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FLT: FY24 Full Year Result Presentation

August 28, 2024

FLIGHT CENTRE
TRAVEL GROUP™



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**Results & Highlights
(Section 1)**

**Corporate Overview
(Section 2)**

**Leisure Overview
(Section 3)**

**Outlook
(Section 4)**

Q&A

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SECTION I

RESULTS & HIGHLIGHTS

FY24 HIGHLIGHTS

Strong financial performance

- ✓ Record TTV of \$23.74b - circa \$1.8b YOY increase
- ✓ 131% underlying PBT increase to \$320m, statutory PBT up 212% to \$219.7m (PBT adjustments included in Appendix 2 & as outlined previously, apart from additional \$10.7m provision for money owed to FLT by REX in Australia)
- ✓ 72bps underlying profit margin improvement to 1.35% – driven by revenue margin uplift with stable cost margin
- ✓ Record \$421m operating cash inflow
- ✓ Almost \$450m in capital management initiatives undertaken during FY24
- ✓ Additional \$66m shareholder return via 30 cents per share fully franked FY24 final dividend declared today

Key result drivers



**MEANINGFUL
PROGRESS
TOWARDS 2%
MARGIN TARGET**

| | \$'m | |
|-------------------|--------|--------|
| Sales | FY24 | FY23 |
| TTV | 23,744 | 21,939 |
| Revenue | 2,711 | 2,281 |
| Profit | FY24 | FY23 |
| Underlying PBT | 320.4 | 138.8 |
| Stat PBT | 219.7 | 70.5 |
| Underlying NPAT | 229.6 | 108.6 |
| Stat NPAT | 139.2 | 47.4 |
| Margin | FY24 | FY23 |
| Revenue % | 11.4% | 10.4% |
| Underlying Cost % | (9.6%) | (9.5%) |
| Underlying PBT % | 1.3% | 0.6% |

FY24 HIGHLIGHTS

Ongoing sales growth with higher productivity

New TTV milestone established – underlining strong productivity growth

- FY24 result of \$23.74b, slightly above FY19
- Achieved with 63% of FY19 full-time employee (FTE) workforce, plus expanding independent agent & agency network
- 8% YOY improvement, with circa 10% growth across both the leisure & corporate segments

Solid volume growth achieved but YOY TTV growth impacted by deflation & business closures

- 13% airfare price deflation in Australia (based on avg international economy airfares sold during FY24 2H - see Appendix 3), circa 6% decrease globally
- Deflation offset by volume growth (up 10% in Australia during FY24 2H compared to PCP) & higher attachment leading to increased basket sizes in various brands including FCB, TA & Scott Dunn
- \$430m YOY business closure impact (India wholesale FX \$360m & GoGo \$70m – both "Other" segment)
- Partially offset by full year Scott Dunn contribution (acquired FY23 2H – additional \$140m in FY24 Leisure segment)
- Reasonably flat trading climate in corporate travel sector globally late in year, with industry-wide airfare sales data (MIDT) pointing to minimal 2H growth across the sector

FY24 HIGHLIGHTS

Revenue margin recovery

100BPS YOY IMPROVEMENT TO 11.4%

Supplier Margin Stability

- Generally maintaining or improving Total Available Margin (TAM) in all product categories
- Return of traditional "back-end" margin structures in Air – solid YOY growth in guaranteed over-rides & tier-based bonuses, partially offsetting commission reductions from some airlines last year
- Additional air margin opportunities re-emerging as competition increases – strategic campaigns & through new initiatives like NDC
- NDC agreements in place with various key airline partners, including Qantas & Singapore Airlines

Strategic/BAU Margin Initiatives Gaining Traction

- Covered in greater detail in leisure & corporate updates
 - New revenue streams
 - Ancillary product sales
 - Changing product mix – increased sales of higher margin products
- Cap-ex to help drive sales growth through better CX & create better buying opportunities

FY24 HIGHLIGHTS

Maintaining cost discipline

9.6% UNDERLYING COST MARGIN

Costs Rebased

- Permanent, structural change made during pandemic – operating expenses remain 15% below pre-COVID levels
- Circa 130bps underlying cost margin improvement v FY19 & with further reductions targeted

Productivity a key driver – now & into the future

- Corporate Productive Operations initiative in place
- Growing scalable leisure brands & offerings globally

Maintaining cost discipline, while investing in key growth drivers

- Horizon 2 (emerging) & Horizon 3 (start-up) businesses
- Ongoing investment in key initiatives, including Productive Operations, omni (leisure) & airfare aggregation (TP Connects)
- Circa \$100m cap-ex during FY24 with 77% directed towards systems/platforms to enhance productivity, improve CX & reduce costs

UNDER-PERFORMING BUSINESSES CLOSED/RESTRUCTURED

GoGo

- US wholesale business closed (announced at half year)
- \$17.6m in trading losses & closure costs during FY24 (FY23: \$7.6m loss)

Discova Central Americas

- Mexico-based Destination Management Company reviewed & then closed in June
- \$11.6m in FY24 trading losses & closure costs (FY23: \$1.4m full year loss)

StudentUniverse

- Student travel marketplace restructured & now part of Jetmax online travel agency division
- \$8.9m FY24 trading loss incurred (FY23: \$6.9m loss), with profit expected in FY25 after changes are implemented
- Non-cash goodwill impairment recorded at full year, as announced previously

Infinity/The Travel Junction (TTJ)

- Loss-making wholesale businesses (\$5.9m trading losses during FY24) restructured
- Infinity now part of Envoyage (effective July 2024) & servicing independent agents & agencies
- TTJ now a bedbank – API access for B2B customers to circa 40,000 directly contracted hotels

FY24 HIGHLIGHTS

"We are a 2% profit margin business"

BUILDING BLOCKS IN PLACE

- Revenue margin recovering
- Structurally lower cost base
- Loss-making businesses closed/restructured
- Leisure business more productive, more efficient & more profitable than pre-COVID
- Corporate Productive Operations set to deliver stronger ROI during FY25 (1st full year)
- "Other" losses decreasing – driven by GBS & stronger results from revenue generating businesses (see Slide 10)

STRONG MOMENTUM

- Positive margin exit rate from FY24:
 - 2%+ underlying leisure margin during seasonally stronger 2H (1.7% over full year)
 - 2%+ underlying corporate margin during 4Q (1.7% over full year)
- EMEA & ANZ segment margins above 2% for full year
- Leisure & corporate margin run rates likely to decrease during FY25 1H, given seasonality, & then increase during 2H

BUSINESS MIX A NEAR-TERM HEADWIND

- Rapid growth in lower profit margin businesses that are gaining scale & becoming significant profit generators
- 15% YOY TTV growth in lower profit margin corporate & leisure businesses during FY24 v 5% annual growth rate for higher margin businesses
- Continued investments in start-ups & emerging businesses targeting high growth sectors
- Targeting circa 2.3% underlying net margins in both leisure & corporate to achieve 2% group-wide goal, given lower but ongoing "Other" segment losses

A QUESTION OF TIMING


- Confident in delivering 2% margin
- "aspirational" element is timing (FY25 stretch target)
- Aiming to deliver sustainable margin as business grows & evolves
- Will not risk future prosperity by:
 - Sacrificing non-financial assets – people, customers & supply chain
 - Abandoning strategic investments with sub optimal margins while they scale up or start-up (Envoyage & Cruiseabout for example); or
 - Slowing growth in profitable, but lower margin businesses with solid future growth prospects (Travel Money wholesale for example)

FY24

Strong divisional results

CORPORATE SEGMENT


- 44% underlying PBT increase to \$211m, record Corporate Traveller profit
- 10% TTV growth to record \$12.1b (51% of group TTV in FY24 v 38% in FY19)
- Circa 30-40bps YOY improvement in both underlying cost & revenue margins
- Strong & consistent strategic execution – Grow to Win continues, with Productive Operations accelerating
- Compelling customer offerings driving organic TTV growth above market rates & full recovery well ahead of sector overall (FY24 TTV more than 135% of pre-COVID)
- Key performance metrics improving, starting to convert market-share growth to profitability & delivering solid productivity growth ahead of anticipated uplift from Productive Operations initiative



| \$m | FY24 | FY23 |
|--------------------------|------------|------------|
| TTV | 12,105 | 11,006 |
| Revenue | 1,112 | 978 |
| Underlying PBT | 211 | 146 |
| Underlying EBITDA | 249 | 190 |
| Margins | | |
| Revenue margin | 9.2% | 8.9% |
| Underlying PBT margin | 1.7% | 1.3% |

LEISURE SEGMENT

- Underlying PBT more than doubled to \$188m
- 10% TTV growth to \$11b (46% of group TTV in FY24)
- Strong ROI on transformation program initiated pre-COVID & fast-tracked during the pandemic
- 110bps revenue margin improvement YOY, 40bps cost margin improvement
- Cost effectively capturing TTV through new growth model built around higher performing shop network & lower cost, highly scalable offerings
- Achieving economies of scale - now significantly more profitable & productive than pre-pandemic



| \$m | FY24 | FY23 |
|--------------------------|------------|------------|
| TTV | 11,031 | 10,006 |
| Revenue | 1,352 | 1,121 |
| Underlying PBT | 188 | 92 |
| Underlying EBITDA | 281 | 172 |
| Margins | | |
| Revenue margin | 12.3% | 11.2% |
| Underlying PBT margin | 1.7% | 0.9% |

Business & Geographic segment results are summarised in Appendix 4

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FY24 OVERVIEW

FLT's "Other" segment

Operating businesses – reduced FY24 losses

- Former Travel Services division profitable – Discova Asia, Hotels & touring businesses – along with Avmin (air charter)
- Pedal Group (cycle joint venture) results improved YOY, but has still not returned to pre-Covid levels
- Increased investment in TP Connects during FY24 to deliver:
 - Better access to critical airline content (including low cost carriers, NDC & GDS) for FLT's businesses
 - ✓ 450% YOY growth in passengers booked to 1.3m (FY23: circa 240k)
 - ✓ Now providing air content to flightcentre.com & Melon (SME platform in Northern Hemisphere)
 - New revenue streams from airlines using TP Connects to bring their NDC offerings to market – direct connections to 18 airlines, including Qatar Airways coming on board during FY25 1H.
- TP Connects loss reductions expected in FY25 as external revenue grows & through cost reallocation to the leisure & corporate businesses
- Reduced "wholesale" losses also expected given shift in focus for TTJ & Infinity (\$5.9M FY24 loss) as outlined on Slide 7. Infinity to be included in leisure segment result for FY25

Significant reduction in head office costs

- Includes expenses that aren't allocated to the leisure or corporate businesses, including net interest
- FY24 improvement due to removal of previously quarantined Head Office space in Brisbane, Melbourne & Montvale (USA), as well as improvement in net interest expense & general cost discipline
- Costs likely to remain broadly in line with current levels, subject to interest rate movement
- New GBS area focussed on holding support costs as business continues to grow

| Pillars - Underlying PBT | | |
|-----------------------------|---------------|----------------|
| | FY24 | FY23 restated* |
| Other Pillar | (78.7) | (99.8) |
| Operating Businesses | (18.9) | (26.1) |
| TP Connects | (19.3) | (14.0) |
| Avmin | 1.0 | 2.0 |
| DMC | 3.4 | (3.1) |
| Hotels | 0.9 | 0.8 |
| Touring | 3.4 | 0.1 |
| TTJ (Infinity) | (5.9) | (0.3) |
| Pedal | (2.4) | (4.1) |
| GoGo | - | (7.5) |
| Head Office Costs | (59.8) | (73.7) |

| OTHER | | |
|--------------------------|-------------|----------------|
| \$m | FY24 | FY23 restated* |
| TTV | 608 | 927 |
| Revenue | 247 | 182 |
| Underlying PBT | (79) | (100) |
| Underlying EBITDA | (52) | (60) |

FY 24

Almost \$450m in capital management initiatives undertaken

IN LINE WITH POLICY ANNOUNCED AT START OF FY24 & UNDERPINNED BY STRONG CASH GENERATION

**Circa \$385m investment
in debt & convertible
note reduction**



- \$252m of bank debt (SFA) repaid during FY24 (able to be redrawn)
- Additional \$49m in overdraft facilities repaid (able to be redrawn)
- \$84m Convertible Note buy-back completed (notes with \$75m face value), with further active management of CN liability expected

**SFA refinanced &
restructured on
improved terms**



- \$350m total facility (including \$250m in undrawn funds outlined above) now unsecured & extended from Feb 2025 to April 2026 at a lower margin
- Covenants restructured to provide additional headroom (liquidity covenant removed from 30 June 2023)

**\$62m returned to
shareholders via
dividends during FY24**



- \$62m in fully franked dividends returned to shareholders during FY24 via FY23 final & FY24 interim dividends (18 cents & 10 cents per share respectively)
- Additional \$66m to be returned via 30 cents per share FY24 final dividend (declared today & to be paid in Oct 2024)
- \$88m in FY24 dividends (interim + final) represents a 38% return of underlying FY24 NPAT, with additional funds available for capital management initiatives in near-term (subject to business needs at the time)
- Plan to reduce future EPS dilution – will consider CN/equity buy-backs

