Morgan's Conference Presentation

Graham Turner, October 18 2024

FLIGHT CENTRE
TRAVEL GROUP™

Flight Centre Travel Group (FLT): Our story

A diverse global business

- ✓ 4 key divisions in 4 regions – Australia's largest travel retailer & corporate travel manager
- ✓ Circa 15,000 global workforce (including independent agents) – recently recognised as a Great Place To Work in 25 countries

Proven track record of sales growth in a resilient sector

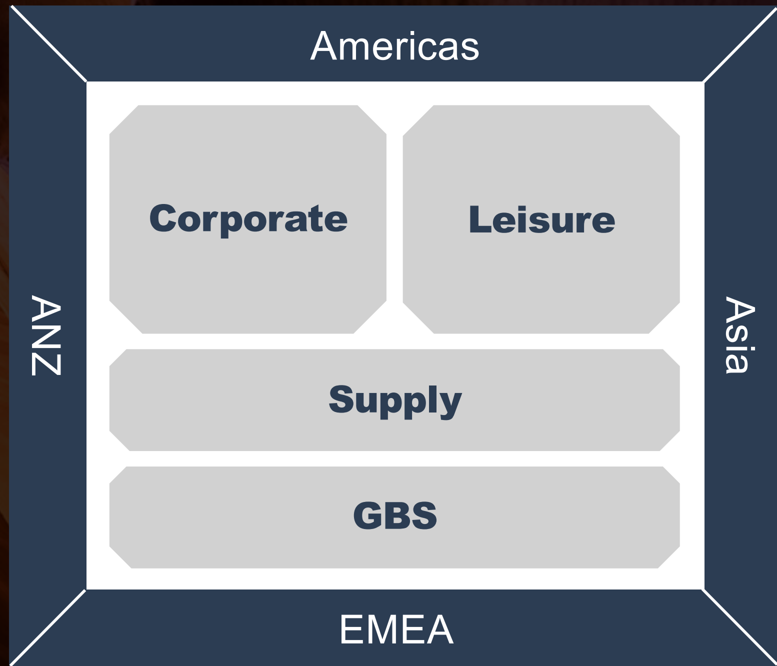
- ✓ 37 years of record sales ((TTV) in 42 years (includes 4 COVID-related misses)
- ✓ Large repeat customer base – recurring leisure & corporate revenue
- ✓ Leisure business leveraged to outbound travel – a market that grew at a 5.9% CAGR over 40 years pre-COVID (Source: ABS short-term resident departures)

Re-emerging from the pandemic in a stronger position

- ✓ A more efficient & more productive business with building blocks in place to deliver stronger returns
- ✓ Strong cash generation - record $421m operating cash inflow during FY24
- ✓ Solidifying the balance sheet – more than $500m investment in capital management initiatives since start of FY24

Prioritising sustainable shareholder value creation

- ✓ Investing in key long-term growth drivers
    - Systems & tech to enhance productivity & customer experience
    - Sales network (on & offline channels & people)
    - Product & service offerings



