2019 Full Year Results

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Group Financial Highlights

Group financial highlights

- **Underlying EBITDA up approximately 20% to $150.1m** (includes favourable $4.8m FX to forecasted FX assumptions)
- **Reported Operating Cash Flow 113% (2H19 166%)** due to timing of payment cycle to reporting period
- **Full year dividend** up 11% to 40c (final dividend 22c, 50% franked)
- **Strong conversion of revenue to EBITDA** due to benefits of CTM's technology platform investment playing out
- **Continued strong market share gains in all markets.** TTV ex Lotus up 15% on the p.c.p., reflecting market share growth
- **2H result impacted** by a unique set of macro-economic headwinds affecting client activity across 3 of 4 regions (EUR-no Brexit, Asia-trade war escalation/HKG demonstrations, ANZ-pre-election)
- Full year result **underscores strength of CTM's business model**, in variable market conditions

Reported ($AUDm)	FY19	Change on P.C.P
TTV (unaudited)	6,457.5	+30%
Revenue and other income	449.5	+21%
#Underlying EBITDA	**150.1**	**+20%**
Statutory NPAT attributable to owners of CTM	86.2	+12%
***Underlying NPAT attributable to owners of CTM (excluding acquisition amortisation)**	**96.9**	**+13%**
Statutory EPS, cents basic	79.6	+10%
*Underlying EPS, cents basic (excluding acquisition amortisation)	89.5	+10%
Full Year Dividend, partially franked	40c	+11%

Excluding pre-tax one-off acquisition and non recurring costs of $6.3m (FY18: $0.9m)

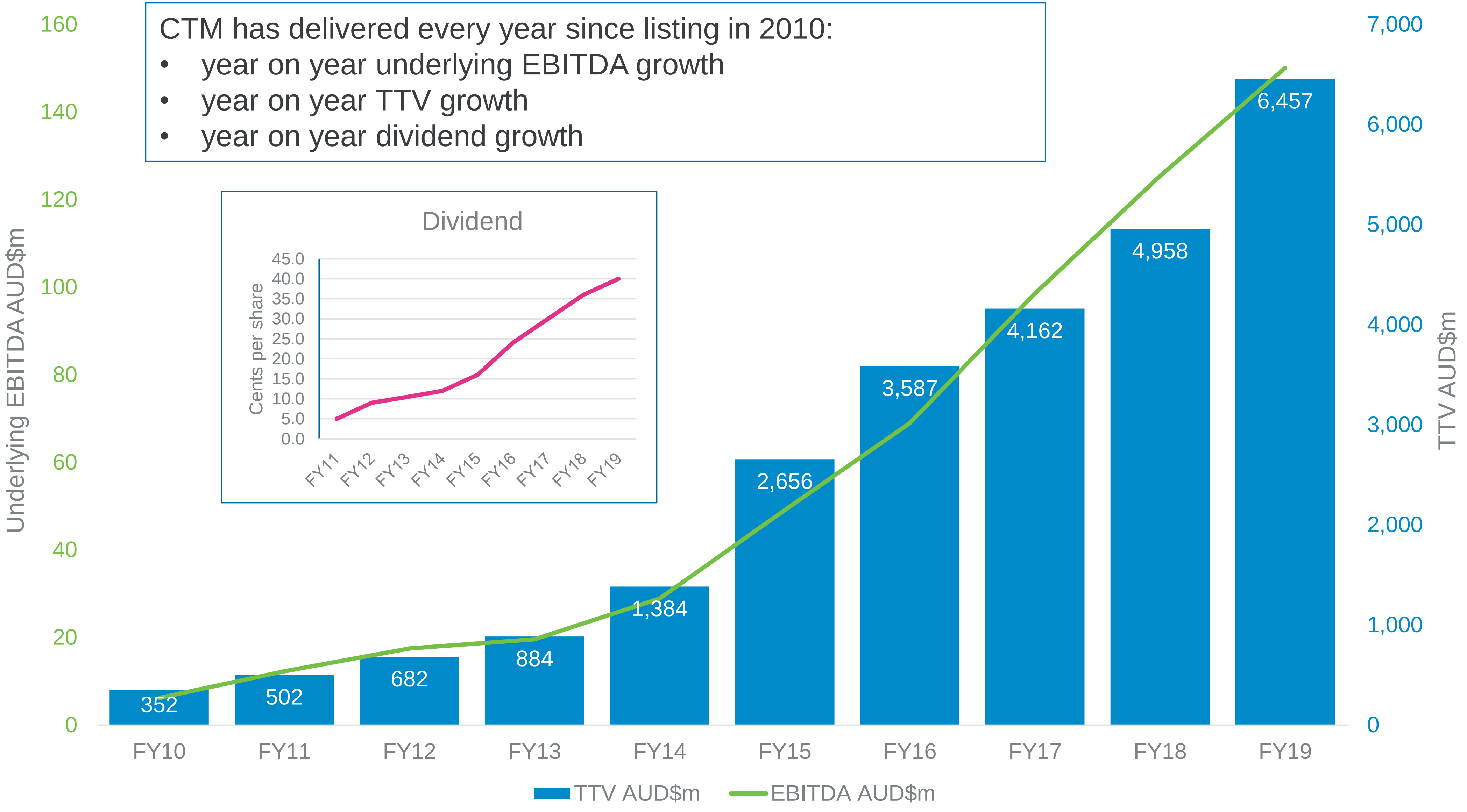
*Net of post-tax non-cash amortisation relating to acquisition accounting $5.6m (FY18 $8.6m) and acquisition costs of $5.1m (FY18: $0.7m)

Growth Profile and the Strategic Opportunity

Growth momentum maintained through multi-phase strategy

CTM has delivered every year since listing in 2010:

- year on year underlying EBITDA growth
- year on year TTV growth
- year on year dividend growth