FY24

Balance Sheet

ANALYSIS

- Balance sheet further strengthened during FY24 – ongoing focuses on debt reduction, improving shareholder returns & maintaining flexibility to capitalise on future growth opportunities
- \$350m group debt facility (SFA) refinanced & extended, as outlined previously
- Contract assets in line with FY23 – now generating a higher percentage of revenue through "back-end" margin following changes in air contract structures during the pandemic (reduced up-front commission payments) & growth in other travel sectors
- Contract liabilities relate predominantly to deferred revenue generated by rapidly growing Ignite (MyHolidays) business
- FY24 movement in Trade Receivables & Trade Payables due to YOY trading growth, which has also resulted in an increase in restricted cash due to increased BSP liability at year-end.

| \$'m | 30-Jun-24 | 30-Jun-23 | Mvmt |
|-------------------------------------|--------------|--------------|--------------|
| Cash & cash equivalents | 1,138 | 1,328 | (190) |
| Financial assets | 10 | 20 | (10) |
| Trade & other receivables | 885 | 835 | 50 |
| Contract assets | 301 | 318 | (17) |
| Other current assets | 149 | 129 | 20 |
| Current assets | 2,483 | 2,630 | (147) |
| PPE | 63 | 67 | (4) |
| Intangibles | 1,025 | 1,054 | (29) |
| Other non-current assets | 644 | 685 | (41) |
| Non-current assets | 1,732 | 1,806 | (74) |
| Total assets | 4,214 | 4,436 | (221) |
| Trade payables & other liabilities | 1,766 | 1,685 | 81 |
| Contract liabilities | 91 | 72 | 19 |
| Borrowings | 11 | 57 | (46) |
| Convertible notes | 281 | - | 281 |
| Other current liabilities | 148 | 153 | (5) |
| Current liabilities | 2,297 | 1,967 | 330 |
| Lease liabilities | 174 | 178 | (4) |
| Contract liabilities | 32 | 27 | 5 |
| Borrowings | 103 | 353 | (250) |
| Convertible notes | 339 | 689 | (350) |
| Other non-current liabilities | 66 | 86 | 20 |
| Non-current liabilities | 714 | 1,333 | (619) |
| Total liabilities | 3,011 | 3,300 | (289) |
| Net assets | 1,203 | 1,136 | 68 |
| Cash | 718 | 926 | (208) |
| Restricted Cash | 420 | 402 | 18 |
| Investments | 18 | 35 | (17) |
| Total cash & investments | 1,156 | 1,363 | (207) |

FY24

Profit & Loss

ANALYSIS

- \$1.8b TTV increase YoY – solid growth achieved, but adversely impacted by airfare deflation (particularly in Australia) & business closures (slide 5)
- Delivering higher TTV from lower cost base (operating expenses circa 85% of pre-COVID)
- Revenue growth (19%) outpaced TTV growth – driving strong revenue margin increase
- Marketing spend increase - 0.7% of TTV v 0.6% of TTV in PCP
- Other Expenses
 - Includes Comms & IT (\$228m); Independent Agent Consulting fees (\$95m); Consulting & Outsourcing costs (\$77m); & Occupancy costs (\$42m)
 - Main drivers of YOY increase are Comms & IT (up \$25m due to volume increases) and Independent Agency Consulting fees (up \$16m and driven by strong growth in that leisure channel)
- Underlying PBT adjustments outlined in Appendix 2
- 176% YOY improvement in earnings per share from 23.1 cents to 63.7 cents
- 41.1% of incremental revenue growth converted to underlying EBITDA - in line with group-wide 40% target (leisure converted @ 47%, corporate @ 44%)

| \$'m | FY24 | FY23 restated* | Mvmt | Mvmt % |
|---------------------------------|--------------|----------------|------------|-------------|
| Group TTV | 23,744 | 21,939 | 1,805 | 8% |
| Operating revenue | 2,711 | 2,281 | 430 | 19% |
| Total revenue | 2,711 | 2,281 | 430 | 19% |
| Other income | 100 | 43 | 57 | 133% |
| Share of JV/Associates | (2) | (4) | 2 | (50%) |
| Employee benefits | (1,421) | (1,298) | (123) | 9% |
| Marketing expense | (171) | (140) | (31) | 22% |
| Tour, hotel & cruise operations | (150) | (99) | (51) | 52% |
| Depreciation & Amortisation | (159) | (142) | (17) | 12% |
| Finance costs | (80) | (85) | 5 | (6%) |
| Impairment | (40) | - | (40) | (100%) |
| Other expenses | (568) | (486) | (82) | 17% |
| PBT | 220 | 70 | 149 | 213% |
| Underlying PBT | 320 | 139 | 181 | 130% |
| EBITDA | 423 | 266 | 167 | 63% |
| Underlying EBITDA | 478 | 302 | 176 | 58% |
| EPS (cents) | 63.7 | 23.1 | | |
| Underlying EPS (cents) | 105.0 | 53.0 | | |
| Margins | | | | |
| <i>Revenue margin</i> | 11.4% | 10.4% | 100bps | 10% |
| <i>Underlying cost margin</i> | (9.6%) | (9.5%) | (10bps) | 1% |
| <i>Underlying PBT margin</i> | 1.3% | 0.6% | 70bps | 117% |

* Amortisation of convertible notes has been included as a non-cash underlying adjustment in the current period, with prior period comparative amounts restated.

FY24

Cash Flow

ANALYSIS

- Record operating cash inflow of \$421m – driven predominantly by sales growth & small benefit (circa \$40m) from timing of airline payment cycle (BSP)
- Minimal tax outflows given utilisation of carry-forward tax losses
- Capital management initiatives (slide 11) reflected in cash outflow from financing activities
 - \$252m debt repaid (able to be fully redrawn if required)
 - \$84m cash outlay for CN buy-back (\$75m Face Value)
 - Almost \$50m reduction in overdraft facilities
 - \$62m returned to shareholders during FY24 via 18 cents per share FY23 final dividend & 10 cents per share FY24 interim dividend (both fully franked)

| \$'m | FY24 | FY23 | Mvmt |
|--|--------------|--------------|--------------|
| Operating activities | | | |
| Operating activities before interest and tax | 470 | 172 | 298 |
| Net interest and tax paid | (49) | (16) | (33) |
| Cash inflow from operating activities | 421 | 156 | 265 |
| Investing activities | | | |
| Acquisitions | - | (173) | 173 |
| Purchases of PPE and intangibles | (96) | (92) | (4) |
| Other investing cash flows | 20 | 25 | (5) |
| Cash flow from investing activities | (76) | (240) | 164 |
| Financing activities | | | |
| Repayment of borrowings | (252) | (253) | 1 |
| Buyback of convertible notes | (84) | - | (84) |
| Dividend paid to shareholders | (62) | - | (62) |
| Other financing cash flows | (91) | 388 | (479) |
| Cash flow from financing activities | (489) | 134 | (623) |
| (Decrease)/increase in cash held | (143) | 50 | (193) |
| FX impact | 1 | 19 | (18) |
| Total cash and overdraft | 1,137 | 1,279 | (142) |

| \$'m | 30-Jun-24 | 30-Jun-23 | Mvmt |
|---------------------------------|--------------|--------------|--------------|
| Cash | 718 | 926 | (208) |
| Restricted cash | 420 | 402 | 18 |
| Overdraft | (1) | (49) | 48 |
| Total cash and overdraft | 1,137 | 1,279 | (142) |

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SECTION 2

OVERVIEW & UPDATE

CORPORATE

CORPORATE

Global Winning Brands | Market Segments

CUSTOMER VALUE PROPOSITION

Why are we different?

FCM

- The only global alternative to traditional TMCs
- Highly personalised service
- The world's most flexible TMC
- Leading proprietary technology

CORPORATE TRAVELLER™

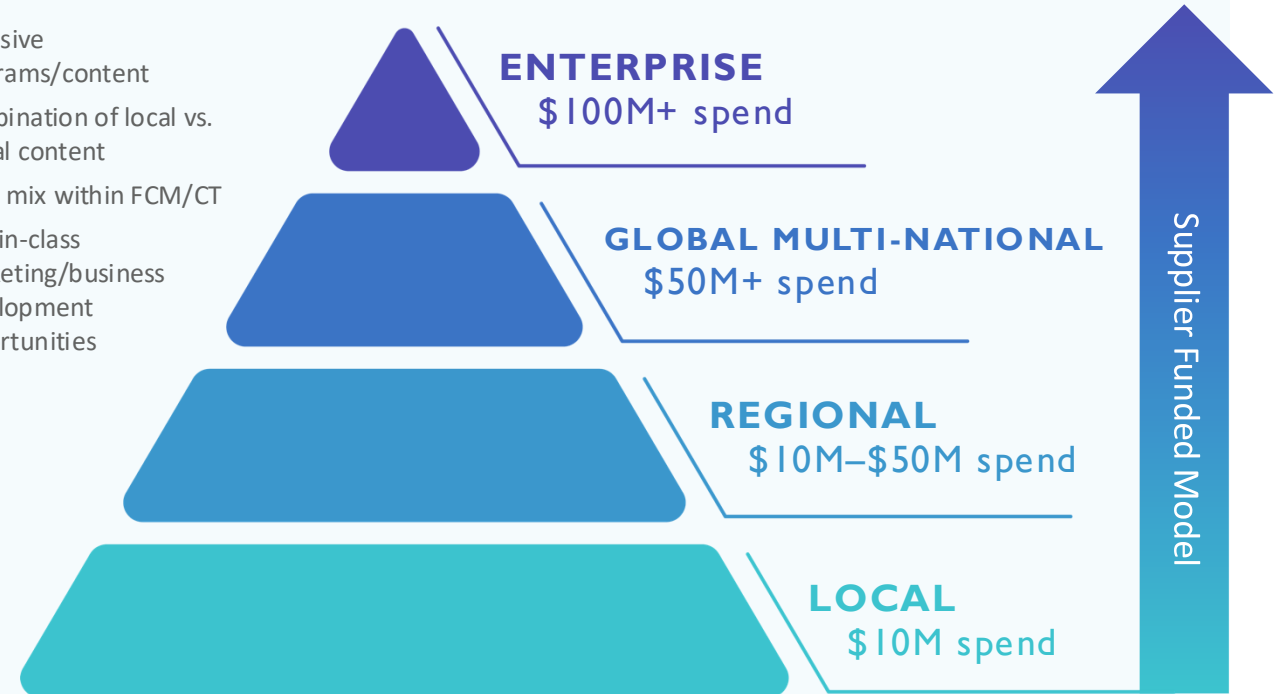
- Start-up to Mid-market specialists
- Dedicated Travel Consultants
- Widest range of content
- One Platform, A World of Travel

Customer Funded Model

SUPPLIER VALUE PROPOSITION

Why are we different?

- Exclusive programs/content
- Combination of local vs. global content
- Sales mix within FCM/CT
- Best in-class marketing/business development opportunities



CORPORATE

FY24 Scorecard

FLIGHT CENTRE
TRAVEL GROUP

TRANSACTION

VOLUME

+11%

CORPORATE

Compared to FY23

FLIGHT CENTRE
TRAVEL GROUP

REVENUE

MARGIN

+30bps

CORPORATE

Compared to FY23

FLIGHT CENTRE
TRAVEL GROUP

UNDERLYING

PBT MARGIN

+40bps

CORPORATE

Compared to FY23

FLIGHT CENTRE
TRAVEL GROUP

CUSTOMER

RETENTION

98%

CORPORATE

Among top-100 globally
contracted clients

FLIGHT CENTRE
TRAVEL GROUP

NEW BUSINESS

WON

~\$2B

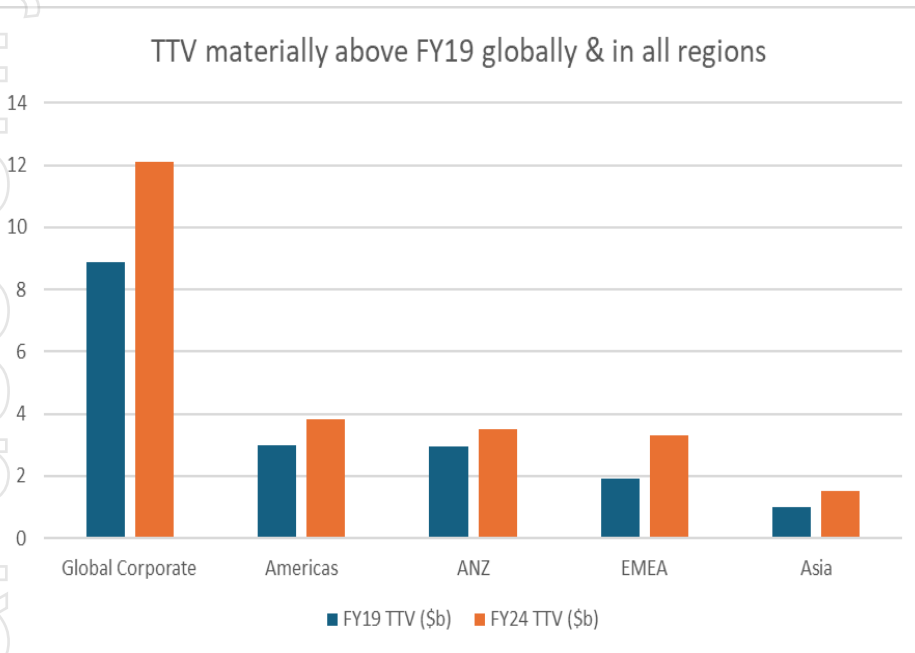
CORPORATE

Estimated annual spend across FCM
(contracted) & Corporate Traveller
(non-contract) from July 1-June 30

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CORPORATE

A materially larger business than pre-pandemic



TTV growth rates v FY19

- + Global Corporate: +36%
- + Americas: +27%
- + ANZ: +17%
- + EMEA: +73%
- + Asia: +49%