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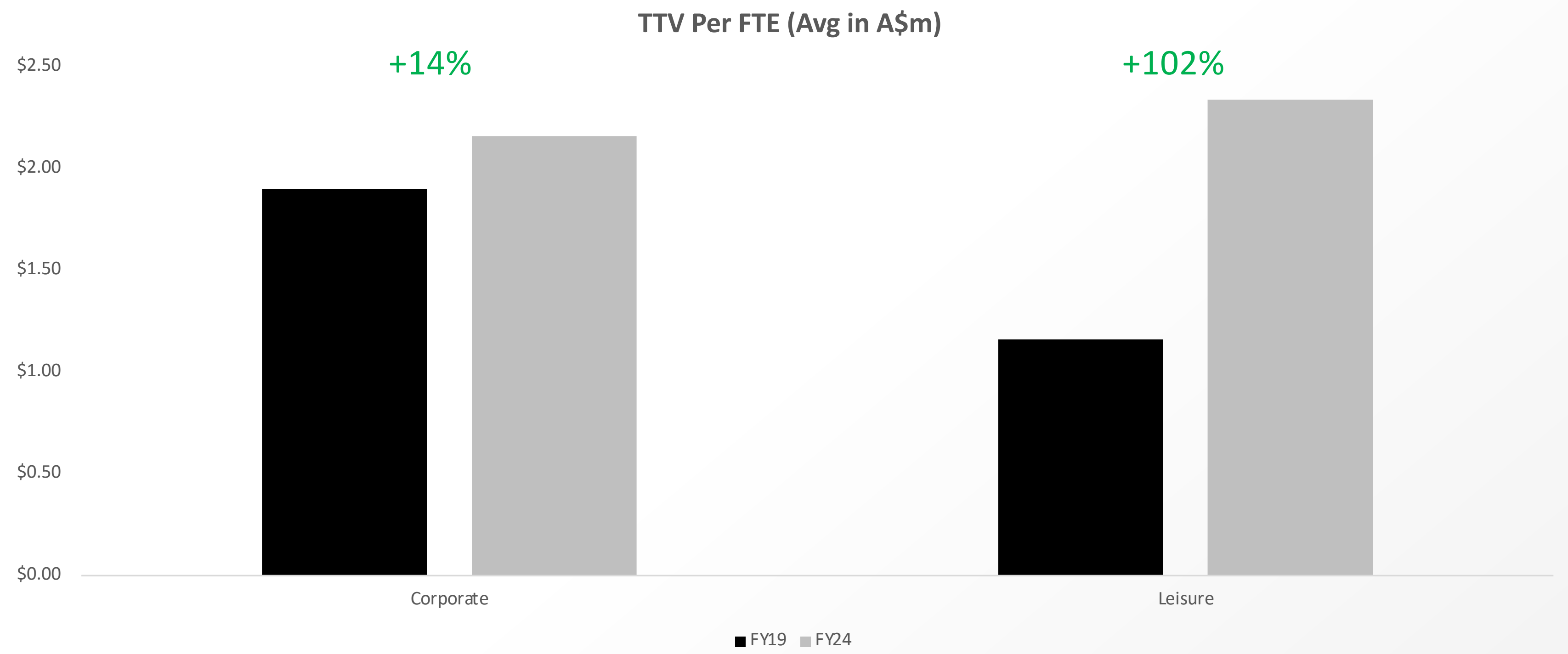
Re-emerging from the pandemic with a structurally lower cost base

✓ *Record TTV delivered during FY24 with less than 90% of FLT's traditional cost base*

FY24: Operating Cost Efficiencies

Cost base ($'000)	FY24 Expenses	FY24 One-off Expenses	FY24 Total Underlying Expenses	FY19 Total Underlying Expenses	FY24 % of FY19
Employee benefits	(1,421)	(37)	(1,384)	(1,592)	87%
Sales & Marketing expense	(171)	(1)	(170)	(194)	88%
Tour, hotel & cruise operations	(150)	(21)	(129)	(157)	82%
Finance costs - BOS & Leasing	(13)	(1)	(12)	(23)	52%
Impairment charge	(40)	(40)	–	–	0%
Other expenses	(568)	(35)	(533)	(694)	77%
Total Operating Expenses	**(2,363)**	**(135)**	**(2,228)**	**(2,660)**	**84 %**
Bank Debt & Convertible Note	(67)	(31)	(36)	(3)	1382%
Depreciation & Amortisation	(159)	(13)	(147)	(82)	178%
Total Expenses	**(2,589)**	**(178)**	**(2,410)**	**(2,745)**	**88%**

A more productive business



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Evolving Margin Profile

FY19

- 12.9% Revenue Margin
- 10.9% Underlying Cost Margin
- 1.4% Underlying PBT Margin