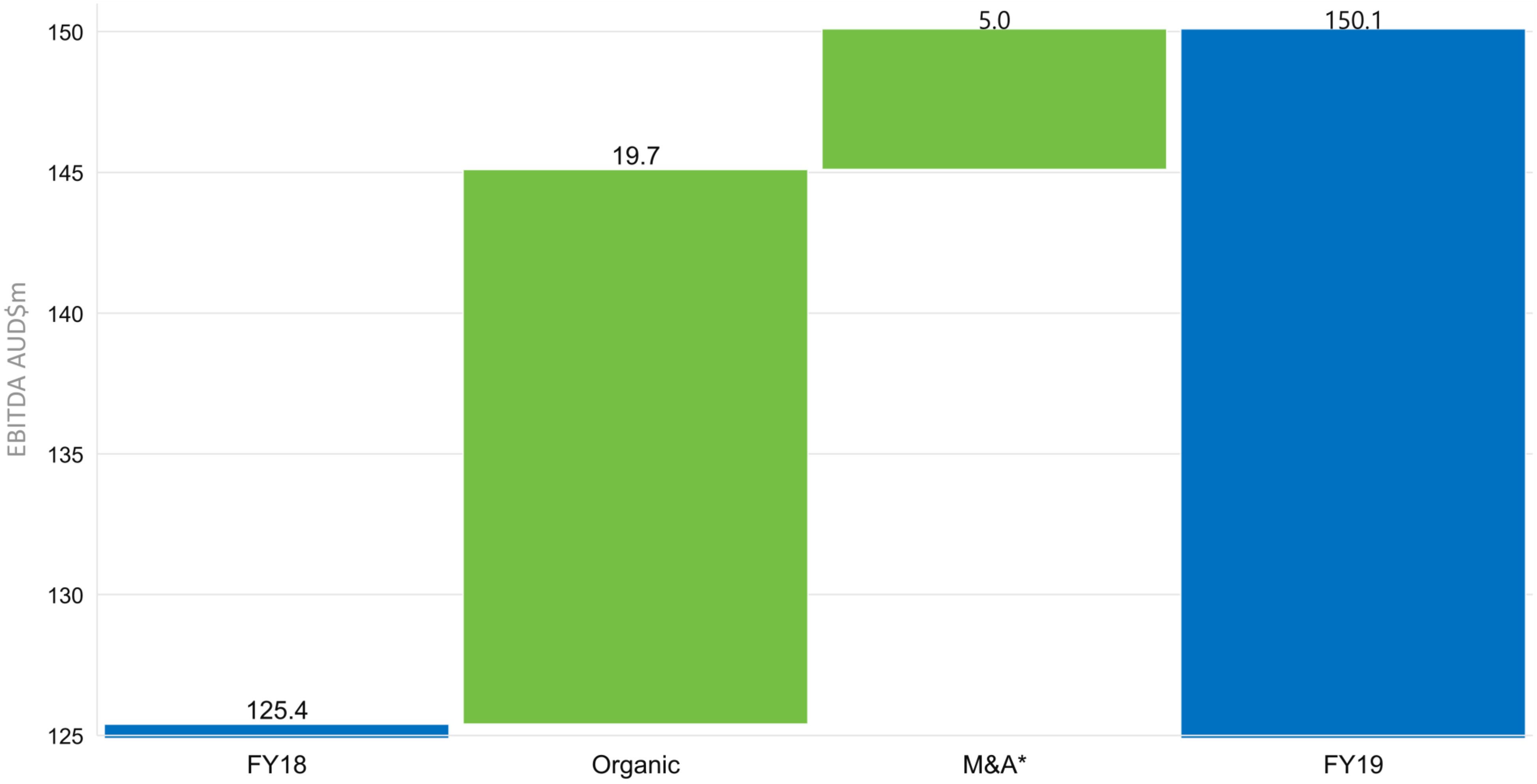


Progress on our strategic objectives FY14-FY21

	Phase 1 - FY14-FY17	Phase 2 - FY17-18	*Moving to our third phase*	Phase 3 - FY19-21
Our goals	Established a global network through acquisition	Grow every region beyond TTV$1bn, with organic growth the driver		Optimise global network and grow a sustainable, long term business
Success measures	**Acquire the best agencies** in each region as a base **Overlay CTM client value proposition and proven CTM business process** to establish building blocks for strong organic growth and accountability **Leverage global presence to win regional/global client segment**, in addition to SME/national clients	**Optimise and leverage scale** for improved EBITDA margins **Regional empowerment** to create scalability to support long term growth **Build out client facing technology hubs**, **in-region**, **with clients** to build technology for their specific needs in each region, speed to market, competitive advantage		Ensure regions are 'right sized' for optimum organic growth **using M&A as way to fast track** Focus on **in-house client facing technology development** and digital initiatives, with focus on **maintaining high service proposition and staff engagement** **A company that is recognised as "best"** in every market, achieves high organic growth, generates free cash flow and does not require debt to generate growth **Targeting 15%* p.a. EBITDA growth over this period, with any M&A additional** *****assumes steady client activity, year on year
Status	**Complete** ☑	**Complete** ☑		**FY19** ☑ **In progress** ⏭

Underlying FY19 EBITDA growth summary (AUD$m)

- Organic growth again the catalyst for performance**, representing approximately +16% on FY18 baseline**

