global financial markets due to the continued impact and the uncertainty created by various wars around the world may adversely affect the liquidity of global credit markets and the Group's ability to access those markets, which could impact Helloworld's future financial performance and position.



Agent network closure

Helloworld Travel's agency networks are a vital part of the business and a reduction in its agency network may adversely impact Helloworld Travel's brand and ability to generate sales and increase sales in its retail division.

This risk is managed by the size of the agent network, the geographic spread and the continued focus on the management, mentoring and engagement with our franchise and buying group members.

PEOPLE

At 30 June 2024, Helloworld Travel has 727 employees (2023: 654), comprising 652 full-time equivalent employees. Of the total number of employees across the Group at year end 58.3% (2023: 56.9%) are female.

Employee expenditure for the year ended 30 June 2024 was \$67 million.

The majority of the Group's employees are based in Australia, however, the Group has employees in other countries.

The FTE breakdown by country as at 30 June 2024 is below:

Australia	415	64%
New Zealand	91	14%
Fiji	125	19%
Other	21	3%
Total	652	100%

Helloworld Travel businesses, including equity accounted investments, have over 900 staff located in Australia, New Zealand, Fiji and Greece.

Capital structure

At 30 June 2024, Helloworld Travel had 160,979,622 shares on issue of which the Executive Directors, Andrew Burnes and Cinzia Burnes, along with their direct related entities, own 24.22%. Sintack Pty Limited and its associates hold 14.88% and FIL Limited holds 8.99% with the remaining 51.91% being held by other shareholders including management.

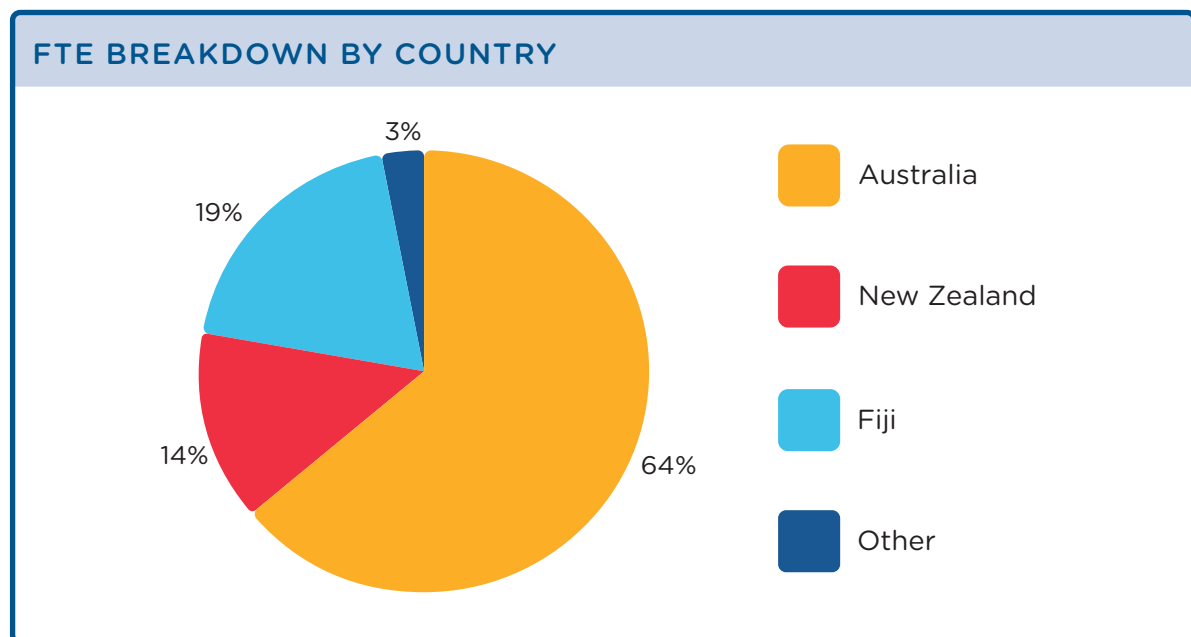
SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Directors declared a 6.0 cent per share fully franked final dividend to be paid on 19 September 2024.

With this exception, the Directors are not aware of any further matter or circumstance that has arisen since 30 June 2024 and the date of signing of this report that has significantly, or may significantly, affect the operations of the Group, the results of the operations of the Group or the state of the Group's affairs in future financial years.

LIKELY DEVELOPMENTS

In the opinion of the Directors, it would prejudice the interests of the Group to provide additional information, except as described in this report, relating to likely developments in the operations of the Group in subsequent financial years.



REGULATION

The Group's operations are not subject to any significant environmental regulations under Commonwealth or State legislation.

Helloworld Travel is an accredited member of the International Air Transport Association (IATA).

Ongoing accreditation allows the Company to sell international and domestic airline tickets on behalf of IATA member airlines. It also allows access to IATA's Billing and Settlement Plan (BSP), which is an efficient interface for invoicing and payment between the travel agent and airlines.

INDEMNIFICATION AND DIRECTORS AND OFFICERS INSURANCE

INDEMNIFICATION

The Company has agreed to indemnify the Directors and executive officers (or former Directors and executive officers) of the Company against

- (a) any liability (other than for legal costs) incurred by the Director or executive officer;
- (b) any legal costs reasonably incurred by the Director or executive officer in connection with;
 - (i) any claim brought against or by the Director or executive officer of the Company; or
 - (ii) any investigative proceeding, including (without limitation) in obtaining legal advice for the purposes of responding to, preparing for or defending any of the above; and

- (c) any legal costs reasonably incurred by the Director or executive officer in or in connection with the discharge of the Director or executive officer's duties as an Officer of the Company, provided that the advice is obtained in accordance with the Board Charter which requires approval from the Chairman who will facilitate the obtaining of the advice and, where appropriate, disseminate the advice to all Directors.

DIRECTORS AND OFFICERS INSURANCE

In accordance with its Constitution the Company, to the maximum extent permitted by law, indemnifies each Director and Group Company Secretary of Helloworld against any liability incurred by that person as an Officer of the Company. Liabilities covered include legal costs that may be incurred in defending civil or criminal proceeding that may be brought against the Officers in their capacity as Officers of the Company or its controlled entities.

During the year, Helloworld paid a premium for Directors' and Officers' liability insurance policies, which cover all Directors and Officers of Helloworld. Details of the amount of premium paid in respect of the Directors' and Officers' liability insurance has not been disclosed as, in accordance with normal commercial practice, such disclosure is prohibited under the terms of the contract.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young Australia during or since the financial year.



LETTER FROM THE REMUNERATION COMMITTEE CHAIRMAN

Dear Shareholder,

On behalf of the Board of Directors, I present the Helloworld Travel Limited Remuneration Report for the financial year ended 30 June 2024.

The year completed heralds a period of growth for the Group with TTV, revenue and profitability results all significantly ahead of the prior year. This highlights the team's incredible efforts in driving solid performance across all business units with strong focus on the evolving travel landscape.

Economic and geopolitical uncertainty have presented a challenge and the potential to impact travel trends. Despite these challenges, Helloworld achieved terrific results in the year by maintaining focus with the continued resilience of its valued network.

GROUP PERFORMANCE AND REMUNERATION OUTCOMES IN THE YEAR ENDED 30 JUNE 2024

The Group continues to show improved momentum and the Board recognises the importance of attracting and retaining key executive talent in a competitive global travel market. During the year, the salaries of the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer were reviewed and increased, reflective of the Group's strong financial and non-financial performance.

There were no LTIP shares allocated to executive KMP in the year ended 30 June 2024. The Board will continue to review the remuneration of key executives to ensure that it remains aligned with our strategy and markets in which we compete for talent.

During the year, the Non-Executive Director base fees remained unchanged. In January 2024 the committee fee for the Chair of the Audit & Risk Committee was increased recognising the additional time and commitment provided to the Company.

Yours faithfully,



Garry Hounsell

Chairman of the Remuneration Committee
Chairman of Helloworld Travel Limited
27 August 2024



REMUNERATION REPORT (AUDITED)

This 2024 Remuneration Report outlines the remuneration arrangements for the KMP of the Group in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

The report contains the following sections:

1 REMUNERATION GOVERNANCE & FRAMEWORK

- 1.1 Persons to whom this report relates
- 1.2 Remuneration governance
- 1.3 Key Management Personnel (KMP) executive remuneration framework
- 1.4 Executive remuneration mix

2 EXECUTIVE REMUNERATION

- 2.1 Group performance and remuneration outcomes for 2024
- 2.2 Executive remuneration
- 2.3 Long Term Incentive Plan (LTIP)
- 2.4 Executive shareholdings
- 2.5 Executive service agreements

3 NON-EXECUTIVE DIRECTOR REMUNERATION

- 3.1 Non-Executive Director remuneration governance
- 3.2 Non-Executive Director remuneration structure
- 3.3 Non-Executive Director remuneration
- 3.4 Non-Executive Director shareholdings



1 REMUNERATION GOVERNANCE & FRAMEWORK

1.1 PERSONS TO WHOM THIS REPORT RELATES

This Remuneration Report has been prepared in accordance with section 300A of the *Corporations Act 2001* (Cth). The report covers the remuneration arrangements for the KMP of the Group. KMP are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise). For the purposes of this report, the term 'executive' encompasses the Executive Directors and the Executive KMP.

Directors and other KMP disclosed in this report are:

NAME	POSITION
NON-EXECUTIVE DIRECTORS	
Garry Hounsell	Chairman and Non-Executive Director
Rob Dalton	Non-Executive Director
Hon. Martin Pakula	Non-Executive Director
Leanne Coddington	Non-Executive Director
EXECUTIVE DIRECTORS	
Andrew Burnes, AO	Chief Executive Officer and Managing Director
Cinzia Burnes	Chief Operating Officer and Executive Director
EXECUTIVE KMP	
Michael Smith	Chief Financial Officer
Chris Hunter	General Manager - New Zealand
Nick Sutherland (<i>appointed effective 1 February 2024</i>)	Head of Branded and Associate Network
Peter Crinis (<i>resigned 23 January 2024</i>)	Chief Commercial Officer

1.2 REMUNERATION GOVERNANCE

The Remuneration Committee of the Board is responsible for reviewing and assessing the remuneration policies and making recommendations to the Board in respect of Director and KMP remuneration in line with current market conditions. The KMP remuneration is designed to attract, retain, and motivate our experienced management team in achieving the Group's business objective. Remuneration is designed to promote the Company's desired culture and business ethics and align the activities of management with the interests of Helloworld's shareholders.

Garry Hounsell (Chairman), Rob Dalton, Hon. Martin Pakula and Leanne Coddington are the members of the Remuneration Committee during the year.

Under the terms of the Remuneration Committee Charter, most of the Committee members must be independent Directors and the Chair of the Committee must be an independent Director. All members of the Committee are non-executive Directors and are independent.

To ensure the Committee is fully informed when making decisions on remuneration, it may seek external remuneration advice. No external consultants were engaged in the year ended 30 June 2024.

1.3 KMP EXECUTIVE REMUNERATION FRAMEWORK

The Group aims to reward executive KMP with a level and mix of remuneration commensurate with their position and responsibilities within the Group and to reflect their level of experience and performance.

The remuneration framework for executive KMP embodies the following principles:

- provide competitive rewards to attract high calibre executives;
- structure the performance of KMP with performance measures and outcomes that reflect the Group's annual strategy; and
- link executive rewards to shareholder value.

To achieve these principles, the remuneration arrangements of the CEO and KMP executives are made up of one or more of the following elements:

Fixed Annual Remuneration (FAR)

FAR is largely aligned with the salaries for comparable roles in Australian companies of similar size, industry, reach and complexity.

Executives have the option of receiving FAR in a variety of forms including cash and fringe benefits. It is intended that the payment of FAR will be optimal for the recipient without creating unnecessary costs for the Group.

Short Term Incentive ('at risk' remuneration)

Short-term 'at risk' components are linked to achievement of individual and the Group's KPIs.

No short-term incentives were awarded to KMP in the year ended 30 June 2024.

From time to time the Board at its sole discretion may award performance based payments.

Long Term Incentive (LTIP) ('at risk' remuneration)

No LTIP programs were implemented in the year ended 30 June 2024 for KMP.

1.4 EXECUTIVE REMUNERATION MIX

The Board aims for balance between the components that make up remuneration to attract talented individuals, thereby enticing executives to achieve results beyond the standard expected in the normal course of ongoing employment.



2 EXECUTIVE REMUNERATION

2.1 GROUP PERFORMANCE AND REMUNERATION OUTCOMES FOR 2024

The table below provides relevant Group performance information for the key financial measures over the last four financial years:

	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000
Profit/(loss) after income tax from continuing operations	30,729	19,185	(28,785)	(39,552)
Profit/(loss) attributable to the owners of Helloworld Travel Limited	30,604	17,375	90,527	(35,496)
	2024	2023	2022	2021
Basic earnings/(loss) per share (EPS cents) ⁽ⁱ⁾	19.2	12.4	(18.1)	(25.7)
Total dividends declared (cents per share)	11.0	8.0	10.0	-
Opening share price at 1 July (\$)	2.71	1.69	1.67	2.29
Closing share price at 30 June (\$)	2.20	2.71	1.69	1.67
Total shareholder return ⁽ⁱⁱ⁾ (%)	(14.8)	65.09	7.19	(27.1)

(i) Based on continuing operations only.

(ii) Total shareholder return is the closing share price less opening share price plus dividend divided by opening share price.



2.2 EXECUTIVE REMUNERATION

	Short term benefits			Annual Leave ³ (\$)	Share based payments	Long term benefits		Post-employment benefits	Total (\$)
	Salary (\$)	Other ¹ (\$)	Bonus ² (\$)		Shares ⁴	Long Service Leave ³ (\$)	Superannuation (\$)		
A Burnes (Chief Executive Officer and Managing Director)									
2024	1,010,168	82,778	-	82,591	-	70,329	27,399		1,273,265
2023	848,462	14,272	500,000	32,632	-	35,581	25,292		1,456,239
C Burnes (Chief Operating Officer and Executive Director)									
2024	795,168	56,106	-	60,132	-	26,546	27,399		965,351
2023	759,284	13,491	500,000	109,195	-	28,651	25,292		1,435,913
M Smith (Chief Financial Officer)									
2024	486,582	4,130	-	1,238	326,250	8,817	27,399		854,416
2023	475,000	2,060	-	23,316	-	8,196	25,292		533,864
C Hunter (General Manager - New Zealand) A\$ equivalent ⁵									
2024	234,825	-	-	(10,060)	-	-	7,365		232,130
2023	228,924	-	-	14,607	-	-	6,589		250,120
N Sutherland (Head of Branded and Associate Network) (appointed 1 February 2024)									
2024	173,109	355	46,000	9,808	-	2,833	12,963		245,068
FORMER KMP									
P Crinis (Chief Commercial Officer) (3 July 2023 – 23 January 2024)									
2024	363,066	-	-	-	-	-	18,649		381,715
N Cola (Group General Manager - Retail & Digital Transformation) (Resigned 31 March 2023)									
2023	311,279	-	-	9,741	-	(4,898)	20,262		336,384
2024 TOTAL	3,062,918	143,369	46,000	143,709	326,250	108,525	121,174		3,951,945
2023 TOTAL	2,622,949	29,823	1,000,000	189,491	-	67,530	102,727		4,012,520

- Other - includes the provision of car parking, fringe benefit tax on all benefits.
- In FY23 the discretionary payments to A. Burnes and C. Burnes was for their continued leadership and superior performance in the completion of the CTM transaction. A sign on bonus of \$25,000 was paid to N. Sutherland in February 2024. A further \$25,000 is payable in August 2024 at completion of his probation period.
- Annual leave represents the movement in provision balances. The accounting value may be negative, where a KMP leave balance decreases as a result of taking more leave than the leave entitlement accrued during the year. Annual leave and long service leave includes movements in the revaluation of the total entitlement reflecting salary increments during the period. Annual leave and long service leave provision movements for A. Burnes, C. Burnes and M. Smith include the uplift arising from remuneration increments.
- During the period M. Smith was issued 125,000 shares from the residual balance of the shares under the omnibus incentive plan mechanism. The shares were issued for nil consideration with no vesting period. The closing price on 16 February 2024 (date of issue) was \$2.61.
- Payments made to C. Hunter are in New Zealand dollars and are converted into Australian dollars at the annual average exchange rate.

2.3 LONG TERM INCENTIVE PLAN (LTIP)

A loan based LTIP was established during 2017. The overall objectives of the LTIP was to lock in key leaders for an extended period, whilst at the same time, incentivising them to generate superior long-term returns to our shareholders.

No shares have been issued or allocated to KMP under this loan funded LTIP during the current 2024 financial year (2023: nil).

2.4 EXECUTIVE SHAREHOLDINGS

The number of shares in the Company held during the financial year by each Director and other members of KMP of the Group, including their personally related parties, is set out below:

EXECUTIVE	Number of shares at 1 July 2023	Additions: share based payments	Disposed	Number of shares at 30 June 2024
Andrew Burnes, AO	10,495,531	-	-	10,495,531
Cinzia Burnes	10,138,014	-	-	10,138,014
The Burnes Group Pty Limited as trustee for The Burnes Group Service Trust	20,348,287	-	(2,000,000)	18,348,287
Longbush Nominees Pty Ltd as trustee for the Burnes Superannuation Fund	10,000	-	-	10,000
Michael Smith	-	125,000	-	125,000
TOTAL	40,991,832	125,000	(2,000,000)	39,116,832

Andrew Burnes and Cinzia Burnes each have a beneficial interest in The Burnes Group Pty Limited which acts as the Trustee of The Burnes Group Service Trust. They also have an interest in Longbush Nominees Pty Ltd which acts as the Trustee of the Burnes Superannuation Fund of which they are both members.

2.5 EXECUTIVE SERVICE AGREEMENTS

Remuneration and other terms of employment for KMP are formalised in continuing contracts of employment.

These contracts specify the components of remuneration, benefits and notice periods. All contracts may be terminated by either party subject to notice periods and subject to termination payments or benefits as detailed in the table below:

EXECUTIVE	NOTICE PERIOD TO BE GIVEN BY KMP	NOTICE PERIOD TO BE GIVEN BY COMPANY	TERMINATION PAYMENTS OR BENEFITS PAYABLE IF TERMINATION IS BY THE COMPANY
Andrew Burnes, AO Chief Executive Officer and Managing Director	6 months	6 months	In accordance with normal statutory entitlements
Cinzia Burnes Chief Operating Officer and Executive Director	6 months	6 months	In accordance with normal statutory entitlements
Michael Smith Chief Financial Officer	6 months	6 months	In accordance with normal statutory entitlements
Chris Hunter General Manger - New Zealand	3 months	3 months	In accordance with normal statutory entitlements
Nick Sutherland Head of Branded and Associate Networks	6 months	6 months	In accordance with normal statutory entitlements

2.6 TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

The Group entered into a lease arrangement with Normanby Road Holdings Pty Ltd, a company owned by Andrew Burnes and Cinzia Burnes, on 1 October 2021. The lease terminates on 1 July 2027. Lease payments of \$1,785,238 (2023: \$1,716,661) were made during the year.

The terms and conditions of all related party transactions were no more favourable than those available in similar transactions.

3 NON-EXECUTIVE DIRECTOR REMUNERATION

3.1 NON-EXECUTIVE DIRECTOR REMUNERATION GOVERNANCE

The Remuneration Committee is responsible for reviewing and recommending remuneration arrangements to the Board of Directors. The Board seeks to set aggregated remuneration levels for Directors, providing the Group the threshold to attract and retain Directors in line with shareholders' expectations.

In compliance with best practice corporate governance, Non-Executive Director remuneration is structured separately and is distinct from executive remuneration; as detailed below.

3.2 NON-EXECUTIVE DIRECTOR REMUNERATION STRUCTURE

The aggregate remuneration of Non-Executive Directors is determined and voted on at a general meeting.

At the 2010 Annual General Meeting shareholders approved an aggregate remuneration of \$1,500,000 per year. The amount of aggregate remuneration to be approved by shareholders, together with the fee structure, is reviewed annually. From time-to-time the Board considers external advice from consultants as well as for fees paid to Non-Executive Directors for comparable companies. The Board is not proposing any change to the aggregate level of remuneration. A breakdown of Director fees excluding superannuation is below.

ROLE	GROSS FEE	SUMMARY
Chairperson	\$200,000	The payment to the Chair recognises the additional time and commitment provided to the Company and is inclusive of Board Committee fees.
Non-Executive Director	\$100,000	Fees paid in recognition of time commitment and service to the Group's Board.
Board Committee Fee - Chairperson Audit & Risk Committee	\$40,000	From January 2024, the Committee fee for the Chair of the Audit & Risk Committee was increased from \$25,000 to \$40,000.



3.3 NON-EXECUTIVE DIRECTOR REMUNERATION

NON-EXECUTIVE DIRECTOR	Short-term benefits	Post-employment benefits	Total (\$)
	Cash salary (\$)	Superannuation (\$)	
Garry Hounsell (Chairman)			
2024	200,000	22,000	222,000
2023	192,308	20,192	212,500
Rob Dalton			
2024	132,327	15,400	147,727
2023	120,192	12,620	132,812
Hon. Martin Pakula			
2024	100,000	11,000	111,000
2023	57,692	6,058	63,750
Leanne Coddington			
2024	100,000	11,000	111,000
2023	42,308	4,442	46,750
2024 TOTAL	532,327	59,400	591,727
2023 TOTAL	412,500	43,312	455,812

3.4 NON-EXECUTIVE DIRECTOR SHAREHOLDINGS

NON-EXECUTIVE DIRECTOR	Number of shares at 1 July 2023	Additions	Number of shares at 30 June 2024
Garry Hounsell (Chairman)	153,890	-	153,890
Rob Dalton	-	-	-
Hon. Martin Pakula	-	7,000	7,000
Leanne Coddington	-	45,000	45,000
TOTAL	153,890	52,000	205,890





AUDITOR INDEPENDENCE

The Directors received the declaration of independence on page 43 from Ernst & Young, the auditor of Helloworld Travel Limited. This declaration confirms the auditor's independence and forms part of the Directors' Report.

NON-AUDIT SERVICES

During the year the Company's auditors performed no other services in addition to their statutory duties. The lead auditor's independence declaration, as required under section 307C of the *Corporations Act 2001*, is set out on page 43 and forms part of the Directors' Report for the financial year ended 30 June 2024. Details of the amounts paid to Ernst & Young for audit and non-audit services are set out in note 8.7 of the Financial Statements.

ROUNDING

The amounts contained in this Directors' Report and in the Financial Report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Company under Australian Securities & Investments Commission ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

Made in accordance with a resolution of the Directors.



Garry Hounsell

Chairman of Helloworld Travel Limited
Melbourne, 27 August 2024





**Building a better
working world**

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Auditor's Independence Declaration to the Directors of Helloworld Travel Limited

As lead auditor for the audit of the financial report of Helloworld Travel Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Helloworld Travel Limited and the entities it controlled during the financial year.

A handwritten signature in blue ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in blue ink, appearing to be 'Brett Croft'.

Brett Croft
Partner
27 August 2024

CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Board of Helloworld Travel Limited (the Company) is responsible for the corporate governance of the Company and its controlled entities (Group) on behalf of its shareholders with the prime objective of protecting and enhancing shareholder value. The Board is committed to the highest standards of ethics and integrity and ensures that senior management run the Group in accordance with these standards. The governance practices are designed to support the business and its growth by facilitating effective Board and management decision making, providing clear lines of responsibility and accountability and a commitment to transparent communications with shareholders and other stakeholders.

This statement has been approved by the Board and outlines the main corporate governance framework employed by the Company. The Company endorses the ASX Corporate Governance Principles and Recommendations 4th Edition (ASX CGP) and to the governance standards and risk management practices implemented by companies of a similar size to Helloworld. Where the Company has not adopted a recommendation, a detailed explanation is provided.

This statement is current at 27 August 2024.

1 LAYING SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The relationship between the Board and senior management is critical to the Company's long-term success. The Board is responsible for the performance of the Company in the short and long term and seeks to balance competing objectives in the best interests of the Group. The Board is responsible for setting the strategic direction and risk appetite of the Company and for leading the culture, values and behaviours of its people.

The role and responsibilities of the Board, the Chairman and individual Directors are set out in the Company's Board Charter. A copy of the Board Charter is available from the Corporate Governance section of the Company's website at www.helloworldlimited.com.au.