Outpacing sector recovery

- ✓ Record TTV achieved in sector that has recovered to circa 80% of pre-COVID transaction volumes (Source: MIDT)
- ✓ FY24 TTV more than \$1b higher than previous record & circa 135% of FY19 result

Growing to win – market-share gains driven by proven organic growth model

- ✓ High customer retention rates & large pipeline of new account wins - accounts with projected annual spends of circa \$2b secured during FY24 - in line with win target for the year & heavier SME weighting than past few years
- ✓ Dual brand strategy:
 - FCM winning & servicing large multi-national & enterprise-level accounts (high volume @ lower margin)
 - Corporate Traveller delivering record profit while winning managed & unmanaged SME/start-up accounts with \$US200,000-\$US2m annual spends in fragmented market
- ✓ Corporate Traveller regional structure deployed in USA to fast-track growth (key centres in New York, LA & Chicago) - positive early signs with new account wins almost doubling during FY24 2H v 1H

New revenue streams & growth opportunities – solving customer problems

- ✓ Ancillary revenue increasing - almost \$100m (about 9%) generated from activities that sit outside traditional travel management
- ✓ Horizon 2 (emerging) businesses – FCM Meetings & Events, Stage, Screen & Sport, Asia – performing well

CORPORATE

Achieving scale benefits, with further productivity uplift to come

Starting to achieve scale benefits

- ✓ 11% transaction volume growth & record TTV achieved with reduced workforce (circa 95% of FY23 FTE, based on year-end staff numbers)
- ✓ Improved income per transaction (up 3%) & lower costs per transaction (down 2%)
- ✓ Mass adoption of proprietary platforms helping to drive productivity growth
 - 95% of FCM customers now using FCM Platform
 - 106% growth of Melon customers driving 345% transaction growth
- ✓ Aiming to hold staff numbers steady during FY25 as TTV continues to grow – further productivity gains

Productive Operations initiative now underway & set to drive further growth

- ✓ Early focus on FCM
- ✓ Corporate Traveller scoping underway ahead of expected deployment during FY25 2H
- ✓ Set to deliver more significant productivity & cost benefits in FY25 – typically 3-6 months post deployment
- ✓ Promising early productivity trends & expected to escalate as initiatives are rolled out globally across both brands
- ✓ Agent workspace (enquiry management) deployed in all regions, apart from Europe
- ✓ Dynamics operating in 9 FCM markets – 3 more scheduled by December 2024
- ✓ Improved self service capabilities:
 - Online Help Centre in production & testing
 - Changes, Cancellations, Invoices now available via FCM Platform – better CX & freeing up consultant time

Productive Operations

1

DIGITISATION & STANDARDISATION OF OPERATIONS

One global operating system
Agent workspace, Dynamics, Workflows, Automation

2

ENABLE SELF-SERVE CAPABILITY

Drive low value tasks through automation or our Platforms ensuring our agents are focused on the complex

3

CONTENT ACCESS & DISTRIBUTION

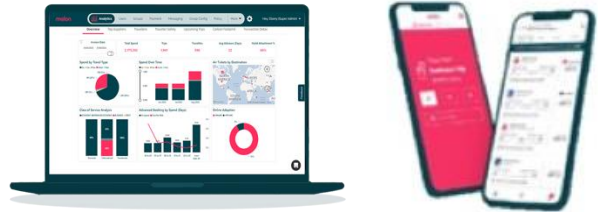
Greater access to content

CORPORATE

Mass adoption of Melon & FCM Platform

Combining a tailored, proprietary digital experience with best-in-class personal service & content access

Melon is a one-stop shop for our customers to search, book and manage their business travel, allowing CT to improve brand equity with continuous product innovation and improved economics.



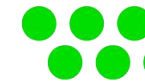
CVPs

- 01 Simple & fast to onboard
- 02 Intuitive User Experience for bookers & travellers
- 03 Gives managers control of their travel program
- 04 Saves time & money

COMMERCIAL BENEFITS

- 01 Remove external OBT costs
- 02 Software subscriptions
- 03 Lower cost to serve
- 04 Ability to preference preferred content

Our vision is to be the “*Alternative*”, the most flexible business travel platform that employees love using.



CVPs

- 01 Globally consistent platform across 100 markets
- 02 Multiple booking options
- 03 Digital assistant "Sam" to support through booking process
- 04 Browser extension to personalise & guide booking behaviour

COMMERCIAL BENEFITS

- 01 Market leading tech to win & drive new transaction volume
- 02 Proprietary tech that enables us to create new revenue streams
- 03 Self-Service capability to drive transactions online - lower cost to serve

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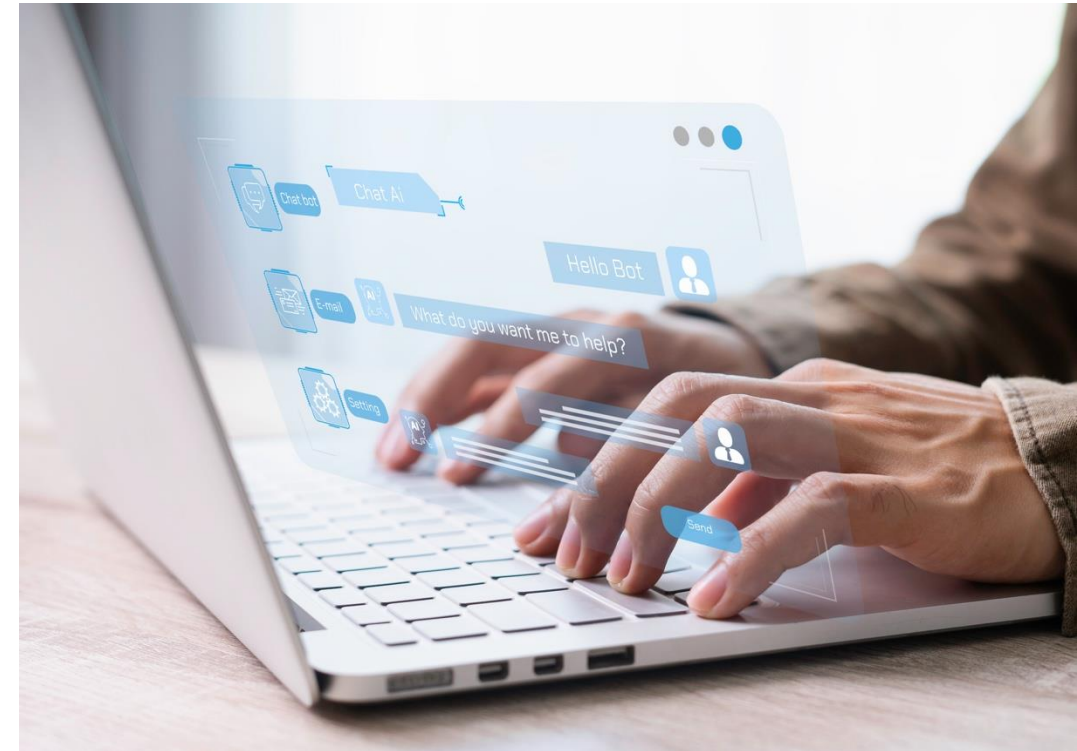
CORPORATE

AI powering productive operations

ONGOING FOCUS ON IMPROVING PRODUCTIVITY & THE CUSTOMER EXPERIENCE

Continued development of capabilities & product suite with several new initiatives underway including:

- **Revolutionizing Customer Service with AI:** Our new AI feature intelligently categorizes incoming customer inquiries, prioritizing urgent travel needs and potential revenue opportunities. This ensures prompt, targeted responses, significantly boosting agent efficiency and customer satisfaction. *Over 500k emails have been processed since program inception in Q2 2024.*
- **Empowering Agents Through Smart Automation:** The AI-driven classification of emails frees agents from time-consuming, low-value tasks. This allows them to dedicate more time to providing personalized, attentive service to every customer, ensuring a consistently high-quality service experience. *Over 4000 hours of agent time have been saved in the past quarter.*
- **Capturing Greater Share of Wallet:** The AI-powered capabilities in our FCM Extension product allows for structured capture of unstructured off-channel bookings, improving visibility to our customers and agents, enabling greater servicing and upsell capabilities.



Strategy on a page

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GLOBAL WINNING BRANDS

Two globally differentiated winning brands focused on SME and GMN



Corporate Traveller is the TMC that's fanatical about SMEs and delivers Care Uplifted through the power of our people and technology



FCM is The Alternative TMC for Multi-National Corporate. The flexibility of its offering is based around customer requirements



SERVICES AND PRODUCTS

Growing revenue by solving customer problems

SPECIALIST SECTORS



PROPRIETARY CUSTOMER TECH

Leading Customer experience focused technology



Melon is Corporate Traveller's proprietary technology that is built with the SME customer in mind



The FCM platform

FCM's new platform offers customers the best in market-leading technology, all seamlessly integrated into one place, giving you the ultimate choice to plug-and-play, your way.



INDUSTRY LEADING ORGANIC GROWTH

- Acquire and retain customers
- Market leading customer retention & acquisition volumes



Acquisition



Onboarding



Retention



PRODUCTIVE OPERATIONS

Lowering costs and growing income whilst delighting customers through automation and personal service



Automation & Robotics



Data Science



CRM



Consultant Desktop



Booking, Pricing, Aggregation



SUPPLY PARTNERSHIPS AND PROPRIETARY AGGREGATION

Global Supply to improve access to content and improve margins



PEOPLE, CULTURE & SUSTAINABILITY

The most fundamental building block to each brand's success



Ownership



Irreverence



Egalitarianism

Key Drivers



CONTINUED ORGANIC SALES GROWTH

- High customer retention rates
- Investment in leading Sales & Marketing Machine (Digital marketing, CRM, BDMS)
- Secure pipeline of new TTV from account wins



GREATER EFFICIENCY/ SCALE BENEFITS

- Continuing to reduce costs per transaction - staff numbers now being reduced as operational efficiency improved & more customers self-serving with Melon & FCM Platform



PRODUCTIVE OPERATIONS INITIATIVE

- Customer self-service
- Increased automation & digital solutions - including AI - to improve productivity & the customer experience
- Content access



MARGIN IMPROVEMENT

- Increased income & lower costs per transaction
- New services that solve problems for corporate travellers – payments, consulting, software

ersonal use only

ersonal use only

SECTION 3

OVERVIEW & UPDATE

LEISURE

LEISURE

Trusted Portfolio of Travel Brands

FOUR LEISURE CATEGORIES, OPERATING WITH A LEANER COST BASE & SCALABLE OFFERINGS

| Mass Market | Luxury | Specialist | Independents |
|--|--|---|---|
|  <p>Global omni-channel travel retailer famous for flights + holidays, making it easy to book amazing travel experiences</p> <p>VOTED: MOST TRUSTED TRAVEL AGENT</p> |   <p>Travel that takes you further</p> <p>The leading network of luxury travel advisors designing 'One of a Kind' experiences for discerning guests</p> |         <p>Specialist brands: Cruise & Touring Foreign Exchange OTAs (Students, Meta)</p> |  <p>for every journey</p>   <p>Fast growing community of independent travel agents and agency groups accessing market leading content, products and commercials</p> |
| B2C | | | B2B |

- ✓ Provide **customers** with: widest range of products, services and value in travel
- ✓ Provide **suppliers** with: access to the most valuable and diverse range of customers
- ✓ Provide **our people** with a pathway of career of possibilities

- ✓ All 4 categories >\$1bn with Luxury, Independent & specialist categories generating 45% of leisure TTV vs 33% in FY19.
- ✓ More than \$800m in TTV from start-ups – businesses & products that are less than 2 years' old (Link, Travel Money wholesale, Cruiseabout, MyCruise Touring, Scott Dunn New York, Anywhere 2 Anywhere flights on flightcentre.com)

LEISURE

Positioned to Grow following strongest profit in a decade

DIVERSE PORTFOLIO OF BRANDS

Positioned in markets with room to grow
Core markets: AU, NZ, RSA | Challenger: US, UK, CA, SG



MORE EFFICIENT

Transformed business with materially lower cost base (fewer shops, people & systems) than pre-COVID

New growth blueprint built around rapidly growing & highly scalable "winning" models

MULTI CHANNEL ENABLED

Customer choice - In Store, App, Online, Call
with rapidly evolving digital assets: (see slides 31 & 32)



POWERED BY

FLIGHT CENTRE
TRAVEL GROUP™



MORE PRODUCTIVE

Increased sales per person & store
More components/products per booking, increased sales of ancillary products, more models producing sales at lower costs

TALENT RETENTION

Employee retention at 75% with more sales and less stores.
In Australia, H2 FY24 TTV >H2 FY19 with less than half the shop network
Lead by Management team with 25 Years + experience (avg)



MORE PROFITABLE

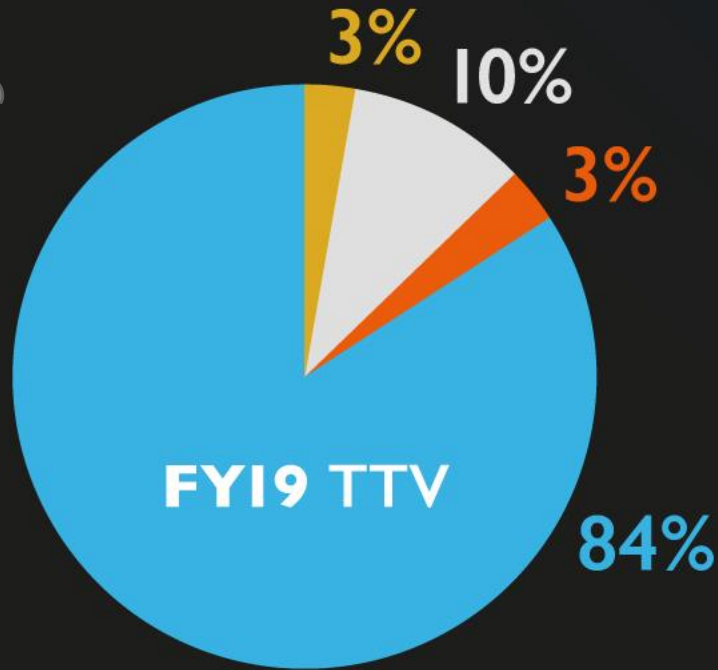
Strong trajectory - underlying FY24 PBT more than double
FY23 result & more than 40% higher than FY19.