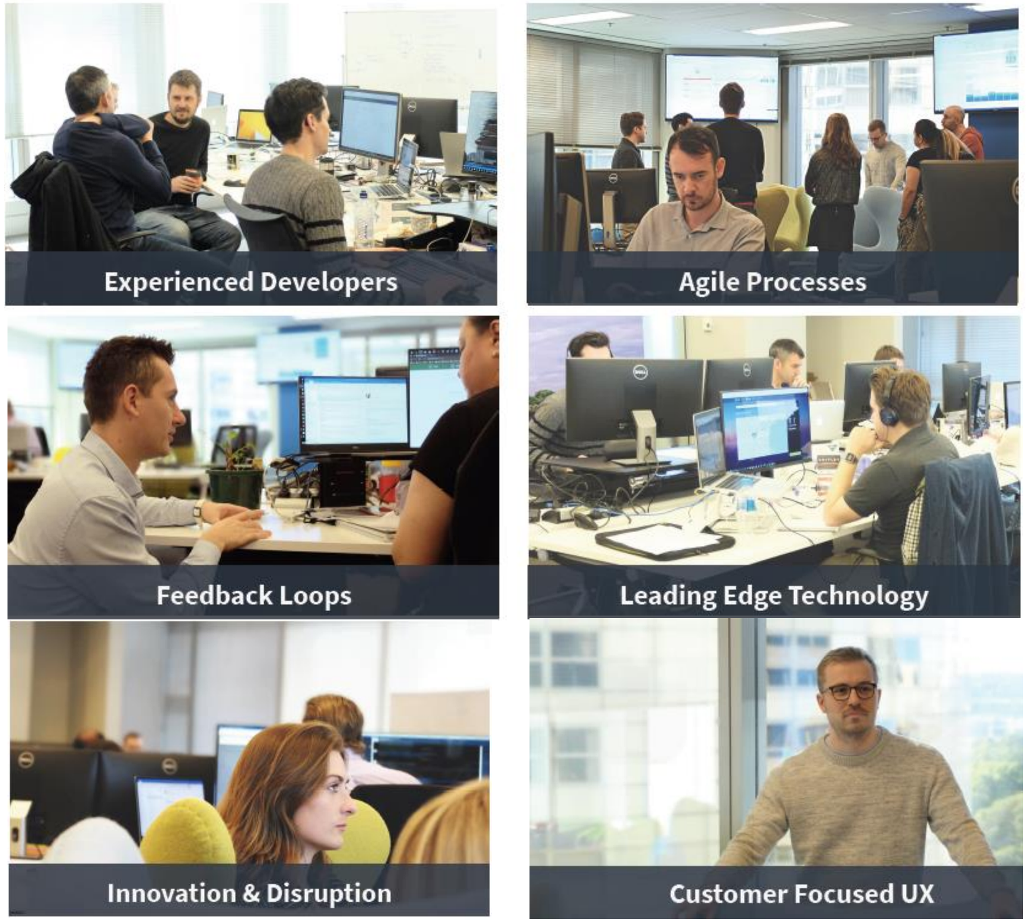


*M&A EBITDA values represent EBITDA at time of acquisition announcement (Lotus $4.0m, SCT $1.0m)

Technology Competitive Advantage

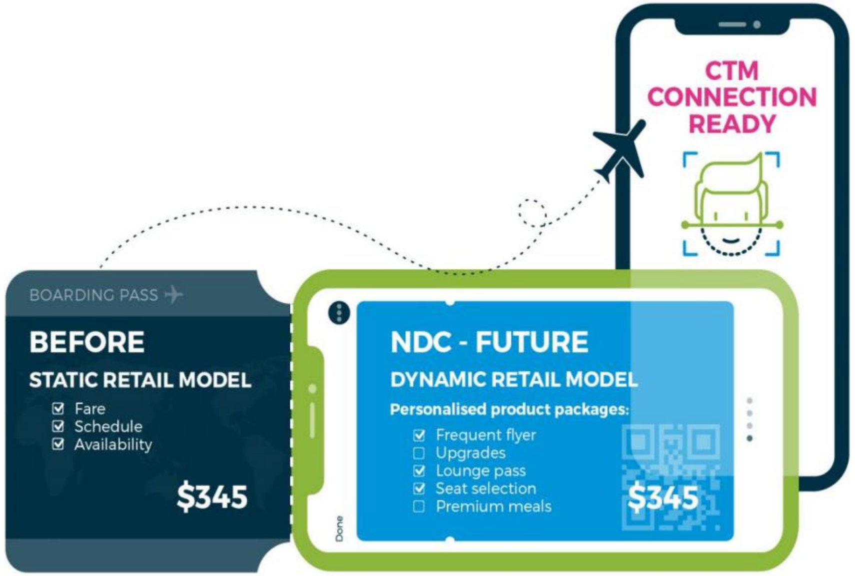
A unique approach - technology hubs located in all global regions

Region	Tech hub location
ANZ	Sydney, Australia
EUROPE	Hale, United Kingdom
USA	Los Angeles, USA
ASIA	Hong Kong



Goal : Control our destiny, address specific customer needs in-region for high usability

Benefits of our technology strategy



CTM Benefit

- **Commercial advantages** from not paying 3rd party transactional costs across the entire booking ecosystem
- **Controlling our destiny.** Develop and deploy quickly for customer demands
- **Feedback loops with customers** give us insights for roadmap development

Customer Benefit

- ***95% customers extremely satisfied with CTM technology, *90% would recommend it to a colleague**
- **Customer experience is high.** CTM clients have a higher uptake on CTM tools versus 3rd party tools
- **"Content is king".** CTM technology seamlessly aggregates supplier inventory from a variety of sources allowing best access to content, including New Distribution Capability (NDC^), GDS, APIs
- **Delivered seamlessly** via CTM's Lightning on-line booking technology
- **Intuitive functionality** that provides many features to help manage corporate travel programs outside of the booking tool e.g. Data tracking and analytics, travellers safety and management, forecasting tools and demonstrable ROI

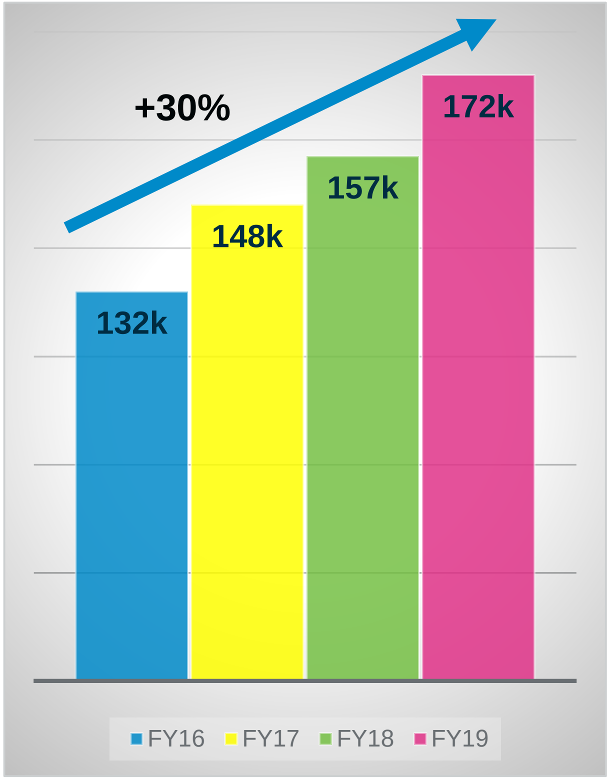
Supplier Benefit

- NDC has the ability to display **personalised supplier content tailored** to CTM customers
- **CTM partners with key suppliers** to provide valuable content to different customer types

^The New Distribution Capability (NDC) standard enhances the capability of communications between airlines and travel agents, by using a XML-based data transmission standard allowing for more personalised offers to the customer
*ANZ/EUR CTM 2019 internal client survey- see appendix slide 35