Matters expressly reserved to the Board are set out in the Board Charter and include:

- setting the strategic direction of the Company and monitoring the implementation of that strategy by management;
- oversight of the Company, including its control and accountability systems;
- appointing and removing the CEO, CFO and Company Secretary;
- Board and executive management development and succession planning;
- approving the annual operating budget;
- approving and monitoring the progress of major capital expenditure, capital management and acquisitions/ divestitures;
- monitoring compliance with legal, tax and regulatory obligations;
- reviewing and ratifying systems of risk management, governance, internal compliance and controls, code of ethics and conduct, continuous disclosure, legal compliance and other significant corporate policies;
- approving and monitoring financial and other reporting to the market; and
- appointment, reappointment or replacement of the external auditor.

Day-to-day management of the Company's affairs and the implementation of the corporate strategy and policy initiatives are formally delegated by the Board to the CEO, the CFO and other senior executives. Authority for these matters is delegated to the CEO, CFO and senior management under the Delegations of Authority Policy and the delegations are subject to certain specified value thresholds.

These matters include:

- incurring budgeted and unbudgeted operating expenditure;
- incurring budgeted and unbudgeted capital expenditure;
- write-downs, bad debts, asset or equity disposals and acquisitions; and
- approval of entry into contracts.

Prior to a Director's appointment, the Board ensures that appropriate checks including background and reference checks are conducted, which may be conducted by external consultants and by other Directors of the Company. Candidates also meet with each existing Director prior to the Board's decision to appoint them.

To ensure that Directors clearly understand the requirements of the role, formal letters of appointment are issued that contain the terms on which the Non-Executive Directors are appointed.

SENIOR EXECUTIVE PERFORMANCE

With the assistance of the Remuneration Committee, the Chairman undertakes an annual review of the performance of the CEO against set key performance indicators.

The CEO reviews the performance of his direct reports against their agreed key performance indicators and advises the Remuneration Committee.

2 STRUCTURE OF THE BOARD

BOARD COMPOSITION

The Directors determine the composition and size of the Board in accordance with the Company's Constitution. The Constitution permits the Board to set upper and lower limits with the number of Directors not to be less than three. There are currently six Directors appointed to the Board.

Under the Board Charter, the appointment and removal of the Group Company Secretary is the responsibility of the Board. The Group Company Secretary is responsible for supporting the Board and its Committees in matters to do with the effective functioning and governance of the Company with its financial reporting and disclosure obligations to the Australian Securities Exchange (ASX), Australian Securities and Investment Commission (ASIC) and other regulatory bodies.

The Company uses a Board Skills Matrix to ensure that its membership includes an appropriate mix of skills, experience and expertise and to assist in identifying the skills most desired in potential candidates for Board appointment. The matrix is also a tool for identifying professional development opportunities for existing Directors to refine and maintain the skills and knowledge necessary to effectively perform their role as Directors.

Board Skills Matrix	Number out of 6 Directors
Travel Industry Experience - Australia & International	4
Franchise Operations	2
Technology & Digital Economy	4
Brand Development, Marketing	5
Governance, Compliance & Listed Company Experience	6
Relationships/Stakeholder Management	6
Remuneration, Human Resources	5
Legal	2
Financial Experience	4
Strategic Planning & Risk	6
Health & Safety	6

Further detail regarding the Directors' qualifications, special responsibilities, skills, experience and expertise (including the period of office held by each Director) is set out in the Directors' Report on pages 18 to 21.

DIRECTOR INDEPENDENCE

As at 30 June 2024, based on the factors relevant to assessing the independence of Directors included in the ASX CGP, four Directors, Garry Hounsell, Rob Dalton, the Hon. Martin Pakula and Leanne Coddington are deemed as independent.

The remainder of the Board is not independent for the following reasons:

- Andrew Burnes is the Company's Chief Executive Officer and Managing Director, and a substantial shareholder of the Company; and
- Cinzia Burnes is the Company's Chief Operating Officer and Executive Director and a substantial shareholder of the Company.

The length of each Directors' tenure as a Director is set out in the Directors' Report on pages 18 to 21.

INDEPENDENT DECISION MAKING

During the reporting period, the role of Chairman was held by Garry Hounsell. Garry Hounsell is an independent Non-Executive Director of the Company.

For the whole of the year Rob Dalton was the Chairman of the Audit & Risk Committee. Rob Dalton is an independent Non-Executive Director. The Hon. Martin Pakula is an independent Non-Executive Director. Leanne Coddington is an independent Non-Executive Director.

As Executive Directors, Andrew Burnes in his role as CEO and Managing Director and Cinzia Burnes in her role as Chief Operating Officer are not considered by the Board to be Independent Directors.

However, all Directors bring independent judgement to their decisions.

The materiality thresholds used to assess Director independence are set out in the Board Charter. The Board believes that the interests of the shareholders are best served by:

- the current composition of the Board which is regarded as balanced with a complementary range of skills, diversity and experience as detailed in the Directors' Report; and
- the Independent Directors providing an element of balance as well as making a considerable contribution in their fields of expertise.

The following processes are in place to ensure decision making of the Board is subject to independent judgement:

- a standing item on each Board Meeting agenda requires Directors to focus on and declare any conflicts of interest in addition to those already declared;
- Directors are permitted to seek the advice of independent experts at the Company's expense, subject to the approval of the Chairman; and
- all Directors must act in the best interests of the Company.

These measures ensure that the interests of shareholders are not jeopardised by a lack of independence.

Majority of the Board are independent in compliance with the requirements of Recommendation 2.4 of ASX CGP.

NOMINATIONS AND GOVERNANCE COMMITTEE

The Company has a Nominations & Governance Committee. Its key responsibilities are the nomination, appointment and re-election of Directors and are set out in the Nominations & Governance Committee's charter, which is available on the Corporate Governance section of the Company's website.

The following Directors were members of the Nominations and Governance Committee:

- Garry Hounsell (Chairman)
- Andrew Burnes, AO
- Cinzia Burnes
- Rob Dalton
- Hon. Martin Pakula
- Leanne Coddington.

Details of these Directors' qualifications, their attendance at Nominations & Governance Committee meetings, and the number of meetings held during the financial year are set out in the Directors' Report on pages 18 to 22.

The terms of reference, role and responsibility of the Nominations & Governance Committee are consistent with ASX CGP 2.1.

The Board seeks to ensure that its membership represents an appropriate balance between Directors with an external or fresh perspective. It reviews the range of expertise of its members on a regular basis and seeks to ensure that it has operational and technical expertise relevant to the operations of the Company. Directors are nominated, appointed and re-elected to the Board in accordance with the Board's policy as set out in the Charter, the Company's Constitution and the ASX Listing Rules. In considering appointments to the Board, the skills and experience of potential candidates need to complement those of the existing Directors along with an assessment of experience, expertise, diversity and other attributes which benefit the Board in fulfilling its responsibilities.

REMUNERATION COMMITTEE

During the year, the following Non-Executive Directors were members of the Remuneration Committee:

- Garry Hounsell (Chairman)
- Rob Dalton
- Hon. Martin Pakula
- Leanne Coddington.

Details of these Directors' qualifications, their attendance at Remuneration Committee meetings, and the number of meetings held during FY24 are set out in the Directors' Report on pages 18 to 22.

BOARD PERFORMANCE

The Board completes an annual self-assessment of its performance and that of its committees, by way of questionnaires. The results are collated and presented to the Board for discussion at a Board meeting with agreed action plans and individual performance goals documented for the coming year.

Directors are encouraged throughout the year to raise any issues of concern regarding the performance of the Board Committee or individual Directors with the Chairman, or, if the concern relates to the Chairman, with the Chair of the Audit & Risk Committee.

An assessment of individual Director's performance was conducted during the financial year. This consisted of a self-assessment questionnaire completed by

each Director and an individual discussion with the Board Chairman. The assessment of the Chairman's performance was undertaken by each Director individually.

ACCESS TO INFORMATION

Directors can access all relevant information necessary to discharge their duties in addition to that provided in Board papers and that of presentations from executive management on business performance and issues of note. With the approval of the Chairman, Directors may seek independent professional advice, as required, at the Company's expense.



3 ETHICAL AND RESPONSIBLE DECISION MAKING

The Company has a Code of Ethics and Conduct ('Code') in place that promotes ethical and responsible practices and expectations for Directors, employees and consultants of the Company in the discharge of their roles. The Code reinforces the Company's values and is signed by each employee prior to commencing work. Helloworld is committed to operating to the highest standards of ethical behaviour and honesty and with full regard for the health and safety of its employees, customers and the wider community. The Company is also focused on ensuring a safe and respectful place of work for its employees. A copy of the Code of Ethics and Conduct is available to all employees and is also available in the Corporate Governance section of the Company's website.

DIVERSITY

The Board has established a Diversity Policy which recognises and promotes diversity in the workplace and provides a framework for new and existing diversity related initiatives, strategies and programs within the business. A copy of the policy is available in the Corporate Governance section of the Company's website and the terms are consistent with ASX CGP4.

In accordance with this policy, the Board has established the following measurable objectives for gender diversity:

- the Board encourages suitable applicants from women for Board vacancies;
- the proportion of females on the Board should not fall below current levels unless a transparent process fails to succeed in attracting a suitable female candidate; and
- the proportion of females reporting to the CEO should not fall below the current level unless the engagement process fails in attracting suitable women candidates.

The percentage of female personnel reporting directly to the CEO was 33% at 30 June 2024 and 30% at 30 June 2023.

Throughout the year the Company:

- continued the ongoing process of attracting talent in the recruitment of people from diverse backgrounds;
- encouraged our employees to be active and to maintain a healthy lifestyle; and
- promoted the awareness of mental health services available to our employees and immediate family members, through our employee assistance program.

PROPORTION OF WOMEN IN THE ORGANISATION

There are 424 female employees in the Group representing 58.3% of the workforce. There are two females on the Board which represents 33% of the Board.

SHARE TRADING

The Company's Share Trading Policy sets out the guidelines designed to protect Directors and employees from intentionally or unintentionally breaching the law. The Share Trading Policy prohibits employees from dealing in the securities of the Company while in possession of material non-public information.

In addition, employees and Non-Executive Directors are:

- prohibited from dealing in Helloworld securities during defined closed periods; and
- are required to observe the 'request to deal' procedures before dealing in Helloworld securities outside of the defined closed periods.

The policy is available in the Corporate Governance section of the Company's website.

PROTECTED DISCLOSURES

The Group's Whistle-blower Policy encourages Directors, employees and contractors to report any allegations of misconduct by any team member, with regard to illegal, unethical or improper conduct in circumstances where they may be apprehensive about raising their concern because of fear of possible repercussions. The Whistle-blower Policy is available in the Corporate Governance section of the Company's website.

4 INTEGRITY OF FINANCIAL REPORTING

The Board has an Audit & Risk Committee to assist it in the discharge of its responsibilities.

During the reporting period, the following Non-Executive Directors were members of the Audit & Risk Committee:

- Rob Dalton (Chairman)
- Garry Hounsell
- Hon. Martin Pakula
- Leanne Coddington.

The Audit & Risk Committee Charter is available in the Corporate Governance section of the Company's website with the composition, operation and responsibilities of the Committee being consistent with the requirements of ASX CGP 4.1.

Details of the member Directors' qualifications and attendance at Audit & Risk Committee meetings are set out in the Directors' Report on pages 18 to 22.

Both the Board and Audit & Risk Committee closely monitor the independence of the external auditors, including the rotation of the external audit engagement partner every five years.

The lead audit partner is responsible for the Group's external audit and is required to attend each Annual General Meeting and must be available to answer shareholder questions about the conduct of the audit and the preparation and content of the Auditor's Report.

5 TIMELY AND BALANCED DISCLOSURE

To uphold the effective dissemination of information and to ensure that Directors and employees are aware of their obligations, the Company has adopted a Continuous Disclosure Policy that outlines:

- the roles and responsibilities of the Board, Managing Director and Group Company Secretary in ensuring the Company complies with its disclosure obligations;
- the procedures adopted by the Company in meeting its disclosure requirements; and
- the standards adopted for ensuring effective communication with shareholders and market participants.

All employees play an important role in enabling the Company to comply with all necessary steps in the disclosure process and to ensure that information that needs to be disclosed is reported in a timely manner.

All material ASX announcements are cleared with the Board prior to release and a copy of the market announcement are made available to each Director promptly after release.

Copies of investor or analyst presentations are released to the ASX Market Announcement Platform ahead of the presentation.

A copy of the Continuous Disclosure Policy is available in the Corporate Governance section of the Company's website.

6 RIGHTS OF SHAREHOLDERS

The Helloworld Travel Limited Shareholder Communications Policy promotes effective engagement and communication with the Company's shareholders.

The Annual General Meeting (AGM) is an important occasion for updating shareholders on the Company's performance. The Company encourages shareholder participation at the AGM to ensure a high level of accountability and understanding of the Company's strategy and goals.

The AGM offers shareholders the chance to ask questions of and to hear from the Board.

Shareholders may also submit written questions to the Company in advance of the AGM, thereby allowing the Board to respond to feedback.

The Annual Report is available in the Corporate Governance section of the Company's website. Company announcements to the ASX can be accessed through the Company's website.

Copies of charters and policies associated with the governance of the Company are available on the Company's website.

The Company ensures that the explanatory notes accompanying its 'Notice of Annual General Meeting' provide shareholders with all required information in the Company's possession relevant to a decision on whether or not to elect or re-elect a Director at the AGM, including a recommendation from the Board. These notices are available under Investor and ASX Releases on the Company's website.

The CEO and CFO will endeavour to answer questions from shareholders and analysts, providing the information requested is not price sensitive.

Shareholders have the option to receive and send communications to the Company and its Share Registry electronically if they wish to do so. Online voting on resolutions to be put at the Company's AGM is available to shareholders.



7 RECOGNISING AND MANAGING RISK

The Company has a policy in place for the oversight and management of its material business risks.

The Group takes a proactive approach to risk management. The Board and Audit & Risk Committee reviews and considers the Group's risk profile on a regular basis to ensure it supports the achievement of the Company's strategy, including determining the nature and extent of risks the Board is prepared to take in the pursuit of the Company's objectives. The Board is also responsible for reviewing, endorsing and overseeing the Company's risk management framework for managing financial and non-financial risks at least annually, and satisfy itself that it continues to be sound, deals adequately with contemporary and emerging risks such as risk culture, digital disruption, conduct risk, cyber-security, privacy and data breaches and that the Company is operating within the risk tolerance levels determined by the Board.

Helloworld is subjected to a range of business, economic and social sustainability risks and seeks to limit material exposures to its operations through measures that align with its risk management framework.

Under the Risk Management Policy, the Board is responsible for:

- overseeing and approving the Company's risk management, internal controls and compliance systems;
- reviewing the effectiveness of the Company's risk management, internal control and compliance systems at least annually, and satisfying itself that management is adhering to the requirements of the policy; and
- approving the delegations of authority for day-to-day management of the Company's operations.

Under the Risk Management Policy, the Audit & Risk Committee is responsible for assisting the Board in fulfilling its corporate governance responsibilities regarding:

- the reliability and integrity of information for inclusion in the Company's financial statements;
- enterprise-wide risk management;
- compliance with legal and regulatory obligations, including audit, accounting, tax and financial reporting obligations;
- the integrity of the Company's internal control framework; and
- safeguarding the independence of the external and internal auditors.

Every effort is made to identify and manage material risks, however the risks that are not currently known or listed may also adversely impact the future performance of the Company.

The Company's Executive Management Team (EMT) also plays a role in identifying, assessing, monitoring and managing risks. The EMT, assists the Audit & Risk Committee to ensure that robust risk management exists within the business. The EMT ensure that sufficient levels of risk analysis are applied to critical decisions, giving assurance to the Audit & Risk Committee that risk processes are effective and compliant with the Company's Risk Management Policy. A copy of the Risk Management Policy is available in the Corporate Governance section of the Company's website.

The Board has received a report from management as to the effectiveness of the Company's management of its material business risks during the year. The Board has also received from the CEO and CFO a declaration that, in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Information in relation to the economic, environmental and social sustainability risks facing the Company and management of these is in the Operating and Financial Review on pages 24 to 31 of the Annual Report.

INTERNAL AUDIT

The Company does not have an in-house internal audit function. From time to time the Company engages an external service provider to perform internal audit services. The provider reports to the Audit & Risk Committee. Internal control and risk management are managed within each business unit and are the responsibility of the EMT member.

The EMT member reviews and signs off on the risk questionnaires which include key metrics and detailed controlled risk issues for review by the Managing Director and oversight by the Board.

MANAGEMENT OF MATERIAL EXPOSURE TO ENVIRONMENTAL OR SOCIAL RISKS

Helloworld understands that, doing business in Australia and internationally, its shareholders, customers, the community and employees anticipate that it will do so in an environmentally responsible and socially sustainable manner. The Audit & Risk Committee assist the Board in overseeing the management of the Company's exposure to social and environmental risks.

8 REMUNERATING FAIRLY AND RESPONSIBLY

Helloworld Travel's remuneration objectives, philosophy and arrangements are detailed in the Remuneration Report, which forms part of the Directors' Report.

DIRECTORS

The total annual fees paid to Non-Executive Directors is set by the Company's shareholders and allocated as Directors' Fees and Board Committee Fees by the Board based on the roles undertaken by the Directors. Details of Directors' remuneration are in the Remuneration Report. Retirement benefits are not paid, and Non-Executive Directors do not participate in equity-based remuneration schemes.

Details of the remuneration arrangements for the Company's Executive Directors are set out in the Remuneration Report.

REMUNERATION

The Non-Executive Directors who were members of the Remuneration Committee during the financial year are set out in the Remuneration Committee section of this Corporate Governance Statement.

The role of the Remuneration Committee is to assist the Board to discharge its duties relating to remuneration and oversee:

- the remuneration policy and framework (including short and long-term incentive plans);

- the determination of levels of reward for the CEO and general overview of the levels of reward for the CEO's direct reports; and
- the annual evaluation of the performance of the CEO.

The Remuneration Committee Charter is available in the Corporate Governance section of the Company's website. The composition and operation of this Committee is consistent with ASX CGP 8.1. Details of the Directors' qualifications and attendance at Remuneration Committee meetings are set out in the Directors' Report on pages 18 to 22.

EXECUTIVE MANAGEMENT

Remuneration for executive management is deemed competitive, to retain and attract appropriately skilled and qualified executives to the Company.

Their remuneration comprises of a fixed cash element and variable incentive component. The variable component (if any) is subject to the Company's financial performance and the executive's personal performance.

The Company's Share Trading Policy prohibits executives participating in the equity-based remuneration scheme from entering any arrangement that operate, or are intended to operate, to limit their exposure to risk in relation to these shares.

A copy of the Share Trading Policy is available in the Corporate Governance section of the Company's website.



CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$'000	2023 \$'000
Revenue	2.1	216,860	160,884
Other income	2.1	5,452	1,837
Interest income	2.2	5,896	3,193
TOTAL REVENUE AND OTHER INCOME		228,208	165,914
Employee benefit expenses		(66,578)	(53,044)
Advertising and marketing expenses		(12,804)	(8,561)
Selling expenses		(50,891)	(28,083)
Communication and technology expenses		(8,663)	(7,803)
Occupancy expenses		(2,313)	(1,803)
Operating expenses		(31,009)	(28,818)
Depreciation and amortisation expense		(18,798)	(18,023)
Interest expense	2.2	(1,217)	(703)
Share of profit of equity accounted investments	6.1	4,857	1,981
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS		40,792	21,057
Income tax expense	2.4	(10,063)	(1,872)
PROFIT AFTER TAX FROM CONTINUING OPERATIONS		30,729	19,185
DISCONTINUED OPERATIONS			
Loss from discontinued operations after income tax	1.5	-	(1,822)
PROFIT AFTER INCOME TAX FROM CONTINUING AND DISCONTINUED OPERATIONS		30,729	17,363
PROFIT/(LOSS) AFTER INCOME TAX IS ATTRIBUTABLE TO:			
Non-controlling interests		125	(12)
Helloworld Travel Limited shareholders		30,604	17,375
		30,729	17,363
PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO HELLOWORLD TRAVEL LIMITED SHAREHOLDERS RELATES TO:			
Continuing operations		30,604	19,197
Discontinued operations		-	(1,822)
		30,604	17,375
		Cents	Cents
Basic earnings per share	2.5	19.2	11.2
Diluted earnings per share	2.5	19.2	11.2
Basic earnings from continuing operations per share	2.5	19.2	12.4
Diluted earnings from continuing operations per share	2.5	19.2	12.4

The accompanying notes form part of this Financial Report.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$'000	2023 \$'000
PROFIT AFTER TAX FROM CONTINUING AND DISCONTINUED OPERATIONS		30,729	17,363
OTHER COMPREHENSIVE INCOME/(LOSS)			
<i>Items that may be reclassified subsequently to the income statement:</i>			
Exchange differences on translation of foreign operations	5.5	(568)	878
Total items that may be reclassified subsequently to the income statement		(568)	878
<i>Items that will not be reclassified subsequently to the income statement:</i>			
Gain/(loss) on revaluation of investment in CTM		(5,822)	3,123
Tax on revaluation of investment in CTM		1,746	(1,922)
Total items that will not be reclassified subsequently to the income statement	5.5	(4,076)	1,201
TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)		(4,644)	2,079
TOTAL COMPREHENSIVE INCOME		26,085	19,442
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:			
Non-controlling interests		125	(12)
Helloworld Travel Limited shareholders		25,960	19,454
		26,085	19,442

The accompanying notes form part of this Financial Report.



CONSOLIDATED BALANCE SHEET

AT 30 JUNE 2024

	Note	2024 \$'000	2023 \$'000
CURRENT ASSETS			
Cash and cash equivalents	5.1	161,752	146,888
Cash deposits	5.1	125	14,000
Trade and other receivables	3.1	56,195	42,744
Prepayments		7,070	6,653
Accrued revenue	3.2	28,369	29,311
Inventories		159	250
TOTAL CURRENT ASSETS		253,670	239,846
NON-CURRENT ASSETS			
Trade and other receivables	3.1	191	263
Deferred tax assets	2.4	1,897	927
Equity accounted investments	6.1	28,123	18,793
Other investments	6.2	20,322	34,329
Property, plant and equipment	4.1	6,871	7,563
Right of use assets	4.2	20,649	20,211
Intangible assets	4.3	282,325	223,898
TOTAL NON-CURRENT ASSETS		360,378	305,984
TOTAL ASSETS		614,048	545,830
CURRENT LIABILITIES			
Trade and other payables	3.3	184,047	153,978
Lease liabilities	5.3	6,570	5,266
Provisions	3.6	13,310	11,304
Deferred revenue	3.4	7,623	6,374
Other liabilities	3.5	494	383
Income tax payable		15,959	225
TOTAL CURRENT LIABILITIES		228,003	177,530
NON-CURRENT LIABILITIES			
Lease liabilities	5.3	15,627	16,878
Deferred tax liabilities	2.4	39,883	46,992
Provisions	3.6	1,253	1,265
Other liabilities	3.5	936	140
TOTAL NON-CURRENT LIABILITIES		57,699	65,275
TOTAL LIABILITIES		285,702	242,805
NET ASSETS		328,346	303,025
EQUITY			
Issued capital	5.4	487,631	471,231
Reserves	5.5	(10,001)	(7,097)
Accumulated losses		(149,864)	(161,564)
EQUITY ATTRIBUTABLE TO HELLOWORLD TRAVEL LIMITED SHAREHOLDERS		327,766	302,570
Non-controlling interest		580	455
TOTAL EQUITY		328,346	303,025

The accompanying notes form part of this Financial Report.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$'000	2023 \$'000
OPERATING ACTIVITIES			
Receipts from customers ⁽ⁱ⁾		2,888,549	1,287,946
Payments to suppliers and employees ⁽ⁱ⁾		(2,826,552)	(1,263,693)
Interest received		5,896	3,193
Interest paid		(1,217)	(703)
Income tax refund received		-	135
Income tax paid		(3,198)	-
NET OPERATING CASH FLOWS	5.1	63,478	26,878
INVESTING ACTIVITIES			
Transfers from term deposits		43,002	-
Transfers to term deposits		(29,000)	(8,000)
Purchases of intangibles	4.3	(946)	(1,183)
Purchases of property, plant and equipment	4.1	(1,881)	(2,257)
Acquisition of Express Travel Group	6.4	(53,725)	-
Investment in Australiareiser Group	6.1	-	(2,929)
Investment in Phil Hoffmann Travel	6.1	(4,393)	-
Investment in Tin Alley venture capital fund	6.2	(483)	(68)
Payment for additional interest in Entertainment Logistix Pty Ltd	6.3	-	(3,200)
Proceeds from sale of Corporate Travel Management Limited shares	6.2	8,668	36,327
Proceeds from disposal of property, plant and equipment		327	570
Proceeds from sale of the Corporate business, net of costs	1.5	-	6,113
Dividends received from equity instruments		841	472
Dividends received from Phil Hoffmann Travel	6.1	120	-
Dividends received from Mobile Travel Holdings Pty Limited	6.1	2,000	1,500
NET INVESTING CASH FLOWS		(35,470)	27,345
FINANCING ACTIVITIES			
Dividends paid	5.6	(17,490)	(18,483)
Payment of principal elements of leases	5.3	(6,522)	(5,257)
NET FINANCING CASH FLOWS		(24,012)	(23,740)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		3,996	30,483
Cash and cash equivalents at the beginning of the financial year		146,888	116,524
Cash and cash equivalents acquired	6.4	11,357	-
Foreign currency exchange rate changes on cash and cash equivalents		(489)	(119)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	5.1	161,752	146,888

(i) Include certain amounts (inclusive of GST) received and paid on behalf of customers.