Underlying net margin above 2% for FY24 2H

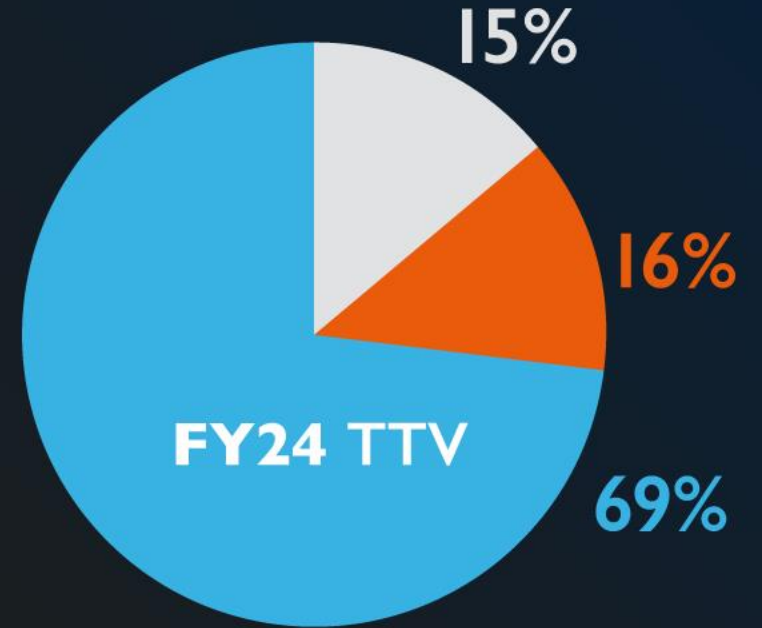
30% cost margin improvement reflecting high productivity

LEISURE

Ongoing Business Model Shift



- EMPLOYEE BASED MODEL
- INDEPENDENT AGENT MODEL
- ONLINE
- OTHER



Employee Model

- Generate the largest share of TTV and continue to be a growth model.
- Sales are delivered by salaried employees who typically occupy the FLT property portfolio

Online Model

- Travel products sold through FLT brands including FC.com, BYOJet, Aunt Betty and Student Universe
- Lower cost and scalable with increasing product range and capability
- More than \$1.7b in FY24 TTV

Independent Model

- Lower cost (payroll and property costs) vs employee-based models
- Leverages FLT group capability (products/tech)
- May utilise FLT branding or operate independently with their own brand name
- Circa \$1.8b in FY24 TTV, including \$520m contribution from Link in its 2nd full year

LEISURE

FY24 Scorecard

FLIGHT CENTRE
TRAVEL GROUP

TTV

+10.2%

LEISURE

Compared to FY23

FLIGHT CENTRE
TRAVEL GROUP

REVENUE MARGIN

+110bps

LEISURE

Compared to FY23

FLIGHT CENTRE
TRAVEL GROUP

UNDERLYING

PBT MARGIN

+80bps

LEISURE

Compared to FY23.
FY24 H2 margin >2%

FLIGHT CENTRE
TRAVEL GROUP

NET PROMOTER

SCORE

48-91

LEISURE

Lowest to highest brand

FLIGHT CENTRE
TRAVEL GROUP

REPEAT

CUSTOMERS

53-67%

LEISURE

Lowest to highest brand

LEISURE

Longer Term Objectives

Global leisure is laser focused on five "Big Moves"

1

DIFFERENTIATE FLIGHT CENTRE

Omni Travel Retailer of choice, famous for flights + holidays, backed by expertise

2

LUXURY TRAVEL

Grow collection of brands through organic growth, M&A, partnerships & events

3

INDEPENDENT AGENTS

Rapid expansion of global brand, winning larger agents & agencies through our ecosystem offering

4

CRUISE & TOURING

Double sales volume globally in our core & specialist brands – good early progress with circa 25% increase in cruise & touring TTV to \$1b in Australia during FY24

5

OTHER ENGINES OF GROWTH

Customer Loyalty, differentiated eComm businesses, and Foreign Exchange

Key Drivers



SCALE PORTFOLIO OF WINNING MODELS

- Physical expansion (network, consultants, specialist teams)
- Expansion of Independent agents & agencies
- Grow & Globalise winning models in core markets



DIFFERENTIATED PRODUCT RANGES

- Ancillary travel & service products (captain pack, seats, bags)
- Manufactured products & holiday ranges, i.e Bundle & Save, cruise & touring packages, luxury exclusives and more.
- New global travel insurance contract from late CY2024 – aiming to grow margins & increase attachment



EVOLVE CUSTOMER EXPERIENCE & LOYALTY

- Omni channel digital improvements
- Personalised & targeted, digital customer journeys
- Customer loyalty solutions (NPS | Customer Voice Programs)



PRODUCTIVE OPERATIONS & CAPITAL EFFICIENCY

- Leverage new AI technologies (Slide 33)
- Sustain consultant productivity outputs

Digitise and scale winning operating models, to serve more customers and generate productive, profitable & re-occurring revenue

ersonal use only

Enhanced Digital Capability



Key Digital Advancements

Building our brands together on a shared ecosystem of tech-powered products.

Key investment in digital capability, and mobility to capture a greater share of wallet, drive customer personalization and support sales growth. Leveraging machine learning, AI and natural language processing to cross sell, upsell and aid probability conversion lead scoring.

Dynamic Quote

Rich, interactive experience for viewing and accepting quotes.



Dynamic Itinerary

Delivering customer trips through app and web supporting post sales.



NDC Technology

Latest technology for increasing margin and choice for flight bookings



Cruise Tech

Offering a high end, multi-choice cruise platform.



Mobile

Enhanced holiday functionality and engaging user experience.



Personalisation

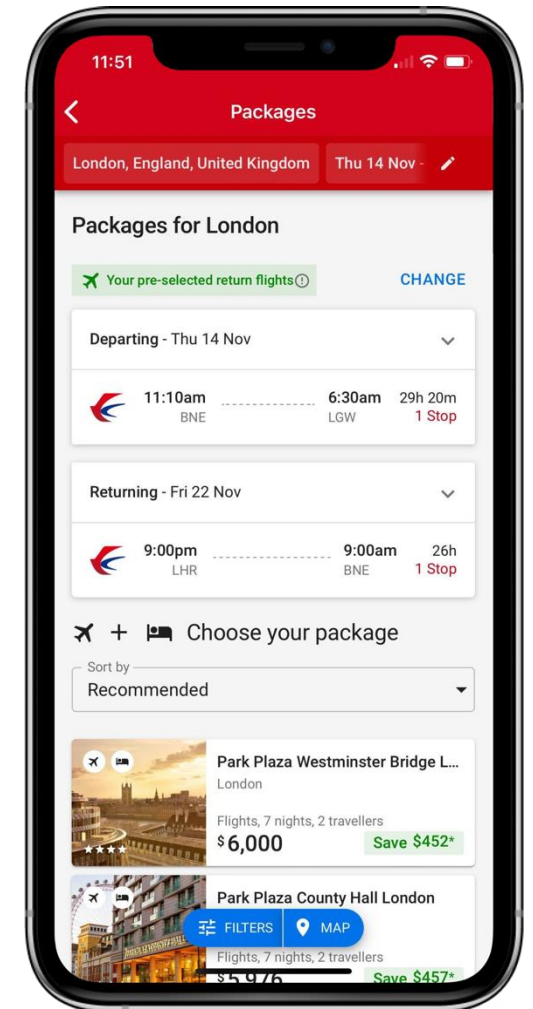
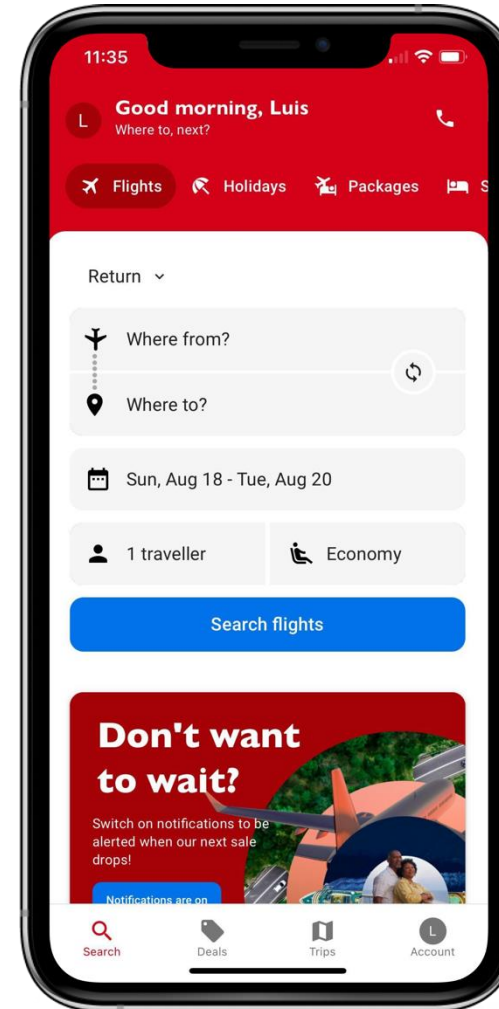
Driving insights for a more personalised customer experience



FCB app taking off: Evolving digital experience

- Fastest Growing Channel – more than 53,000 downloads each month
- 13% bookings growth/ 5bps conversion increase YOY
- Investments enhancing speed & user experience
- Search the travel catalogue of Flight Centre Travel Group
 - Flights (+NDC), Stays, Holidays, Packages and Cars
 - **300 Airlines / 900k+ Stays**
 - **More than 550 Manufactured Flight Centre Holidays**
- 'Mobile Only pricing' for Stays & App-Only Holiday deals
- Dynamic Itinerary Integration
- Live Notifications of schedule changes
- Travel Deals & MyAccount Integration

4.8 / 5 App Store User Rating ★★★★★



Trialing Machine Learning / Artificial Intelligence



Demand Forecasting

- Using Machine Learning models to analyse historical booking datasets to assist in forecasting travel demand.
- Enabling opportunities to improve dynamic pricing & maximise returns.



Propensity AI Models & Search Optimisation

- Leveraging AI models to predict customer behavior & buying propensity towards travel products.
- More precise online search results, tailored for customer intent, improving digital engagement & personalization for Leisure customers.



Generative AI Travel Ideation

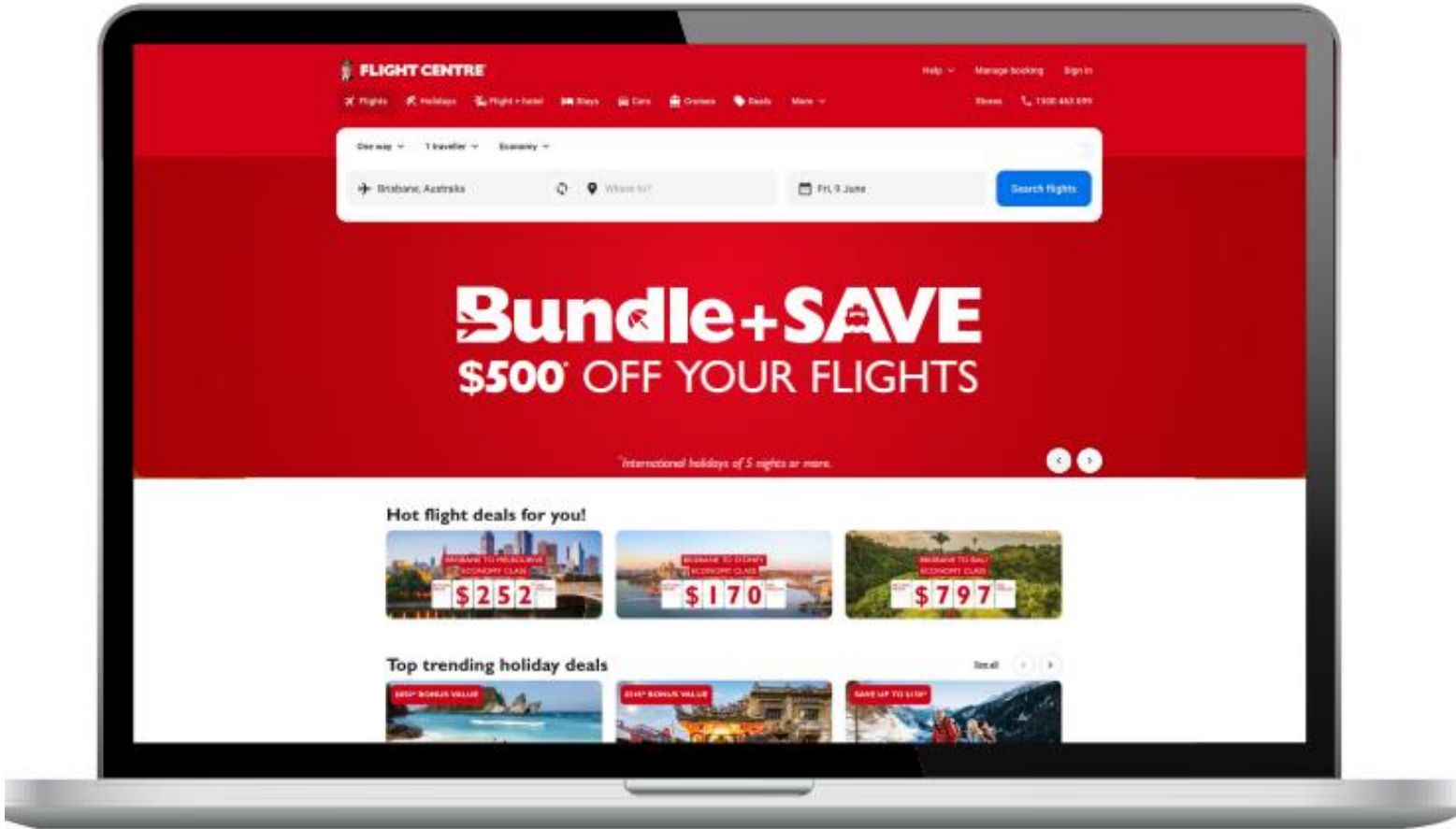
- Trialing GenAI to generate personalized trip ideas & travel plans based on user preferences, trends & knowledge bases.
- Drive higher customer engagement & conversion rates through the personalisation of travel recommendations.