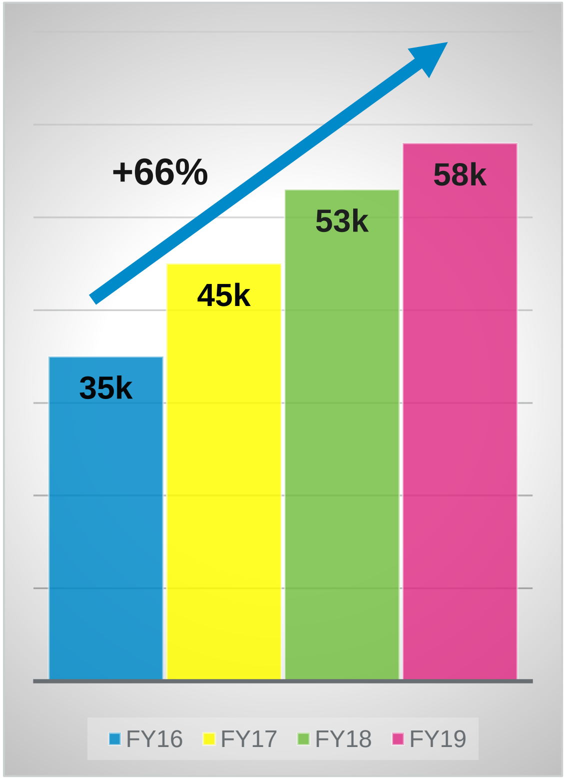
Financial outcomes of our technology strategy

Increasing Revenue per FTE (productivity)



- **Automation** reducing non-client facing process
- **Creates more travel consultant time to service complex travel demands**

Increasing EBITDA per FTE



- **Considerable technology investment** paying off
- **Customers using online technology** for simple transactions, not CTM team

CTM has spent circa $47m on client facing capex since FY16 and has attained a strong return on capital deployed so far.

Outcomes of technology investment:

1. **Strong market share gains**

- CTM technology strategy #1 reason for choosing CTM over a competitor
- ANZ/EUR FY16-19 CAGR TTV and revenue growth performance reflects the technology impact on market share gains
- Future opportunity exists in Asia and USA (early uptake FY19)

2. **Strong productivity and EBITDA gains. Why?**

- Lower transaction cost than using 3rd party
- Client usage is higher on CTM technology than 3rd party tools
- Superior staff utilisation. Staff time dedicated to deliver highly complex/high value itineraries. CTM technology takes care of non-client facing process and simple/low value transactions

- **Result:** uplift in productivity and profit per FTE

Regional Performance

FY19 regional overview

AUD	CTM Consolidated Jun-19 $m	CTM Consolidated Jun-18 $m		Australia & New Zealand Jun-19 $m	Australia & New Zealand Jun-18 $m		North America Jun-19 $m	North America Jun-18 $m		Asia Jun-19 $m	Asia Jun-18 $m		Europe Jun-19 $m	Europe Jun-18 $m		Global o/head Jun-19 $m	Global o/head Jun-18 $m	
TTV	**6,457.5**	**4,958.3**	30%	1,335.5	1,155.9	16%	1,459.1	1,306.1	12%	2,519.0	1,483.0	70%	1,143.9	1,013.3	13%	-	-	
Revenue	**446.7**	**371.0**	20%	121.7	108.5	12%	149.3	127.0	18%	80.4	53.8	49%	95.3	81.7	17%	-	-	
Underlying EBITDA	**150.1**	**125.4**	20%	51.5	44.0	17%	43.5	37.9	15%	24.7	19.5	27%	40.9	34.2	20%	(10.5)	(10.2)	3%
EBITDA/Revenue Margin	**33.6%**	**33.8%**		42.3%	40.6%		29.1%	29.8%		30.7%	36.2%		42.9%	41.9%				

*CONSTANT CURRENCY

TTV	6,093.9	4,958.3	23%	1,334.6	1,155.9	15%	1,344.5	1,306.1	3%	2,320.5	1,483.0	56%	1,094.3	1,013.3	8%	-	-	
Revenue	424.3	371.0	14%	121.6	108.5	12%	137.4	127.0	8%	74.1	53.8	38%	91.2	81.7	12%	-	-	
Underlying EBITDA	142.8	125.4	14%	51.5	44.0	17%	39.9	37.9	5%	22.9	19.5	17%	39.0	34.2	14%	(10.5)	(10.2)	3%

*Constant currency reflects June 2018 as previously reported. June 2019 represents local currency converted at FY2018 average monthly foreign currency rates for the full year ended 31 June 2019

ANZ

	FY19	FY18	% Change
Reported (AUD)	$m	$m	
TTV	1,335.5	1,155.9	16%
Revenue	121.7	108.5	12%
Underlying EBITDA	51.5	44.0	17%
EBITDA / Revenue Margin	42.3%	40.6%	
CONSTANT CURRENCY			
TTV	1,334.6	1,155.9	15%
Revenue	121.6	108.5	12%
Underlying EBITDA	51.5	44.0	17%

Underlying EBITDA up 17% to $51.5m on the p.c.p.:

- Region continues to win market share and outperform market
- Lower activity pre-election due to temporary uncertainty relating to expected change in government (since reversed)
- Won Best National Travel Management Company (TMC) in Australia for 13th time
- Higher revenue/EBITDA margin conversion as clients making move from legacy 3rd party technology to CTM technology

FY20 Outlook:

- Experiencing slowing but steady client activity post election
- Momentum from record client wins in 2H continuing
- Well positioned to leverage industry change with Qantas NDC capability

North America

	FY19	FY18	% Change
Reported (AUD)	$m	$m	
TTV	1,459.1	1,306.1	12%
Revenue	149.3	127.0	18%
Underlying EBITDA	43.5	37.9	15%
EBITDA/Revenue Margin	29.1%	29.8%	
CONSTANT CURRENCY			
TTV	1,344.5	1,306.1	3%
Revenue	137.4	127.0	8%
Underlying EBITDA	39.9	37.9	5%

Underlying EBITDA up 15% to $43.5m on the p.c.p.:

- As previously flagged, higher than normal cost base to support legacy software until the last of integration projects are complete
- Sales pipeline very encouraging as a result of CTM Lightning online booking tool (OBT)
- Built a capable management team that is expected to take the region to a new level
- Despite experiencing slowing client activity in 2H, revenue and EBITDA margins increased as benefits of people and technology started to emerge

FY20 Outlook:

- Slowing but steady client activity
- As previously flagged, expect 1H20 flat on the p.c.p. as higher than normal costs relating to technology projects are completed by CY19
- Expect stronger than normal 2H skew. Combined effect of client wins via technology and reducing costs in 2H20 as projects are completed, resulting in expected strong 2H results

Europe

	FY19	FY18	% Change
Reported (AUD)	$m	$m	
TTV	1,143.9	1,013.3	13%
Revenue	95.3	81.7	17%
Underlying EBITDA	40.9	34.2	20%
EBITDA/Revenue Margin	42.9%	41.8%	
CONSTANT CURRENCY			
TTV	1,094.3	1,013.3	8%
Revenue	91.2	81.7	12%
Underlying EBITDA	39.0	34.2	14%

