



ASX RELEASE

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2019 ANNUAL GENERAL MEETING: CHAIRMAN'S ADDRESS

Attached is a copy of the Chairman's Address which will be presented at Corporate Travel Management Limited's Annual General Meeting of Corporation Travel Management Limited commencing at 11am (Brisbane time).

A copy of the Managing Director's presentation will follow.

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CORPORATE TRAVEL MANAGEMENT LIMITED

2019 ANNUAL GENERAL MEETING

CHAIRMAN'S ADDRESS

Introduction

Shareholders, thank you for joining this year's Corporate Travel Management Annual General Meeting.

There are eight resolutions which will be put to shareholders at today's meeting. The background to these resolutions is set out in the Notice of Meeting you received in October. You will have an opportunity to ask questions relevant to each item of business a little later in the meeting.

Before we get to the formal items of business, as this is my first AGM since taking up my position as a member of the board and Chairman in March this year, I'd like to open by sharing briefly my story of why I joined CTM.

I accepted the invitation to join the CTM Board because it is an interesting business with much opportunity ahead of it. Like many of you here today, I wanted to support an Australian company, one that has laid out a clear strategy of global growth underpinned by outstanding customer service, ethics and a differentiated technology solution. CTM has developed its reputation as a recognised leader in the corporate travel space, and I am very pleased to be part of the team and serve as your Chair.

I was also attracted by the opportunity to work with a highly skilled and motivated team led by CTM's Managing Director, Jamie Pherous. No doubt Jamie's energy and belief in CTM drives the day-to-day running of the business but it is also his remarkable ability to bring vision and enthusiasm to the long-term goals of this company that has benefitted clients, employees and shareholders.

There has been a significant amount of change at Corporate Travel since you last gathered at our annual meeting and I would like to address some things your Board and management team have been focussed on during the year. Given the fast pace of growth for CTM, the Board has been working to support our future growth trajectory by deepening management bench strength and undertaking Board renewal to broaden the expertise of our directors.

I would now like to speak about our management team.

Management

I expect you all know our Managing Director Jamie Pherous and our Global COO and Director Laura Ruffles.

Earlier I introduced the CEOs of our four regions Greg McCarthy, Larry Lo, Debbie Carling and Chris Thelen. It is their on-the-ground commitment to performance excellence that will ensure we continue to grow and stay relevant in our chosen markets.

CTM needs to ensure the skill base, background and experience of our senior executive team is regularly reviewed and enhanced as needed to support the company's now substantial and growing global presence. We want to add to what is

already a great team, and in June this year, we welcomed the appointment of Neale O'Connell as our Global CFO. Neale succeeded Steve Fleming, who remains with the company as CFO of our European operations.

Neale brings 25 years of experience in senior finance roles and he has a strong track record in listed company financial management and corporate transactions. Having filled the seat of CFO in another large listed ASX company, Neale understands what it takes to help grow businesses while maintaining strong cost control and financial management discipline. He is a wonderful addition to the team. Neale will bring a fresh set of eyes as we move forward in the next phase of the company's development.

Another key appointment to deepen management capability was our recruitment of Anne Tucker as our Global Chief Legal Officer and Company Secretary. Anne joined us in September and will drive CTM's legal, compliance and governance programs.

To maintain our growth trajectory while delivering for shareholders requires us to remain highly focused on attracting the right talent. The senior appointments we've made demonstrate our commitment to building a high performing team that will allow us to attract and develop future leaders.

Board renewal

In the Annual Report and Notice of Meeting, I outlined the benefits of orderly Board renewal. We recognise the importance of having the Board's collective skills match the demands of diligent oversight of an expanded and growing global business. We are also focused on the importance of renewal arising from non-executive tenure.

The conclusion of today's meeting marks the retirement of Stephen Lonie. Stephen has been a Director of CTM since June 2010. He has served as chairman of CTM's Audit and Risk Committees and has been a member of CTM's Remuneration and Nomination Committees since CTM's listing on the ASX in December 2010. On behalf of the Board, I would like to thank Stephen for his hugely valuable contribution to our business over the last decade and we wish him well for the future.

I would also like to acknowledge the retirement of Tony Bellas. Tony served as Chairman of CTM for almost ten years and, under his leadership, the company has experienced remarkable growth since listing. I would like to thank Tony for his leadership, guidance and the commitment he provided to CTM throughout his tenure as Chairman.

In September, we had the pleasure of welcoming Sophie Mitchell to the Board. Sophie is standing for election at today's meeting (as am I) and I will invite Sophie to speak to the meeting when the resolution to appoint Sophie to the Board is formally proposed for consideration by shareholders.

Having previously been a Director of Morgans Corporate, Sophie brings with her 30 years of corporate advisory and capital markets experience, in-depth company director experience and an excellent understanding of CTM's business strategy and operations. Sophie's understanding of CTM's history, coupled with a deep understanding of the listed company environment and investor expectations will be particularly beneficial to the CTM Board.

It is the Board's view that shareholders' interests will be best served by a broader mix of non-executive director experience and insight from here given the global coverage of CTM's operations and potential.

