2021

annual report

ctm

Corporate Travel Management Limited
ABN 17 131 207 611

In this report

The Butterfly Philosophy: From transformation to taking flight in FY22 and beyond

CTM has never been a business that sits still. Our reputation for innovation and continuous improvement is testament to the spirit of our people. In navigating the global COVID-19 pandemic, this spirit has never been more important to our business continuity and our ability to support our customers' and partners' evolving travel needs. We call it the "**Butterfly Philosophy**" – represented in our brand story of transformation, diversification and adaptability – a culture and mindset that will ensure our business continues to grow and evolve to meet the challenges and opportunities of the future.

It's time to reconnect, rebuild and reimagine the new era of travel.

Key Financial Highlights

2020 – 2021 Performance Highlights

Rapid return to underlying EBITDA in 2H21
USA, EU, AU/NZ regions all profitable in 4Q21, with USA momentum strong and continuing post year-end.

CTM most exposed to regions with strongest recovery momentum and advanced vaccine roll-out
Pro-forma 2019 Group revenue for USA / EU regions combined was 72%, compared to more than 80% at year-end.

Environment primed for CTM market share gains
CTM's customer value proposition of expert service, innovative technology and ROI is highly relevant to customers in the complex recovery environment. Strong new client wins due to enhanced reputation in this environment.

Balance sheet strength
Zero debt, sufficient cash, reduced credit facility and returned profitability.

CTM is a much larger business post-COVID-19
Estimated to be fourth largest global travel manager in the world. On a FY19 pro-forma basis, revenue +57%* and underlying EBITDA +57%* at full recovery. Material post-recovery EPS-accretion through acquisitions made, synergies and improved efficiencies.