FY24

- 11.4% Revenue Margin
- 9.6% Underlying Cost Margin
- 1.35% Underlying PBT Margin

- *Revenue margin movement driven by business mix changes (growth in corporate and lower margin leisure businesses) and commission cuts from some airlines during the pandemic.*
- *Underlying cost margin improvement reflects structural changes made during pandemic, economies of scale.*

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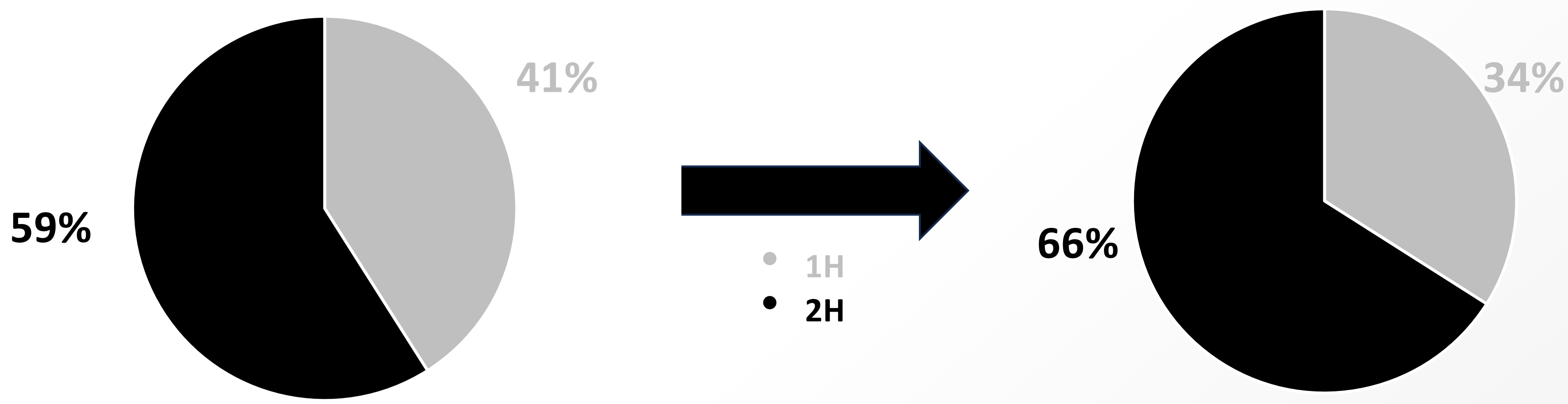
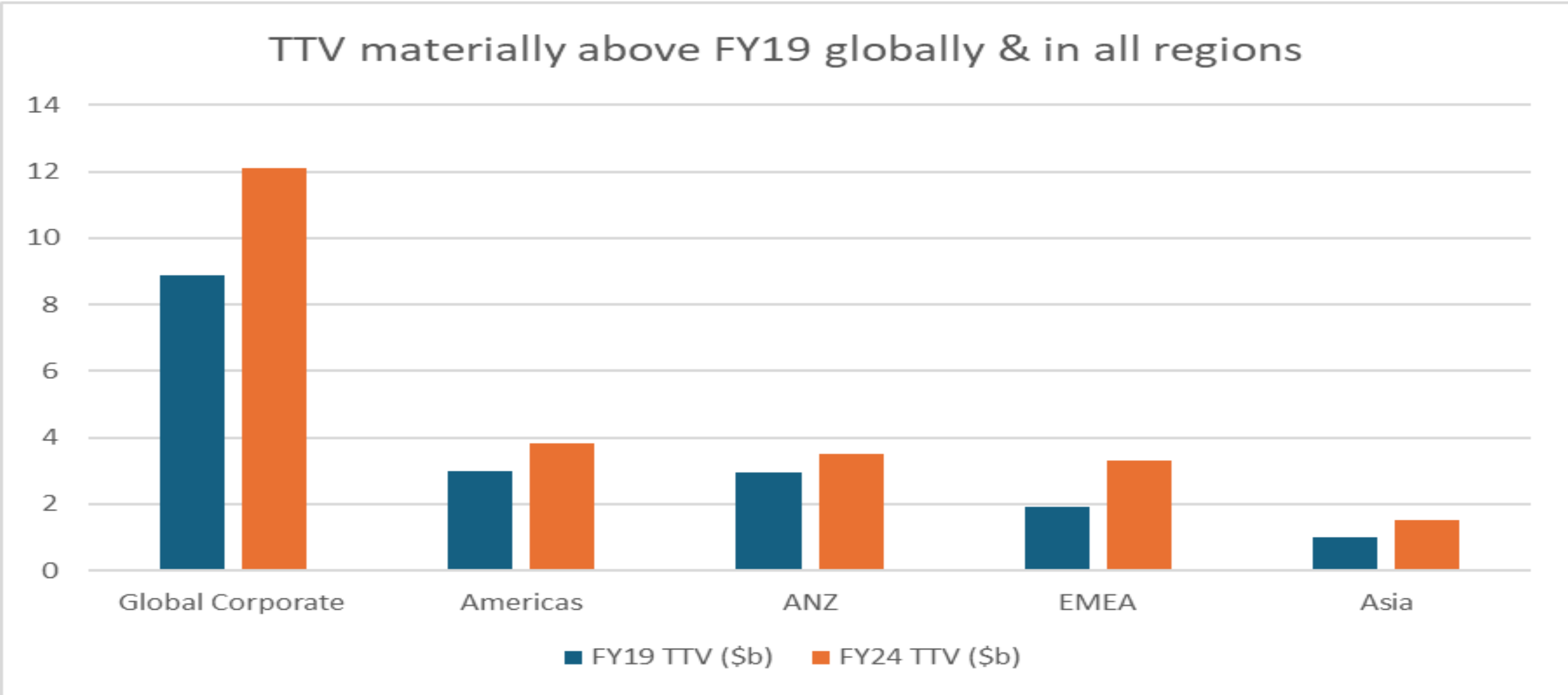
Heavier 2H Profit Weighting