The accompanying notes form part of this Financial Report.

NOTES TO THE FINANCIAL STATEMENTS

BASIS OF PREPARATION	PAGE	CAPITAL STRUCTURE AND FINANCING ACTIVITIES	PAGE
1.1 Basis of preparation	58	5.1 Cash and cash equivalents and cash deposits	84
1.2 Accounting policies applicable to all financial information	58	5.2 Financing arrangements	85
1.3 Critical accounting estimates and judgements	59	5.3 Lease liabilities	86
1.4 New and amended accounting standards and interpretations impacting Group	60	5.4 Issued capital	87
1.5 Discontinued operations	60	5.5 Reserves	89
		5.6 Dividends	90
GROUP PERFORMANCE		GROUP STRUCTURE	
2.1 Revenue and other income	62	6.1 Equity accounted investments	90
2.2 Interest income and interest expense	64	6.2 Other investments	93
2.3 Segment information	64	6.3 Subsidiaries	94
2.4 Income taxes	67	6.4 Business acquisitions	94
2.5 Earnings per share	71	UNRECOGNISED ITEMS	
WORKING CAPITAL AND PROVISIONS		7.1 Commitments	97
3.1 Trade and other receivables	72	7.2 Contingent liabilities	97
3.2 Accrued revenue	72	7.3 Subsequent events	97
3.3 Trade and other payables	73	OTHER INFORMATION	
3.4 Deferred revenue	74	8.1 Share based payments	98
3.5 Other liabilities	74	8.2 Related party transactions	99
3.6 Provisions	75	8.3 Parent entity financial information	101
INVESTED CAPITAL		8.4 Deed of cross guarantee	102
4.1 Property, plant and equipment	76	8.5 Financial instruments and risk management	105
4.2 Right of use assets	78	8.6 Litigation matters	114
4.3 Intangible assets	79	8.7 Auditor's remuneration	114
4.4 Impairment of non-financial assets	82		

1. BASIS OF PREPARATION

1.1 BASIS OF PREPARATION

Helloworld Travel Limited and its subsidiaries (Helloworld or the Group) is a for profit company domiciled and incorporated in Australia. The Financial Report of Helloworld Travel Limited consists of the consolidated financial statements of the Group, associated notes, consolidated entity disclosure statement, director's declaration and auditor's report.

The consolidated financial statements have been prepared on a historical cost basis, except for debt and equity financial assets and contingent consideration that have been measured at fair value.

This Financial Report was authorised for issue in accordance with a resolution of the Directors on 27 August 2024.

The Financial Report:

- is a General Purpose Financial Report which has been prepared on a going concern basis;
- has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards ensures that the Financial Report complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);
- has been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities measured at fair value; and
- is presented in Australian dollars and amounts have been rounded to the nearest thousand dollars, unless otherwise stated, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

The accounting policies have been applied consistently to all periods presented in the Financial Report unless otherwise stated.

1.2 ACCOUNTING POLICIES APPLICABLE TO ALL FINANCIAL INFORMATION

This section sets out the material accounting policies upon which the financial statements of the Group are prepared as a whole and not otherwise described in the Notes to the financial statements. Where a material accounting policy is specific to a note to the financial statements, the policy is described within that note.

(A) PRINCIPLES OF CONSOLIDATION

The financial statements of the Group include the consolidation of Helloworld Travel Limited and its subsidiaries, being the entities controlled by the parent entity during the year. Control exists where the Group:

- is exposed to, or has rights to, variable returns from the entity; and
- has the ability to affect those returns through its power to direct the activities of the entity.

The ability to approve the operating and capital budget of a subsidiary demonstrate that the Group has the existing rights to direct the relevant activities of a subsidiary.

Subsidiaries are consolidated from the date the Group takes control and are deconsolidated from the date the Group ceases control. When the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest (if applicable) and any components of post acquisition equity, with any resultant gain or loss recognised in the Consolidated income statement.

All intragroup balances, transactions and unrealised gains and losses resulting from intragroup transactions are eliminated in full.

Where, the Group's interest is less than 100 per cent, the interest attributable to outside shareholders is reflected in non-controlling interests. Non-controlling interests represent the portion of profit or loss and net assets not held by Group shareholders and are presented separately in the Consolidated income statement and within equity in the Consolidated balance sheet respectively.

(B) FOREIGN CURRENCY

The financial statements are presented in Australian dollars (AUD), which is the functional currency of Helloworld Travel Limited (the Company).

Transactions and balances

Foreign currency transactions are translated into AUD using the exchange rates at the date of the transactions. Assets and liabilities denominated in foreign currencies are translated to AUD at the reporting date at the following exchange rates:

- monetary assets and liabilities - exchange rate applicable at reporting date; and
- non-monetary assets and liabilities measured at historical cost - exchange rate applicable at date of transaction.

Foreign exchange differences arising on translation of these transactions are recognised in the Consolidated income statement in the period in which they arise. Exchange differences on transactions entered to hedge certain foreign currency risks (if the Group recommences its hedging program) are deferred in equity if they relate to qualifying cash flow hedges.

Investments in foreign operations

Foreign operations that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

- revenue and expenses are translated at the average exchange rate for the period or the exchange rate at the date of the transaction (if considered more appropriate);
- assets and liabilities, including goodwill and fair value adjustments arising on consolidation, are translated at the exchange rate applicable at reporting date; and
- equity items are translated at historical rates.

All resulting exchange differences are recognised in the Foreign Currency Translation Reserve (FCTR) in Other Comprehensive Income (OCI). When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(C) GOODS AND SERVICES TAX (GST)

Revenue, expenses and assets are recognised net of Goods and Services Tax (GST), except where the GST incurred is not recoverable from the taxation authority, in which case the GST is recognised as part of the expense or cost of the asset.

Receivables and payables are stated with the amount of GST included. The net amounts of GST recoverable from or payable to the taxation authorities are included as a current asset or current liability in the Consolidated balance sheet.

Cash flows are included in the Consolidated statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from or payable to taxation authorities are classified as operating cash flows.

1.3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Financial Report requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Actual results may vary from these estimates under different assumptions and conditions. The estimates and judgements which involve a higher degree of complexity or that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next period are described below:

(A) IMPAIRMENT OF NON-CURRENT ASSETS

Indicators of impairment may include changes in the Group's operating and economic assumptions or impacts on travel volumes due to geopolitical issues, pandemics and adverse key economic indicators which impact people's ability to afford travel.

The process of determining the recoverable amount of non-current assets requires the use of estimates, including estimation of forecast revenue and costs as well as estimates of other key inputs such as Weighted Average Cost of Capital (WACC) and terminal values. Refer note 4.4: Impairment of non-financial assets for the key assumptions used in the calculation of recoverable amounts of non-current assets.

(B) LEASE TERMS OF CONTRACTS WITH EXTENSION OPTIONS

Several of the Group's property leases include extension and termination options. In determining the term of the lease for the purposes of calculating the lease liability and the right of use asset, all facts and circumstances are considered as to whether the Group is reasonably certain to exercise an extension option or not exercise a termination option. Refer note 5.3: Lease liabilities for the key assumptions used in the calculation of carrying values of lease liabilities.

(C) RECOVERABILITY OF TRADE RECEIVABLES

Trade receivables relate to amounts invoiced to customers but not yet received. The determination of the appropriate loss allowance on trade receivables is based on historical loss rates adjusted to reflect current and forward looking market factors. Refer note 3.1: Trade and other receivables for the key assumptions used in the calculation of carrying values of trade receivables.

(D) OVERRIDE COMMISSION REVENUE, INCLUDING ACCRUED OVERRIDE COMMISSION REVENUE

The Group enters into override commission revenue contracts with airlines and other suppliers. Override commission is calculated for the supplier's contract period, based on the value of eligible travel (or travel related product) during the period at the expected contracted applicable override rates. Eligible travel for the financial year is availed travel. Determination of the appropriate override rate is based on an estimation of the expected eligible travel sales for the contract period (based on actual sales, forecast bookings and historical trends). Refer note 2.1: Revenue and other income for the key assumptions used in the calculation of override commission revenue.

Accrued override commission is the estimate of override commission revenue earned during the respective customer contract period but not yet invoiced at balance date. It is considered a contract asset in accordance with applicable accounting standards. The determination of the appropriate loss allowance on accrued revenue is based on historical loss rates adjusted to reflect current and forward-looking market factors. Refer note 3.1: Trade and other receivables for the key assumptions used in the calculation of recoverable amounts of accrued override commission revenue.

1.4 NEW AND AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS IMPACTING THE GROUP

There were no significant impacts arising from accounting standards or interpretations adopted for the first time in these financial statements.

There are new and amended accounting standards and interpretations that are issued, but not yet effective up to the date of issuance of the Group's consolidated financial statements.

Currently, the Group is assessing the impact of the IFRIC agenda decision regarding disclosing material income and expenses as detailed in AASB 8 Operating Segments and AASB 18 Presentation and Disclosure in Financial Statements.

All other amendments are not expected to have a material impact on the Group's financial statements.

1.5 DISCONTINUED OPERATIONS

(A) SALE OF CORPORATE TRAVEL MANAGEMENT BUSINESS

On 15 December 2021, the Group announced that it had entered into a binding agreement to divest its corporate travel management business (Corporate business) in Australia and New Zealand to Corporate Travel Management (CTM) for an enterprise value of \$175.0 million. Proceeds received on 31 March 2022 consisted of:

- cash of \$100.0 million;
- interim working capital adjustment of \$4.078 million; and
- CTM shares to the value of \$75.0 million, based on the placement value to CTM shareholders of \$21 per share resulting in 3,571,429 CTM shares. (Refer note 6.2: Other investments for shares disposed in FY23 and the related subsequent accounting).

All conditions precedent were met by the Group and the sale was completed on 31 March 2022. Accordingly, entities comprising the Corporate business were derecognised at that date and the Corporate business was classified as a discontinued operation by the Group.

In addition to the cash of \$104.1 million received on 31 March 2022, the Group recognised additional proceeds of \$7.9 million at 30 June 2022. This represented the final working capital adjustment the Group believed it was entitled to receive under the Share Sale Agreement. Subsequent negotiations with CTM resulted in an agreement of a final working capital adjustment of \$6.1 million and this was received by the Group on 27 March 2023. The difference between the estimated working capital receivable and the final amount received of \$1.8 million was recognised as an expense attributable to discontinued operations in the Consolidated income statement in the prior year.

(B) NET LOSS FROM DISCONTINUED OPERATIONS DURING THE PERIOD

	2024 \$'000	2023 \$'000
Revenue	-	-
Expenses ⁽ⁱ⁾	-	(1,822)
NET LOSS BEFORE INCOME TAX	-	(1,822)
Income tax expense ⁽ⁱ⁾	-	-
NET LOSS AFTER INCOME TAX DURING THE PERIOD	-	(1,822)
TOTAL LOSS FROM DISCONTINUED OPERATIONS AFTER INCOME TAX	-	(1,822)

- (i) Represents the finalisation of the working capital adjustment associated with the sale of the Corporate business, tax incurred is offset against carried forward tax losses.

MATERIAL ACCOUNTING POLICIES

A discontinued operation is a component of the Group where the operations and cash flows can be clearly distinguished from the rest of the Group. It represents a major line of operations and is part of a single co-ordinated plan to dispose of a separate major line of operations.

Classification of the Corporate business as a discontinued operation occurred on the disposal date (31 March 2022).



2. GROUP PERFORMANCE

2.1 REVENUE AND OTHER INCOME

	2024 \$'000	2023 \$'000
Commissions	173,930	117,981
Transaction and services fees	2,891	3,628
Marketing related activities	16,317	9,798
Freight revenue	16,743	24,043
Other revenue ⁽ⁱ⁾	6,979	5,434
REVENUE FROM CONTRACTS WITH CUSTOMERS	216,860	160,884
Sundry income	4,611	1,281
Dividends received	841	556
OTHER INCOME	5,452	1,837
Interest income	5,896	3,193
TOTAL REVENUE AND OTHER INCOME	228,208	165,914

(i) Other revenue includes franchise fees and revenue from the Fiji transport business.

MATERIAL ACCOUNTING POLICIES

(A) COMMISSIONS

At source commissions - retail

The Group's Retail businesses receive at source commission from suppliers for the arrangement of travel, tours and travel related products. Revenue for these businesses is recognised on the date travel is ticketed as this is when the performance obligation is met.

At source commissions - wholesale and inbound

The Group's Wholesale business purchases individual travel components from hotels, transportation providers (bus, rail and cruise) and attractions. Components are packaged into marketable holiday travel packages and tours for the travel leisure market to local and overseas destinations. The commission revenue recognised is the margin received between the arranged purchase price of travel products and the retail price of the holiday package, net of commissions paid to travel agents. Revenue is recognised at the point of time when all aspects of holiday packaged travel, including booking, ticketing and management of all booking amendments prior to travel have been arranged (departure date), as this is when the performance obligation has been met.

The Group's Inbound business in Australia, New Zealand and Fiji receive at source commission for the arrangement of airline tickets, tours and travel. Revenue is recognised at the point of time when the traveller's tour or travel has commenced (departure date) as this is when the performance obligation has been met.

Override commission revenue

The Group receives override commissions from airline and leisure partners across the air, land, cruise and travel products sold. Override commission for the period is based on eligible availed travel for that period at the forecast contracted tiered override rate. The forecast contracted tiered override rate is based on an assessment of actual sales, forecast bookings and historical trends. Eligible availed travel is the travel for which overrides are paid by the supplier. Each supplier has separate contractual arrangements with the Group and rates, performance tiers and periods vary accordingly. Revenue is recognised on departure date or travel commencement date as this reflects the point in time when the consideration is highly probable of not being subject to reversal in future periods.

Other types of commissions

The Group also receives commissions from suppliers for the sales of travel related products, such as insurance and foreign currency purchasing services and incentives from suppliers. These commissions are recognised as revenue at the point of sale as they are non-refundable, the performance obligation has been met, and the amount can be reliably measured.

(B) TRANSACTION AND SERVICE FEES

The Group's air consolidation business charges customers a transaction fee when travel arrangements are booked (via online or travel consultant). Transaction and service fees are recognised as revenue at the point of time tickets are issued (ticketed date) as this is the time the performance obligation is met and the transaction price is fixed. Where amendments occur after the initial transaction, these are treated separately, and additional transaction fees applied.

(C) MARKETING RELATED ACTIVITIES

The Group receives contributions from suppliers and retail network members to compensate for the costs incurred in relation to the production of brochures, marketing campaigns and activities and for travel conferences organised by the Group. Revenue is recognised at a point of time when the marketing related activity is undertaken as the performance obligation to the supplier has been met.

(D) FREIGHT REVENUE

Freight and logistics revenue is generated through the entertainment and logistics business in Australia. Revenue is recognised when the service has been delivered at the total fee charged to the customer as the Group acts as the principal in delivering the service to the customer. Revenue from entertainment tours is recognised over time based on the percentage of the completed events, or in some cases, based on the actual costs incurred by the Group while delivering the service.

(E) OTHER REVENUE

Franchise fees

The Group receives network membership fees and information technology service fees from retail network members for services provided to the Group's retail network members. Network membership fees are recognised over a period of time on a straight-line basis over the life of the contract. Information technology service fees are recognised over time when the services are provided.

Transport revenue

Transport revenue is generated from the tourist transport business in Fiji. Revenue is recognised at a point in time the service is delivered and at the fee charged to the customer as the Group is acting as the principal in the delivery of the service to the customer.



2.2 INTEREST INCOME AND INTEREST EXPENSE

	2024 \$'000	2023 \$'000
INTEREST INCOME	5,896	3,193
Interest expense on lease liabilities	(1,217)	(703)
INTEREST EXPENSE	(1,217)	(703)
NET INTEREST EXPENSE	4,679	2,490

MATERIAL ACCOUNTING POLICIES

Interest income is interest earned on transactional bank accounts and cash deposits.

Interest costs are recognised in the Consolidated income statement in the period in which they are incurred. Lease interest costs comprise interest on lease liabilities calculated using the lessee's incremental borrowing rate. Non-lease interest costs comprise interest on borrowings calculated using the effective interest method and the effect of unwinding the discount on make good provisions.

2.3 SEGMENT INFORMATION

2.3.1 DESCRIPTION OF SEGMENTS

The Chief Executive Officer and the Board are the Chief Operating Decision Maker (CODM). Consistent with the prior year, the CODM assessed the Group's performance and made strategic decisions on the basis of a geographical perspective for the travel business and from a product perspective for the transport, logistics and warehousing business, resulting in four reportable segments.

TRAVEL OPERATIONS AUSTRALIA	TRAVEL OPERATIONS NEW ZEALAND	TRAVEL OPERATIONS REST OF WORLD	TRANSPORT, LOGISTICS AND WAREHOUSING
<ul style="list-style-type: none"> Retail distribution operations Air ticketing Wholesale and inbound Shared service functions 	<ul style="list-style-type: none"> Retail distribution operations Air ticketing Wholesale and inbound Shared service functions 	<ul style="list-style-type: none"> Inbound Tourism Transport Fiji Shared service functions 	<ul style="list-style-type: none"> Entertainment industry transport and logistics Warehousing



2.3.2 SEGMENT INFORMATION PROVIDED TO THE CODM

The CODM assesses the performance of the Group and operating segments based on the financial measure of Underlying EBITDA, which is not a measure prescribed by Australian Accounting Standards.

On 11 August 2023 the Group acquired Express Travel Group. The results of operations from this date are included in the current year Travel Operations Australia and Travel Operations New Zealand segment results.

EBITDA represents earnings before interest expense, tax, depreciation and amortisation. Underlying EBITDA represents EBITDA excluding significant items.

Segment results for the Group are shown below:

	Travel Operations Australia \$'000	Travel Operations New Zealand \$'000	Travel Operations Rest of World \$'000	Transport, Logistics and Warehousing \$'000	Total \$'000
YEAR ENDED 30 JUNE 2023					
Commissions	98,258	18,707	1,016	-	117,981
Transaction and service fees	3,532	96	-	-	3,628
Marketing related activities	8,424	1,374	-	-	9,798
Freight revenue	-	-	-	24,043	24,043
Other revenue	2,641	226	2,567	-	5,434
REVENUE FROM CONTRACTS WITH CUSTOMERS	112,855	20,403	3,583	24,043	160,884
Sundry income	898	200	28	155	1,281
Dividends received	556	-	-	-	556
Interest income	2,686	505	-	2	3,193
SEGMENT REVENUE AND OTHER INCOME	116,995	21,108	3,611	24,200	165,914
Segment expenses	(86,070)	(13,776)	(2,671)	(21,259)	(123,776)
Share of profit of equity accounted investments	1,981	-	-	-	1,981
UNDERLYING EBITDA	32,906	7,332	940	2,941	44,119
YEAR ENDED 30 JUNE 2024					
Commissions	139,298	33,737	895	-	173,930
Transaction and service fees	2,760	131	-	-	2,891
Marketing related activities	12,744	3,573	-	-	16,317
Freight revenue	-	-	-	16,743	16,743
Other revenue	3,857	273	2,849	-	6,979
REVENUE FROM CONTRACTS WITH CUSTOMERS	158,659	37,714	3,744	16,743	216,860
Sundry income	4,121	2	115	373	4,611
Dividends received	841	-	-	-	841
Interest income	4,438	1,457	-	1	5,896
SEGMENT REVENUE AND OTHER INCOME	168,059	39,173	3,859	17,117	228,208
Segment expenses	(120,855)	(25,752)	(3,045)	(15,951)	(165,603)
Share of profit of equity accounted investments	4,857	-	-	-	4,857
UNDERLYING EBITDA	52,061	13,421	814	1,166	67,462

2.3.3 OTHER SEGMENT INFORMATION: RECONCILIATION OF EBITDA AND UNDERLYING EBITDA

	2024 \$'000	2023 \$'000
UNDERLYING EBITDA	67,462	44,119
<i>Less significant items:</i>		
Acquisitions related costs	(1,298)	-
Systems replacement related costs	(1,382)	-
Gain on a legal matter (net of legal costs)	2,874	-
Loss on a legal matter (including legal costs)	(6,196)	-
Settlement of supplier incentives	-	(2,838)
Employee bonuses relating to Corporate business divestment	-	(1,000)
Restructuring and other costs	(653)	(498)
TOTAL SIGNIFICANT ITEMS⁽ⁱ⁾	(6,655)	(4,336)
EBITDA	60,807	39,783
<i>Less non-cash items and interest expense:</i>		
Depreciation of property, plant and equipment	(2,526)	(2,934)
Depreciation of right of use assets	(6,419)	(4,473)
Amortisation of intangible assets	(9,853)	(10,616)
Interest expenses on lease liabilities	(1,217)	(703)
TOTAL NON-CASH ITEMS AND INTEREST EXPENSE	(20,015)	(18,726)
PROFIT BEFORE INCOME TAX	40,792	21,057

(i) Significant items are those gains or losses where their nature, including the expected frequency of the events giving rise to them, and impact is considered material to the financial statements.

2.3.4 GEOGRAPHICAL INFORMATION

Non-current assets by location of assets

Total non-current assets (other than deferred tax assets) are located in:

- Australia \$307.9 million (2023: \$262.8 million);
- New Zealand \$36.7 million (2023: \$31.4 million);
- Other countries \$3.7 million (2023: \$3.9 million); and
- Transport, Logistics and Warehousing \$10.2 million (2023: \$6.9 million).



2.4 INCOME TAXES

2.4.1 AMOUNTS RECOGNISED IN THE CONSOLIDATED INCOME STATEMENT

	2024 \$'000	2023 \$'000
Current income tax expense	(14,828)	(2,443)
Deferred income tax benefit relating to the origination and reversal of temporary differences ⁽ⁱ⁾	3,615	328
Adjustment in respect of current tax expense of prior year	1,150	243
INCOME TAX EXPENSE	(10,063)	(1,872)
<i>⁽ⁱ⁾ Deferred income benefit comprises:</i>		
Increase in deferred tax assets	2,530	3,873
(Increase)/decrease in deferred tax liabilities	1,085	(3,545)
DEFERRED INCOME TAX BENEFIT	3,615	328

2.4.2 RECONCILIATION BETWEEN PRE-TAX PROFIT AT THE STATUTORY TAX RATE AND TAX EXPENSE

	2024 \$'000	2023 \$'000
PROFIT BEFORE INCOME TAX	40,792	21,057
Income tax expense at the statutory tax rate of 30%	(12,238)	(6,317)
<i>Add/(deduct) tax effect of:</i>		
Non-deductible amortisation	(415)	(415)
Tax losses recognised	-	3,889
Tax losses de-recognised	(4)	(31)
Franking credit and withholding tax offset utilised	683	569
Differences in overseas tax rates	163	135
Other non-deductible items	598	55
Over provision in prior year	1,150	243
INCOME TAX EXPENSE	(10,063)	(1,872)



2.4.3 DEFERRED TAX ASSETS

	2024 \$'000	2023 \$'000
Employee benefits	2,980	2,429
Payables and accruals	8,292	6,420
Lease liabilities	6,505	6,414
Tax losses ⁽ⁱ⁾	1,172	440
Other	2,195	1,606
GROSS DEFERRED TAX ASSETS	21,144	17,309
Set-off of deferred tax assets and liabilities pursuant to set-off provisions	(19,247)	(16,382)
NET DEFERRED TAX ASSETS	1,897	927

(i) At 30 June 2024 the Group had an unrecognised deferred tax benefit related to income tax losses of €0.7 million (2023: €0.7 million). The utilisation of these tax losses depends on meeting the requirements of the tax law in the countries to which they relate.