Underlying EBITDA up 20% to $40.9m on the p.c.p.:

- Region continues to materially outperform market, despite a very challenging half as a result of no Brexit resolution and the resulting effect on investment uncertainty
- Won Best Travel Management Company (more than £200m) in the UK for the 1st time
- As previously flagged, improved revenue to TTV margin a result of direct rail strategy and supplier gains via NDC (FY19:8.3% - FY18:8.0%)

FY20 Outlook:

- Strong early client wins a positive for FY20 to buffer activity declines
- Full year group guidance includes forecasting for Brexit uncertainty
- Any Brexit resolution, currently scheduled for 31st October 2019, may have a positive effect on client activity and group EBITDA forecasts

Asia

	FY19	FY18	% Change
Reported (AUD)	$m	$m	
TTV	2,519.0	1,483.0	70%
Revenue	80.4	53.8	49%
Underlying EBITDA	24.7	19.5	27%
EBITDA/Revenue Margin	30.7%	36.2%	
CONSTANT CURRENCY			
TTV	2,320.5	1,483.0	56%
Revenue	74.1	53.8	38%
Underlying EBITDA	22.9	19.5	17%

Organic Growth reconciliation (AUD):		
Underlying EBITDA	24.7m	
Lotus baseline EBITDA	4.0m	
CTM Asia ex Lotus, FY19(9 months)	20.7m	
Less :CTM Asia, FY18	(19.5m)	
Organic EBITDA growth	1.2m	+6%

Underlying EBITDA 27% to $24.7m on the p.c.p.:

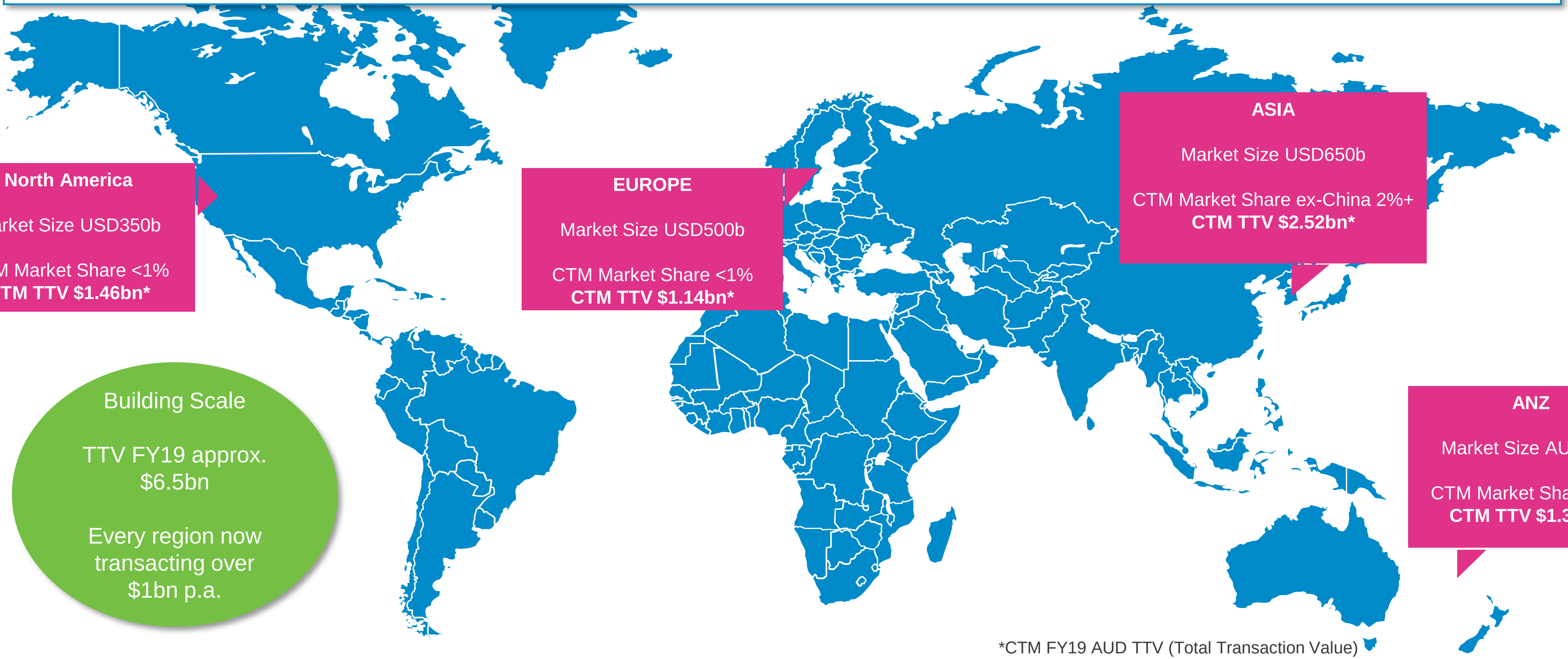
- The underlying business is performing well:
  - CTM technology gaining momentum, resulting in client wins and improved sales pipelines. Key blue chip clients using Lightning OBT
  - Lotus Travel fully integrated as previously flagged. Additional $4.0m of recurring EBITDA from rent and staff synergies to play out in FY20
- Decline in EBITDA and revenue/TTV margins a result of Lotus contribution. As previously flagged, Lotus acquired at lower margins than CTM Asia business
- Challenging macro-economic 2H due to escalation in US/China trade war combined with Hong Kong demonstrations affecting client activity
- As a result, strategic review undertaken to mitigate regional exposure to ticket price and activity on wholesale segment supplier revenue

FY20 Outlook:

- Supplier targets reset 1QFY20 to the macro conditions, with opportunity to reset 2QFY20. Integration synergies to buffer reduced client activity.
- Full year group guidance includes forecasting for trade war and HKG demonstration impact. Any trade war de-escalation and cessation of Hong Kong demonstrations expected to have a positive effect on client activity and Group EBITDA forecasts

The growth opportunity - a huge and fragmented corporate segment

1. **Growing global market** estimated at USD1.5 trillion, growing at USD40bn p.a.
2. **Highly fragmented industry –** CTM TTV AUD6.5bn represents under <1% market share
3. **Large barrier to entry** to build a global network, build client facing technology
4. **Compelling value proposition for corporate segment**: personalised service with technology to deliver ROI



North America

Market Size USD350b

CTM Market Share <1%
CTM TTV $1.46bn*

EUROPE

Market Size USD500b

CTM Market Share <1%
CTM TTV $1.14bn*

ASIA

Market Size USD650b

CTM Market Share ex-China 2%+
CTM TTV $2.52bn*

ANZ

Market Size AUD7.5b

CTM Market Share 18%
CTM TTV $1.34bn*

Building Scale

TTV FY19 approx. $6.5bn

Every region now transacting over $1bn p.a.