Personal use only

LEISURE

More components = Greater Value

Desktop



Desktop

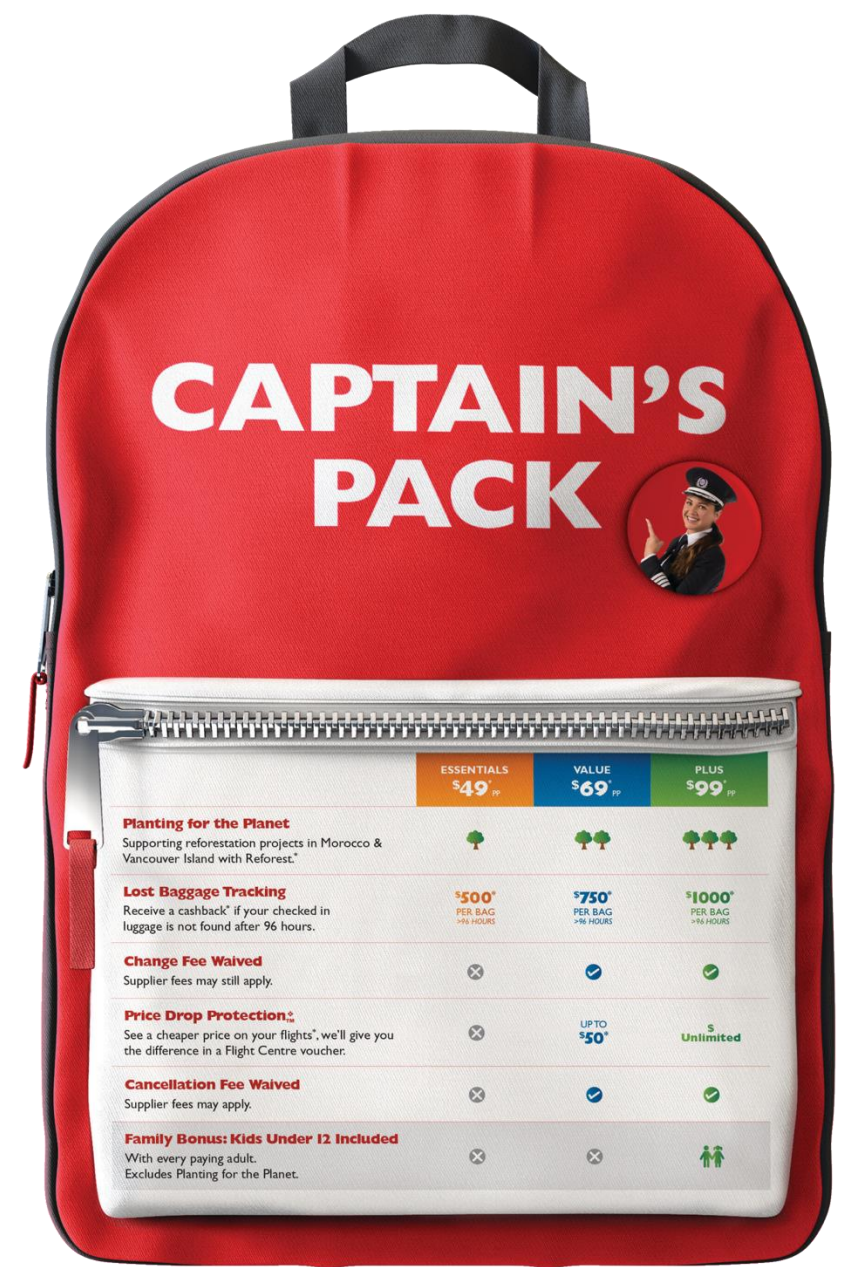


Personal use only

LEISURE

Captain's Pack | Planting for the planet

- ✓ **EXCLUSIVE** to Flight Centre
- ✓ **65% attachment** globally (instore)
- ✓ Provides customers with **Peace of Mind + Savings**
- ✓ Flight Centre's first **global sustainability initiative supporting local communities, local economies and the planet.**
- ✓ **Over 1.5m trees** purchased to be planted in 12x months



DEALS FOR EVERYONE



| | | |
|--|--|---|
| HIGHLIGHTS OF TOKYO SAVE UP TO \$339* From \$799 4-night stay at Far East Village Hotel | SOUTH PACIFIC CRUISE \$100* ONBOARD CREDIT From \$899 7-night P&O cruise from Brisbane onboard Pacific Encounter | ULURU & FIELD OF LIGHT SAVE UP TO \$325* From \$1649 3-night stay at Desert Gardens Hotel |
| ALL-INCLUSIVE MALDIVES FAMILY SAVE UP TO \$3710 From \$4950 5-night stay at Club Med Kani | BEST OF ITALY TOUR EXCLUSIVE SAVE \$854 From \$4999 13-day Inflight Vacations tour from Rome with hand-picked luxe hotels | LAST MINUTE MEKONG RIVER CRUISE SAVE UP TO 50% From \$6396 11-night holiday including 7-night premium river cruise from Ho Chi Minh City |

Always here for you. For peace of mind, ask us about travel insurance.

Voted Australia's Most Trusted Travel Agency
Based on Roy Morgan's 2024 Risk Report

FLIGHT CENTRE
 Experience our experience

Find your very own Travel Expert near you

APP | STORE | ONLINE

ASIA HOLIDAYS

| | | |
|--|---|---|
| SOLO BALI ADVENTURE SAVE UP TO 50% From \$399 4-night stay at The Bali Village Hotel | ULTIMATE SINGAPORE STAYOVER \$50* BONUS VALUE From \$399 3-night stay at The Raffles Singapore | HIGHLIGHTS OF TOKYO SAVE UP TO \$309 From \$799 4-night stay at The Ritz Carlton Tokyo |
| ADULTS ONLY PHUKET GETAWAY SAVE UP TO 50% From \$399 10-night stay at Anantara Golden Triangle Phuket Spa | LUXE HONG KONG CITY BREAK \$450 BONUS VALUE From \$399 4-night stay at Mandarin Oriental Hong Kong | MALDIVES ISLAND ESCAPE SAVE UP TO \$900 From \$399 4-night stay at Soneva Fushi Maldives |

Need flights with that? Talk to our Travel Experts about scoring a HOT flight deal!

FLIGHT CENTRE Experience our experience

APP | STORE | ONLINE
 TRAVEL EXPERTS | 131 600

MARKETS, BAZAARS & STARS

5-STOP ROUND THE WORLD AIRFARE

| | | |
|-------------|---------------|------------|
| RETURN FROM | \$3088 | PER PERSON |
|-------------|---------------|------------|

ASIA CRUISES

| | | |
|---|--|--|
| SINGAPORE & INDONESIA EXCLUSIVE ONBOARD CREDIT From \$399 8-night cruise from Singapore to Indonesia | SINGAPORE TO BRISBANE EXCLUSIVE RATE From \$399 13-night cruise from Singapore to Brisbane | SOUTHEAST ASIA TO SYDNEY EXCLUSIVE SAVE UP TO \$850 From \$399 14-night cruise from Singapore to Sydney |
| ESSENTIAL VIETNAM & CAMBODIA SAVE UP TO \$240 From \$399 11-night cruise from Ho Chi Minh City to Cambodia | LAST MINUTE MEKONG RIVER CRUISE SAVE UP TO 50% From \$399 11-night holiday including 7-night premium river cruise from Ho Chi Minh City | LUXE COASTAL JAPAN SAVE UP TO \$1800 From \$399 14-night cruise from Osaka to Japan |

We've got your back on the high seas! For smooth sailing, ask us about travel insurance.

FLIGHT CENTRE Experience our experience

APP | STORE | ONLINE
 CRUISE EXPERTS | 131 7079

BRITISH AIRWAYS ON SALE

ECONOMY CLASS **New York**
 From **£329**

BUSINESS CLASS **Dubai**
 From **£1995**

Flights departing London. Book by 11 July 2024.

Boosted Cashback Retailers [view all >](#)



JD UNDISPUTED KING OF TRAINERS

10% Cashback

3% Cashback

Ends: 31 Jul 2024



FLIGHT CENTRE

8% Cashback

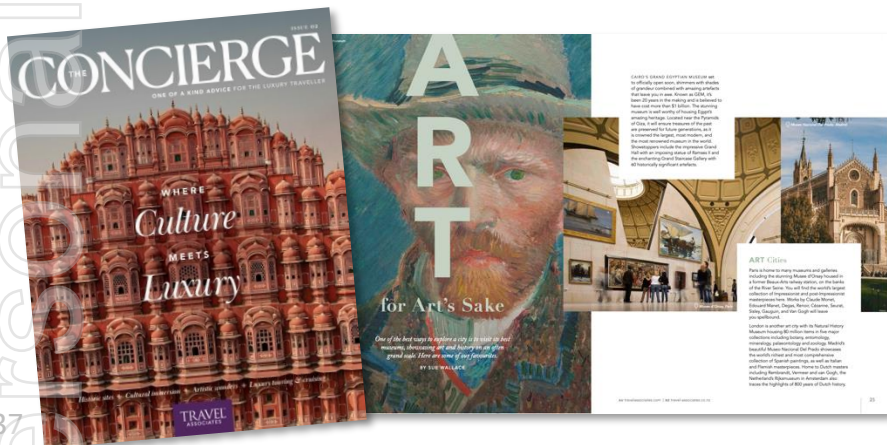
2% Cashback

Ends: 31 Jul 2024

LEISURE

Luxury Growth | Travel Associates driving fame in AU/NZ

- **Brand Fame Drivers** - New experiential activations in partnership with Top Tier Consumer Media and luxury tastemakers with high value audiences
- **Signature Itinerary Collection** – luxury itineraries to one-of-a-kind destinations driving high value enquiry
- **Luxury Business Class Packages** – driving increased components and high value bookings
- **The Concierge** – print magazine keeping clients engaged



EXCLUSIVE SOUTH PACIFIC HOLIDAYS ON SALE

Discover PARADISE IN THE COOK ISLANDS

PERFECTLY PACKAGED WITH RETURN FLIGHTS & UP TO \$2200 BONUS VALUE

COOK ISLANDS

THE SOUTH PACIFIC'S BEST-KEPT SECRET
 The Cook Islands are paradise defined. Escape to these unspoiled islands and you'll be diving into crystalline lagoon waters, basking on golden sand beaches, exploring lush jungle landscapes or sipping cocktails by the pool in no time.

Pack your swimsuits for South Pacific paradise! Only a hop from Australia, Cook Islands is bursting with white sands, marine life, adventures, succulent seafood, and postcard views everywhere you look.

Cook Islands is the escape you've been waiting for, with perfectly packaged deals starting from \$1990, including up to \$2200 Bonus Value.

Experience tropical seclusion, experience pure adults-only bliss as you sip on mouth-watering cocktails and soak up warm sunbaths at Sanctuary Rarotonga - On the Beach, offering accommodation only steps from glittering ocean.

Romantics will love the adults-only intimacy of Ahurahi Lagoon Private Island Resort, lazing in hammocks at Premium Beachfront Bungalows, slipping into the lagoons, and savouring candlelit dinners.

For families, The Rarotongan Beach Resort & Lagoonarium provides the perfect island escape with Beachside Rooms, fun water activities, cool drinks, warm smiles, and lizzing sunsets.

Whichever package you choose, heaven on Earth is waiting for you.

Secure your Cook Islands escape today with the My Holiday Experts on 1300 642 642 or at MyHoliday.com.