(ii) As at 30 June 2024, there are no unused capital losses (2023: nil).

MOVEMENT IN TEMPORARY DIFFERENCES DURING THE YEAR:

	Employee benefits \$'000	Payables and accruals \$'000	Lease liabilities \$'000	Tax losses \$'000	Other \$'000	Total \$'000
BALANCE AT 1 JULY 2022	2,337	6,042	6,323	5,040	1,440	21,182
(Charged)/credited to						
- profit or loss	92	378	91	(4,600)	166	(3,873)
BALANCE AT 30 JUNE 2023	2,429	6,420	6,414	440	1,606	17,309
BALANCE AT 1 JULY 2023	2,429	6,420	6,414	440	1,606	17,309
(Charged)/credited to						
- additions: through business combinations ⁽ⁱ⁾	-	116	-	-	84	200
- profit or loss	551	1,672	189	(21)	139	2,530
- prior year adjustments	-	84	(98)	753	382	1,121
- foreign exchange	-	-	-	-	(16)	(16)
BALANCE AT 30 JUNE 2024	2,980	8,292	6,505	1,172	2,195	21,144

(i) Represents additions to deferred tax assets as a result of the acquisition of Express Travel Group.



2.4.4 DEFERRED TAX LIABILITIES

	2024 \$'000	2023 \$'000
Investment in equity accounted investments	2,648	4,823
Accrued revenue	14,502	16,119
Property, plant and equipment	1,543	1,813
Right of use assets	6,050	5,844
Intangibles	33,482	34,042
Other	905	733
GROSS DEFERRED TAX LIABILITIES	59,130	63,374
Set-off of deferred tax assets and liabilities pursuant to set-off provisions	(19,247)	(16,382)
NET DEFERRED TAX LIABILITIES	39,883	46,992

MOVEMENT IN TEMPORARY DIFFERENCES DURING THE YEAR:

	Other investments \$'000	Accrued revenue \$'000	Property plant and equipment \$'000	Right of use assets \$'000	Intangibles \$'000	Other \$'000	Total \$'000
BALANCE AT 1 JULY 2022	8,142	13,315	-	5,508	34,426	2,225	63,616
(Charged)/credited to							
- profit or loss	467	2,804	1,813	336	(384)	(1,492)	3,544
- other comprehensive income	(3,786)	-	-	-	-	-	(3,786)
BALANCE AT 30 JUNE 2023	4,823	16,119	1,813	5,844	34,042	733	63,374
BALANCE AT 1 JULY 2023	4,823	16,119	1,813	5,844	34,042	733	63,374
(Charged)/credited to							
- additions: through business combinations ⁽ⁱ⁾	-	-	-	-	-	11	11
- profit or loss	822	(1,617)	(270)	369	(560)	171	(1,085)
- other comprehensive income	(2,997)	-	-	-	-	-	(2,997)
- prior year adjustments	-	-	-	(163)	-	(8)	(171)
- foreign exchange	-	-	-	-	-	(2)	(2)
BALANCE AT 30 JUNE 2024	2,648	14,502	1,543	6,050	33,482	905	59,130

(i) Represents additions to deferred tax liabilities as a result of the acquisition of Express Travel Group.

UNRECOGNISED TEMPORARY DIFFERENCES

The Group had undistributed earnings for controlled entities which if paid out as dividends would be non-assessable exempt income and not subject to tax in the hands of the recipient. Therefore, no deferred tax liability has been recorded in relation to the undistributed earnings.



MATERIAL ACCOUNTING POLICIES

Income tax expense/benefit in the Consolidated income statement for the period presented comprises current and deferred tax. Income tax is recognised in the profit or loss except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax is also recognised in other comprehensive income, or directly in equity, respectively.

(A) CURRENT TAX

Current tax payable represents the amount expected to be paid to taxation authorities on taxable income for the period, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous periods.

(B) DEFERRED TAX

Deferred tax is calculated using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting and taxation purposes. Deferred tax is measured at the rates that are expected to apply in the period in which the liability is settled, or asset realised, based on tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit or in relation to the initial recognition of goodwill.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and tax offsets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(C) TAX CONSOLIDATION LEGISLATION

Helloworld Travel Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation. The head entity, Helloworld Travel Limited, and its 100% wholly-owned subsidiaries in the Australian income tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the Australian income tax consolidated group continues to be a standalone taxpayer.

In addition to its own current and deferred tax amounts, Helloworld Travel Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the Australian income tax consolidated group where applicable.

(D) NATURE OF TAX FUNDING ARRANGEMENTS AND TAX SHARING AGREEMENTS

Helloworld Travel Limited, in conjunction with the other 100% wholly owned subsidiary members of the Australian income tax consolidated group, has entered into a tax funding arrangement which sets out the funding obligations of members of the Australian income tax consolidated group in respect of the Group's tax liability. The tax funding arrangements require payments to/from the head entity equal to the current tax liability/asset assumed by the head entity and any deferred tax asset relating to tax losses be assumed by the head entity, resulting in the head entity recognising an intercompany receivable/payable equal in amount to the tax liability/asset assumed. The intercompany receivable/payable is at call.

The amounts receivable/payable under the tax funding arrangement are due upon receipt of the funding advice from the head tax entity, which is issued as soon as practicable after the end of each financial year. The head tax entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. Where an entity exits the Australian tax consolidated group, the entity is required to make a payment to the head entity equal to its tax liability (or a reasonable estimate of that amount) for the period in which the exit occurs. As a result, the exiting entity is released from any group tax liability for that period.

2.5 EARNINGS PER SHARE

	2024 \$'000	2023 \$'000
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY USED IN EARNINGS PER SHARE		
Profit from continuing operations	30,604	19,197
Loss from discontinued operations	-	(1,822)
	30,604	17,375

	2024 Number	2023 Number
WEIGHTED AVERAGE NUMBER OF SHARES (WANOS) USED IN EARNINGS PER SHARE		
Basic earnings per share ⁽ⁱ⁾ ⁽ⁱⁱ⁾ ⁽ⁱⁱⁱ⁾	159,595,653	155,027,845
Diluted earnings per share	159,595,653	155,027,845

	Cents per share	
	2024	2023
BASIC EARNINGS/(LOSS) PER SHARE		
Continuing operations	19.2	12.4
Discontinued operations	-	(1.2)
	19.2	11.2

	Cents per share	
	2024	2023
DILUTED EARNINGS/(LOSS) PER SHARE		
Continuing operations	19.2	12.4
Discontinued operations	-	(1.2)
	19.2	11.2

(i) At 30 June 2024, Helloworld Travel Limited had 160,979,622 (2023: 155,027,845) ordinary shares on issue.

(ii) On the 11 August 2023, the Group issued 3,647,998 fully paid ordinary shares as part consideration for the acquisition of Express Travel Group (Tranche 1). On 2 January 2024, the Group issued a further 1,823,998 fully paid ordinary shares as final consideration for the acquisition of Express Travel Group (Tranche 2).

(iii) On 25 August 2023, the Group issued 479,781 fully paid ordinary shares as part consideration for the acquisition of Phil Hoffmann Travel.



3. WORKING CAPITAL AND PROVISIONS

3.1 TRADE AND OTHER RECEIVABLES

	2024 \$'000	2023 \$'000
CURRENT		
Trade receivables	53,208	39,357
Loss allowance	(2,315)	(1,922)
TRADE RECEIVABLES NET OF LOSS ALLOWANCE	50,893	37,435
Other receivables	5,302	5,309
TOTAL OTHER RECEIVABLES	5,302	5,309
TOTAL CURRENT TRADE AND OTHER RECEIVABLES	56,195	42,744
NON-CURRENT		
Other receivables	191	263
TOTAL NON-CURRENT TRADE AND OTHER RECEIVABLES	191	263

MATERIAL ACCOUNTING POLICIES

(A) TRADE AND OTHER RECEIVABLES

Trade receivables relate to amounts invoiced to customers but not yet received. They are recognised initially at the transaction price. As trade receivables are held with the objective of collecting contractual cash flows, they are subsequently measured at amortised cost using the effective interest rate method. Trade receivables are non-interest bearing and are generally collected within 7 to 30 days from the date of invoice and are therefore presented as current assets. Non-current other receivables are those where collection is not expected within 12 months from the reporting date and are measured at the present value of future net cash inflows expected to be received.

(B) IMPAIRMENT OF TRADE RECEIVABLES

Collectability of receivables (including accrued revenue) is reviewed on an ongoing basis. Individual debts that are known to be uncollectable are written off by management following a review of specific debtors with factors indicating that the debt may not be repaid. The Group applies the simplified approach to measuring expected credit losses for trade receivables using a lifetime expected loss allowance approach. To measure the expected credit losses, receivables are grouped based on shared credit risk characteristics and days past due. The expected loss rates applied to receivables at 30 June are based on historical loss rates adjusted to reflect current and forward looking market factors. The loss allowance is recognised in profit or loss within operating expenses.

(C) IMPAIRMENT OF OTHER RECEIVABLES

Collectability of other receivables is reviewed on an ongoing basis with specific allowances made for any expected credit losses based on a review of all outstanding amounts at reporting period-end. Individual receivables are written off when management deems them unrecoverable.

3.2 ACCRUED REVENUE

	2024 \$'000	2023 \$'000
Accrued override commission	28,369	29,311
TOTAL ACCRUED REVENUE	28,369	29,311

MATERIAL ACCOUNTING POLICIES

Accrued revenue relates to amounts owed to the Group that have not yet been invoiced.

(A) ACCRUED OVERRIDE COMMISSION

Accrued override commission is the estimate of override commission revenue earned during the respective customer contract period but not yet invoiced at balance date. It is considered a contract asset in accordance with applicable accounting standards. Refer to note 2.1: Revenue and other income for further details of the recognition and measurement of override commissions. Accrued override commission is transferred to trade receivables when the contract period with the airline or leisure partner is completed and the final amount of the override commission has been calculated and invoiced in accordance with the contract.

The contract periods with airline and leisure partners for override commission varies from one to twelve months. As a result, the accrued revenue recorded on the Consolidated balance sheet at 30 June is invoiced and settled in the following financial year. The estimated accrued override commission is subsequently adjusted for any differences between the Group's initial estimate and finalisation with the respective contractual partner.

3.3 TRADE AND OTHER PAYABLES

	2024 \$'000	2023 \$'000
Trade payables	124,277	100,324
Accruals	26,493	21,920
Other payables	33,277	31,734
TOTAL TRADE AND OTHER PAYABLES	184,047	153,978

The Group has recognised a defined contribution plan expense of \$5.0 million (2023: \$3.7 million) in the Consolidated income statement.

MATERIAL ACCOUNTING POLICIES

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables include amounts owing to participating retail travel agents under the Group's incentive programs. The Group pays incentives to retail travel agents based on their eligible availed travel sales at applicable incentive program rates (reported within selling expenses in the Consolidated income statement).

Trade and other payables are non-interest bearing, unsecured and are normally settled within 7 to 30 day payment terms from the date of invoice. The Group's contractual arrangements generally allow the Group to defer payment of travel related payables until funds have been received from the customer or agent. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at their amortised cost. Non trade payables and accruals are non-interest bearing.



3.4 DEFERRED REVENUE

	2024 \$'000	2023 \$'000
Supplier incentives	908	1,397
Unearned income ⁽ⁱ⁾	6,715	4,977
TOTAL DEFERRED REVENUE	7,623	6,374

- (i) The Group has not provided information on the unsatisfied and partially satisfied performance obligations at reporting date which are part of a contract that has an original expected duration of one year or less, as permitted by AASB 15 Revenues from contracts with customers.

MATERIAL ACCOUNTING POLICIES

(A) SUPPLIER INCENTIVES

The Group receives incentives from suppliers when entering into long term contracts. Incentives deferred at 30 June 2024 relate to contracts with terms of between 5 to 7 years. Supplier incentives are recognised in the Consolidated income statement over the life of the contract based on specific performance criteria.

(B) UNEARNED INCOME

Unearned income is considered a contract liability recognised in accordance with applicable accounting standards. It represents money received from customers prior to finalisation of the travel booking. These funds represent:

- amounts used to purchase travel products associated with the travel bookings; and
- revenue commission on the booking.

The revenue commission is recognised in the profit or loss in accordance with the revenue recognition policy in note 2.1: Revenue and other income.

3.5 OTHER LIABILITIES

	2024 \$'000	2023 \$'000
CURRENT		
Deferred payments	494	383
TOTAL CURRENT OTHER LIABILITIES	494	383
NON-CURRENT		
Deferred payments ⁽ⁱ⁾	800	-
Other liabilities	136	140
TOTAL NON-CURRENT OTHER LIABILITIES	936	140

- (i) As part of the acquisition agreement with Phil Hoffmann Travel (PHT), the Group has recognised a contingent consideration liability. The contingent consideration is based on PHT achieving a minimum EBITDA in either FY24 or FY25. Upon meeting this performance condition, a further \$0.8 million will be payable, consisting of \$0.4 million in cash and \$0.4 million in shares (Tranche 2 consideration). The Tranche 2 consideration is expected to be settled within 60 business days after the end of FY25, provided that the EBITDA target is met. The liability has been recognised in accordance with AASB 3 Business Combinations and is measured at fair value at the acquisition date. Any subsequent changes in the fair value of the contingent consideration liability will be recognised in profit or loss.



3.6 PROVISIONS

	2024 \$'000	2023 \$'000
CURRENT		
Employee benefits - annual leave ⁽ⁱ⁾	4,670	3,536
Employee benefits - long service leave ⁽ⁱ⁾	4,306	4,130
Other	4,334	3,638
TOTAL CURRENT PROVISIONS	13,310	11,304
NON-CURRENT		
Employee benefits - long service leave	60	67
Lease make good ⁽ⁱ⁾	1,193	1,198
TOTAL NON-CURRENT PROVISIONS	1,253	1,265

- (i) The acquisition of Express Travel Group (ETG) resulted in additions to provisions of \$1.54 million comprising:
- (a) Employee benefits - annual leave of \$0.84 million;
 - (b) Employee benefits - long service leave of \$0.53 million; and
 - (c) Lease make good of \$0.17 million.

MOVEMENT IN PROVISIONS:

	Lease make good \$'000	Other \$'000	Total \$'000
BALANCE AT 1 JULY 2022	1,130	7,600	8,730
Provision charged to income statement	3	-	3
Additions	80	-	80
Payments made from provision	(15)	(3,962)	(3,977)
BALANCE AT 30 JUNE 2023	1,198	3,638	4,836
Current	-	3,638	3,638
Non-current	1,198	-	1,198
BALANCE AT 30 JUNE 2023	1,198	3,638	4,836
BALANCE AT 1 JULY 2023	1,198	3,638	4,836
Provision released to income statement	(139)	-	(139)
Additions	56	696	752
Additions: through business combinations ⁽ⁱ⁾	174	-	174
Payments made from provision	(96)	-	(96)
BALANCE AT 30 JUNE 2024	1,193	4,334	5,527
Current	-	4,334	4,334
Non-current	1,193	-	1,193
BALANCE AT 30 JUNE 2024	1,193	4,334	5,527

- (i) Represents additions lease make good provisions as a result of the acquisition of Express Travel Group

MATERIAL ACCOUNTING POLICIES

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made as to the amount of the obligation. The amount recognised is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Provisions are not recognised for future operating losses.

(A) EMPLOYEE BENEFITS

A liability is recognised for benefits accruing to employees in respect of annual leave and long service leave. Liabilities expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to the reporting date discounted using a 10 year corporate bond rate.

The Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

(B) LEASE MAKE GOOD

A provision is recognised for the estimated cost of expenditure required to complete dismantling and site restoration obligations required by existing lease contracts. Liabilities which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows.

4. INVESTED CAPITAL

4.1 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings \$'000	Equipment including motor vehicles \$'000	Leasehold improvements \$'000	Total \$'000
BALANCE AT 1 JULY 2022	638	5,667	2,301	8,606
Additions	10	1,730	517	2,257
Reclassifications	-	171	-	171
Disposals	-	(656)	-	(656)
Foreign currency differences	21	93	5	119
Depreciation charge	(11)	(2,375)	(548)	(2,934)
BALANCE AT 30 JUNE 2023	658	4,630	2,275	7,563
AT 30 JUNE 2023				
Cost	772	29,703	8,976	39,451
Accumulated depreciation	(114)	(25,073)	(6,701)	(31,888)
NET BOOK AMOUNT	658	4,630	2,275	7,563
BALANCE AT 1 JULY 2023	658	4,630	2,275	7,563
Additions	22	1,519	340	1,881
Additions: through business combinations ⁽ⁱ⁾	-	39	113	152
Disposals	-	(198)	(89)	(287)
Foreign currency differences	(6)	93	1	88
Depreciation charge	(5)	(1,901)	(620)	(2,526)
BALANCE AT 30 JUNE 2024	669	4,182	2,020	6,871
AT 30 JUNE 2024				
Cost	792	31,121	8,629	40,542
Accumulated depreciation	(123)	(26,939)	(6,609)	(33,671)
NET BOOK AMOUNT	669	4,182	2,020	6,871

(i) Represents additions to property, plant and equipment as a result of the acquisition of Express Travel Group.

MATERIAL ACCOUNTING POLICIES

(A) CARRYING VALUE

The Group's property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes any expenditure that is directly attributable to the acquisition of property, plant and equipment.

(B) DEPRECIATION

Assets are depreciated on a straight-line basis over their estimated useful lives to their residual values. Leasehold improvements are depreciated over the shorter of the lease term or their useful lives. Land is not depreciated.

The expected useful lives of property, plant and equipment have not changed from the prior year and are as follows:

- | | |
|--------------------------------------|-----------------|
| • buildings | 40 years |
| • equipment including motor vehicles | 2.5 to 10 years |
| • leasehold improvements | 5 to 10 years |

(C) PROCEEDS FROM SALE OF ASSETS

The gross proceeds from asset sales are recognised at the date that an unconditional contract of sale is exchanged with the purchaser or when title passes. The net gain or loss is recognised in profit or loss.

(D) IMPAIRMENT

Property, plant and equipment are tested for impairment in accordance with the policy for impairment of non-financial assets disclosed in Note 4.4: Impairment of non-financial assets.



4.2 RIGHT OF USE ASSETS

	Property \$'000	Motor Vehicles \$'000	Total \$'000
BALANCE AT 1 JULY 2022	18,354	6	18,360
Additions	2,996	2,405	5,401
Modifications	822	(6)	816
Foreign currency differences	107	-	107
Depreciation charge	(4,296)	(177)	(4,473)
BALANCE AT 30 JUNE 2023	17,983	2,228	20,211
AT 30 JUNE 2023			
Cost	37,216	2,405	39,621
Accumulated depreciation and impairment	(19,233)	(177)	(19,410)
NET BOOK AMOUNT	17,983	2,228	20,211
BALANCE AT 1 JULY 2023	17,983	2,228	20,211
Additions	1,001	4,709	5,710
Additions: through business combinations ⁽ⁱ⁾	2,253	-	2,253
Disposals	(1,802)	-	(1,802)
Modifications	718	-	718
Foreign currency differences	(22)	-	(22)
Depreciation charge	(5,099)	(1,320)	(6,419)
BALANCE AT 30 JUNE 2024	15,032	5,617	20,649
AT 30 JUNE 2024			
Cost	31,643	7,155	38,798
Accumulated depreciation and impairment	(16,611)	(1,538)	(18,149)
NET BOOK AMOUNT	15,032	5,617	20,649

(i) Represents additions to the right of use assets as a result of the acquisition of Express Travel Group.

MATERIAL ACCOUNTING POLICIES

(A) PROPERTY RIGHT OF USE ASSETS

Property right of use assets relate to the benefits derived from various leased offices under non-cancellable agreements.

(B) MOTOR VEHICLE RIGHT OF USE ASSET

Motor vehicle right of use assets relate to the benefits derived from vehicles used by the Entertainment Logistix business under non-cancellable agreements.

(C) ACCOUNTING FOR RIGHT OF USE ASSETS

Right of use assets (lease assets) are initially measured at cost, comprising:

- initial lease liability;
- lease payments at or before the lease commencement date (less any incentives received);
- initial direct costs; and
- estimate of any costs to dismantle, remove or remediate the asset at the end of the lease.

Lease assets are subsequently depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. Lease assets are tested for impairment in accordance with the policy adopted for non-financial assets in note 4.4: Impairment of non-financial assets. Subsequent to initial measurement, when the lease liability is remeasured, a corresponding adjustment is made to the value of the lease asset, or the Consolidated income statement if the lease asset is already reduced to zero.

4.3 INTANGIBLE ASSETS

	Goodwill \$'000	Retail distribution systems \$'000	Agent network \$'000	Commercial agreements \$'000	Customer bases \$'000	Brand names and trademarks \$'000	Technology assets \$'000	Total \$'000
BALANCE AT 1 JULY 2022	87,971	104,400	8,310	12,247	-	864	19,824	233,616
Additions: purchased	-	-	-	-	-	-	479	479
Additions: internal projects	-	-	-	-	-	-	704	704
Reclassifications	-	-	-	-	-	-	(610)	(610)
Foreign currency differences	397	-	-	12	-	-	(84)	325
Amortisation charge	-	-	-	(2,575)	-	(100)	(7,941)	(10,616)
BALANCE AT 30 JUNE 2023	88,368	104,400	8,310	9,684	-	764	12,372	223,898
AT 30 JUNE 2023								
Cost	463,862	104,400	8,810	25,024	-	9,143	95,919	707,158
Accumulated amortisation and impairment	(375,494)	-	(500)	(15,340)	-	(8,379)	(83,547)	(483,260)
NET BOOK AMOUNT	88,368	104,400	8,310	9,684	-	764	12,372	223,898
BALANCE AT 1 JULY 2023	88,368	104,400	8,310	9,684	-	764	12,372	223,898
Additions: purchased	-	-	-	-	-	-	262	262
Additions: through business combinations ⁽ⁱ⁾	38,482	-	21,377	-	3,807	2,110	1,727	67,503
Additions: internal projects	-	-	-	-	-	-	684	684
Foreign currency differences	(172)	-	-	-	3	-	-	(169)
Amortisation charge	-	-	(1,979)	(1,383)	(257)	(206)	(6,028)	(9,853)
BALANCE AT 30 JUNE 2024	126,678	104,400	27,708	8,301	3,553	2,668	9,017	282,325
AT 30 JUNE 2024								
Cost	502,153	104,400	30,187	24,973	3,807	11,252	95,732	772,504
Accumulated amortisation and impairment	(375,475)	-	(2,479)	(16,672)	(254)	(8,584)	(86,715)	(490,179)
NET BOOK AMOUNT	126,678	104,400	27,708	8,301	3,553	2,668	9,017	282,325

(i) Represents additions to intangible assets as a result of the acquisition of Express Travel Group.



4.3.1 NATURE OF INTANGIBLE ASSETS

(A) GOODWILL

Goodwill represents the excess of the cost of an acquisition over the fair value of the share of the net identifiable assets acquired. During the year ended 30 June 2024, goodwill was recognised as part of the acquisition of Express Travel Group (\$38.5 million).

(B) RETAIL DISTRIBUTION SYSTEMS

Retail distributions systems are the integrated system of methods, procedures, techniques and other systems which facilitate the day-to-day running of the retail business. This includes access to products/inventory, brands, marketing, advertising, promotional techniques, training and operational manuals of the network. Due to the interdependencies between these components, the Group considers these assets to be complementary and are recognised as single identifiable assets.

(C) AGENT NETWORKS

Agent networks were separately identified and valued as part of the merger with AOT Group Limited and represents the agreements with travel agents for the provision of wholesale and inbound domestic travel products such as packaged tours. During the current year, the useful life of this intangible asset was reassessed to be 15 years (2023: considered an indefinite life intangible asset). In addition, during the year ended 30 June 2024, agent networks in Australia were separately identified and valued as part of the acquisition of Express Travel Group (\$21.4 million).