*CTM FY19 AUD TTV (Total Transaction Value)

Group Financial Summary

Key financial highlights

Financial Results:
- TTV up 30% to $6.46bn (FY18: $4.96bn)
- Revenue and other income up 21% to $449.5m (FY18 $372.2m)
- Underlying EBITDA up 20% to $150.1m (FY18 $125.4m)
- Underlying NPAT up 13% to $96.9m (FY18 $86.0m)
- 1H/2H comparatives demonstrate resilience in the business model and CTM's ability to mitigate macro-economic challenges (see appendix - slide 36)

Operating cash conversion 113%:
- As previously stated, operating cash flow conversion since IPO in December 2010 near 100%
- 2HFY19 cashflow conversion 166%, primarily due to timing of fixed supplier payments to reporting period, as flagged

Bank guarantees have reduced by $42m or 30% since 1H19:
- Bank guarantees increased during the 1H by approximately $56m due to the combination of Lotus and rail direct deals in 1H19 as previously flagged
- Since 1H19, total guarantees have reduced by a total of $42m as follows:
    - during the half by $15m from $138m (1H19) to $123m at 30 June 2019
    - post balance date, a further $27m reduction to $96m
    - at the same time TTV grew 19% in 2HFY19 vs 1HFY19
- We continue to rationalise guarantees with suppliers, particularly in Asia with the Lotus business combination
- Reinforces that bank guarantees are not tied to TTV growth, and have no impact on the fixed payment cycles with air and rail

Key financial highlights continued

Dividend:

- Dividend up 11% to 40c/share, partially franked. Final dividend 22c/share, franked to 50%

Debt Reduction:

- Total debt reduced from $60.9m (1H19) by $21.6m to $39.3m, primarily relating to finalising earn-out commitments
- Debt/EBITDA ratios remain low

FX Gain:

- Full year results include a favourable $4.8m FX gain to forecasted FX assumptions in EBITDA guidance
- The vast majority came in the latter months of 2H (2H FX gain $3.5m)
- FX gain was highly correlated to weakening global environment (trade war, no Brexit, HKG demonstrations)

Capex on technology:

- FY19 - $18.8m, in-line with guidance
- FY20 expectations circa $20m capitalised
- Technology amortised over 3-5 years
- Software amortisation expectations FY20: circa $12.0m (FY19:$9.4m)

Group finance facility re-negotiated post year end:

- Total facility approx. AUD$225m, refinanced August 2019 for 3 year duration
- Negotiated improved rates, lower annual costs, bank diversity, flexibility for future opportunities

New Leasing accounting Standard AASB16:

- Impact circa $10m increase to FY20 EBITDA, but negligible impact to NPAT. FY20 guidance excludes the impact of AASB16

Comparative statutory profit and loss

$AUD(m)	FY19	FY18	% Change
TTV	6,457.5	4,958.3	30%
Revenue and other income	449.5	372.2	21%
[#]Underlying EBITDA	**150.1**	**125.4**	**20%**
Net profit after tax (NPAT):	89.5	80.6	11%
NPAT - Attributable to owners of CTM	**86.2**	**76.7**	**12%**
Add back one-off non-recurring/acquisition costs (tax effected)	5.1	0.7	
Add back amortisation of client intangibles (tax effected)	5.6	8.6	
Underlying NPAT - Attributable to owners (excluding acquisition amortisation)	**96.9**	**86.0**	**13%**

- TTV includes $750m contribution from Lotus from time of acquisition. Ex Lotus, TTV growth +15% for FY19, reflecting market share gains
- Slight decline in EBITDA margin primarily due to Lotus contribution in Asia (Lotus acquired at lower profit margin than CTM Asia business)
- $5.6m of amortisation (tax effected) relates to client intangibles as part of acquisition accounting, which is a non-cash amount
- Lower underlying NPAT growth (13%) versus underlying EBITDA growth (20%) driven predominantly by higher effective tax rate vs FY18 , higher group software amortisation, and depreciation via Lotus combination
- FY19 effective tax rate of 26.0% (FY18:22.3%). Expecting circa 25% in FY20 subject to global profit split. FY18 had impact of US tax rate change benefit

[#] Excluding pre-tax one-off acquisition and non recurring costs of $6.3m (FY18: $0.9m)

Non-recurring costs reconciliation

$AUD(m)	FY19
EBITDA- reported	**143.8**
Hong Kong office restructure costs	4.2
Activist response costs	1.2
Acquisition and other items	0.9
Underlying EBITDA	**150.1**

- As previously flagged, Hong Kong office restructure costs include $2.7m in duplicate rent to merge Lotus and two CTM offices into one super-office, and $1.5m in redundancies identified post office consolidation
- This restructure will result in a $4.0m recurring EBITDA gain in FY20 and future years
- Underpins the success of the Lotus acquisition to optimise scale