$1.6B
TOTAL TRANSACTION VALUE

($7.2M)
UNDERLYING EBITDA

$200.5M
TOTAL REVENUE AND OTHER INCOME

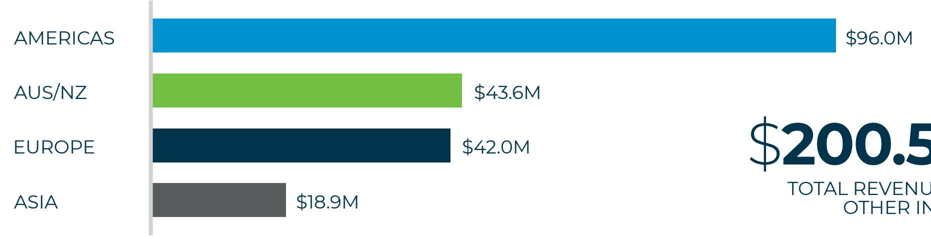
($55.4M)
STATUTORY NPAT ATTRIBUTABLE TO OWNERS

$99.0M
CASH

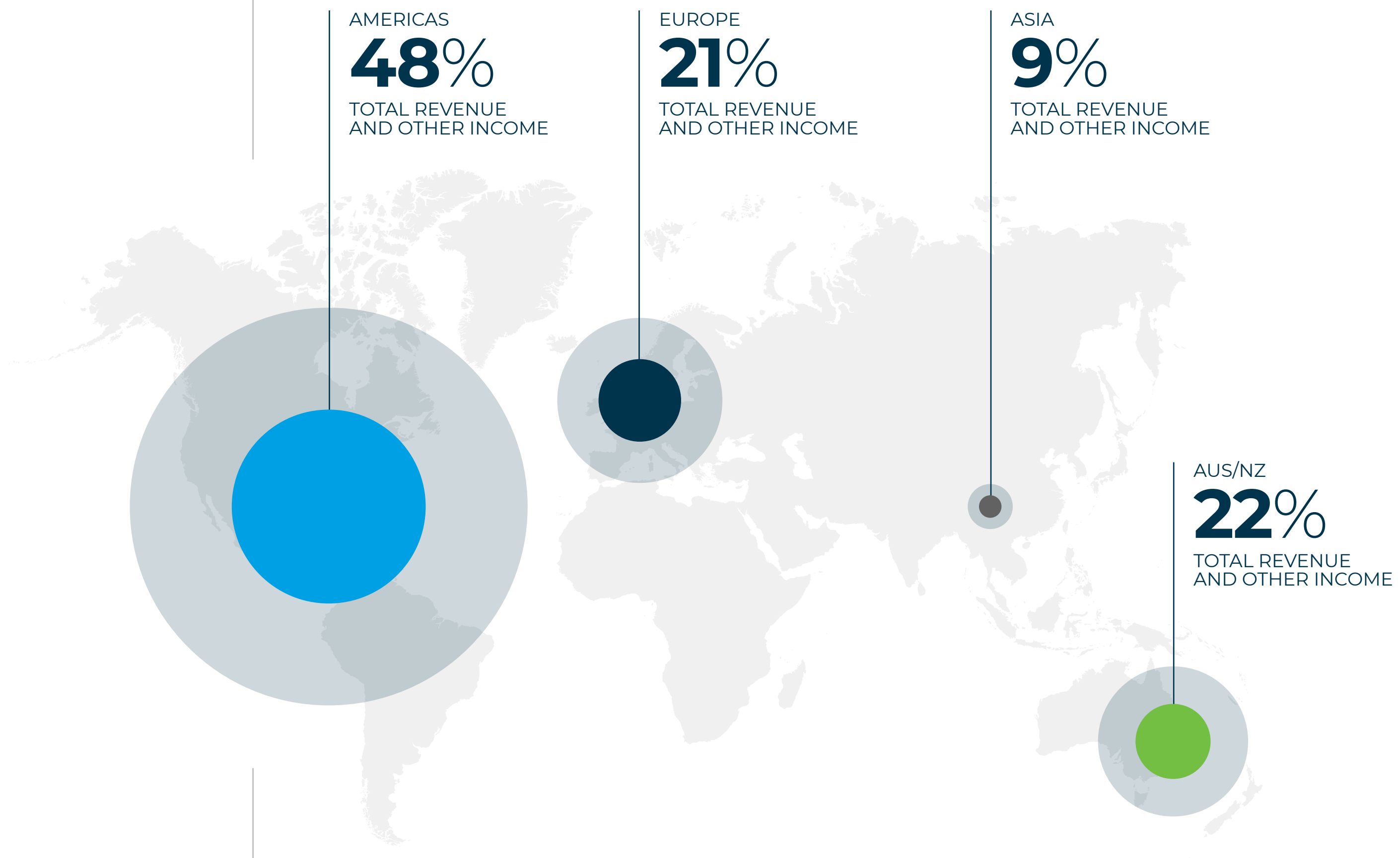
*FX AUD1.00= USD0.75, GBP0.55. HKD6.00

Total revenue and other income generated by region

Corporate Travel Management operates across four continents and, supported by our global network of partners, has the ability to service customers in every corner of the world.



$200.5M
TOTAL REVENUE AND OTHER INCOME



Chairman's Report

EWEN CROUCH AM
CHAIRMAN

Dear Shareholder

Year in review

The CTM businesses faced difficult operating conditions again this year, as the travel industry continued to experience major disruption because of government-mandated travel restrictions, border closures and quarantine requirements. Despite this, there were pleasing signs of momentum building in the final quarter especially in our North American, UK and European businesses as high vaccination rates against COVID-19 allowed travel activity to pick up. The strengths of our flexible and resilient business model, robust strategy and clear purpose allowed CTM to protect its strong liquidity and financial position while also undertaking its largest ever acquisition and capital raising during the year.

Financial Performance

The financial performance of the Group was significantly impacted by the COVID-19 operating environment. The Group reported a statutory Net Loss After Tax of $55.351 million compared to the prior year loss of $8.185 million. Excluding one-off or non-recurring items, underlying Net Loss Before Tax was $43.607 million. This was a resilient performance in the face of major disruption to corporate travel activity, underpinned by a combination of prudent cost management and a consistent revenue stream from our clients in essential industries, such as government, healthcare and mining, who have continued to travel throughout the pandemic.

The Group maintained its strong liquidity position finishing the year with $99.0 million cash, no debt and available facilities of GBP £60 million at 30 June 2021. As a result of this robust financial position, CTM chose to reduce the size of its credit facility during the year.

Our revenues grew through the year, particularly in the second half. Management's actions taken in FY20 to maintain our service levels and continue to invest in our proprietary technology positioned CTM well as corporate travel activity started to recover and this was most evident in the North America and UK markets, from which over 80% of our revenues were derived.

The strengths of our flexible and resilient business model, robust strategy and clear purpose allowed CTM to protect its strong liquidity and financial position while also undertaking its largest ever acquisition and capital raising during the year.