(D) COMMERCIAL AGREEMENTS

Commercial agreements represent:

- the value attributable to agreements entered into with travel agents, servicing leisure and corporate travel, that are part of the Helloworld Travel member network; and
- long-term supplier agreements relating to revenue contracts.

(E) CUSTOMER BASES

Customer bases represented the value attributable to key customer. During the year ended 30 June 2024, customer relationships relating to First Travel Group were separately identified and valued as part of the acquisition of Express Travel Group (\$3.8 million).

(F) BRAND NAMES AND TRADEMARKS

Brand names and trademarks are intangible assets acquired as part of a past business combination and include wholesale business brands. During the year ended 30 June 2024, brand names were separately identified and valued as part of the acquisition of Express Travel Group (\$2.1 million).

(G) TECHNOLOGY ASSETS

Technology assets consist of:

- software, website and other technology assets that were acquired through external suppliers or via business combinations; and
- internally developed and enhanced Group technology platforms. Costs capitalised include external direct costs of materials and service, and direct payroll and payroll related costs of employees' time spent on the project.
- during the year ended 30 June 2024, software assets were separately identified and valued as part of the acquisition of Express Travel Group (\$1.7 million).

4.3.2 GOODWILL AND INDEFINITE LIFE INTANGIBLE ASSETS BY CASH GENERATING UNIT (CGU)

	2024 \$'000	2023 \$'000
Australia retail distribution operations ^{(i)(iv)}	167,214	139,010
Australia wholesale and inbound ⁽ⁱ⁾	50,445	44,479
New Zealand ⁽ⁱⁱ⁾	13,419	9,279
TOTAL, NET OF IMPAIRMENT	231,078	192,768

(i) Represent the Australian reportable segment of Travel Operations Australia for management purposes.

(ii) Represent the New Zealand reportable segment of Travel Operations New Zealand for management reporting purpose.

(iii) No goodwill has been allocated to the Rest of World CGU, which equates to the Rest of World reportable segment for management reporting purposes.

(iv) The current and prior years include \$104.4 million relating to retail distribution systems.

MATERIAL ACCOUNTING POLICIES

(A) GOODWILL

Goodwill represents the excess of the cost of an acquisition over the fair value of the share of the net identifiable assets acquired. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

(B) INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE

Retail distribution systems

The Group has determined that these retail distribution systems have an indefinite useful life due to the ongoing effectiveness of the systems which support the Australian retail network and are allocated to the Australian retail distribution operations CGU. Retail distribution systems are considered indefinite life intangible assets and are therefore measured at cost less any accumulated impairment losses.

(C) INTANGIBLE ASSETS WITH FINITE USEFUL LIFE

Agent networks

Agent networks are measured at cost less any accumulated impairment losses and are amortised over their useful life of 10 to 15 years.

Commercial agreements

Commercial agreements are measured at cost and amortised over their useful life between 5 and 12 years.

Customer bases

Customer bases represent the value attributable to key customer relationships. They are measured at cost and amortised over their useful life of 15 years.

Brand names and trademarks

Brand names and trademarks are measured at cost and are amortised over their useful life of 7 to 20 years.

Technology assets

Amounts paid for the development of software and website intangible assets are capitalised only when it is probable the future economic benefits of the project will flow to the Group and the Group controls the software.

The booking system and related website technology acquired from the Flight Systems Group is measured at cost and is being amortised over 10 years. All other technology assets are measured at cost and are amortised over a useful life of 2.5 to 7 years.

(D) IMPAIRMENT

Intangible assets are tested for impairment in accordance with the policy for impairment of non-financial assets disclosed in note 4.4: Impairment of non-financial assets.



4.4 IMPAIRMENT OF NON-FINANCIAL ASSETS

4.4.1 KEY ASSUMPTIONS

Following are the key assumptions applied in calculating the recoverable amount using the Value in Use method:

KEY ASSUMPTION	COMMENTARY
TOTAL TRANSACTION VALUE (TTV)	
<i>Australia retail distribution operations CGU</i>	Travel is forecast to gradually increase to 100% of FY19 volumes in 2029, which is conservative compared to industry forecasts.
<i>Australia wholesale and inbound CGU</i>	Travel is forecast to gradually increase to 68% of FY19 volumes in 2029, which is conservative compared to industry forecasts.
<i>New Zealand</i>	The New Zealand CGU comprises inbound and outbound leisure. Travel is forecast to gradually increase to 100% of FY19 volumes in 2025, which is in line with industry forecasts.
REVENUE MARGINS/EBITDA	Revenue margins are forecast to return to historical levels for each revenue stream, allowing for changes in TTV mix within the respective CGU. Variable costs including employee benefits expenditure have been forecast as a percentage of TTV or revenue.
LONG-TERM GROWTH	The terminal value calculations have an equivalent revenue and operating expense growth assumption of 2% (2023: 2%).
DISCOUNT RATES	Discount rates applied in the testing of recoverable amounts reflect the post-tax weighted average cost of capital. A 13.0% discount rate (2023: 14.0%) has been applied to the Australian CGUs and a 13.0% discount rate (2023: 14.0%) has been applied to the New Zealand CGU.

4.4.2 SENSITIVITY ANALYSIS

The recoverable amount is sensitive to changes in the key assumptions described above. The impact of reasonably possible changes in key assumptions is shown in the table below and has been calculated in isolation from other changes. An impairment may result in the event that multiple changes to key assumptions occur simultaneously.

	RESULTANT IMPAIRMENT CHANGE			
	TTV reduction to key assumption ⁽ⁱ⁾⁽ⁱⁱ⁾	EBITDA reduction to key assumption	Long-term growth decrease	Discount rate increase
GOODWILL	5.0%	5.0%	1.0%	1.0%
Australia retail distribution operations	No impairment	No impairment	No impairment	No impairment
Australia wholesale and inbound	No impairment	No impairment	No impairment	No impairment
New Zealand	No impairment	No impairment	No impairment	No impairment

- (i) 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 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.
- (ii) A reduction in forecast TTV has a corresponding impact on forecast revenues and variable operating expenditures, working capital and tax.

MATERIAL ACCOUNTING POLICIES

An impairment loss is incurred when the carrying amount of an asset or a CGU exceeds its estimated recoverable amount.

(A) IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of the Group's non-current assets are reviewed for impairment as follows:

- lease assets, property, plant and equipment, and finite life intangibles: when there is an indication that the asset may be impaired (assessed at least each reporting date) or when there is an indication that a previously recognised impairment may need to be reversed; and
- goodwill and indefinite life intangibles: at least annually and when there is an indication that the asset may be impaired.

The Group's impairment testing is performed at an individual CGU level. The Group assessed the carrying amounts of CGUs and no impairments were recognised.

(B) CALCULATION OF RECOVERABLE AMOUNT

The recoverable amount of an asset is the greater of its value in use and its fair value less costs of disposal. For an asset that does not generate largely independent cash inflows, recoverable amount is assessed at the CGU level, which is the smallest group of assets generating cash inflows independent of other CGUs that benefit from the use of the respective asset.

Recoverable amount has been determined using the Value in Use method. Cash flow forecast have been approved by management and are forecast for a period of 5 years.

Goodwill is allocated to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segments and grouped at the lowest levels for which goodwill is monitored for internal management purposes.

Impairment losses are recognised in the Consolidated income statement. Impairment losses recognised in respect of a CGU are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amount of other assets in the CGU on a pro-rata basis.



5 CAPITAL STRUCTURE AND FINANCING ACTIVITIES

5.1 CASH AND CASH EQUIVALENTS AND CASH DEPOSITS

	2024 \$'000	2023 \$'000
Cash at bank and on hand ⁽ⁱ⁾	113,221	107,730
Restricted cash at bank ⁽ⁱⁱ⁾	48,531	39,158
CASH AND CASH EQUIVALENTS	161,752	146,888
Cash deposits ⁽ⁱⁱⁱ⁾	125	12,000
Restricted cash deposits ⁽ⁱⁱ⁾	-	2,000
CASH DEPOSITS	125	14,000
TOTAL^(iv)	161,877	160,888

(i) Includes client cash which is not International Air Transport Association (IATA) restricted.

(ii) Includes cash held within legal entities of the Group that have IATA requirements as part of providing ticketing travel arrangements and, in the prior year for an ongoing legal matter.

(iii) Represents term deposits placed with commercial banks with a term of greater than 3 months.

(iv) The total cash and deposits excluding restricted cash is \$113.2 million (2023: \$119.7 million).

5.1.1 CASH FLOW RECONCILIATIONS

RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET OPERATING CASH FLOWS:

	2024 \$'000	2023 \$'000
PROFIT AFTER INCOME TAX EXPENSE FOR THE YEAR	30,729	17,363
<i>Adjustments for:</i>		
Depreciation and amortisation expense	18,798	18,023
Share based payment expense	326	-
Profit on disposal of property, plant and equipment	(40)	(183)
Loss allowance on trade receivables and accrued override commission	393	(3,971)
Share of profit of equity accounted investments	(4,857)	(1,981)
Dividend income	(841)	(556)
<i>Change in operating assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	2,350	(4,572)
(Increase)/decrease in prepayments	637	(990)
(Increase)/decrease in accrued revenue	6,230	(14,350)
Decrease in inventories	91	249
Increase in trade and other payables	2,214	21,507
Decrease in deferred revenue	(290)	(1,834)
Increase/(decrease) in other liabilities	107	(146)
Increase/(decrease) in provisions	451	(3,533)
Movements in tax balances	7,180	1,852
NET OPERATING CASH FLOWS	63,478	26,878

MATERIAL ACCOUNTING POLICIES

(A) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balances, at call deposits and term deposits with an original maturity of three months or less. Term deposits are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Interest income is earned on cash and term deposits and is recognised on an accrual basis in the profit or loss.

5.2 FINANCING ARRANGEMENTS

	2024 \$'000	2023 \$'000
CONTINGENT FACILITIES: BANK GUARANTEES		
Westpac Facility B	227	1,661
Westpac Facility C	78	533
Westpac stand alone facilities	2,361	2,159
	2,666	4,353
LINE OF CREDIT		
Line of credit	457	-
	457	-
TOTAL CONTINGENT FACILITIES	3,123	4,353

The above represents contingent components (bank guarantees) of Westpac facilities B and C. The financing arrangements are secured over the assets of the entities in the Deed of Cross Guarantee (note 8.4: Deed of cross guarantee) and certain New Zealand entities within the Group (the “obligor group” as defined under the Westpac facility agreement).



5.3 LEASE LIABILITIES

	2024 \$'000	2023 \$'000
Current lease liabilities	6,570	5,266
Non-current lease liabilities	15,627	16,878
TOTAL LEASE LIABILITIES	22,197	22,144

MOVEMENTS IN TOTAL LEASE LIABILITIES:

	Property \$'000	Motor vehicles \$'000	Total \$'000
BALANCE AT 1 JULY 2022	21,074	2	21,076
Additions ⁽ⁱ⁾	2,916	2,372	5,288
Interest expense	652	51	703
Lease payments ⁽ⁱ⁾	(5,762)	(198)	(5,960)
Modifications to lease terms	900	-	900
Foreign currency differences	137	-	137
BALANCE AT 30 JUNE 2023	19,917	2,227	22,144
Current	4,700	566	5,266
Non-current	15,217	1,661	16,878
TOTAL LEASE LIABILITIES	19,917	2,227	22,144
BALANCE AT 1 JULY 2023	19,917	2,227	22,144
Additions ⁽ⁱⁱ⁾	954	4,708	5,662
Additions: through business combinations ⁽ⁱⁱⁱ⁾	2,079	-	2,079
Disposals	(1,856)	-	(1,856)
Interest expense	857	360	1,217
Lease payments ⁽ⁱ⁾	(5,820)	(1,919)	(7,739)
Modifications	714	-	714
Foreign currency differences	(24)	-	(24)
BALANCE AT 30 JUNE 2024	16,821	5,376	22,197
Current	4,842	1,728	6,570
Non-current	11,979	3,648	15,627
TOTAL LEASE LIABILITIES	16,821	5,376	22,197

(i) Comprises principal elements of lease liabilities of \$6.5 million (2023: \$5.2 million) included in financing cash flows and interest expense of \$1.2 million (2023: \$0.7 million) included in operating cash flows.

(ii) The Group entered into additional motor vehicle leases resulting in additions of \$4.7 million, and property leases at Perth resulting in additions of \$0.9 million. In the prior year, the Group entered into motor vehicle leases and a property lease at Sydney resulting in additions of \$5.2 million.

(iii) Relates to the acquisition of Express Travel Group business (ETG) (\$2.1 million).

5.3.1 NATURE OF LEASING ACTIVITIES

The Group has operating leases relating to commercial office premises, retail properties and motor vehicles. The Group's leases are typically for fixed periods between 3 to 10 years and may include extension options. Lease terms are negotiated on an individual lease basis and contain a wide range of different terms and conditions. Lease liabilities payment obligations relate to various leased offices and motor vehicles under non-cancellable agreements. None of the Group's lease agreements impose any covenants, however leased assets may not be used as security for borrowing purposes.

5.3.2 SHORT TERM LEASES AND LEASES OF LOW VALUE ASSETS

In addition to the above leases, the Group recognised the following in the income statement:

- low value lease expense of \$0.02 million (2023: \$0.04 million); and
- short term lease expense of \$0.35 million (2023: \$0.2 million) for leases entered into by the freight business.

MATERIAL ACCOUNTING POLICIES

(A) MEASUREMENT AND RECOGNITION

The Group assesses whether a contract is, or contains, a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits from an identified asset for a period of time in exchange for consideration. A lease liability and corresponding right of use lease asset are recognised at commencement of the lease.

(B) LEASE LIABILITIES

Lease liabilities are measured at the present value of lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, at the Group's incremental borrowing rate specific to the lease term. Lease payments include:

- fixed payments less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the Group under residual value guarantees; and
- exercise price of a purchase option that the Group is reasonably certain to exercise.

Subsequent to initial measurement, the liability is reduced for lease payments made and increased for interest incurred. The liability is remeasured to reflect any reassessment or modification, or if there are changes relating to in-substance fixed payments. In addition, the liability is adjusted when an index or rate change takes effect resulting in an increase in variable lease payments.

(C) EXTENSION AND TERMINATION OPTIONS

Extension and termination options are included in a number of the Group's property leases. These extension options are at the discretion of Helloworld and provide management with the flexibility to manage the leased-asset portfolio in line with the Group's needs. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(D) SHORT TERM LEASES AND LEASES OF LOW VALUE ASSETS

Short term leases are those with a lease term of 12 months or less. The costs associated with these leases are recognised as an expense in the profit or loss as incurred. Low value assets comprise small items of office and information technology related equipment.

5.4 ISSUED CAPITAL

	2024 shares	2023 shares	2024 \$'000	2023 \$'000
SHARES ON ISSUE				
Issued capital – fully paid	160,979,622	155,027,845	487,631	471,231
TOTAL ISSUED CAPITAL	160,979,622	155,027,845	487,631	471,231

Holders of ordinary shares in Helloworld Travel Limited are entitled to receive dividends as declared from time to time and are entitled to one vote per share at Helloworld shareholders' meetings. In the event of the winding up of Helloworld Travel Limited, ordinary shareholders rank after creditors and are fully entitled to any proceeds on liquidation. Ordinary shares have no par value and Helloworld Travel Limited does not have a limited amount of authorised capital.

MOVEMENT IN SHARES ON ISSUE:

	Number of shares	\$'000
BALANCE AT 1 JULY 2022	155,027,845	468,199
Vested and exercised franchise loyalty plan shares in prior years ⁽ⁱⁱ⁾	-	84
Vested and exercised Omnibus share plan in prior years ⁽ⁱⁱⁱ⁾	-	2,948
BALANCE AT 30 JUNE 2023	155,027,845	471,231
BALANCE AT 1 JULY 2023	155,027,845	471,231
Shares issued on completion of acquisition of Express Travel Group ⁽ⁱ⁾	5,471,996	15,000
Shares issued on completion of acquisition of Phil Hoffmann Travel Group ⁽ⁱ⁾	479,781	1,400
BALANCE AT 30 JUNE 2024	160,979,622	487,631

(i) Issued capital and the number of shares on issue increased during the year due to:

- (a) 5,471,996 shares issued at \$2.741 per share on completion of the Express Travel Group acquisition, and
- (b) 479,781 shares issued at \$2.918 per share on completion of the Phil Hoffmann Travel acquisition.

(ii) Vested and exercised franchise loyalty plan shares in prior years

On 24 November 2017, 30,000 shares were granted under the franchise loyalty share plan. These shares vested on 31 July 2019 and they were exercised during FY20 at a fair value of \$2.80 per share. In accordance with the Group's policy, amounts relating to these vested and exercised shares is transferred from share-based payment reserve to share capital.

(iii) Vested and exercised Omnibus share plan in prior years

During the prior years, 1,071,932 shares (146,932 shares in FY20, 905,000 shares in FY21 and 20,000 shares in FY22) met their vesting conditions and were exercised for a total fair value of \$2.9 million. In accordance with the Group's policy, amounts relating to these vested and exercised shares is transferred from share-based payment reserve to share capital.



5.5 RESERVES

	2024 \$'000	2023 \$'000
Foreign currency translation reserve	(1,130)	(562)
Investment revaluation reserve	(10,213)	(7,551)
Share based payments reserve	1,342	1,016
TOTAL RESERVES	(10,001)	(7,097)

MOVEMENTS IN RESERVES:

	Foreign currency translation reserve \$'000	Investment revaluation reserve \$'000	Share based payments reserve \$'000	Redemption reserve \$'000	Total \$'000
BALANCE AT 1 JULY 2022	(1,440)	(13,075)	4,090	(7,200)	(17,625)
Foreign currency translation	878	-	-	-	878
Transfer to accumulated losses	-	4,323	-	7,200	11,523
Revaluation of investment in CTM (net of tax)	-	1,201	-	-	1,201
Franchise loyalty scheme shares lapsed in prior years	-	-	(42)	-	(42)
Franchise loyalty scheme and Omnibus share plan shares exercised in prior years	-	-	(3,032)	-	(3,032)
BALANCE AT 30 JUNE 2023	(562)	(7,551)	1,016	-	(7,097)
BALANCE AT 1 JULY 2023	(562)	(7,551)	1,016	-	(7,097)
Foreign currency translation	(568)	-	-	-	(568)
Share based payments expense	-	-	326	-	326
Transfer to accumulated losses	-	1,414	-	-	1,414
Revaluation of investment in CTM (net of tax)	-	(4,076)	-	-	(4,076)
BALANCE AT 30 JUNE 2024	(1,130)	(10,213)	1,342	-	(10,001)

5.5.1 NATURE OF RESERVES

(A) FOREIGN CURRENCY TRANSLATION RESERVE

Exchange differences arising on translation of the foreign operations are taken to the foreign currency translation reserve, as described in note 1.2: Accounting policies applicable to all financial information.

(B) INVESTMENT REVALUATION RESERVE

The investment revaluation reserve comprises the fair value adjustments on financial assets. Refer to note 6.2: Other investments for further detail.

(C) SHARE BASED PAYMENTS RESERVE

The share based payments reserve is used to recognise the fair value of:

- shares issued to eligible employees with performance related conditions; and
- franchise loyalty shares issued to eligible franchise network members with related conditions.

Once the vesting conditions of the respective share schemes are met and the shares are exercised, the accumulated amount of the share based payment reserve relating to the vested shares is transferred to share capital.

(D) REDEMPTION RESERVE

In FY18, a redemption reserve was recognised upon the acquisition the Group's 60% shareholding in Keygate Holdings Pty Ltd. The redemption reserve related to the non-controlling interest's put option to sell their remaining 40% interest to the Group. The put option was not exercised and expired on 28 September 2022 and hence the balance of redemption reserve was transferred to retained earnings.

5.6. DIVIDENDS

5.6.1 DIVIDENDS PAID DURING THE YEAR

	2024 \$'000	2023 \$'000
ORDINARY SHARES		
FY22 final dividend of 10.0 cents per share, paid on 23 September 2022	-	(15,405)
FY23 interim dividend of 2.0 cents per share, paid on 23 March 2023	-	(3,078)
FY23 final dividend of 6.0 cents per share, paid on 22 September 2023	(9,491)	-
FY24 interim dividend of 5.0 cents per share, paid on 22 March 2024	(7,999)	-
TOTAL DIVIDENDS PAID	(17,490)	(18,483)

- (i) On 27 August 2024, a full franked final dividend of 6.0 cents per share (2023: 6.0 cents per share) was declared. The dividend will be paid on 19 September 2024 with a record date of 6 September 2024. At the date of this Financial Report, the number of shares on issue is 160,979,622. Based on shares on issue as at the date of this Financial Report, the final dividend to be distributed would equate to \$9.7 million (2023: \$9.5 million), adjusted for the amount offset against the notional employee plan loan. The dividend will be paid out of 2024 financial year profits but is not recognised as a liability at 30 June 2024.
- (ii) At 30 June 2024, 1,320,000 (2023: 1,320,000) vested LTIP shares issued to employees with an employee loan remained unexercised. In accordance with the LTIP loan associated with the FY17 LTIP grant, 24.29% of dividends associated with these shares are paid to the employee in cash with the remaining 75.71% applied to the notional outstanding employee loan. Dividends of \$35,263 (2023: \$38,469) were paid in cash for the unexercised LTIP shares and dividends of \$109,937 (2023: \$119,931) were offset against the notional employee plan loan during the year.

5.6.2 FRANKING CREDITS

	2024 \$'000	2023 \$'000
FRANKING CREDITS AVAILABLE AT THE BEGINNING OF THE REPORTING PERIOD	5,293	12,573
Franking credits transferred in from the acquisition of Express Travel Group	3,360	-
Franking credits adjusted to reflect income tax payments	2,435	-
Franking credits attached to the dividends paid during the year	(7,542)	(7,973)
Franking credits attached to the dividends received during the year	975	693
TOTAL AMOUNT OF FRANKING CREDITS AVAILABLE FOR SUBSEQUENT FINANCIAL YEARS	4,521	5,293

6 GROUP STRUCTURE

6.1 EQUITY ACCOUNTED INVESTMENTS

	2024 \$'000	2023 \$'000
Interest in Mobile Travel Holdings Pty Limited (MTA)	17,328	15,897
Interest in Australiareiser Group	3,130	2,896
Interest in PHT Group Holdings Pty Ltd (Phil Hoffmann Travel)	7,665	-
TOTAL EQUITY ACCOUNTED INVESTMENTS	28,123	18,793



6.1.1 INVESTMENT IN EQUITY ACCOUNTED INVESTMENTS

The movement for the year in the Group's equity accounted investments is as follows:

	Phil Hoffmann Travel		Australiareiser Group		MTA	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
OPENING BALANCE AT 1 JULY	-	-	2,896	-	15,897	15,292
Contingent consideration ⁽ⁱ⁾	800	-	-	-	-	-
Investment in jointly controlled entities	5,793	-	-	3,020	-	-
Share of profit/(loss) after income tax expense	1,192	-	234	(124)	3,431	2,105
Dividend received during the year	(120)	-	-	-	(2,000)	(1,500)
CLOSING BALANCE AT 30 JUNE	7,665	-	3,130	2,896	17,328	15,897

(i) Contingent consideration up to a maximum of \$0.8 million (in cash and Helloworld shares) will be paid subject to Phil Hoffmann Travel achieving specified EBITDA metrics in FY24 or FY25.

The closing carrying amount of investments in Australiareiser Group, MTA and Phil Hoffmann Travel are reconciled to the Group's share of net assets as follows:

	Phil Hoffmann Travel		Australiareiser Group		MTA	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Share in net assets	6,900	-	523	289	3,432	2,001
Goodwill	765	-	2,607	2,607	13,896	13,896
CLOSING CARRYING AMOUNT AT 30 JUNE 2024	7,665	-	3,130	2,896	17,328	15,897

(A) INFORMATION ON ASSOCIATE

Mobile Travel Holdings Pty Limited (MTA)

MTA offers home-based travel consulting services provided by mobile travel consultants throughout Australia. The Group currently holds a 50% ownership interest (2023: 50%) in MTA. MTA was incorporated in Australia.

The Group acquired a 50% ownership interest in MTA in FY17 for a total consideration of \$14.2 million. As part of the sale and purchase agreement, the Group had a call option to acquire the remaining 50% ownership interest which was able to be exercised up to 31 December 2021. In 2021, the deadline was extended to 30 July 2025 due to the impact of COVID-19. The co-owners of MTA have a put option to sell their remaining 50% ownership interest to the Group 30 days after the expiry of the call option period. The call option and the put option have been priced at fair value and accordingly the derivative fair value is nil.