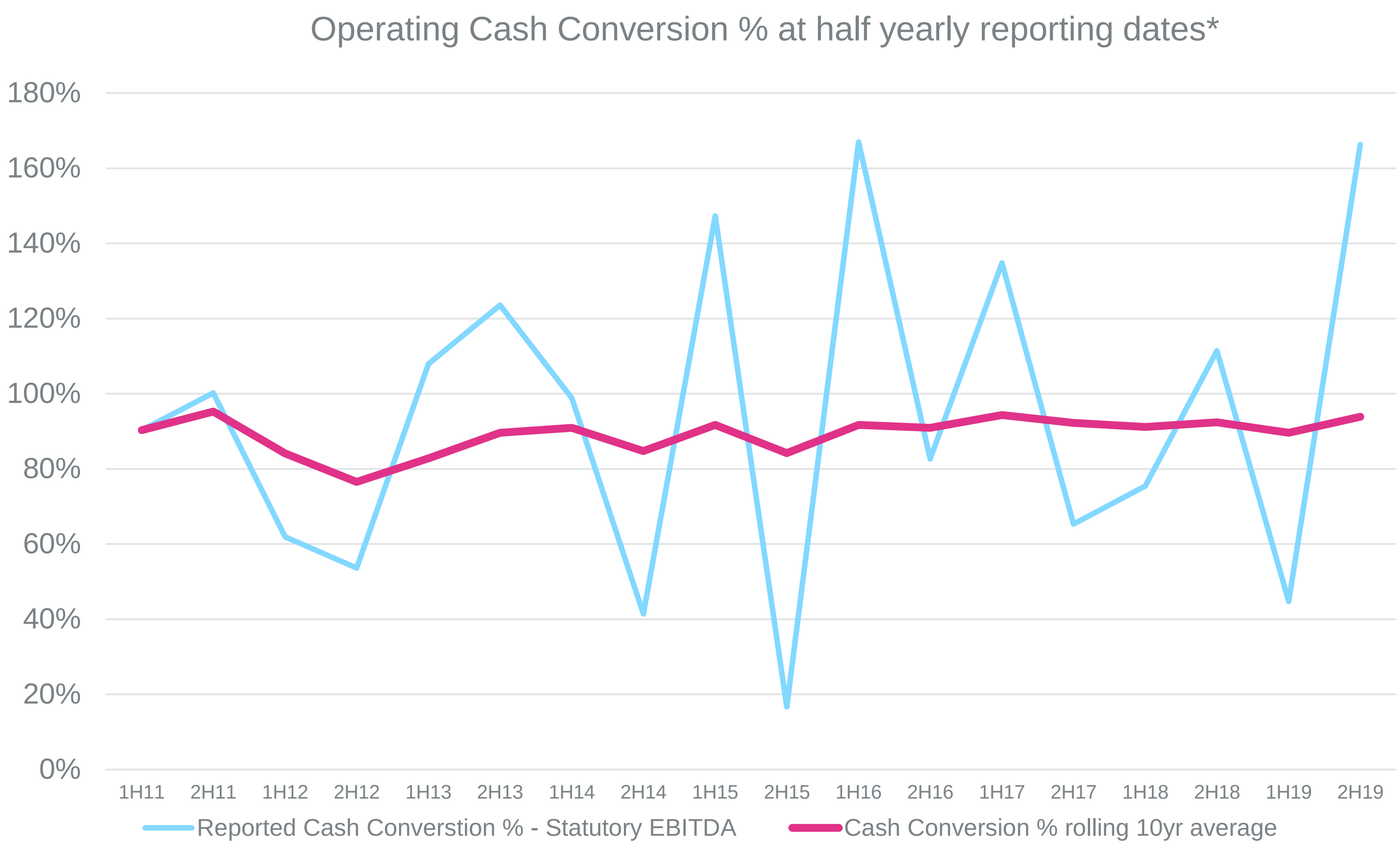
Comparative statutory balance sheet

$AUD(m)	June 19	June 18
Cash	138.8	84.3
Receivables and other	339.4	256.4
Total current assets	**478.2**	**340.7**
PP&E	13.3	6.1
Intangibles	506.7	451.6
Other	5.7	6.4
Total assets	**1,003.9**	**804.8**
Payables	316.1	231.1
Borrowings	19.2	14.7
Acquisition related payables	0.7	22.5
Other current liabilities	31.9	23.1
Total current liabilities	**367.9**	**291.4**
Non current acquisition related payables	2.6	-
Borrowings	20.1	29.3
Other non current liabilities	20.8	12.6
Total liabilities	**411.4**	**333.3**
Net assets	**592.5**	**471.5**

- Intangibles have increased primarily due to Lotus acquisition
- As previously flagged larger receivable and payables at 30 June 2019 due to combination:
  - of Lotus
  - seasonal higher activity at 30 June v 31 Dec
- Total borrowings reduced by $21.6m to $39.3m during 2H19 (1H19 $60.9m) as earn-outs are mostly complete
- Maximum future earn-out obligations are $2.6m, assuming no future M&A
- Renegotiated group finance facility post balance sheet date to take advantage of conditions, providing increased facility, improved rates, lower annual costs, bank diversity

Operating cash conversion - rolling average since IPO near 100%

- Operating cash conversion FY19:113% (2H:166%) due to favourable 2H timing differences as previously flagged (FY18:95%)
- Reporting date timing differences occur when the **reporting period date** relative to air and rail fixed payment dates, falls at a **different time in the payment cycle** versus the **last reporting period**
- These timing differences are short term (typically 1-7 days), and air and rail payment dates are **fixed, and non-negotiable**
- **Timing is industry-wide** and not isolated to CTM
- **It is our ongoing expectation that CTM will continue to achieve near 100% operating cash conversion**, and **fluctuations at reporting period will continue**, correlated to timing differences between fixed payment cycles and reporting periods



* The operating cash conversion is net operating cash flows excluding interest, finance costs and income tax paid, divided by EBITDA

Cash flow summary

$AUD(m)	FY19	FY18
EBITDA	143.8	124.6
Non cash items	2.9	1.6
Change in working capital	**15.6**	**(6.4)**
Income tax paid	(26.5)	(22.8)
Net interest	(2.3)	(2.6)
Cash flows from operating activities	**133.5**	**94.4**
Capital expenditure	(26.9)	(13.7)
Other investing cash flows	(45.1)	(37.2)
Cash flow from investing activities	**(72.0)**	**(50.9)**
Dividends paid	(45.3)	(37.5)
Proceeds from issue of shares net of transactional costs	39.2	-
Release of secured deposits	5.0	-
Net (repayment)/drawing of borrowings	(8.4)	(3.0)
Cash flow from financing activities	**(9.5)**	**(40.5)**
FX Movements on cash balances	2.5	2.1
Increase/(decrease) in cash	54.5	5.1

- Strong cash flow from operations in FY19 of $133.5m (FY18 $94.4m)
- The change in working capital relates predominantly to timing of supplier payments
- Investing cash flows primarily relate to Lotus Travel
- FY19 Capex, being $18.8m technology development, $7m other fit-outs of offices. Technology Capex expected to pay off in future years
- Release of secured deposit relates to a partial release ($5.0m) of Lotus Travel for transactional banking facilities. At balance date, $5.8m of secured deposits are still in place. It is our expectation that this amount will be released in FY20
- Future dividends are likely to be partially franked, due to the majority of profits being derived offshore

FY20 Guidance

FY20 Guidance update

FY20 underlying EBITDA guidance range $165.0m - $175.0m excluding the impact of AASB16

Including the impact of AASB16 leasing standard, underlying EBITDA guidance range $175.0m-$185.0m
- AASB16 impact an additional circa +$10.0m to EBITDA but negligible impact to NPAT, assuming no changes to the lease portfolio during the year

Guidance Assumptions:

1. FX cross-rates average USD0.71/HKD5.57/GBP0.54 during FY20. Movement impacts: USD0.01= +/- $1.5m, every GBP0.01= +/- $0.75m. Assumes HKD pegged to USD
2. Excludes any future potential acquisitions
3. CTM will continually re-assess macro impacts outside our control, being impact from Brexit (Europe), US/China trade war and Hong Kong demonstrations (Asia):