\$1000 BONUS VALUE

THE RAROTONGAN BEACH RESORT & LAGOONARIUM

★★★★

YOUR 7 NIGHT HOLIDAY PACKAGE

- 7 Nights in a Beachside Room
- Return flights including checked luggage
- Return airport and resort transfers
- Breakfast daily overlooking Aroa Lagoon
- Welcome tropical juice on arrival
- Invitation to the management sunset candlelit party

BONUS 1 Kids straw play and eat free

BONUS 2 Choice of Kales Lagoon Cruise or Aroa Lagoon Aroa Island Tour

BONUS 3 \$1000 Resort credit

BONUS 4 Island Night Drive, Dance Show and Traditional Feast

FROM **\$1990** PER PERSON | TWIN SHARE

BOOK BY 31 AUG 24 | TRAVEL SELECT DATES NOW - 31 MAR 25

\$1750 BONUS VALUE

SANCTUARY RAROTONGA - ON THE BEACH

★★★★

YOUR 7 NIGHT HOLIDAY PACKAGE

- 5 Nights in a guaranteed upgraded Beachfront Suite
- Return flights including checked luggage
- Return airport and resort transfers
- Breakfast daily

BONUS 1 My Holiday VIP Airport Lounge Access*

BONUS 2 Captain James Lagoon Cruise

BONUS 3 Island Night Drum Dance Show and Traditional Feast

BONUS 4 Pizza and drinks experience on the Beach

BONUS 5 Bottle of Champagne at sunset

FROM **\$2399** PER PERSON | TWIN SHARE

BOOK BY 31 AUG 24 | TRAVEL SELECT DATES NOW - 31 MAR 25

\$2200 BONUS VALUE

COOK ISLANDS TWO ISLAND ESCAPE

★★★★

YOUR 7 NIGHT HOLIDAY PACKAGE

- 5 Nights in a guaranteed upgraded Beachfront Suite at Sanctuary Rarotonga - On the Beach
- 4 Nights in a guaranteed upgraded Premium Beachfront Bungalow at Ahurahi Lagoon Private Island Resort
- Return international and domestic flights
- Return airport and resort transfers
- Breakfast daily at both resorts

BONUS 1 My Holiday VIP Airport Lounge Access*

BONUS 2 Choice of cruise

BONUS 3 Choice of mix and match spa package

BONUS 4 Bottle of Champagne at sunset

FROM **\$3499** PER PERSON | TWIN SHARE

BOOK BY 31 AUG 24 | TRAVEL SELECT DATES NOW - 31 MAR 25

My holiday

MyHoliday.com | 1300 642 642

My holiday

MyHoliday.com | 1300 642 642

2023 WINNER | MOST OUTSTANDING HYBRID ONLINE TRAVEL AGENCY (NIA)

★★★★★ Google REVIEWS

2023 WINNER | MOST OUTSTANDING HYBRID ONLINE TRAVEL AGENCY (NIA)

★★★★★ Google REVIEWS

FLIGHT CENTRE | ALSO AVAILABLE IN STORES NATIONALLY

HAVE A FLIGHT CENTRE GIFT CARD? CALL US TO REDEEM ON YOUR MY HOLIDAY PACKAGE

BOOK NOW PAY LATER! LOW DEPOSIT \$299*PP

NCL NORWEGIAN CRUISE LINE

LAST CHANCE 2025

UNBEATABLE VALUE | IRRISISTABLE PACKAGES ON SALE NOW

ALL-INCLUSIVE HAWAIIAN ISLANDS IN 2025

10 NIGHT FLY, STAY & CRUISE HOLIDAY WITH \$4000 BONUS VALUE



Return international flights to Honolulu
BONUS 3 Night hotel stay at Sheraton Princess Kaiulani to explore Waikiki

Spend the day at the world-famous Waikiki Beach then return to the resort to relax with cocktails in hand at the resort's swimming pool bar

7 Night Hawaiian Islands cruise onboard Pride of America
 Overnight onboard stays in Maui and Kauai

Onboard dining across a range of complimentary venues
 Onboard entertainment including live music and performances

BONUS USD\$200 Onboard spending credit
 Onboard prepaid gratuities

BONUS My Cruises package savings

NCL'S FREE AT SEA BONUS INCLUSIONS

BONUS Onboard beverage package with cocktails, spirits, wine, draft beer, juice and soft drinks

BONUS Onboard specialty dining and wifi packages

BONUS USD\$300 Shore excursion credit



FROM **\$4490** PP
 VALUED AT *\$4900 PP

BOOK BY 31 AUG 24
 DEAL CODE MC-31575
 MULTIPLE 2025 DATES AVAILABLE

My cruises

MyCruises.com.au | 1300 924 585

SPEAK TO AN EXPERT | OPEN 7 DAYS

AWARDED IN 2023 | LARGE CRUISE AGENCY OF THE YEAR - AUSTRALASIA (CLIA)

★★★★★ Google REVIEWS



NATIONAL TRAVEL INDUSTRY AWARDS
 2023 WINNER
MOST OUTSTANDING HYBRID ONLINE TRAVEL AGENCY

UNBEATABLE FIJI PACKAGES ON SALE NOW!

MY FIJI VIP HOLIDAYS

ONLY AT MY FIJI INCLUSIONS

EXCLUSIVE AIRPORT FAST TRACK MY FIJI ISLAND EXPERIENCES

UP TO \$2600 BONUS VALUE

OUTRIGGER FIJI BEACH RESORT

FROM **\$2399** PP

FIJI OF FIJI AIRWAYS

MYFIJI.COM | FIJI PACKAGES ON SALE NOW! | Learn more

6 Nights in an Ocean View King Room Bask in breathtaking ocean views from...

TOURING COLLECTION

8 Day Family Tour CHINA'S GREAT WALL AND DISNEYLAND

FROM **\$1999**

MYCRUISES.COM.AU | TOURING COLLECTION | Includes Return Flights | Click or Call 1300 829 694 | Learn more

My cruises

15 night Euro summer package

from just **\$6990**

Today EXTRA

My cruises

Scan Now and Get A Bonus

\$200 Onboard Credit For The First 100 Bookings

Today EXTRA

T CENTRE TRAVEL GROUP

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SECTION 4

OUTLOOK

OUTLOOK

FY25: Balancing short and long-term priorities

TARGETING A SUSTAINABLE 2% MARGIN

- Profitable growth the priority in post-COVID era, after 5-year period of solid but "profitless" TTV expansion pre-pandemic
- Focus on achieving 2% margin target within the "stretch" timeframe (FY25) but not to the business's longer-term detriment
- Will continue to invest significantly in key growth drivers:
 - People – our most valuable asset (strong retention post-COVID & recognised globally (25 countries) during FY24 as a Great Place To Work)
 - Sales network – brands & channels, including Horizon 2 & 3 businesses
 - Products & systems to further enhance productivity & improve the customer experience
- \$100m cap-ex anticipated during FY25, including circa \$75m investment in tech/systems
- Further investment in key projects – corporate Productive Operations & platforms, leisure omni-channel enhancements, HRIS (human resources information system), airfare aggregation
- Circa 35 leisure shops expected to open (including 18 Travel Money outlets)



OUTLOOK

FY25: Market conditions

Cost of living (col) pressures have curbed discretionary spending in some sectors but travel has generally out-performed

- YOY growth continues – now back to a normal run-rate
- A highly resilient sector historically - almost 6% CAGR in Australian short-term resident departures over 40-year period pre-COVID (Appendix 5)
- Rapid rebounds - globally, the industry has regained its growth trajectory fairly quickly after major downturns {Appendix 5} - Gulf War. 9/11, GFC

Some macro-economic tailwinds in current climate to offset col headwinds:

HIGHER INTEREST RATES

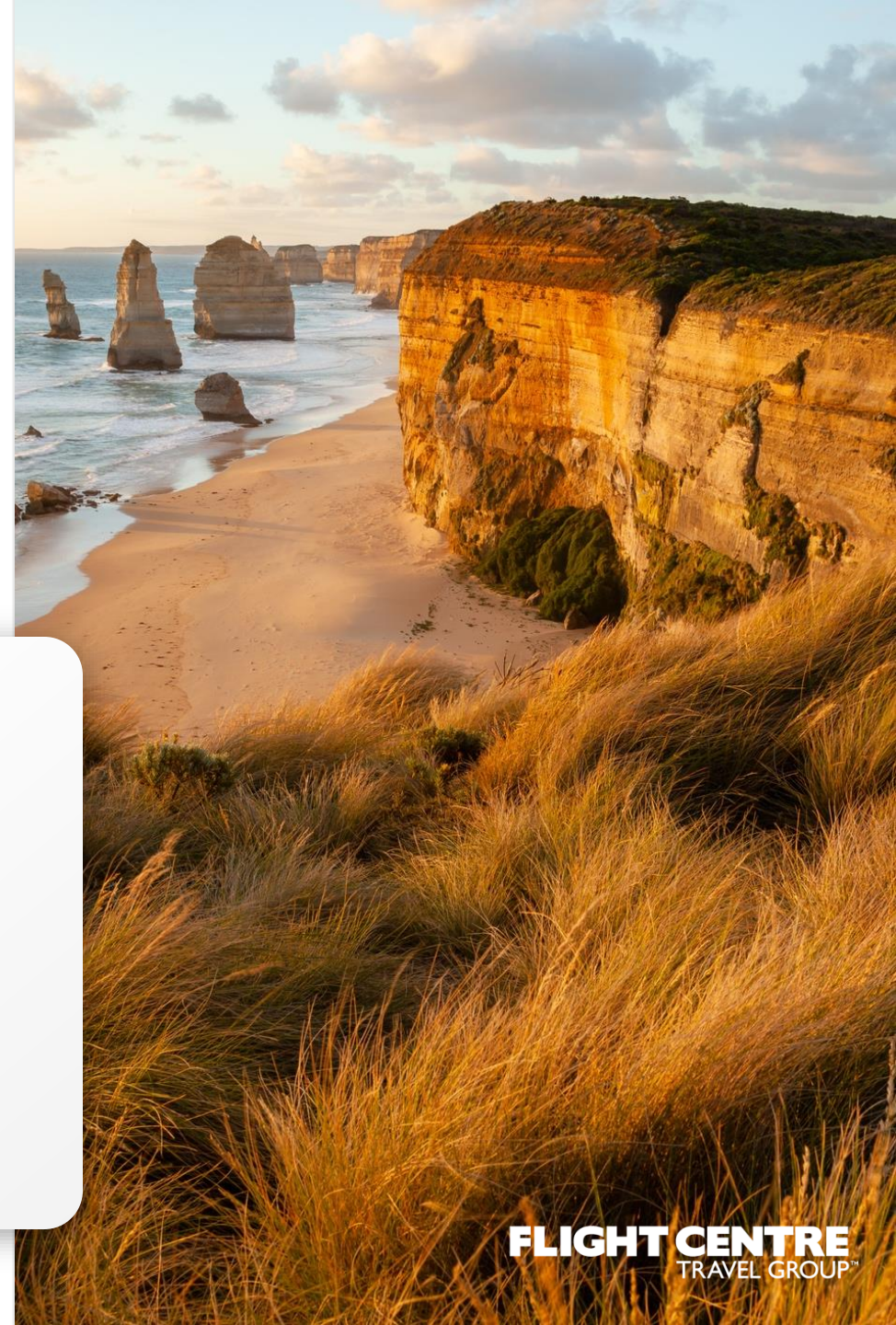
- Helping to fuel strong demand among older demographics
- Potentially higher returns on FLT's large global cash & investment portfolio

LOW UNEMPLOYMENT

- Applies across most key markets
- High percentage of population within the "travelling class" - with the means to take-off if travel is a priority

AIRFARE DEFLATION

- International travel now becoming more affordable, particularly in Australia, & stimulating volume growth
- 18% growth in international tickets in Australia in July 2024 (v July 2023) with 5% decline in average fares
- Potential boost to corporate travel activity as budgets start to extend further



OUTLOOK

Airfare affordability* improving as fares normalise

THE "TURNER INDEX"

| | 1947 | 50 years ago | 20 years ago | 10 years ago | 5 years ago | August 2024 |
|---|-----------------------------|------------------|-------------------------|----------------------|---------------------|---------------------|
| Sydney-London headline fare** | ~\$1170 | ~\$800-\$1000 | \$1299 | \$1359 | \$1039 | \$1509 |
| Average weekly wage (Australia)*** | \$14-\$16 | \$129 | \$953 | \$1454 | \$1634 | \$1925 |
| Relative affordability (headline fare as a % of weekly wage) | 7700% | 520%-775% | 136% | 93.5% | 64% | 78.4% |
| Pay-back period | 78 weeks (1.5 years) | 5-7 weeks | Almost 1.5 weeks | Almost 1 week | About 3 days | About 4 days |

*Affordability relates purely to headline airfare prices as a percentage of average wages

**Headlines fares for 2004, 2014 & 2024 are based on the cheapest fares advertised on flightcentre.com on comparable dates in August each year. The 1974 headline fare is based on Graham Turner's personal recollection. The 1947 fare reflects the amount customers paid for Qantas's first Kangaroo Route flight

*** Average weekly wage is based on Australian Bureau of Statistics data (typically, average weekly ordinary time earnings). The 1947 data is based on government documents from the period

OUTLOOK

Well placed to capitalise on opportunities

Long track record of growth

- Diversified business with strong customer value propositions across brand portfolio – driving ongoing TTV growth
- 37 years of record TTV in 42-year history (includes 4 covid-related misses from FY20-FY23)

Leisure & corporate businesses achieving strategic objectives

- Corporate business materially larger than pre-COVID & targeting significant productivity gains to drive stronger bottom-line growth in FCM in particular
- More productive, more efficient & more profitable leisure business, with FCB delivering stronger profits & horizon 2 brands driving TTV growth
- Aiming to out-pace overall market-growth in both the leisure & corporate sectors & deliver further margin improvement

Operating in a growth market

- Currently expecting normal travel patterns to return (circa 4-5% market growth YOY), broadly in line with IATA's long-term projection of circa 4% compounding annual growth in passenger demand globally for the 2023-2043 period (Source: Airline Profitability Outlook, June 3, 2024)
- Positive lead indicators among FLT's leisure & corporate clients (75% of corporate customers expect to travel the same or more during FY25 – Appendix 6), almost 90% of FCB customers expect to travel internationally within the next 12 months (Appendix 7)

Balance sheet strength

- Strong cash position to reinvest in the business &/or target new opportunities
- Ongoing organic growth focus but will consider M&A opportunities – new products or systems to enhance productivity/customer experience, new revenue streams in specialist travel sectors

Positive start to FY25

- Initial trading for FY25 positive, with both TTV & PBT exceeding the same period in FY24 – premature to read too much into early results
- FY25 TTV growth rate likely to be adversely impacted by ongoing airfare price deflation, which in turn is likely to stimulate volume growth & create further margin improvement opportunities
- FY25 guidance to be provided at AGM in November

OUTLOOK

Longer Term Priorities

Ongoing focus on delivering sustainable, long-term value.