% of Full Year Underlying PBT



- *FLT now has a heavier 2H earnings skew, with almost two thirds of FY24 underlying PBT generated during the six months to June 30*

A materially larger corporate business

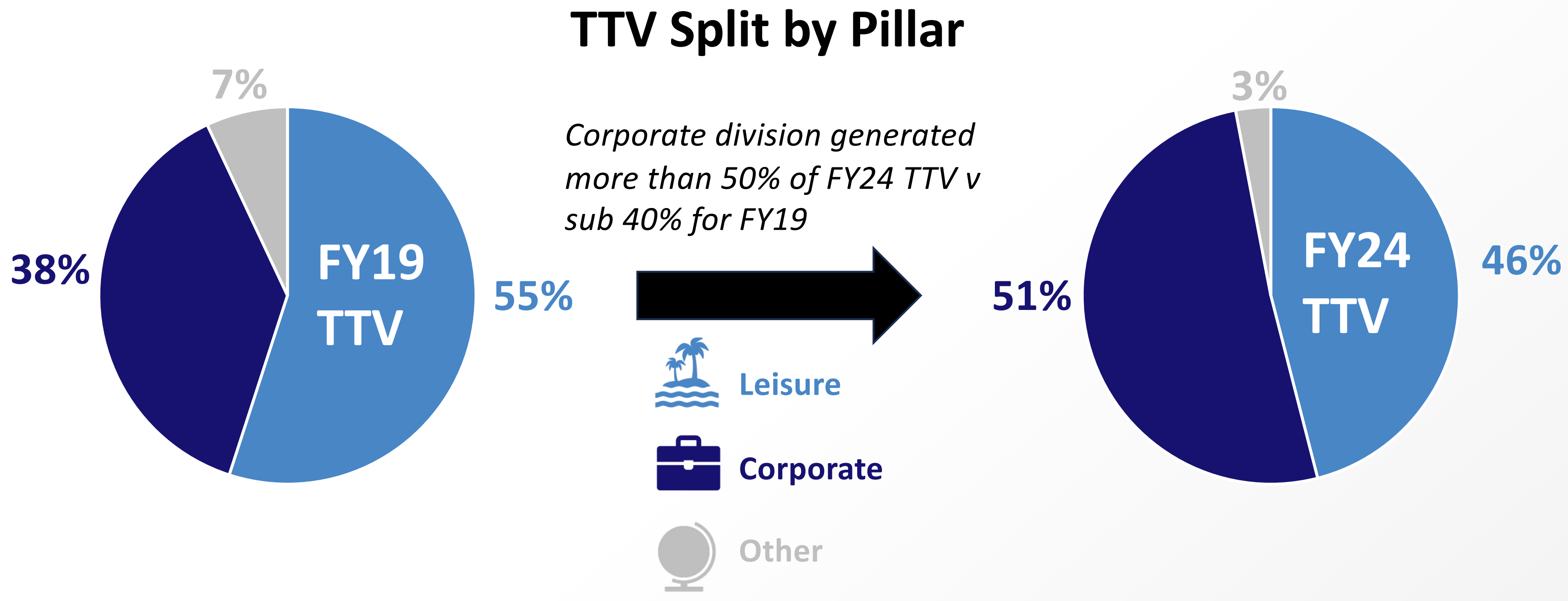


TTV growth rates v FY19

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

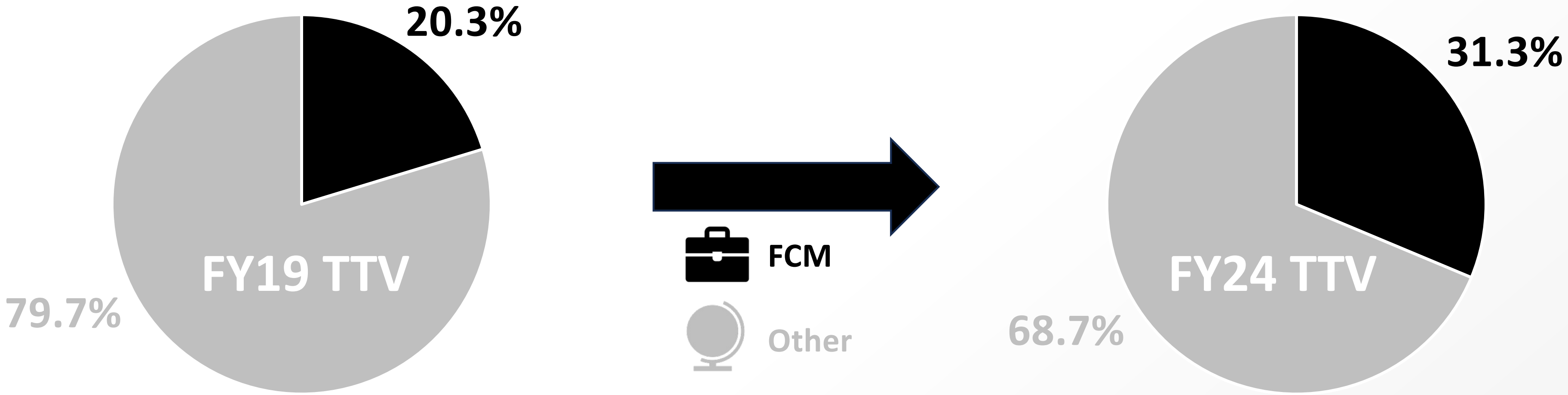
- *With Amex GBT's acquisition of CWT, FLT is estimated to be the world's 3rd largest corporate travel manager*