(B) INFORMATION ON JOINTLY CONTROLLED ENTITIES

Australiareiser Group

On 21 March 2023, the Group acquired a 34% ownership interest in the Australiareiser Group of companies for \$3 million. The Australiareiser Group comprises Australienresor AB and Australiareiser AS. Australiareiser Group is the largest provider of travel packages to Scandinavians travelling to Australia, New Zealand and the South Pacific. The group's other brands include Fijireiser, Private Travel Lab, Gruppe Rundreiser and Workations offer tailor-made luxury and adventure tours for Scandinavian groups and individuals through its offices in Oslo, Copenhagen and Stockholm.

The shareholders' agreement includes a long term put and call option which gives Helloworld the obligation and opportunity (respectively) to buy the remaining 56% of shares between 2028 and 2031. The call option is not required to be recognised. The put option has been priced at fair value and accordingly no put option derivative has been recognised. The call option and the put option have been priced at fair value and accordingly the derivative fair value is nil.

The Australiareiser Group has a 31 December financial year end which is different to the Group's reporting period of 30 June. Financial information has been obtained as at 30 June in order to report on an annual basis consistent with the Group's reporting date.

PHT Group Holdings Pty Ltd (Phil Hoffmann Travel)

On 2 May 2023, Helloworld entered into an agreement for the purchase of 40% of Phil Hoffmann Travel (PHT), a travel agency group based in South Australia. PHT operates leisure and business travel in addition to a cruise and group travel business. Helloworld acquired a 40% share of the business from Phil Hoffmann (Mr Hoffmann) for an initial payment of \$4.4 million, comprising \$3 million in cash and \$1.4 million in Helloworld shares (Tranche 1 consideration). There was also a net working capital / net debt adjustment of \$1.39m paid to Mr Hoffmann. The acquisition was completed on 25 August 2023.

A further maximum of \$0.8 million (in cash and Helloworld shares) will be paid to Mr Hoffmann subject to Phil Hoffmann Travel achieving specified EBITDA metrics in FY24 or FY25.

The Share Purchase Agreement includes a call option to acquire Mr Hoffmann's remaining 10% shareholding between 25 August 2025 and 25 August 2027 based on an eight times EBITDA multiple. The remaining PHT business owner, Mr Peter Williams, has retained his 50% shareholding in PHT. The Shareholders Agreement, includes a put option and a call option to acquire Mr William's remaining 50% shareholding between 1 May 2028 to 30 April 2033 based on an eight times EBITDA multiple. The call option and the put option have been priced at fair value and accordingly the derivative fair value is nil.

6.1.2 SUMMARISED FINANCIAL INFORMATION

The tables below provide summarised financial information for the equity accounted investments in Australiareiser and MTA, which are considered significant equity accounted investments for the Group. The information disclosed reflects the amounts presented in the financial statements of Australiareiser and MTA and not the Group's share of the amounts.

SUMMARISED STATEMENT OF FINANCIAL POSITION

	Phil Hoffmann Travel		Australiareiser Group		MTA	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Total current assets	15,748	-	2,981	2,506	36,129	29,581
Total non-current assets	28,137	-	791	772	980	820
TOTAL ASSETS	43,885	-	3,772	3,278	37,109	30,401
Total current liabilities	12,542	-	1,528	1,112	29,885	25,752
Total non-current liabilities	14,092	-	705	1,316	360	647
TOTAL LIABILITIES	26,634	-	2,233	2,428	30,245	26,399
NET ASSETS	17,251	-	1,539	850	6,864	4,002

SUMMARISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Phil Hoffmann Travel		Australiareiser Group		MTA	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Revenue	21,257	-	16,571	16,240	18,866	11,583
Operating expenses	(15,703)	-	(15,720)	(16,633)	(8,575)	(5,491)
Depreciation and amortisation	(1,076)	-	(88)	(131)	(321)	(78)
PROFIT/(LOSS) BEFORE INCOME TAX	4,478	-	763	(524)	9,970	6,014
Income tax (expense)/benefit	(1,402)	-	(74)	162	(3,108)	(1,804)
PROFIT/(LOSS) AFTER INCOME TAX	3,076	-	689	(362)	6,862	4,210
Profit attributable to members of the parent entity	2,981	-	689	(362)	6,862	4,210
Profit attributable to non-controlling interests	95	-	-	-	-	-
PROFIT/(LOSS) AFTER INCOME TAX	3,076	-	689	(362)	6,862	4,210
Total comprehensive income attributable to members of the parent entity	2,981	-	689	(362)	6,862	4,210
Total comprehensive income attributable to non-controlling interests	95	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS)	3,076	-	689	(362)	6,862	4,210

MATERIAL ACCOUNTING POLICIES

(A) INVESTMENTS IN ASSOCIATES

Associates are those entities in which the Group has significant influence but not control or joint control over the financial and operating policies.

(B) INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

Jointly controlled entities are those entities where there is a contractually agreed sharing of control of an arrangement and decisions about the relevant activities require the unanimous consent of the parties sharing control.

(C) EQUITY ACCOUNTING METHOD

Equity accounting requires investments in associates and jointly controlled entities to be initially recognised at cost, including transaction costs. The investments are subsequently accounted for using the equity method by including the Group's share of profit or loss and other comprehensive income in the carrying amount of the investment until the date on which significant influence ceases. Dividends received reduce the carrying amount of the investment in associates and jointly controlled entities.

When the Group's share of losses in associates and jointly controlled entities equal or exceed its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or jointly controlled entity.

Unrealised gains and losses on transactions between the Group and its associates and jointly controlled entities are eliminated to the extent of the Group's interest in these entities.

6.2 OTHER INVESTMENTS

	2024 \$'000	2023 \$'000
Equity securities - at fair value through OCI (FVOCI)	20,322	34,329
TOTAL OTHER INVESTMENTS	20,322	34,329

6.2.1 EQUITY SECURITIES DESIGNATED AS FVOCI

	Fair value at 30 June 2024 \$'000	Fair value at 30 June 2023 \$'000
Investment in Corporate Travel Management Limited ⁽ⁱ⁾	18,440	32,930
Investment in Hunter Travel Group Pty Ltd ⁽ⁱⁱ⁾	473	473
Investment in Wander Beyond Travel Pty Ltd ⁽ⁱⁱ⁾	813	813
Investment in Brooker Travel NZ ⁽ⁱⁱ⁾	45	45
Investment in Tin Alley ⁽ⁱⁱⁱ⁾	551	68
TOTAL EQUITY SECURITIES DESIGNATED AS FVOCI	20,322	34,329

- (i) The Group received 3,571,429 CTM shares as a component of the consideration received for the sale of the corporate travel management (refer note 1.5: Discontinued operations). At the date the sale was completed (31 March 2022), these shares were fair valued at \$84.8 million. The Group sold 450,000 shares during the year ended 30 June 2024 (2023: 1,730,770 shares) at a fair value of \$8.7 million (2023: \$36.3 million) realising a loss of \$1.4 million (2023: loss of \$4.3 million) which was recognised through OCI. At the disposal date, this balance was reclassified to accumulated losses. The remaining shares have been fair valued at 30 June 2024 with the revaluation decrement of \$5.8 million (2023: increment of \$3.1 million) recognised in OCI.
- (ii) The investments held in Hunter Travel Group Pty Ltd, Wander Beyond Travel Pty Ltd (formerly known as Cooney Investments Pty Ltd) and Brooker Travel NZ are carried at cost as an estimate of fair value due to insufficient information being available to measure fair value.
- (iii) During the year, the Group paid the second capital and third call of \$0.1 million and \$0.4 million (2023: a capital call of \$68,000) from its \$5 million commitment to the investment in Tin Alley Venture Capital fund.

MATERIAL ACCOUNTING POLICIES

The Group holds a number of equity investments which it neither controls, jointly controls or significantly influences. Accordingly, these investments are classified as financial assets. The Group has made an irrevocable election to classify these financial assets at FVOCI as the investment is neither held for trading nor contingent consideration recognised by the Group in a business consideration.

These investments are initially recorded at fair value plus directly attributable transaction costs. They are revalued each reporting date, with all changes to the fair value recognised in OCI. Upon disposal the amount recognised in OCI is not recycled through the Consolidated income statement but will be transferred directly to retained earnings. Dividends are recognised in the profit or loss.

6.3 SUBSIDIARIES

- (a) The financial statements incorporate the assets, liabilities and results of the following principal subsidiaries in accordance with the accounting policy described in note 1.1: Basis of preparation. Refer to the Consolidated entity disclosure statement for a full list of the controlled entities within the Helloworld Group.
- (b) Effective 1 June 2023, the Group acquired an additional 15% interest in Entertainment Logistix Pty Ltd from the non-controlling interest for a consideration of \$3.2 million increasing its current ownership from 70% to 85%. The acquired non-controlling interest had a value of \$0.5 million giving rise to an adjustment of \$2.7 million to accumulated losses as a transaction with owners as owners.

6.4 BUSINESS ACQUISITIONS

Acquisition of Express Travel Group

On 11 August 2023, the Group acquired 100% of the voting shares of Express Travel Group (ETG), that specialises in the selling of the international and domestic travel products and services, and the operation of retail distribution networks of travel agents. The acquisition of ETG significantly enhances the Group's travel business through additional travel operations including an air ticket consolidation business, retail travel networks and cruise and package wholesaling businesses in Australia and New Zealand. The acquisition has been accounted for using the acquisition method.

The fair values of the identifiable assets and liabilities of ETG as at the date of acquisition were:

	\$'000
ASSETS	
Cash and cash equivalents	11,357
Cash deposits	127
Trade and other receivables	16,122
Prepayments	1,053
Accrued revenue	5,288
Property, plant and equipment	152
Right of use assets	2,253
Deferred tax asset	200
Identifiable intangibles	29,021
TOTAL ASSETS	65,573
LIABILITIES	
Trade and other payables	27,749
Provisions	1,542
Deferred revenue	1,539
Lease liabilities	2,079
Income tax payable	2,410
Deferred tax liability	11
TOTAL LIABILITIES	35,330
TOTAL IDENTIFIABLE NET ASSETS AT FAIR VALUE	30,243
Goodwill arising on acquisition	38,482
TOTAL CONSIDERATION	68,725
<i>Satisfied by:</i>	
Cash consideration	53,725
Equity instruments	15,000
TOTAL CONSIDERATION	68,725

The entities acquired as part of the ETG acquisition were:

- Creative Cruising NZ Limited
- Creative Cruising Pty Ltd
- Cruise Spirit Limited
- Express IP Holdings Pty Ltd
- Express Tickets Limited
- Express Travel Group Pty Ltd
- First Fares Limited
- First Travel Collective Limited
- First Travel Group Limited
- First Travel Limited
- Independent Travel Advisors Limited
- Italktravel Pty Ltd
- Lifestyle Holidays Limited
- Orient Express Travel Group Pty Ltd
- Siteconnect Limited
- You Travel Limited

A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period is presented below:

NET BOOK VALUE:	\$'000
At 1 JULY 2023	88,368
Acquisition of Express Travel Group	38,482
Foreign currency movements	(172)
AT 30 JUNE 2024	126,678

The acquisition date fair value of the trade receivables amounts to \$16,122,386. The gross amount of trade receivables is \$16,122,386 and it is expected that the full contractual amounts will be collected.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right of use assets were measured at an amount equal to the lease liabilities.

The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of ETG with those of the Group. The goodwill is not deductible for income tax purposes.

Transaction costs of \$960,326 have been expensed and are included in operating expenses in the Consolidated income statement and are part of operating cash flows in the Consolidated statement of cash flows.

From the date of acquisition, being 11 August 2023, to 30 June 2024, ETG has contributed \$379 million to the revenue of the Group and \$14.0 million to the net profit before tax of the Group. If the acquisition of ETG had occurred on 1 July 2023, the revenue and net profit before tax of the combined entity for the year ended 30 June 2024 would have been \$232.6 million and \$42.5 million respectively.

Exercise of Gilpin Travel put option

During the year ended 30 June 2019, the Group entered into a commercial agreement with Gilpin Travel for the distribution of travel products. As part of the agreement, the Group granted the shareholders of Gilpin Travel a put option to sell 100% of the business and the shareholders of Gilpin Travel granted the Group a call option to buy 100% of the business (with both options excluding that part of the Gilpin Travel business which operates under the CWT licence). The contracted purchase price is a set multiple of the EBITDA for the financial year immediately preceding the exercise of the option. The multiple has been assessed to be a market based multiple. The put option and the call option notice periods were initially contracted to be 1 January 2021 to 31 December 2023 and 1 January 2023 to 31 December 2023 respectively. However, in August 2022, the put option and the call option notice periods were both amended to be 1 January 2021 to 31 December 2025. The put option, a derivative, is measured at fair value. On 17 July 2023, the put option was exercised by the shareholders of Gilpin Travel. Helloworld and the Gilpin Travel shareholders are engaged in arbitration relating to the transaction. No agreements have been executed and the transaction has not yet settled. The Group has assessed that it does not control Gilpin Travel at the date of this Financial Report. The Group continues to recognise the put option at its fair value.



7 UNRECOGNISED ITEMS

7.1 COMMITMENTS

At 30 June 2024, the Group had a commitment of \$4.4 million (30 June 2023: \$4.9 million) in relation to the investment in the Tin Alley venture capital fund.

At 30 June 2024, the Group had no capital commitments. At 30 June 2023, the Group had capital commitments of \$4.4 million relating to the purchase of vehicles which were acquired through finance lease facilities.

7.2 CONTINGENT LIABILITIES

GUARANTEES

The Group has entered into the following guarantees and warranties, however the probability of making a payment under these guarantees is considered remote:

- bank guarantees against lease obligations and letters of credit at 30 June 2024 were \$3.1 million (30 June 2023: \$4.4 million);
- Helloworld Travel Limited has entered into a Deed of Cross Guarantee with certain Australian wholly owned controlled entities as outlined in note 6.3: Subsidiaries; and
- the Group provided normal commercial warranties to CTM as part of the divestment of the Corporate business.

COMMERCIAL AGREEMENT ENTERED INTO WITH BCD TRAVEL

During the year ended 30 June 2019, the Group entered into a commercial agreement with BCD Travel, which included put and call options to purchase 100% of the ownership of the business. The contracted purchase price is a set multiple of the EBITDA for the financial year immediately preceding the exercise of the put option. The put option notice period is 1 January 2023 to 31 December 2025 and the call option notice period is 1 January 2024 to 31 December 2025. The put option was priced at fair value and accordingly no put option derivative has been recognised.

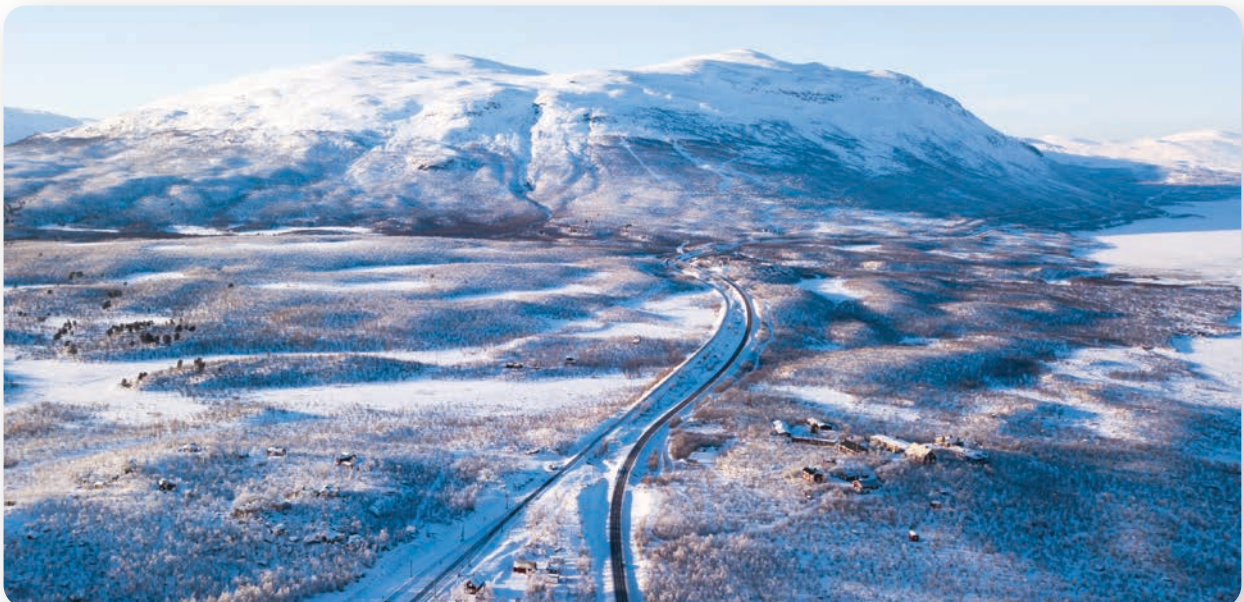
No provision has been made in the financial statements in respect of the above contingencies as they are considered either not probable or the obligation cannot be measured with sufficient reliability.

7.3 SUBSEQUENT EVENTS

DIVIDEND

On 27 August 2024, a full franked final dividend of 6.0 cents per share (2023: 6.0 cents per share) was declared. The dividend will be paid on 19 September 2024 with a record date of 6 September 2024. At the date of this Financial Report, the number of shares on issue is 160,979,622. Based on shares on issue as at the date of this Financial Report, the final dividend to be distributed would equate to \$9.7 million (2023: \$9.5 million), adjusted for the amount offset against the notional employee plan loan. The dividend will be paid out of 2024 financial year profits but is not recognised as a liability at 30 June 2024.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect, the operations of the Group, the results of the operations of the Group, or the state of the Group's affairs in future financial years.



8 OTHER INFORMATION

8.1 SHARE BASED PAYMENTS

8.1.1 LOAN FUNDED LONG TERM INCENTIVE PLAN (LTIP)

July 2016 plan

On 1 July 2019, 2,200,000 loan funded LTIP shares granted in the July 2016 plan met their vesting conditions, as determined by the Board, based on meeting Total Shareholder Returns (TSR) and individual KPI targets over the three year vesting period. As part of the LTIP, loans were provided to the employee participants at grant date equal to the share value at the scheme commencement multiplied by the number of shares issued. Of the 2,200,000 LTIP shares which vested:

- loans associated with 880,000 shares were repaid; and
- loans associated with 1,320,000 shares remain unpaid.

Loans are non-recourse and interest free. Loans are required to be repaid to the Company after vesting conditions are met at the earlier of:

- 10 years from the vesting date, or
- the date the shares are sold.

The shares attract dividends as per ordinary paid up shares. Dividends earned are partly paid in cash to the employee (24.29% of dividend) and partly offset against the notional loan receivable (75.71% of dividend).

Recycled LTIP shares

On 1 July 2021, 1,050,000 LTIP shares from various LTIP share plans were recycled into the Omnibus share plan as the recipients did not meet the vesting conditions.

8.1.2 OMNIBUS SHARE PLAN

At the Helloworld Annual General Meeting on 14 November 2019, the Group's shareholders voted for the adoption of the Helloworld Travel Limited Omnibus Incentive Plan (the Plan). Under the Plan, the Group can reward and incentivise employees, directors (including both executive and non-executive directors), contractors and consultants by offering shares, performance rights or options. Any financial instruments granted under the Plan are held via an employee share trust (the Trust) established with Perpetual Corporate Trust Limited. As at 30 June 2024, no shares are held within this Trust (FY23 125,000 shares). The 125,000 shares were allocated to an employee during the period.

Significant transactions executed in the Omnibus share plan were as follows:

FY20 grant

On 17 December 2019, 146,932 shares were granted under the Plan for nil consideration and with no future performance criteria. The shares were transferred to the employees upon the earlier of resignation or completion of three years of service from grant date. Accordingly, 218 shares, 108,128 shares and 38,586 shares were allotted in FY20, FY21 and FY22 respectively.

Recycled LTIP shares

On 1 July 2021, 1,050,000 LTIP shares were transferred into the Omnibus share plan.

FY21 grant

On 18 December 2020, 905,000 shares were granted under the Plan to employees for their sustained contribution during the period the Group was significantly affected by COVID-19. Shares were issued for nil consideration and employees were required to remain an employee at Helloworld through to the vesting date of 1 July 2021.

At the vesting date, all eligible employees satisfied the conditions of the Plan and accordingly, 905,000 shares were allotted on 1 July 2021.

FY22 grant

During FY22, 20,000 shares were issued to two employees, resulting in an expense of \$50,500 in the divested corporate business.

MATERIAL ACCOUNTING POLICIES

(A) LONG TERM INCENTIVE PLAN

The fair value of shares granted under the LTIP includes the loan instruments attached to the shares. The fair value was calculated using a version of the Black Scholes model incorporating a Monte Carlo simulation analysis to value the market-based performance conditions. The fair value:

- includes any market performance conditions such as share price;
- excludes the impact of any service and non-market performance vesting conditions such as employees achieving certain KPIs; and
- includes the impact of any non-vesting conditions.

At each reporting period the Group revises its estimate of the number of equity instruments expected to vest as a result of non-market based vesting conditions. Any change in original estimates is recognised in profit or loss with a corresponding increase or decrease in the share based payment reserve.

As LTIP loans are non-recourse, employees have no obligation to repay the loan and in the event of non-payment, the Group's only recourse is to the shares issued. As a result, loans are not recorded as a financial asset. Dividends offset against the notional loan receivable reduce the amount the employee is required to repay (if they choose to repay the loan).

When the equity instrument vests and is exercised:

- proceeds received (if any) net of any directly attributable transactions costs are recognised directly to share capital;
- amounts in the share based payments reserve associated with the exercised shares are also transferred to share capital; and
- holding restrictions are released on the appropriate amount of shares for the employee or franchisee.

Amounts recognised in the share based payment reserve relating to lapsed, forfeited and cancelled shares are transferred to retained earnings.

(B) OMNIBUS INCENTIVE PLAN

The fair value of the shares issued under the Omnibus incentive plan is based on the closing price at the date of issue. The fair value is recognised as an employee benefit expense with a corresponding increase to the share based payment reserve over the vesting period. When the shares are allotted, amounts recognised in the share based payment reserve are transferred to share capital. Amounts recognised in share based payment reserve relating to lapsed, forfeited and cancelled shares are transferred to retained earnings.

8.2 RELATED PARTY TRANSACTIONS

8.2.1 ULTIMATE AND DIRECT PARENT

Helloworld Travel Limited is the legal owner of the Group. Refer to note 8.3: Parent entity financial information for further information on the parent entity and note 6.3: Subsidiaries for further information on subsidiaries.



8.2.2 RELATED PARTIES

ASSOCIATES

The list of associates held by the Group are outlined in note 6.1: Equity accounted investments.

JOINTLY CONTROLLED ENTITIES

The list of jointly controlled entities held by the Group are outlined in note 6.1: Equity accounted investments.

ENTITIES WITH SIGNIFICANT INFLUENCE

The following entities were considered to have significant influence over the Group during the year:

- entities related to Andrew Burnes and Cinzia Burnes hold 24.2% at 30 June 2024 (2023: 26.4%) of the ordinary shares of Helloworld Travel Limited following the FY16 merger with the AOT Group and its controlled entities. Andrew Burnes is the CEO and Managing Director of Helloworld. Cinzia Burnes is the Chief Operating Officer and an Executive Director of the Group.

In the prior year, QH Tours Limited, a wholly owned subsidiary of Qantas Airways Limited, ceased to be an entity with significant influence on the Group when it sold its 12.4% interest in the Group on 8 November 2022. Its Board representative, Andrew Finch, resigned on 8 November 2022.

8.2.3 TRANSACTIONS WITH RELATED PARTIES

	2024 \$'000	2023 \$'000
REVENUE DERIVED FROM:		
Equity accounted investments	7,091	5,064
Entities with significant influence over the Group	-	4,850
EXPENSES INCURRED AS A RESULT OF TRANSACTIONS WITH:		
Equity accounted investments	5,323	5,840
Entities with significant influence over the Group	1,786	1,717
RECEIVABLES AT 30 JUNE:		
Equity accounted investments	160	153
PAYABLES AT 30 JUNE:		
Equity accounted investments	779	1,107

8.2.4 KEY MANAGEMENT PERSONNEL (KMP) COMPENSATION

	2024 \$	2023 \$
Short term employee benefits	3,928,323	4,254,763
Long term employee benefits	108,525	67,530
Share based payment benefits	326,250	-
Post-employment benefits	180,574	146,040
TOTAL KEY MANAGEMENT PERSONNEL COMPENSATION	4,543,672	4,468,333

Detailed key management personnel compensation remuneration disclosures are provided in the Remuneration Report, contained within the Directors Report.