- 1 THE RIGHT PEOPLE ON THE BUS**
Positive, productive, motivated & incentivised/rewarded people workforce & culture with business P&L accountability & ownership
- 2 PRODUCT**
A great range of quality, curated & personalised product, as well as mass product, & great service in travel & travel-related fields
- 3 FAMOUS BRANDS**
Creating & enhancing our famous brands that are universally mentally & physically available to customers
- 4 CUSTOMERS & SUPPLIERS**
Satisfied customers & a great relationship with supportive suppliers
- 5 PRODUCTIVITY IN, COSTS OUT**
Develop state-of-the-art global (where possible) tech products that make us more productive & give our customers & suppliers exactly what they need. Heavy focus on cost reduction during FY24 2H
- 6 GROWTH**
Encourage the start of new businesses (Horizon 3) & grow our Horizon 2 businesses to become Horizon 1

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THANK YOU

QUESTIONS

FLT's board of directors has authorized this announcement

FLIGHT CENTRE
TRAVEL GROUP™

APPENDIX I

Five-year result summary

| \$'m | FY24 | FY23 | FY22 | FY21 | FY20 |
|---|--------------|--------------|--------------|--------------|--------------|
| TTV | 23,744 | 21,939 | 10,340 | 3,945 | 15,303 |
| Revenue margin | 11.4% | 10.4% | 9.7% | 10.0% | 12.4% |
| EBITDA | 423 | 266 | (200) | (432) | (594) |
| EBITDA (underlying) | 478 | 302 | (183) | (338) | (407) |
| PBT | 220 | 70 | (378) | (602) | (849) |
| PBT (underlying) | 320 | 139 | (361) | (507) | (509) |
| NPAT | 139 | 47 | (287) | (433) | (662) |
| EPS | 63.7 c | 23.1 c | (142.4)c | (217.5)c | (552.2)c |
| DEPS | 50.2 c | 22.5 c | - | - | - |
| ROE | 11.6% | 4.2% | (36.9)% | (45.3)% | (48.7)% |
| Capex | 96 | 92 | 40 | 37 | 94 |
| Staff FTE - at 30 Jun | 12,514 | 13,065 | 10,401 | 8,905 | 10,533 |
| Cash at bank and on hand | 718 | 926 | 866 | 1,172 | 1,780 |
| Restricted cash | 420 | 402 | 361 | 119 | 88 |
| Cash and cash equivalents | 1,138 | 1,328 | 1,227 | 1,291 | 1,868 |
| Financial Asset Investments | 18 | 35 | 59 | 65 | 8 |
| Cash and investments | 1,156 | 1,363 | 1,286 | 1,356 | 1,876 |
| Undrawn Facilities Available | 314 | 17 | 20 | 5 | 4 |
| Total Cash, Investments and Undrawn Facilities | 1,470 | 1,380 | 1,306 | 1,361 | 1,880 |

APPENDIX 2

Bridge between statutory & underlying PBT

| \$'000 | FY24 | FY23 Restated* |
|---|----------------|-------------------|
| Net Profit Before Tax | 219,708 | 70,459 |
| SU impairment (non-cash), other restructuring costs & other head office lease impairment (non-cash) | 49,355 | - |
| US wholesale business trading loss & closure costs | 17,558 | - |
| Discova Americas trading loss & closure costs | 11,559 | - |
| Employee retention plans | 9,537 | 29,757 |
| Productive operations initiative (predominantly non-cash) | 19,151 | - |
| Gain on buy-back & remeasurement of convertible notes (non-cash) | (48,022) | - |
| Supplier exposure (REX) | 10,723 | - |
| Acquisition transaction costs – Scott Dunn | - | 6,065 |
| Covid-19 ROUA impairment reversal | - | (329) |
| Amortisation of convertible notes (non-cash) | 30,816 | 32,877 |
| Underlying PBT | 320,385 | 138,829 |

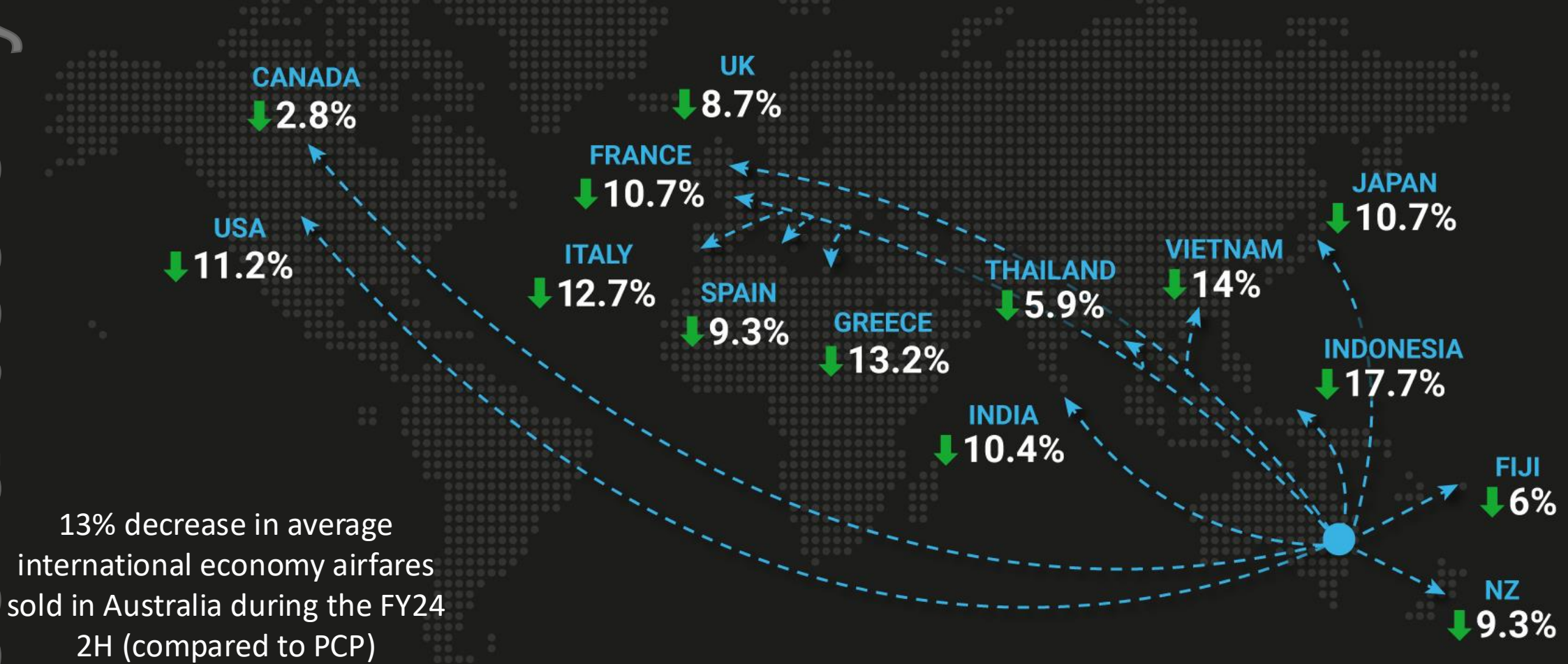
ADJUSTMENTS MADE TO UNDERLYING PBT INCLUDE:

- Buy-back & remeasurement of CBs – no further buy-backs during H2 but further activity likely in future
- StudentUniverse has been restructured under FLT's Jetmax online travel agency group. Non-cash goodwill impairment and other restructuring costs have been recognized in FY24. Synergies are being explored between StudentUniverse, BYOJet and Aunt Betty
- Amortisation of CBs - similar amount expected for FY25. PCP has also been adjusted
- US wholesale business & Discova Americas closures - full closure costs recognised in FY24, none expected in FY25
- Corporate Productive Operations initiatives - system decommissioning expenses as multiple mid and back-office systems are consolidated for productivity. Further adjustments anticipated as project continues
- Employee Covid retention plans - Plans ended during FY24
- Supplier exposure is the only new adjustment since July announcement & relates to money owed to FLT by REX

* Amortisation of convertible notes has been included as a non-cash underlying adjustment in the current period, with prior period comparative amounts restated.

APPENDIX 3

Airfares finally starting to fall



13% decrease in average international economy airfares sold in Australia during the FY24 2H (compared to PCP)

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APPENDIX 4

Geographic & business segment results

| | LEISURE | | CORPORATE | | OTHER | |
|--------------------------|------------|------------|------------|------------|-------------|----------------------------|
| \$m | FY24 | FY23 | FY24 | FY23 | FY24 | FY23 restated ¹ |
| TTV | 11,031 | 10,006 | 12,105 | 11,006 | 608 | 927 |
| Revenue | 1,352 | 1,121 | 1,112 | 978 | 247 | 182 |
| Underlying PBT | 188 | 92 | 211 | 146 | (79) | (100) |
| Underlying EBITDA | 281 | 172 | 249 | 190 | (52) | (60) |
| Margins | | | | | | |
| Revenue margin | 12.3% | 11.2% | 9.2% | 8.9% | 40.6% | 19.6% |
| Underlying PBT margin | 1.7% | 0.9% | 1.7% | 1.3% | (13.0)% | (10.8)% |

| | ANZ | | AMERICAS | | EMEA | | ASIA | | OTHER | |
|--------------------------|------------|------------|-----------|-----------|------------|-----------|-------------------|----------|-------------|----------------------------|
| \$m | FY24 | FY23 | FY24 | FY23 | FY24 | FY23 | FY24 ² | FY23 | FY24 | FY23 restated ¹ |
| TTV | 12,643 | 11,482 | 5,024 | 4,777 | 4,200 | 3,811 | 1,528 | 1,622 | 350 | 247 |
| Revenue | 1,398 | 1,153 | 517 | 481 | 470 | 404 | 107 | 88 | 219 | 155 |
| Underlying PBT | 258 | 143 | 57 | 24 | 100 | 72 | 9 | (4) | (103) | (95) |
| Underlying EBITDA | 332 | 226 | 79 | 50 | 107 | 82 | 20 | 5 | (60) | (61) |
| Margins | | | | | | | | | | |
| Revenue margin | 11.1% | 10.0% | 10.3% | 10.1% | 11.2% | 10.6% | 7.0% | 5.4% | 62.6% | 62.8% |
| Underlying PBT margin | 2.0% | 1.2% | 1.1% | 0.5% | 2.4% | 1.9% | 0.6% | (0.2)% | (29.4)% | (38.5)% |

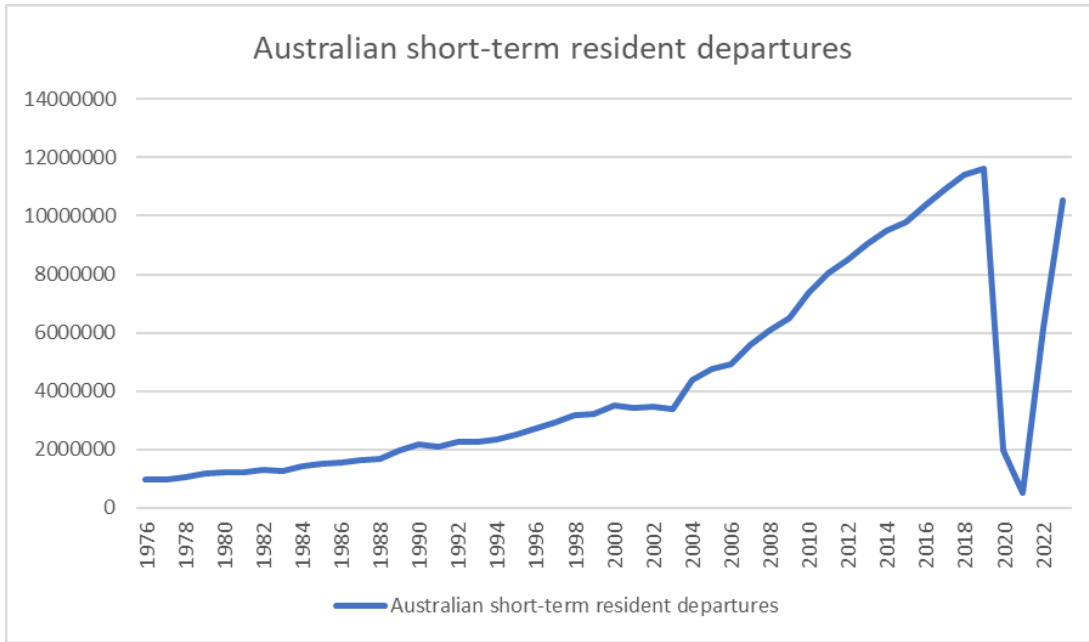
The "Other" business segment includes contributions from TP Connects, share of profits relating to the investment in Pedal Group, Avmin, Touring, Discova, Cross Hotels, GOGO & certain head office costs that have not been distributed to the leisure or corporate businesses.