Corporate now FLT's major TTV contributor



FCM now FLT’s largest brand

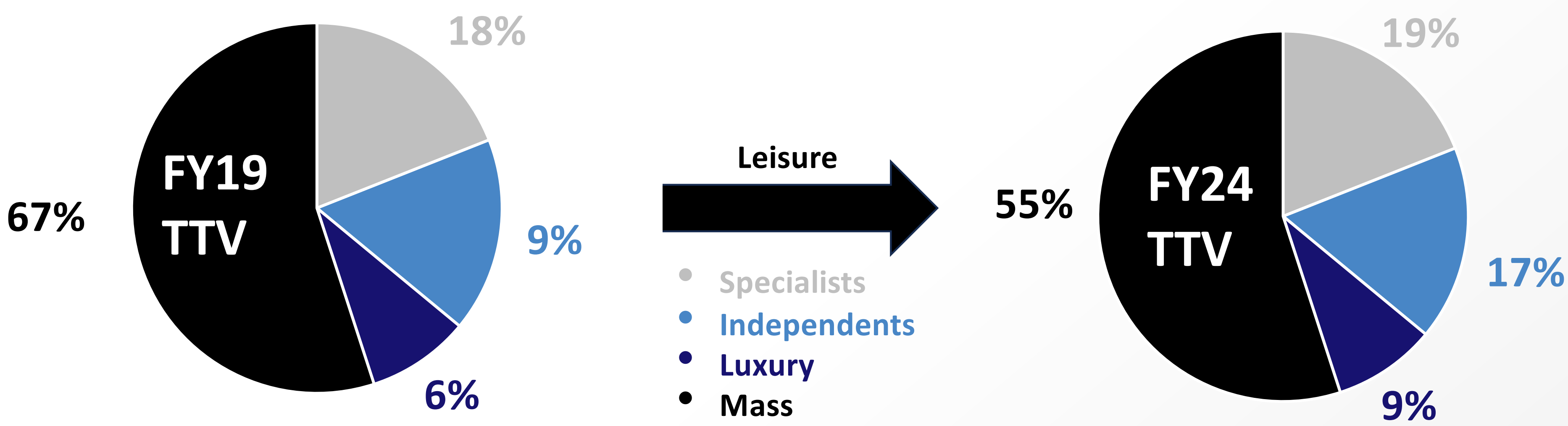
TTV Split (FCM v Other Brands)



- *FCM generated 31% of FLT’s FY24 TTV, compared to circa 20% in FY19*
- *Currently a lower profit margin business, but improvements expected as Productive Operations initiative gains traction*

A more profitable, productive & efficient leisure business

Leisure TTV Split



- *Decreased reliance on mass-market Flight Centre brand – 45% of leisure TTV generated by emerging (Horizon 2) businesses*