In addition to Sophie's appointment, we are considering the appointment of a further non-executive director to the CTM Board to take place next year.

To support the Board renewal program, Resolution 7 (Increase in Non-Executive Directors' Fee Pool) seeks shareholder approval for an increase to the NED fee pool which we will explain in more detail during the formal business.

We have also been undertaking a review of our Board Committees, and as part of that review process, we have recently combined the Audit Committee with the Risk Committee, under the chairmanship of Greg Moynihan. We have also expanded the remit of the Remuneration Committee to include oversight of Sustainability matters, under the chairmanship of Sophie Mitchell.

I would now like to turn to CTM's business performance.

FY19 results

CTM achieved net profit after tax (NPAT) of \$86.2 million for the full year ended 30 June 2019. Excluding the one-off or non-recurring items and non-cash amortisation of client intangibles (both tax effected), underlying NPAT was \$96.9 million. That is an increase of 13% over the previous year.

This was a solid result given corporate travel activity was impacted by major headwinds in our key markets of Europe, North America and Asia. Global economic conditions continue to present a challenging environment. Jamie will discuss the impact of these factors as well as the Group's operational performance across our global business in more detail in his address shortly.

Underpinned by this solid NPAT result, your Board determined a final dividend of 22 cents per share, franked to 50%, taking the total dividend paid for the 2019 financial year to 40 cents per share. This equates to a payout ratio of 50%, which is in line with our stated dividend policy (to distribute approximately 50% of reported NPAT as dividends). We expect these dividends to be partially franked as they have been since 2018. We are pleased shareholders have received good dividend growth per share since 2010.

We are confident there remains substantial untapped potential in each of the regions in which we operate, and we remain active in identifying acquisition and growth opportunities that can offer the business a step-up in scale and geography. We apply a disciplined approach and will only pursue opportunities that deliver commercially attractive and strategic outcomes which combine with, or benefit from, our established operating capabilities. Beyond acquisition opportunities, the combination of our global strategy, customer value proposition and technology assets, has CTM well-positioned to continue to grow our business organically.

As many of you know, our local market and the global environment continues to present challenges for businesses seeking to navigate the best course for sustainable growth. Against this backdrop, we were very thoughtful in presenting our earnings forecast, particularly given uncertainty in our key markets of Europe and Asia – conditions that persist today. We continue to monitor our markets closely and we are comfortable with the approach taken.

Technology

Our technology assets set us apart from our competitors. CTM clients have access to flexible and robust technology solutions and we are committed to working with our

clients to deliver client-focused solutions that reduce the cost of travel, deliver a return on investment for our clients, and simplify processes.

For example, CTM's proprietary online booking tool – Lightning – uses a highly intuitive and user-friendly interface to put users front and centre of the booking experience, bringing innovation, speed and agility to the corporate travel technology landscape.

We also now have in place regional technology hubs where we can develop client facing technologies that address local and regional market requirements.

Shareholder feedback, governance and reporting

As we continue to push our technology advantage and execute our stated strategy, we have also been very focused in engaging with our shareholders and ensuring we continue to develop our governance processes.

As Chair, I have been committed to spending time listening to investor feedback. Those discussions have informed our views on matters such as additional commentary on cash flow, remuneration structure and sustainability.

I hope by my remarks, you are clear on the steps we are taking as a Board and management to ensure the sustainable growth of your business. We also acknowledge there have been a handful of events that may have distracted from our underlying position. We have reviewed these events and addressed those that are within our control and should be handled better.

The changes to strengthen management, our plan for Board renewal and our commitment to ongoing steady business performance are the key ingredients to ensuring a solid investment for shareholders. These are not topics that necessarily interest short sellers who, by nature, are looking to profit on the back of contentious claims. In the past year, there has been a surge in activity of targeted campaigns to create confusion about our company and receive media attention.

We welcome scrutiny so long as it is informed and fair. We have been transparent and open – inviting our critics to meet with us so we can have better dialogue but they avoid this kind of engagement because, I believe, their purpose is not to understand the company but promote their own interest.

We have addressed the short seller claims, answered media questions put to us and held ongoing discussions with investors and analysts. We've done this because CTM is a transparent and open company and we are working hard to protect your investment. Importantly, we have sought to ensure your management's focus is on operational excellence and using the technology we develop to differentiate our offer to clients because we believe this approach will deliver significant long term value to CTM's shareholders.

Closing remarks

Shareholders, while this has been a challenging year, we have a clear purpose and a sound strategy which we continue to execute.

The commitment which our people show to our customers gives me great confidence that the business will perform well and deliver for our stakeholders.

I would like to sincerely thank our people for the work they do in the four regions which we operate to serve our circa 6,000 customers.

To my fellow Directors, management and staff thank you for your determined efforts this year to secure CTM's future. I would also like to thank you, our shareholders, for your loyalty and support. My commitment, alongside that of your whole Board and management, is to ensure we continue growing a great corporate travel business.

I will now ask our MD Jamie Pherous to address the meeting