8.2.5 TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

The Group entered into a lease arrangement with Normanby Road Holdings Pty Ltd, a company owned by Andrew Burnes and Cinzia Burnes, on 1 October 2021. The lease terminates on 1 July 2027. Lease payments of \$1,785,238 (2023: \$1,716,661) were made during the year.

The terms and conditions of all related party transactions were no more favourable than those available in similar transactions.

8.3 PARENT ENTITY FINANCIAL INFORMATION

The legal parent company of the Group is Helloworld Travel Limited. Set out below is the supplementary information about the parent entity.

SUMMARISED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME

	PARENT	
	2024 \$'000	2023 \$'000
Profit after income tax	10,014	15,501
TOTAL COMPREHENSIVE INCOME	10,014	15,501

SUMMARISED BALANCE SHEET

	PARENT	
	2024 \$'000	2023 \$'000
Total current assets	111,160	103,683
Total non-current assets	169,341	167,566
TOTAL ASSETS	280,501	271,249
Total current liabilities	-	-
Total non-current liabilities	-	-
TOTAL LIABILITIES	-	-
NET ASSETS	280,501	271,249
EQUITY		
Issued capital	644,464	628,065
Share based payments reserve	1,343	1,016
Accumulated losses	(365,306)	(357,832)
TOTAL EQUITY	280,501	271,249

Parent entity guarantees in respect of debts of its subsidiaries

The legal parent, Helloworld Travel Limited, has entered into a Deed of Cross Guarantee. Refer note 8.4: Deed of cross guarantee for further details.

Parent entity tax liabilities in respect of its subsidiaries

The parent entity, Helloworld Travel Limited, has entered into a tax funding agreement with the effect that it guarantees tax liabilities of other entities in the tax consolidated group. At 30 June 2024 the tax consolidated group has a tax payable of \$11.8 million (2023: net carry-forward tax loss of \$0.3 million). Refer note 2.4: Income taxes for further details on the tax funding agreement.

Parent entity contingencies

As 30 June 2024, the parent entity had no significant contingent assets or contingent liabilities.

Parent entity issued capital

The issued capital of the parent entity does not equal the issued capital of the consolidated Group due to reverse acquisition business combinations previously undertaken by the Group.

MATERIAL ACCOUNTING POLICIES

The financial information for the legal parent entity, Helloworld Travel Limited, has been prepared on the same basis as the financial statements. The following are accounting policies that are significant to Helloworld Travel Limited only as the related transactions are either not material for the Group or eliminated on consolidation.

- investments in subsidiaries are accounted for at cost and are tested for impairment in accordance with the policy adopted for non-financial assets in note 4.4: Impairment of non-financial assets. Dividends received from subsidiaries are recognised in profit or loss when a right to receive the dividend is established; and
- where Helloworld Travel Limited has provided financial guarantees in relation to loans and payables of subsidiaries for no compensation, the fair values of these guarantees are accounted for as contributions and recognised as part of the cost of investment.

8.4 DEED OF CROSS GUARANTEE

Helloworld Travel Limited and each of the wholly owned subsidiaries listed below, (together referred to as the Closed Group) have entered into a Deed of Cross Guarantee (the Deed), as defined in ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 (the Instrument). The effect of the Deed is that each entity in the Closed Group guarantees the payment in full of all debts of the other entities in the Closed Group in the event of their winding up.

- Helloworld Travel Limited
- ACN 003 683 967 Pty Limited
- AOT Group Limited
- AOT Inbound Pty Ltd
- AOT Retail Pty Ltd
- ATS Pacific Pty Limited
- Aus STS Holdco II Pty Ltd
- Australian Online Travel Pty Ltd
- Best Flights Pty Limited
- Creative Cruising Pty Ltd⁽ⁱ⁾
- Cruiseco Pty Ltd
- Express IP Holdings Pty Ltd⁽ⁱ⁾
- Flight Systems Pty Limited
- Harvey Holidays Pty Limited
- Harvey World Travel Franchises Pty Limited
- Harvey World Travel Group Pty Limited
- Helloworld Franchising Pty Limited
- Helloworld Group Pty Limited
- Helloworld International Holdings Pty Ltd⁽ⁱ⁾
- Helloworld IP Pty Limited
- Helloworld SC Holdings Pty Ltd⁽ⁱ⁾
- Helloworld Services Pty Limited
- Helloworld Travel Services Group Pty Limited
- Helloworld Travel Services Holdings Pty Limited
- Helloworld Travel Southland Pty Limited
- italktravel Pty Ltd⁽ⁱ⁾
- Jetset Pty Limited
- Jetset Travelworld Network Pty Limited
- JTG Corporate Pty Limited
- Luxury Getaways Pty Limited
- Magellan Travel Pty Limited
- Orient Express Travel Group Pty Ltd⁽ⁱ⁾
- Pillowpoints Pty Limited
- Ready Rooms Pty Ltd
- Retail Travel Investments Pty Limited
- Skiddoo IT Pty Limited
- Skiddoo Pty Limited
- Sunlover Holidays Pty Limited
- Transonic Travel Pty Limited
- Travelpoint Pty Limited
- Travelscene Pty Limited
- Travelworld Pty Limited
- Viva Holidays II Limited
- Viva Holidays Pty Limited

(i) These companies entered into the Deed of Cross Guarantee during the year ended 30 June 2024.

Pursuant to the Instrument, the wholly-owned subsidiaries within the Closed Group are relieved from the requirement to prepare, audit, and lodge separate financial reports.

The statement of income, other comprehensive income and balance sheet have been prepared in accordance with note 1.1: Basis of preparation comprising Helloworld Travel Limited and the controlled entities which are party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee and is set out below.



CLOSED GROUP STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME

	Closed Group	
	2024 \$'000	2023 \$'000
Revenue	58,468	46,057
Other income	54,930	-
TOTAL REVENUE AND OTHER INCOME	113,398	46,057
Employee benefits expenses	(30,674)	(28,701)
Advertising, selling and marketing expenses	(16,989)	(12,294)
Communication and technology expenses	(4,599)	(4,020)
Occupancy expenses	230	818
Operating expenses	(9,342)	(10,105)
Depreciation and amortisation expense	(6,104)	(5,343)
Finance expense	(1,716)	(2,039)
Share of profit/(loss) of equity accounted investments	1,426	(123)
PROFIT/(LOSS) BEFORE INCOME TAX	45,630	(15,750)
Income tax (expense)/benefit	8,739	(2,136)
PROFIT/(LOSS) AFTER INCOME TAX	54,369	(17,886)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Exchange differences on translation of foreign operations	(2,898)	(2,744)
Gain/(loss) on revaluation of investment in CTM	(5,822)	3,123
Tax on revaluation of investment in CTM	1,746	(1,922)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	47,395	(19,429)

CLOSED GROUP MOVEMENT IN ACCUMULATED LOSSES

	Closed Group	
	2024 \$'000	2023 \$'000
ACCUMULATED LOSSES AT THE BEGINNING OF THE FINANCIAL YEAR	(109,290)	(61,440)
Profit/(loss) after income tax benefit	54,369	(17,886)
Transfer of realised loss from investment revaluation	(1,414)	(4,323)
Dividends paid	(17,488)	(18,483)
Transfer of redemption reserve to accumulated losses	-	(7,200)
Franchise loyalty scheme shares lapsed in prior years	-	42
ACCUMULATED LOSSES AT THE END OF THE FINANCIAL YEAR	(73,823)	(109,290)

CLOSED GROUP BALANCE SHEET AT 30 JUNE

	2024 \$'000	2023 \$'000
CURRENT ASSETS		
Cash and cash equivalents	58,903	101,113
Trade and other receivables	46,117	27,728
Accrued revenue	991	2,470
Inventories	79	131
TOTAL CURRENT ASSETS	106,090	131,442
NON-CURRENT ASSETS		
Trade and other receivables	77	77
Property, plant and equipment	294	441
Right of use assets	8,905	9,047
Intangible assets	220,478	163,374
Deferred tax assets	10,713	10,408
Investments	108,060	102,768
TOTAL NON-CURRENT ASSETS	348,527	286,115
TOTAL ASSETS	454,617	417,557
CURRENT LIABILITIES		
Trade and other payables	75,582	111,153
Lease liabilities	3,563	2,953
Provisions	9,921	10,924
Deferred revenue	3,986	4,103
Income tax payable	24,940	3
TOTAL CURRENT LIABILITIES	117,992	129,136
NON-CURRENT LIABILITIES		
Lease liabilities	6,653	7,683
Deferred tax liabilities	14,725	18,326
Provisions	3,503	765
Other non-current liabilities	930	516
TOTAL NON-CURRENT LIABILITIES	25,811	27,290
TOTAL LIABILITIES	143,803	156,426
NET ASSETS	310,814	261,131
EQUITY		
Contributed equity	390,608	374,208
Reserves	(5,971)	(3,787)
Accumulated losses	(73,823)	(109,290)
TOTAL EQUITY	310,814	261,131

8.5 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

RISK MANAGEMENT

The Group's Treasury function is responsible for managing its liquidity, funding, and capital requirements as well as identifying and managing financial risks relating to the Group's operations. These financial risks include:

- liquidity risk;
- market risk; and
- credit risk.

The Group adheres to a treasury policy approved by the Board, which provides written principles on liquidity risk, interest rate risk, foreign exchange risk, credit risk, and the use of derivatives for hedging purposes. The Treasury function reports on its compliance with the policy to the Board. As a consequence of COVID-19, the Group has temporarily ceased hedging due to the difficulties in reliably estimating the amount and timing of foreign currency denominated receipts and payments.

The Group is not permitted by the Board's risk management policy to engage in, issue or hold derivative financial instruments for speculative trading purposes.

CAPITAL MANAGEMENT

The Board's policy is aimed at maintaining a robust capital base to instil confidence among investors, creditors, and the market while also facilitating the ongoing growth of the business.

The Board consistently monitors key indicators such as the Group's liquidity position, return on capital, dividend distribution to ordinary shareholders, cash flow generation, and the debt to equity ratio.

To achieve or adjust the capital structure as needed, the Board considers the following factors:

- potential debt repayment obligations;
- anticipated investment in fixed asset;
- funding options for future acquisitions (via either debt or equity instruments); and
- the appropriate level of dividends to support returns for ordinary shareholders.

Neither Helloworld Travel Limited nor any of its subsidiaries are subject to externally imposed capital requirements.

8.5.1 LIQUIDITY RISK

Liquidity risk refers to the potential that the Group may not fulfill its financial obligations as they fall due. The Group's strategy for liquidity management is to ensure, to the greatest extent feasible, that it maintains ample liquidity to satisfy its liabilities when due. This commitment applies in both regular and stressed scenarios, all the while preventing losses or risking damage to the Group's reputation.

The Group manages short-term liquidity risk by aligning surplus and deficit cash flows across its entities. Furthermore, the Group maintains an additional level of excess liquidity throughout an ongoing assessment of the current operating environment, preparing for any unforeseen circumstances.

Management monitors rolling forecasts of the Group's liquidity reserves and cash and cash equivalents (outlined in note 5.1: Cash, cash equivalents and cash deposits) based on the projected cash flows. Details of financing arrangements are provided in note 5.2: Financing arrangements.

(A) MATURITIES OF FINANCIAL LIABILITIES

The tables below analyse and arrange the Group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the tables represent contractual undiscounted cash flows. Balances due within 12 months are equal to their carrying balances as the impact of discounting is not significant.

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES

	Carrying value \$'000	Less than 6 months \$'000	6-12 months \$'000	1-2 years \$'000	2-3 years \$'000	3-4 years \$'000	4-5 years \$'000	More than 5 years \$'000	Total \$'000
2023 NON-DERIVATIVE FINANCIAL INSTRUMENTS									
Trade and other payables	153,978	153,978	-	-	-	-	-	-	153,978
Lease liabilities	22,144	2,834	2,660	5,407	4,997	3,806	1,468	1,167	22,339
Deferred consideration	383	383	-	-	-	-	-	-	383
TOTAL	176,505	157,195	2,660	5,407	4,997	3,806	1,468	1,167	176,700

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES

	Carrying value \$'000	Less than 6 months \$'000	6-12 months \$'000	1-2 years \$'000	2-3 years \$'000	3-4 years \$'000	4-5 years \$'000	More than 5 years \$'000	Total \$'000
2024 NON-DERIVATIVE FINANCIAL INSTRUMENTS									
Trade and other payables	184,047	184,047	-	-	-	-	-	-	184,047
Lease liabilities	22,197	3,810	3,800	7,357	6,210	2,015	1,143	148	24,483
Deferred consideration	1,294	494	-	800	-	-	-	-	1,294
TOTAL	207,538	188,351	3,800	8,157	6,210	2,015	1,143	148	209,824



8.5.2 MARKET RISK

Market risk is the risk that changes in market prices will affect the Group's income or the value of its holdings in financial instruments.

(A) EQUITY PRICE RISK

The Group is exposed to equity price risk through its holdings in CTM. Changes in equity prices will affect the fair value of these shares.

Sensitivity

The information below summarises the impact of a 5% increase and decrease the CTM share price on OCI (before tax).

CTM SHARES	IMPACT ON OCI	
	2024 \$'000	2023 \$'000
Increase in share price by 5% (2023: 5%)	922	1,646
Decrease in share price by 5% (2023: 5%)	(922)	(1,646)

(B) FOREIGN EXCHANGE RISK

The Group operates internationally and faces foreign exchange risk in its wholesale operations due to future cash flows being denominated in foreign currencies. Although revenue is earned in the local currency of the wholesale businesses, the cost of sales is settled based on quoted prices in the supplier's local currency, reflecting the nature of the Group's wholesale operations.

Before the onset of COVID-19, foreign exchange risk was assessed by forecasting highly probable future purchases. Hedge contracts to acquire foreign currencies were timed to mature alongside scheduled payments to suppliers to reduce the volatility of the Australian dollar cash flows. However, as a result of COVID-19, the Group temporarily suspended hedging foreign currency payables and has not resumed this activity.

EXPOSURE

The Group's net foreign currency exposure risk as of 30 June 2024 includes the following financial assets and liabilities:

- foreign cash holdings;
- financial assets including trade receivables and other loans denominated in foreign currencies; and
- financial liabilities including trade payables denominated in foreign currencies.

The quantitative data for the Group's exposure to New Zealand dollar currency risk is as follows:

	AUD EQUIVALENT	
	2024 \$'000	2023 \$'000
Current assets	59,992	39,974
Current liabilities	(35,634)	(31,165)
Non-current liabilities	(2,665)	(4,238)
NET FOREIGN CURRENCY EXPOSURE	21,693	4,571

The quantitative data for the Group's exposure to other currency risks are as follows:

	AUD EQUIVALENT	
	2024 \$'000	2023 \$'000
CURRENCY		
GBP	91	91
FJD	647	326
Other currencies	215	91
NET TOTAL FOREIGN CURRENCY EXPOSURE ASSET	953	508

Sensitivity

The table below summarises the impact of a 10% increase (strengthening of AUD) and decrease (weakening of AUD) in foreign exchange rates on the measurement of financial instruments denominated in foreign currency and the corresponding impact in the income statement. The sensitivity rate represents management's evaluation of the reasonably possible change in foreign exchange rates, with a focus on New Zealand. This rate is utilised when communicating foreign currency risk to key management personnel. The sensitivity analysis assumes that all other variables including interest rates, remain constant.

	IMPACT ON NET PROFIT BEFORE TAX	
	2024 \$'000	2023 \$'000
10% increase (2023: 10%)	(1,972)	(518)
10% decrease (2023: 10%)	2,410	495

(C) INTEREST RATE RISK

The Group's interest rate risk arises from future cash flows associated with cash assets. It does not hedge its exposure to potential fluctuations in future cash flows resulting from shifts in market interest rates.

During periods when the Group is in a net debt position, the management of interest rate expense risk involves the optimisation of debt servicing costs and the maximisation of interest income. This includes periodic reviews, as needed, to evaluate options such as restructuring interest-bearing debt, potential debt repayment, and determining the appropriate level of investment of surplus cash in interest bearing accounts.

Exposure

At 30 June 2024, the Group had the following cash and cash equivalent and cash deposit balances:

- term deposits amounting to \$8.9 million (2023: \$28 million) with an average interest rate of 4.77% per annum (2023: 4.47%); and
- other cash funds held in operational and foreign currency bank accounts with interest at market rates under normal commercial terms.

Sensitivity

The information below summarises the impact of a 100 basis points per annum increase and decrease in interest rates on the net profit in the Consolidated income statement.

	IMPACT ON NET PROFIT BEFORE TAX/EQUITY	
	2024 \$'000	2023 \$'000
CASH AT CALL		
Increase by 100 basis points (2023: 100 basis points)	-	-
Decrease by 100 basis points (2023: 100 basis points)	-	-
SHORT TERM DEPOSITS		
Increase by 100 basis points (2023: 100 basis points)	89	280
Decrease by 100 basis points (2023: 100 basis points)	(89)	(280)

8.5.3 CREDIT RISK

The Group engages in transactions with a wide range of customers and counterparties across different countries, in accordance with the policy approved by the Board. Credit risk arises from the potential that a counterparty will fail to fulfill its contractual obligation related to cash and cash equivalents, trade and other receivables, accrued revenue and favourable derivatives, leading to financial loss for the Group. Credit risk is evaluated at fair value.

(A) RISK MANAGEMENT

The Group faces credit risk stemming from relationships with travel agents, airlines, industry settlement organisations and direct suppliers. To mitigate the risk, the Group employs stringent credit policies, conducts regular monitoring and accreditation of travel agents through industry programs. Furthermore, a portion of the Group's credit risk is alleviated through payment processes that offset amounts payable against amounts receivable between the Group and its key suppliers.

In cases where the Group identifies specific credit risk associated with a counterparty, pre-payment for services provided is mandated. A reservation for such a counterparty is not confirmed or ticketed prior to receiving payment in full. The Group does not retain collateral as security, nor does it adhere to a policy of transferring receivables to special purpose entities.

Exposure

The Group's maximum exposure to credit risk is represented by the carrying amount of the financial asset, net of any applicable loss allowance. The table below sets out the maximum exposure to credit risk as of 30 June:

	2024 \$'000	2023 \$'000
Cash and cash equivalents and cash deposits	161,877	160,888
Trade receivables	50,893	37,435
Other receivables	5,493	5,572
Accrued revenue	28,369	29,311
TOTAL CREDIT RISK EXPOSURE	246,632	233,206



(B) IMPAIRMENT OF FINANCIAL ASSETS

The Group has three types of financial assets that are subject to the expected credit loss model:

- trade receivables;
- accrued revenue; and
- other financial assets at amortised cost (such as other receivables).

The loss allowance at 30 June 2024 and 30 June 2023 was determined as follows:

	Not past due \$'000	Past due 1-30 days \$'000	Past due 31-60 days \$'000	Past due 61-90 days \$'000	More than 90 days \$'000	Total \$'000
2023						
Trade receivables	30,385	3,039	913	1,050	3,970	39,357
Other receivables	5,572	-	-	-	-	5,572
Accrued revenue	29,311	-	-	-	-	29,311
GROSS CARRYING AMOUNTS	65,268	3,039	913	1,050	3,970	74,240
Expected loss rate	-	1.0%	2.5%	5.0%	45.7%	
Trade receivables	-	(30)	(23)	(53)	(1,816)	(1,922)
LOSS ALLOWANCES	-	(30)	(23)	(53)	(1,816)	(1,922)
NET CARRYING AMOUNTS	65,268	3,009	890	997	2,154	72,318
	Not past due \$'000	Past due 1-30 days \$'000	Past due 31-60 days \$'000	Past due 61-90 days \$'000	More than 90 days \$'000	Total \$'000
2024						
Trade receivables	43,996	3,623	1,445	736	3,408	53,208
Other receivables	5,493	-	-	-	-	5,493
Accrued revenue	28,369	-	-	-	-	28,369
GROSS CARRYING AMOUNTS	77,858	3,623	1,445	736	3,408	87,070
Expected loss rate	-	1.0%	2.5%	5.0%	64.7%	
Trade receivables	-	(36)	(36)	(37)	(2,206)	(2,315)
LOSS ALLOWANCES	-	(36)	(36)	(37)	(2,206)	(2,315)
NET CARRYING AMOUNTS	77,858	3,587	1,409	699	1,202	84,755

As of 30 June 2024, trade receivables of \$6.9 million (2023: \$7.1 million) were aged between 1 and more than 90 days past due but not impaired. These relate to several independent counterparties, none of whom have a recent history of default.

Movements in the loss allowance for both trade receivables and accrued revenue are as follows:

	2024 \$'000	2023 \$'000
BALANCE AT 1 JULY	1,922	5,893
Additional loss allowance recognised	1,330	1,397
Writeback of loss allowance	(937)	(1,868)
Writeoff of loss allowance	-	(3,500)
BALANCE AT 30 JUNE	2,315	1,922

8.5.4 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The Group holds the following financial instruments:

	2024 \$'000 Carrying value	2024 \$'000 Fair value	2023 \$'000 Carrying value	2023 \$'000 Fair value
FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OCI				
Financial assets (equity securities)	20,322	20,322	34,329	34,329
TOTAL	20,322	20,322	34,329	34,329
FINANCIAL ASSETS MEASURED AT AMORTISED COST				
Cash and cash equivalents and cash deposits ⁽ⁱ⁾	161,877	161,877	160,888	160,888
Trade and other receivables ⁽ⁱ⁾⁽ⁱⁱ⁾	56,386	56,386	43,007	43,007
TOTAL	218,263	218,263	203,895	203,895
FINANCIAL LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS				
Deferred consideration	1,294	1,294	383	383
TOTAL	1,294	1,294	383	383
FINANCIAL LIABILITIES MEASURED AT AMORTISED COST				
Trade and other payables ⁽ⁱ⁾	184,047	184,047	153,978	153,978
TOTAL	184,047	184,047	153,978	153,978

(i) The carrying amounts of cash and cash equivalents and cash deposits, trade and other receivables and trade and other payables generally approximate to fair value.

(ii) Trade and other receivables consist of current trade and other receivables of \$56.2 million (2023: \$42.7 million) and non-current trade and other receivables of \$0.2 million (2023: \$0.3 million).



The balance sheet includes financial assets and financial liabilities that are measured at fair value. These fair values are categorised into hierarchy levels that are representative of the inputs used in measuring the fair value. The different levels have been defined as follows:

- Level 1 – uses quoted prices for identical instruments in active markets.
- Level 2 – uses inputs for the asset or liability other than quoted prices that are observable either directly or indirectly.
- Level 3 – uses valuation techniques where one or more significant inputs are based on unobservable market data.

There were no transfers between level 1, 2 and 3 for recurring fair value measurements during the year.

The table below analyses financial instruments carried at fair value, by valuation method.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2023				
Investment in Corporate Travel Management Limited	32,930	-	-	32,930
Investment in Hunter Travel Group Pty Ltd	-	-	473	473
Investment in Wander Beyond Travel Pty Ltd	-	-	813	813
Investment in Brooker Travel NZ	-	-	45	45
Investment in Tin Alley	-	-	68	68
TOTAL ASSETS	32,930	-	1,399	34,329
Deferred consideration	-	-	383	383
TOTAL LIABILITIES	-	-	383	383

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2024				
Investment in Corporate Travel Management Limited	18,440	-	-	18,440
Investment in Hunter Travel Group Pty Ltd	-	-	473	473
Investment in Wander Beyond Travel Pty Ltd	-	-	813	813
Investment in Brooker Travel NZ	-	-	45	45
Investment in Tin Alley	-	-	551	551
TOTAL ASSETS	18,440	-	1,882	20,322
Deferred consideration	-	-	1,294	1,294
TOTAL LIABILITIES	-	-	1,294	1,294



8.6 LITIGATION MATTERS

8.6.1 STA TRAVEL ACADEMIC LITIGATION

The vendors of the TravelEdge Group (the Plaintiffs) are claiming \$4.0 million is owed by a (now former) subsidiary of Helloworld under a Share Sale Agreement dated 24 September 2019 relating to the purchase by the subsidiary of the shares in TravelEdge Pty Ltd and Quay Services Pty Ltd. The claim relates to STA Travel Academic Pty Ltd (which formed part of the TravelEdge Group business).