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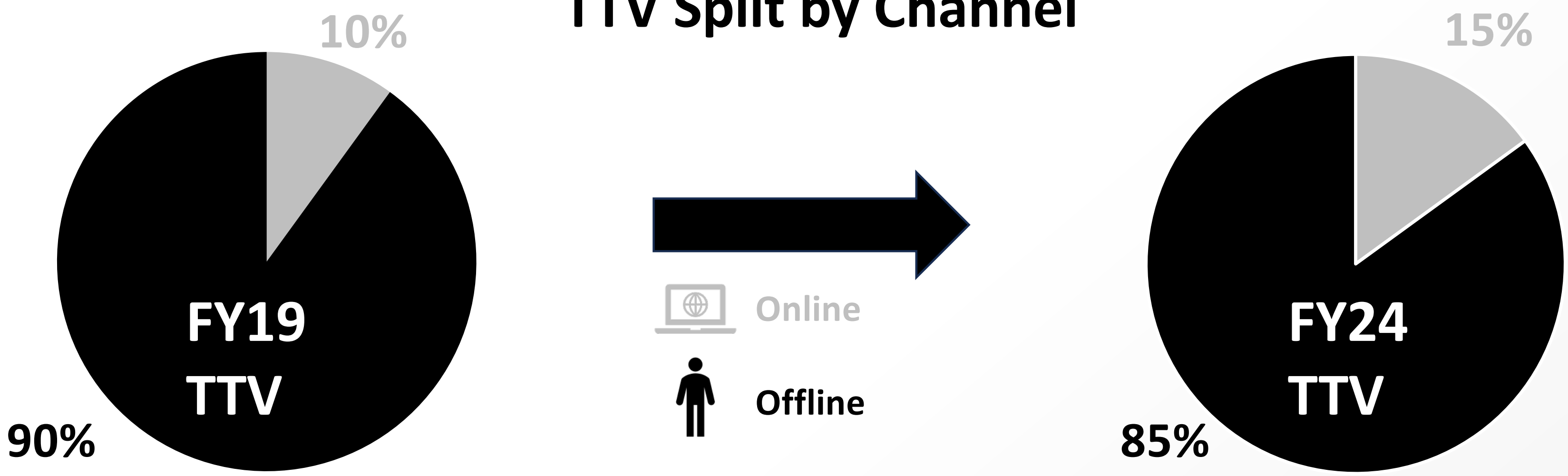
Strong Growth in Online Leisure Sales

TTV Split by Channel



- *FLT was the largest seller of airfares online in Australia for nine months to September 30, 2024 (Source: MIDT)*
- *Online volume is heavily weighted toward lower margin, point-to-point, domestic airfares*

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FY25: Trading update

- Market guidance to be provided at AGM (Nov 14), with profit again expected to be heavily second half weighted
- Trading marginally above FY24 Q1 across most key metrics – TTV, profit margin, underlying profit - but currently too early to draw conclusions as to likely trading patterns over full year
- Similar trends to late FY24 in early FY25 trading – some inconsistency month-to-month
- Global corporate sector activity flat during the first quarter (Source: MIDT). Wins helping drive TTV and transaction volume growth in FLT's global corporate business, but first quarter growth adversely impacted by airfare deflation & downtrading in some large accounts. Positive early signs for October.
- Starting to enter a seasonally busier trading period with leisure sales underway & corporate travel activity set to increase after Northern Hemisphere holiday period
- Continuing to monitor broader macro-economic conditions & their impacts on overall track sector growth (cyclical factors) in short-term & ahead of seasonally stronger trading periods
- Currently expecting normal industry growth over full year (as announced previously) with circa 4-5% growth in Australian outbound travel
- Also continuing to monitor airfare price deflation given its impact on short-term TTV growth – solid growth in international ticket volume in Australia during first quarter but largely being offset by deflation
- Ongoing focus on 2% underlying PBT margin but overall profit growth the main priority
- Investing for the future – growing & gaining scale in lower profit margin businesses to help drive future earnings & to capitalise on opportunities that arise within the market

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FLT: Recent Developments

LEISURE

- Aldi Holidays range launched (powered by Ignite)
- NCLX cruise collaboration – headlined by $99,990 full-year cruise to 220 ports
- Flight Centre Big Red Sale just launched
- New insurance range rollout from later this month with Europ Assistance

CORPORATE

- Continued focus on productivity gains
- Strong uptake of proprietary platforms (Melon & FCM Platform)
- New global Meetings & Events business launched (FCM Meetings & Events)
- International expansion of Stage, Screen & Sport offering – now servicing a number of high-profile US sports teams including Houston Rockets (NBA), New York Mets (MLB) & Jacksonville Jaguars (NFL)

OTHER

- Circa $60m convertible note buy-back (Tranche 2 notes) - overall balance now $665m face value
- Circa $100m in bank debt repaid - $350m facility now totally repaid