   - lower end of guidance assumes continuing impact throughout 1H by Brexit, trade war and HKG demonstrations

   - earlier resolutions to any or all of the macro issues expected to provide investment certainty, higher client activity

   - CTM remains highly leveraged to client activity recovery
4. The impact of the AASB16 leasing standard will be shown separately to allow a comparative to prior year

Summary

A track record of strong performance and execution	• CTM has been successfully operating for 25 years • Since listing in 2010, CTM has delivered TTV, EBITDA and dividend growth in every year, in all economic conditions • EBITDA has grown 26 fold since listing
Huge untapped growth opportunity	• Corporate travel is a huge and fragmented sector estimated at USD1.5trillion • CTM is over $6.5bn in TTV yet represents under 1% of the global market
CTM's value proposition is compelling to the corporate market	• To be successful in corporate, you must be able to combine highly personalised service with technology and deliver return on investment • CTM has been able to demonstrate this in every region it operates
Unique technology competitive advantage	• Building our own client facing technology, in house, in region, in conjunction with our clients • Large investment that has delivered strong returns and margins in ANZ and EUR, with further opportunity in USA and Asia
CTM aspires to be a company that is recognised as the best in every market that it operates	• A company that achieves high compound organic growth, generating free cash flow and does not require debt to generate growth

Appendix

AASB15 revenue from contracts with customers – impact

- CTM has adopted AASB15 from FY19.
- **There is no financial impact** on revenue recognition policy for the Group profit and loss versus the p.c.p..
- Revenue previously disclosed has been disaggregated as follows;
  - **Transactional revenues** being revenues generated from the provision of travel services to **clients *(fixed revenue)***
  - **Volume based incentive revenues** being revenues derived from contracts with **suppliers *(variable revenue)***
  - **Transactional revenue accounts for circa 82%** of total revenues in FY19 (1H19:80%, including Lotus)
  - Variable revenues have been relatively stable and predictable over the last decade (when eliminating acquisition combination effects)

AASB16 leasing - impact

- AASB16 requires leasing costs to be reclassified out of EBITDA to finance costs from FY20
- Impact circa $10m increase to FY20 EBITDA, but negligible impact to NPAT
- Impact may change subject to office leasing and any M&A during the year
- The impact will be identified separately in EBITDA in FY20 in order to accurately compare comparative years

CTM proudly operating for 25 years

1994

2 Staff BNE
No Clients …

Value Proposition

- **Highly personalised service**
- **Compelling technology that adds value**
- **Return on investment methodology**

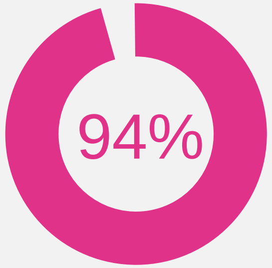
AWARD WINNING IN EVERY REGION

ANZ/EUR 2019 Client Survey
How likely are you to recommend CTM's technology to a colleague?

90% would recommend

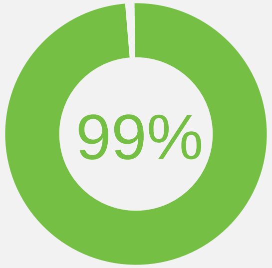
ANZ/EUR 2019 Client Survey
How would you rate CTM's overall technology offering

95% extremely satisfied



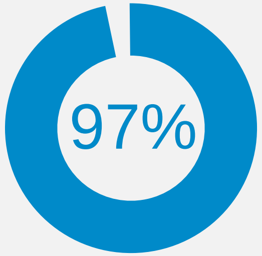
Global Staff Survey

Feel empowered in your role?



Global Staff Survey

Want to go the extra mile for their clients?



Global Staff Survey

Understand the connection between your work and CTM's strategy?

2019

More than 2600 Staff
TTV approx $6.5bn

1H/2H comparatives highlighting macro impact on business

	CTM Consolidated		*CTM Consolidated (Ex Lotus)*		Australia & New Zealand		North America		Asia		*Asia (Ex Lotus)*		Europe	
	Dec-19	Jun-19	*Dec-19*	*Jun-19*	Dec-19	Jun-19	Dec-19	Jun-19	Dec-19	Jun-19	*Dec-19*	*Jun-19*	Dec-19	Jun-19
AUD	1H	2H	***1H***	***2H***	1H	2H	1H	2H	1H	2H	*1H*	*2H*	1H	2H
TTV	31%	30%	***20%***	***11%***	20%	12%	16%	8%	60%	78%	***23%***	***16%***	18%	8%
Revenue	22%	19%	***18%***	***11%***	15%	9%	18%	17%	47%	52%	***18%***	***-3%***	21%	14%
Underlying EBITDA	21%	19%	***18%***	***15%***	18%	16%	3%	24%	34%	21%	***20%***	***-6%***	30%	13%

Table compares percentage growth on PCP half, by region

- Table excludes Lotus contribution at time of acquisition announcement, in order to show the macro-economic impact on underlying business growth
- Since IPO, global annual client activity moves within a tight band of (-3% to +3% on PCP). The only exception is 2H19, primarily Europe and Asia
- Historically CTM outperforms in tough economic times as customers are more willing to look for alternative suppliers that can deliver ROI

What the table demonstrates:

- CTM has a resilient business model, strong geographic diversity and continues to win market share
- Positive USD FX impact in 2H highly correlated to impact of macro-economic conditions (tailwind continuing in FY20 YTD)
- CTM grew 18% organic growth in stable conditions (1H19), yet can still grow double digit revenue/EBITDA growth in variable conditions e.g. 2H19

CTM has a number of levers to mitigate variable macro-economic conditions including buying power, scale benefits, technology, productivity.

Examples where CTM mitigated macro economic impacts in 2H using these levers:

- **ANZ** – stronger than expected pre-election effect on activity, yet underlying EBITDA margins increased due to higher client take up of CTM in-house technology vs 3rd party technology
- **Asia** – US/China trade war and HKG demonstrations effect on activity and supplier revenues, yet business moved quickly on redundancies identified through office merge in 4Q19, to realise a $4m benefit for FY20. Strategic review already undertaken to mitigate wholesale segment exposure to supplier revenues
- **USA** – reduced activity offset by improved 2H margins through buying power and scale benefits, with technology starting to play out on productivity
- **Europe** – despite no Brexit decision and its effect on client activity, higher revenue and EBITDA margins were achieved through improved supplier revenue via scale and technology

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