In October 2023, the Supreme Court of New South Wales found in favour of the Plaintiffs for the amount of \$4.0 million, plus interest and costs (the latter have not yet been quantified). Helloworld appealed the judgement. On 16 February 2024, Helloworld paid an amount of \$4.9 million into a non-interest-bearing Court bank account. In May 2024, the Court of Appeal handed down its judgment and Helloworld was not successful. Helloworld has sought special leave to appeal to the High Court and as at the date of these financial statements Helloworld has not been informed whether the High Court will grant special leave to appeal. On 1 July 2024, Helloworld paid a further \$0.2 million into the Court bank account relating to post judgment interest on the lower court judgment for the 6 months to 31 December 2024. The funds deposited into the Court bank account are to be held pending determination of the special leave application. The Group has received advice on the claim.

At 30 June 2024, the Company has recognised an expense relating to this matter in the amount of \$5.6 million (inclusive of interest and an estimate of costs).

8.6.2 ASIA ESCAPES LITIGATION

In May 2018, Helloworld, through its wholly owned subsidiary Transonic Travel Pty Ltd, acquired a controlling (60%) stake in Keygate Holdings Pty Ltd (trading as Asia Escape Holidays) for an amount of \$2 million cash and a further \$0.88m in Helloworld shares.

In June 2021, Helloworld and Transonic Travel commenced proceedings in the Victorian Supreme Court against the vendor (Tilakee Nominees Pty Ltd), the sole director and shareholder of the vendor (Mason Adams) and the vendor's accountant (Shakespeare Partners Pty Ltd). Transonic Travel and Helloworld claimed damages from the vendor in relation to various breaches of the share sale agreement and contraventions of the Australian Consumer Law, and from Mr. Adams and Shakespeare Partners Pty Ltd in relation to their involvement in the vendor's contraventions. The damages encompassed the original cash investment that was paid under the contract plus additional amounts that Helloworld paid to fund client refunds and meet the operating expenses of Asia Escapes Holidays. In March 2024, the Victorian Supreme Court found in favour of Helloworld and Transonic Travel awarding an amount of \$6.4 million representing damages and interest. Helloworld and Transonic Travel are in the process of having their legal costs taxed, absent agreement with the defendants. Prior to 30 June 2024, Helloworld received payment of the judgment amount and interest, in the amount of \$6.4 million.

One of the defendants has appealed the judgment; however, at the date of these financial statements the appeal has not yet been listed for hearing. The Group has received advice on the claim.

At 30 June 2024, the Company has recognised an amount of \$3.2 million as other income relating to this matter.

8.7 AUDITOR'S REMUNERATION

During the financial year, the following fees were paid or were payable for services provided by EY, its related practices and unrelated audit firms:

	2024 \$	2023 \$
AUDIT SERVICES - EY AUSTRALIA		
Audit or review of the financial statements for the current year audit	1,429,000	1,168,600
Audit or review of the financial statements for the prior year audit	-	317,000
TOTAL AUDIT SERVICES - EY AUSTRALIA	1,429,000	1,485,600
NETWORK FIRMS OF EY AUSTRALIA		
Audit services	33,500	25,000
TOTAL SERVICES - NETWORK FIRMS OF EY AUSTRALIA	33,500	25,000

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

The Consolidated entity disclosure statement is required by section 295(3A) of the *Corporations Act 2001*. It includes disclosures about entities consolidated within the Helloworld Group as at 30 June 2024, including details about the tax residency of each entity.

The Consolidated entity disclosure statement sets out a complete list of Helloworld Travel Limited and its controlled entities as at 30 June 2024 as detailed in the table below.

Name	Country of incorporation	Tax Residency	Entity Type	2024 %	2023 %
Helloworld Travel Limited	Australia	Australia	Body Corporate	N/A	N/A
12518 Pty Ltd	Australia	Australia	Body Corporate	100	100
20118181 Pty Ltd	Australia	Australia	Body Corporate	100	100
ACN 003 683 967 Pty Limited	Australia	Australia	Body Corporate	100	100
AOT Group Limited	Australia	Australia	Body Corporate	100	100
AOT Inbound Pty Ltd	Australia	Australia	Body Corporate	100	100
AOT Retail Pty Ltd	Australia	Australia	Body Corporate	100	100
ATS Logistics Pty Ltd	Australia	Australia	Body Corporate	85	85
ATS Pacific Pty Limited	Australia	Australia	Body Corporate	100	100
Aus STS Holdco II Pty Ltd	Australia	Australia	Body Corporate	100	100
Australian Online Travel Pty Ltd	Australia	Australia	Body Corporate	100	100
Best Flights Pty Limited	Australia	Australia	Body Corporate	100	100
Creative Cruising Pty Ltd	Australia	Australia	Body Corporate	100	-
Cruiseco Pty Ltd	Australia	Australia	Body Corporate	100	100
Discovery Travel Centre Cammeray Pty Ltd	Australia	Australia	Body Corporate	100	100
Entertainment Logistix Pty Ltd	Australia	Australia	Body Corporate	85	85
Express IP Holdings Pty Ltd	Australia	Australia	Body Corporate	100	-
Express Travel Group Pty Ltd	Australia	Australia	Body Corporate	100	-
Flight Systems Pty Limited	Australia	Australia	Body Corporate	100	100
Harvey Holidays Pty Limited	Australia	Australia	Body Corporate	100	100
Harvey World Travel Franchises Pty Limited	Australia	Australia	Body Corporate	100	100
Harvey World Travel Group Pty Limited	Australia	Australia	Body Corporate	100	100
Helloworld Franchising Pty Limited	Australia	Australia	Body Corporate	100	100
Helloworld Group Pty Limited	Australia	Australia	Body Corporate	100	100
Helloworld International Holdings Pty Ltd	Australia	Australia	Body Corporate	100	100
Helloworld IP Pty Limited	Australia	Australia	Body Corporate	100	100
Helloworld SC Holdings Pty Ltd	Australia	Australia	Body Corporate	100	100
Helloworld Services Pty Limited	Australia	Australia	Body Corporate	100	100
Helloworld Travel Services (Australia) Pty Limited	Australia	Australia	Body Corporate	100	100
Helloworld Travel Services Group Pty Limited	Australia	Australia	Body Corporate	100	100
Helloworld Travel Services Holdings Pty Limited	Australia	Australia	Body Corporate	100	100
Helloworld Travel Southland Pty Limited	Australia	Australia	Body Corporate	100	100
italktravel Pty Ltd	Australia	Australia	Body Corporate	100	-
Jetset Pty Limited	Australia	Australia	Body Corporate	100	100
Jetset Travelworld Network Pty Limited	Australia	Australia	Body Corporate	100	100
JTG Corporate Pty Limited	Australia	Australia	Body Corporate	100	100
Keygate Holdings Pty Limited	Australia	Australia	Body Corporate	60	60
Luxury Getaways Pty Limited	Australia	Australia	Body Corporate	100	100
Magellan Travel Pty Limited	Australia	Australia	Body Corporate	100	100
Orient Express Travel Group Pty Ltd	Australia	Australia	Body Corporate	100	-

Name	Country of incorporation	Tax Residency	Entity Type	2024 %	2023 %
Pacific Leisure Group Pty Ltd	Australia	Australia	Body Corporate	100	100
Pillowpoints Pty Limited	Australia	Australia	Body Corporate	100	100
Ready Rooms Pty Ltd	Australia	Australia	Body Corporate	100	100
Retail Travel Investments Pty Limited	Australia	Australia	Body Corporate	100	100
ShowGroup Freight Pty Ltd	Australia	Australia	Body Corporate	85	85
Skiddoo IT Pty Limited	Australia	Australia	Body Corporate	100	100
Skiddoo Pty Limited	Australia	Australia	Body Corporate	100	100
Sunlover Holidays Pty Limited	Australia	Australia	Body Corporate	100	100
Trasonic Travel Pty Limited	Australia	Australia	Body Corporate	100	100
Travelpoint Pty Limited	Australia	Australia	Body Corporate	100	100
Travelscene Pty Limited	Australia	Australia	Body Corporate	100	100
Travelworld Pty Limited	Australia	Australia	Body Corporate	100	100
Viva Holidays II Limited	Australia	Australia	Body Corporate	100	100
Viva Holidays Pty Limited	Australia	Australia	Body Corporate	100	100
AOT Business Consulting (Shanghai) Limited	China	China	Body Corporate	100	100
Allied Tour Service (Pacific) Pte Limited	Fiji	Fiji	Body Corporate	100	100
Coral Sun (Fiji) Pte Limited	Fiji	Fiji	Body Corporate	60	60
Great Sights (Fiji) Pte Limited	Fiji	Fiji	Body Corporate	60	60
Tourist Transport (Fiji) Pte Limited	Fiji	Fiji	Body Corporate	60	60
Helloworld Travel Services Greece M.I.K.E	Greece	Australia	Body Corporate	100	100
AOT India PVT LTD	India	India	Body Corporate	100	100
AOT New Zealand Limited	New Zealand	New Zealand	Body Corporate	100	100
Australian Travel Service (Pacific) Limited	New Zealand	New Zealand	Body Corporate	100	100
Biztrav Limited	New Zealand	New Zealand	Body Corporate	76.6	76.6
Creative Cruising NZ Limited	New Zealand	New Zealand	Body Corporate	100	-
Cruise Spirit Limited	New Zealand	New Zealand	Body Corporate	100	-
Express Tickets Limited	New Zealand	New Zealand	Body Corporate	100	-
First Fares Limited	New Zealand	New Zealand	Body Corporate	100	-
First Travel Collective Limited	New Zealand	New Zealand	Body Corporate	100	-
First Travel Group Limited	New Zealand	New Zealand	Body Corporate	100	-
First Travel Limited	New Zealand	New Zealand	Body Corporate	100	-
GP Holiday Shoppe Limited	New Zealand	New Zealand	Body Corporate	100	100
Gullivers Pacific Limited	New Zealand	New Zealand	Body Corporate	100	100
Harvey World Travel (2008) Limited	New Zealand	New Zealand	Body Corporate	100	100
Helloworld NZ Franchising Limited	New Zealand	New Zealand	Body Corporate	100	100
Helloworld NZ Limited	New Zealand	New Zealand	Body Corporate	100	100
Helloworld Travel Services (NZ) Limited	New Zealand	New Zealand	Body Corporate	100	100
Independent Travel Advisors Limited	New Zealand	New Zealand	Body Corporate	100	-
Just Tickets Limited	New Zealand	New Zealand	Body Corporate	100	100
Lifestyle Holidays Limited	New Zealand	New Zealand	Body Corporate	100	-
Pacific Leisure Group Limited	New Zealand	New Zealand	Body Corporate	100	100
Siteconnect Limited	New Zealand	New Zealand	Body Corporate	100	-
Sunlover Holidays Limited	New Zealand	New Zealand	Body Corporate	100	100
Travel Brokers Limited	New Zealand	New Zealand	Body Corporate	100	100
United Travel Limited	New Zealand	New Zealand	Body Corporate	100	100
Williment Travel Group Limited	New Zealand	New Zealand	Body Corporate	100	100
You Travel Limited	New Zealand	New Zealand	Body Corporate	100	-
Skiddoo Management Inc.	Philippines	Philippines	Body Corporate	100	100
Skiddoo Philippines Inc.	Philippines	Philippines	Body Corporate	100	100

DIRECTORS' DECLARATION

IN THE DIRECTORS' OPINION:

- (a) The consolidated financial statements and notes that are set out on pages 52 to 116 are in accordance with the *Corporations Act 2001*, including:
- (i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), other mandatory professional reporting requirements and the Corporations Regulations 2001; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) At the date of this declaration there are reasonable grounds to believe that the Company and the Group entities identified in note 8.4 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the deed of cross guarantee described in note 8.4 between the Company and those Group entities pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.
- (d) The consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001* for the year ended 30 June 2024 is true and correct.

Note 1 confirms that the consolidated financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.



Garry Hounsell

Chairman
Helloworld Travel Limited
Melbourne, 27 August 2024



**Building a better
working world**

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Independent Auditor's Report to the Members of Helloworld Travel Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Helloworld Travel Limited (the 'Company') and its subsidiaries (collectively the 'Group'), which comprises the consolidated balance sheet as at 30 June 2024, the consolidated income statement, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated balance sheet of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.



**Building a better
working world**

1. Revenue recognition, including deferred revenue

Why significant	How our audit addressed the key audit matter
<p>The Group earns revenue from the provision of travel and travel related services as outlined in Note 2.1 (including deferred amounts outlined in Note 3.4).</p> <p>The recognition of commissions (excluding override commissions) and transaction and service fee revenue required:</p> <ul style="list-style-type: none"> ▶ Assessment of the timing and satisfaction of performance obligations to customers. ▶ Recognition, measurement and classification of deferred revenue where monies have been received but services not yet rendered. ▶ Assessment of the likelihood of future significant revenue reversals and therefore the need for any revenue deferral. <p>Revenue recognition, including deferred revenue was a key audit matter due to the significance of the commission and transaction and service fee revenue to the Group's financial statements and the differing nature of performance obligations for products and services offered to customers.</p>	<ul style="list-style-type: none"> ▶ We assessed the Group's accounting policies for commissions (excluding override commissions - see 2. Override commissions below for further detail) and transaction and service fee revenue, as set out in Note 2.1 against the requirements of Australian Accounting Standards. ▶ We obtained an understanding of the processes implemented by the Group to record and process revenue transactions. ▶ For a sample of revenue transactions recorded during the year, we obtained supporting evidence such as customer and supplier contracts, travel documents, supplier statements and evidence of customer payment and supplier payment. Based on this information we evaluated whether revenue had been recognised in accordance with the Group's stated accounting policies. ▶ We performed analytical procedures over key components of revenue. ▶ For a sample of deferred revenue balances identified in Note 3.4, we evaluated the accuracy and appropriateness of the classification of amounts recognised where obligations to customers had not been met (such as where travel had not yet occurred). ▶ We evaluated the adequacy of the disclosures set out in Note 2.1 and 3.4.

2. Override commissions

Why significant	How our audit addressed the key audit matter
<p>The Group generates override commissions from arrangements with airlines, hotels and leisure suppliers. These override commission rates are often tiered based on volume of eligible travel. During the year ended 30 June 2024, the Group recognised override commission revenue of \$122.5m (inclusive of accrued override commission revenue of \$28.3m which is outstanding as at 30 June 2024) within the commission revenue balance in Note 2.1.</p> <p>The override commission revenue process is inherently judgemental and includes various assumptions including:</p> <ul style="list-style-type: none"> ▶ Contract periods with airlines, hotels and leisure suppliers do not correspond to the Group's financial year end. Judgement is required to determine expected future volumes over the remaining contract term and the tiered commission rates to be applied in the circumstances. ▶ Contracts are renegotiated periodically. Updates to terms and contractual arrangements with the 	<p>We evaluated the Group's judgements in determining the override commission revenue recognised (including accrued override commission revenue).</p> <p>For override commission revenue that was paid by suppliers during the period, we:</p> <ul style="list-style-type: none"> ▶ Obtained a sample of supplier contracts and reconciled the eligible travel and commission rates to override commission revenue calculations. ▶ Obtained a sample of the most recent supplier statements and assessed override commission revenue earned. ▶ Agreed a sample of override commission revenue to cash receipts. <p>For accrued override commission revenue at year end the testing included:</p> <ul style="list-style-type: none"> ▶ Obtained a sample of supplier contracts outlining the eligible travel and commission rates and compared to the information used in the accrued override commission revenue calculations.



Building a better working world

Why significant	How our audit addressed the key audit matter
<p>suppliers may result in additional incentives, rebates or other bonuses being received which may relate to past performance.</p> <p>The Group determines accrued override commission revenue based on estimates of volume of eligible travel applicable for contract periods with due consideration of actual sales, forecast bookings and historical trends. Override Commission was a key audit matter due to the significance of the override revenue (including accrued override commission revenue) to the total commissions balance at 30 June 2024 and the inherent level of judgement involved in the calculation.</p>	<ul style="list-style-type: none"> ▶ Agreed the underlying travel data used in the override commission revenue calculations to independent third-party booking information and applicable supplier statements (where available). ▶ Assessed the future estimates of travel data by evaluating the forecast sales of the third party's products compared to historical actual travel data. ▶ Compared the actual override commission received in the current financial year relating to the prior financial year accrual estimation to assess the accuracy of past estimates. ▶ We evaluated the adequacy of the disclosures set out in Note 2.1 (and accrued amounts included in Note 3.2).

3. Impairment Assessment of non-current assets (including equity accounted investments)

Why significant	How our audit addressed the key audit matter
<p>As required by Australian Accounting Standards the Group annually tests goodwill and intangible assets with indefinite lives for impairment and tests other non-current assets where indicators of impairment or impairment reversals exist using a value in use model to estimate the recoverable value.</p> <p>The Group's financial performance has been gradually returning to pre-COVID-19 levels. Current business activity is consistent with external industry forecasts.</p> <p>Note 4.3 discloses information on goodwill and other intangible assets recognised by the Group and Note 4.4 discloses information about the impairment assessment undertaken on non-financial assets as at 30 June 2024. Note 6.1 discloses information on the Group's investments accounted for using the equity method of accounting.</p> <p>The impairment assessment of non-current assets (including equity accounted investments) was a key audit matter due to the value of these assets as a proportion of total assets and the extent of estimation and judgement involved in the assessment of forecast future cashflows and other key assumptions including terminal growth rates, discount rates, Total Transaction Value ('TTV'), margin, capital expenditure forecasts and working capital requirements.</p>	<ul style="list-style-type: none"> ▶ We assessed the Group's determination of the cash generating units ('CGUs') used for their impairment assessment based on the requirements of Australian Accounting Standards. ▶ We developed an understanding of the process undertaken by the Group in preparing discounted cash flow models used to estimate the recoverable value of CGUs, including how key assumptions (described in Note 4.4) were derived. ▶ We assessed the Group's future cash flow forecasts used to estimate recoverable value, which included: <ul style="list-style-type: none"> ▶ Assessment of the mechanical accuracy of the cash flow models. ▶ Assessment as to whether the allocation of assets (including goodwill) to CGUs was appropriate based on our knowledge of the Group's operations. ▶ Assessment of the basis of allocating corporate costs and overheads to CGUs. ▶ Evaluation of the Group's forecast recovery path and expected financial performance over the forecast period using external industry forecasts and internal historical data. ▶ Involvement of our valuation specialists to evaluate the key assumptions applied within the impairment models including terminal growth rates, discount rates and post COVID-19 recovery profile of the CGUs. ▶ Assessment of the sensitivity of forecasts to movements in key assumptions to ascertain the extent of change in those assumptions that would either individually or collectively result in



**Building a better
working world**

Why significant	How our audit addressed the key audit matter
	<p>an impairment charge at an individual CGU level (or collection of CGUs, where appropriate).</p> <ul style="list-style-type: none"> ▶ We performed market capitalisation and earnings multiples cross checks in comparison with other comparable businesses to assess the impairment testing model outcomes. ▶ We evaluated the adequacy of the disclosures included within Note 4.3, 4.4 and 6.1.

4. Acquisition of Express Travel Group

Why significant	How our audit addressed the key audit matter
<p>On 11 August 2023, the Group acquired 100% of Express Travel Group ('ETG') for consideration of \$68.7m (comprising cash and shares). The allocation of the purchase price to the acquired assets and liabilities was finalised during the year. Transaction costs amounting to \$0.96m were recognised in the consolidated income statement for the year ended 30 June 2024.</p> <p>Accounting for the transaction was complex, requiring judgement to identify and assess the fair value of acquired tangible and intangible assets and liabilities assumed, including the resulting goodwill balance. As such, we considered the acquisition of ETG to be a key audit matter.</p> <p>Disclosure in relation to the acquisition is included in Note 6.4 of the consolidated financial report.</p>	<ul style="list-style-type: none"> ▶ We read the share purchase agreement (the 'agreement') to gain an understanding of the key terms and conditions of this transaction and to assess whether the appropriate accounting treatment had been applied. ▶ We assessed the appropriateness of the criteria used to determine the acquisition date. ▶ We tested the cash consideration paid and shares issued by obtaining and inspecting supporting documentation including the agreement, bank statements and the share issuance documents. ▶ We checked a sample of the transaction costs incurred on the acquisition of ETG against third party invoices and assessed whether the underlying costs were treated in accordance with the requirements of Australian Accounting Standards. ▶ With the involvement of our valuation specialists, we assessed the: <ul style="list-style-type: none"> ▶ identification of acquired tangible and intangible assets and liabilities assumed. ▶ valuation assumptions and the tax considerations applied by management's expert in their determination of the fair value of the acquired tangible and intangible assets and liabilities assumed and the resulting amount recognised as goodwill. ▶ competence, qualifications and objectivity of management's expert. ▶ We evaluated the adequacy of the disclosures included within Note 6.4.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 annual report but does not include the financial report and our auditor's report thereon.



**Building a better
working world**

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- a) The financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
- b) The consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001; and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



Building a better working world

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Helloworld Travel Limited for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.



**Building a better
working world**

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in blue ink that reads "Ernst & Young".

Ernst & Young

A handwritten signature in blue ink, appearing to be "Brett Croft".

Brett Croft
Partner
Melbourne
27 August 2024

ASX ADDITIONAL INFORMATION

Additional information required by ASX and not shown elsewhere in this report is as follows. The information is current as at 30 July 2024.

(A) DISTRIBUTION OF EQUITY SECURITIES

SHARE RANGE	Number of holders	Number of shares	%
1 - 1,000	3,957	1,811,453	1.13
1,001 - 5,000	2,964	7,840,696	4.87
5,001 - 10,000	868	6,638,269	4.12
10,001 - 100,000	819	20,425,164	12.69
100,001 and over	75	124,264,040	77.19
TOTAL	8,683	160,979,622	100.00

All issued ordinary shares carry one vote per share and carry the right to dividends. The number of holders holding a less than marketable parcel of ordinary shares based on the market price as at 30 July 2024 was 629 holders holding 77,457 shares.

(B) TWENTY LARGEST HOLDER OF QUOTED EQUITY SECURITIES

The names of the 20 largest registered holders of quoted shares are:

ORDINARY SHAREHOLDERS	Number of shares	%
SINTACK PTY LTD	23,946,957	14.88
J P MORGAN NOMINEES PTY LIMITED	23,085,221	14.34
THE BURNES GROUP PTY LTD	18,358,287	11.40
ANDREW JAMES BURNES	10,495,531	6.52
CINZIA BURNES	10,138,014	6.30
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,789,211	5.46
CITICORP NOMINEES PTY LIMITED	8,336,928	5.18
DRAGONHILLS PTY LIMITED	2,735,998	1.70
JOHN ARMOUR	2,100,000	1.30
BNP PARIBAS NOMINEES PTY LTD (HUB24 CUSTODIAL SERV LTD)	1,294,203	0.80
UBS NOMINEES PTY LTD	1,171,817	0.73
BNP PARIBAS NOMINEES PTY LTD (RETAIL CLIENT)	861,096	0.53
WARBONT NOMINEES PTY LTD	706,387	0.44
GHAFFAN BEYDOUN	670,126	0.42
BELDISHA PTY LTD	540,538	0.34
TOTARA PTY LTD	479,781	0.30
TRAVCOM INTERNATIONAL GROUP PTY LTD	400,001	0.25
HINTON RIPLEY HOLDINGS	400,000	0.25
BNP PARIBAS NOMS PTY LTD	374,443	0.23
ANDREW SYDNEY JONES & KAREN LISA JONES	325,000	0.20
TOP 20 HOLDERS OF ORDINARY FULLY PAID SHARES	115,209,539	71.57
TOTAL REMAINING HOLDERS BALANCE	45,770,083	28.43

(C) SUBSTANTIAL SHAREHOLDERS

The number of shares held by substantial shareholders and their associates are set out below:

SUBSTANTIAL SHAREHOLDER	Number of shares	%
THE BURNES GROUP PTY LTD AND ASSOCIATES	38,991,832	24.22
SINTACK PTY LTD	23,946,957	14.88
FIL LIMITED	14,475,534	8.99