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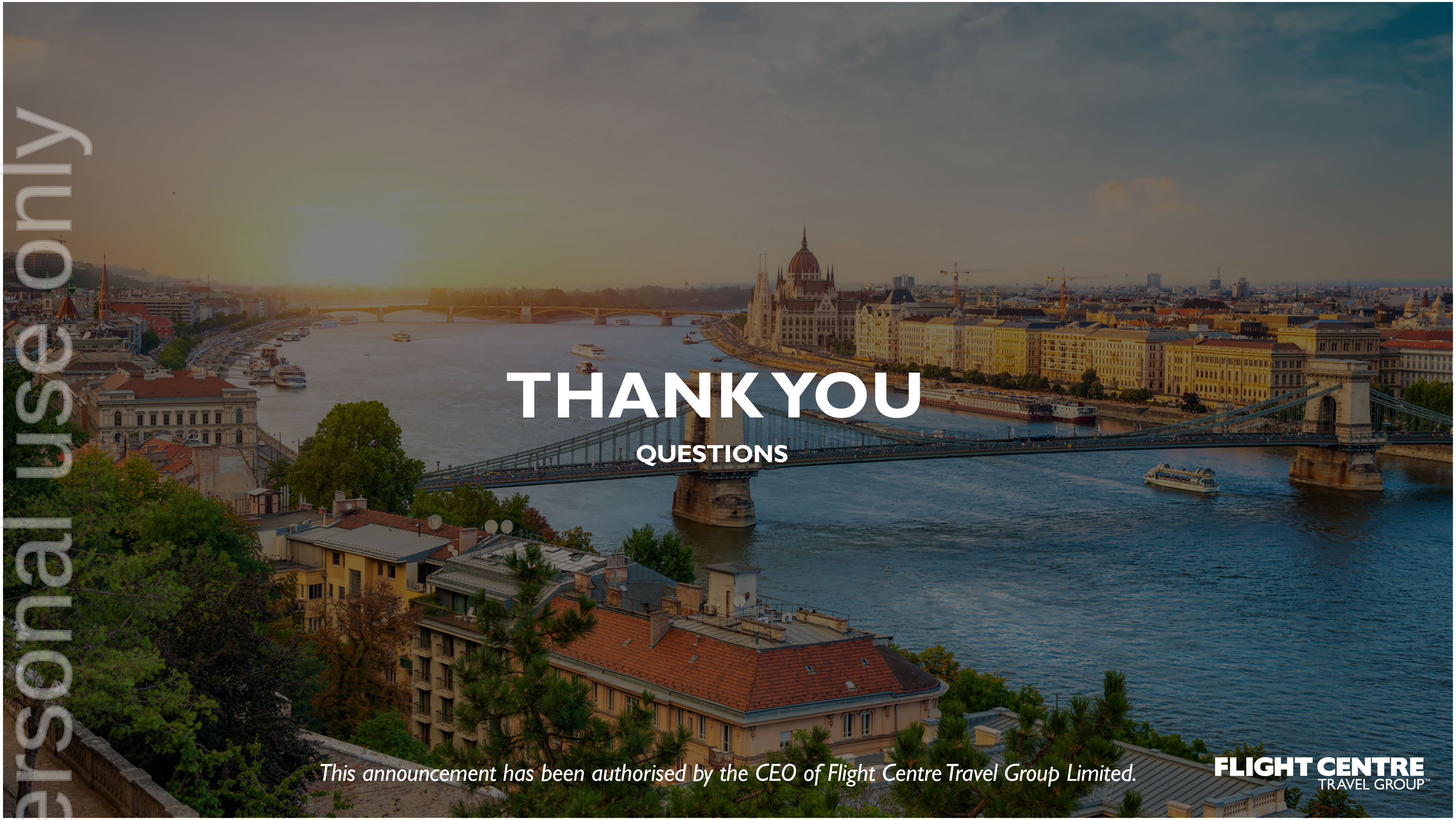
Google REVIEWS


THANK YOU
QUESTIONS
This announcement has been authorised by the CEO of Flight Centre Travel Group Limited.
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