1. Amortisation of convertible notes has been included as a non-cash underlying adjustment in the current period, with prior period comparative amounts restated.
2. Asia YoY TTV growth adversely impacted by closure of India wholesale FX business at end of FY23

APPENDIX 5

A growth sector

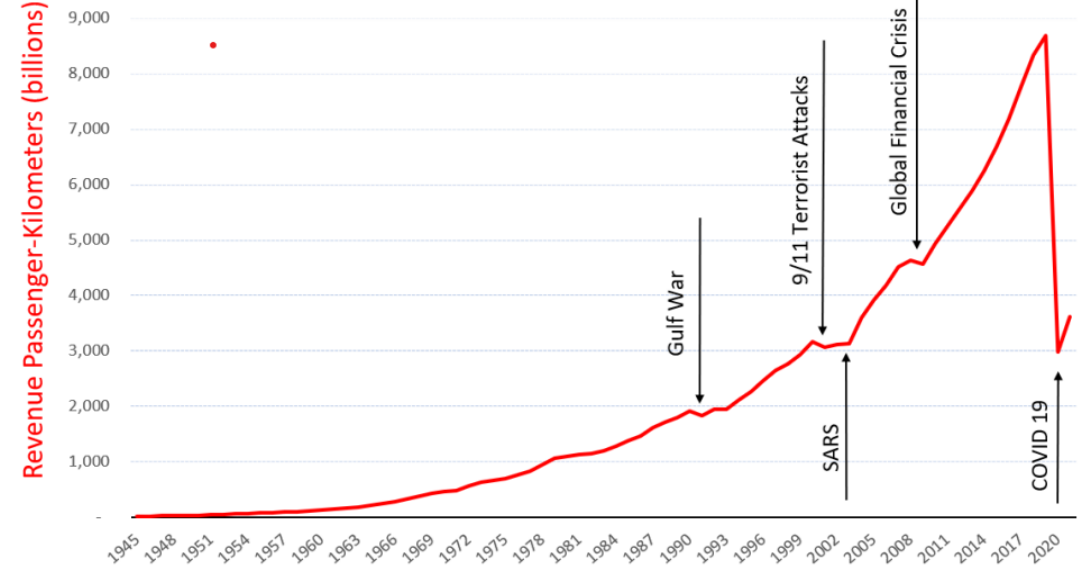
Strong & consistent increases in Australian outbound departures & in air travel globally



Source: Australian Bureau of Statistics

A Historically Resilient Industry

Global airline Revenue Passenger-Kilometers (RPKs) from 1945-2021, billion

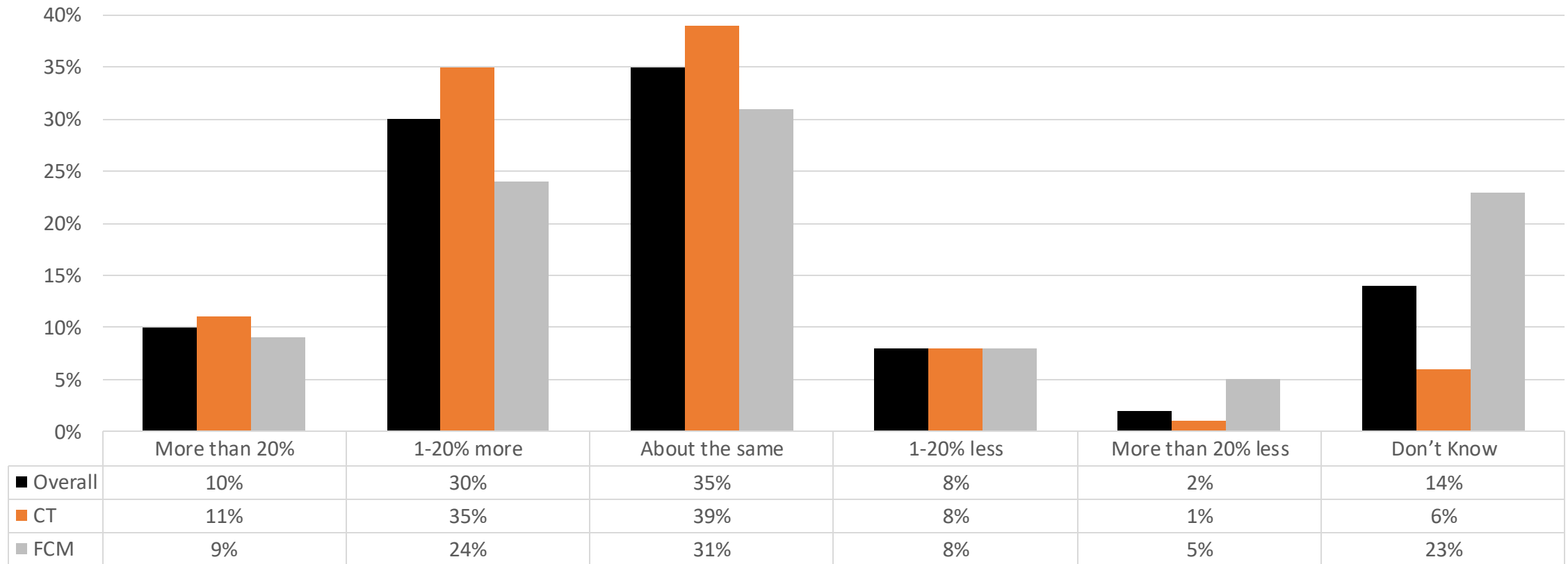


Source: IATA Economics

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APPENDIX 6

Most of our corporate customers plan to either increase or maintain their business travel activity in the next 12 months.



Question: How much does your company intend to travel for business from July to June 2025, compared to July 2023 to June 2024?

TRAVEL INTENTIONS

THE NEXT 12 MONTHS

- 82% of travellers intend to take more than 1 domestic trip in the next 12 months (+7pts growth since Nov '23)
- 89% intend to take an international trip in the next 12 months (+3pts since Nov '23)
- 85% intend to spend the same or more on their next international trip (+2pts since Nov '23) with 11% intending to spend significantly more (-4pts since Nov '23)

HOLIDAY TYPES CONSIDERED

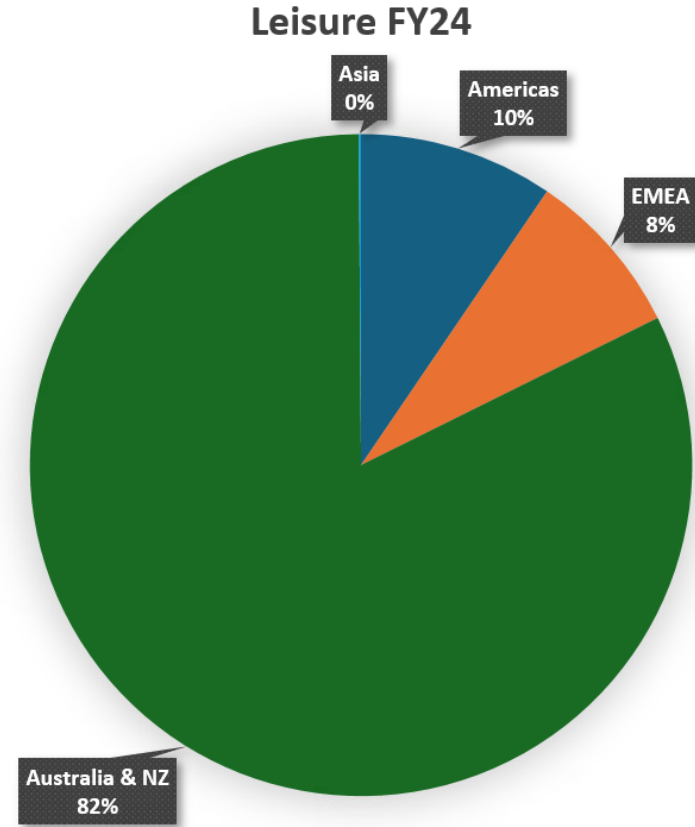
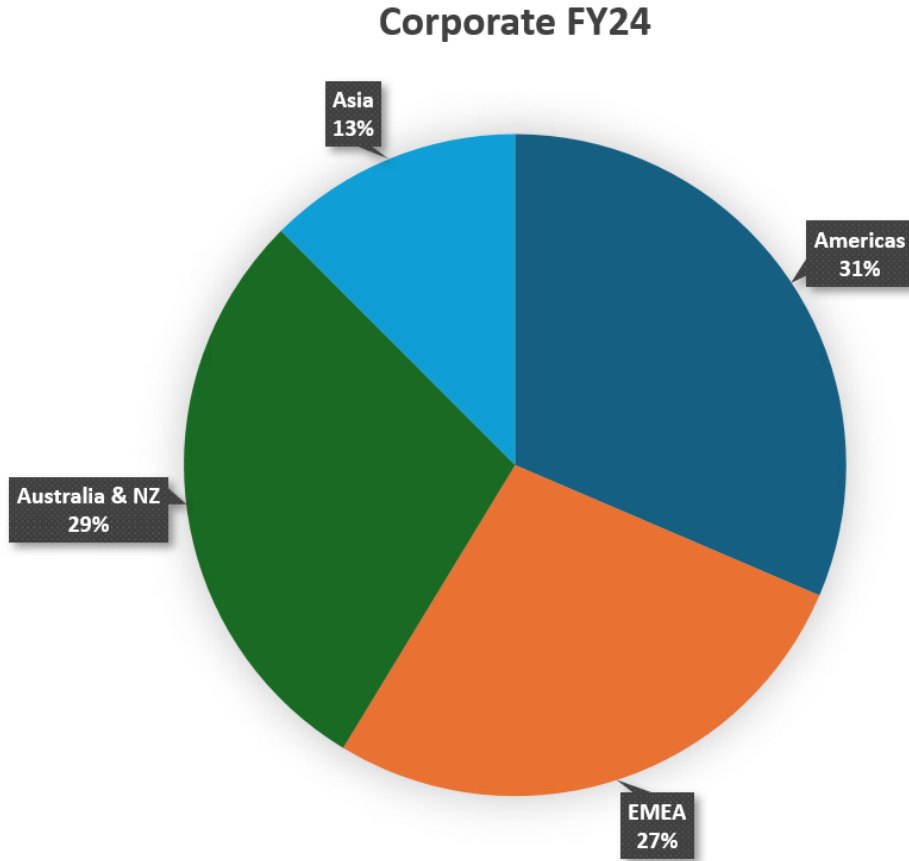
- Family holidays (43%), city breaks (27%), and multi-destination holidays (16%) are the most preferred holiday types.
- The most common reasons for international travel are to relax and recharge (36% +11pts since Nov '23), fulfil a bucket list trip (24%, +2pts), and spend quality time with friends & family (14%, -10 pts).

*This intentions survey had a sample size of 205 respondents, including Flight Centre customers in Australia, New Zealand, United Kingdom, Canada and South Africa, reached via the website in Aug '24.
Holiday consideration data retrieved from YouGov Global research in May '24.*



APPENDIX 8

Leisure & corporate TTV by geographical segment



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APPENDIX 9

Ongoing investment in sustainability

Sustainability report produced & released late in year 2023. Work underway on FY24 edition.



APPENDIX 9

Glossary

| | | | | | |
|---------------|--|-------------|---|-----------------------|-----------------------------------|
| ABS | Australian Bureau of Statistics | 1H | First half | MoM | Month-on-month |
| ABV | Average booking value | 1Q | First quarter | NDC | New Distribution Capability |
| AI | Artificial intelligence | EMEA | Europe, Middle East & Africa | NPAT | Net profit after tax |
| Avg | Average | FCB | Flight Centre brand | PBT | Profit before tax |
| BDM | Business development manager | FTE | Full-time employee | PCP | Prior corresponding period |
| BPS | Basis points | FX | Foreign exchange | PPE | Property, plant & equipment |
| BSP | Bank Settlement Plan (the way travel agents pay most airlines) | FY24 | 2024 fiscal year | Profit margin | PBT as a percentage of TTV |
| CNs | Convertible notes | GBS | Global Business Services area | Revenue margin | Revenue as a percentage of TTV |
| CRM | Customer relationship management | GBTA | Global Business Travel Association | RFP | Request for proposal |
| CX | Customer experience | GMN | Global multi-national | ROUA | Right of Use Asset |
| CY24 | 2024 calendar year | H1 | Horizon 1 businesses – FLT’s largest & most successful brands | RSA | South Africa |
| EBITDA | Earnings before interest, tax, depreciation & amortisation | H2 | Horizon 2 businesses (emerging) | SME | Small to medium sized enterprises |
| EPS | Earnings per share | HY | Half year | TMC | Travel management company |
| DEPS | Diluted Earnings per share | IATA | International Air Transport Association | TSR | Total shareholder returns |
| DPS | Dividends per share | MIDT | Marketing Information Data Transfer | TTV | Total transaction value |
| | | | | VDS | Value delivery system |
| | | | | YOY | Year-on-year |