Acquisitions and Capital Raising

The acquisition of US-based Travel & Transport announced on 29 September 2020 materially enhanced CTM's scale and provided CTM with broader and deeper management expertise in the North American corporate travel market. There is a strong cultural alignment between the two organisations as Travel & Transport demonstrates the same company-wide focus on high quality service, proprietary technology and delivering measurable value for clients.

Following completion of the acquisition in October 2020, Kevin O'Malley was appointed as CEO of our North American business with Maureen Brady returning to the role of Chief Operating Officer – North America. The integration program is on track and the combined business is well-positioned to emerge from COVID-19 a more efficient and diversified business.

The acquisition was funded by a $375 million institutional and retail entitlement offer. We were delighted by the strong support for the capital raising and we thank our shareholders for their contributions. Funds raised through the entitlement offer have also been used to fund integration and transaction costs, as well as to provide balance sheet flexibility and capacity for other acquisitions such as Sydney-based travel technology company Tramada, a leading provider of software solutions to the travel industry.

Sustainability

Our FY21 Sustainability Report is centred around four key pillars, namely 'Governance', 'People', 'Planet' and 'Prosperity' and focuses on the material risks and opportunities that we believe will determine CTM's sustainability over the longer-term. We have broadly aligned our reporting framework with the guidance provided by the World Economic Forum (WEF)[1].

Our longer-term success is dependent on meeting the expectations of our key stakeholders. We look forward to continuing to engage with our stakeholders on sustainability matters to ensure we capture their views and insights relevant to CTM. We have made good progress in FY21 however we recognise that we need to continue to enhance our sustainability reporting and work will continue in FY22 to refine data capture, measurement and goal setting.

Our FY21 Sustainability Report focuses on the material risks and opportunities that we believe will determine CTM's sustainability over the longer-term. We have broadly aligned our reporting framework with the guidance provided by the World Economic Forum.

People

Our first priority has always been to ensure the health and wellbeing of our people, our clients and our other stakeholders. We have engaged with our clients to understand their travel risks arising during the pandemic, and have been providing them with a broader range of consultancy support beyond traditional travel booking, reporting and supplier management.

Government support measures that were in place in some of our operating regions at different times during the year have assisted in the preservation of jobs at CTM. With many of these support measures coming to an end during the course of the year, we were once again faced with the difficult decision in the second half of FY21 of making further redundancies, particularly in those regions such as Asia where travel activity remains very low.

The Board and executive team are conscious of the impact these decisions have on individual employees and their families. The decisions to make roles redundant were not made lightly. These measures have been necessary to support our business to withstand the impacts of the global pandemic and to ensure business continuity through a prolonged period of significantly reduced travel activity and revenue, all while continuing to provide exceptional service to our clients.

We acknowledge the challenges faced by our staff globally and appreciate the resilience, adaptability and professionalism they have continued to demonstrate during the pandemic. Throughout the pandemic we have supported our employees with a variety of initiatives promoting health and mental wellbeing, including flexible working arrangements, access to wellness information, mental health tips and techniques, together with support delivered through our employee assistance program. The support, understanding and loyalty of our people is a testament to the culture at CTM. We thank our CTM alumni for all they have contributed to the business and look forward to welcoming back many of them as travel activity recovers.

[1] World Economic Forum, White Paper: Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation 22 September 2020

On behalf of the Board, I would also like to acknowledge the retirement of Neale O'Connell who stepped down as Global CFO in February 2021, with Cale Bennett appointed to the Global CFO role effective 1 March 2021. I am grateful to Neale for his valuable contribution to CTM and welcome Cale's appointment as we move forward in the next phase of CTM's development.

We acknowledge the challenges faced by our staff globally and appreciate the resilience, adaptability and professionalism they have continued to demonstrate during the pandemic.

Year ahead

Significant progress has been made during the year in global responses to the pandemic, particularly in the production and roll-out of vaccines, deployment of rapid antigen testing, and development of anti-viral medications. Some countries are more advanced in their vaccine roll-outs and have begun to remove various travel restrictions allowing intra-market and cross border travel to resume as business opens up.

Our enhanced scale in North America and UK/Europe, provides a strong platform for the future and we are well-positioned for recovery with a clear focus and strategy for delivering long-term value for our shareholders.

In closing, I would like to thank all CTM team members. I would also like to thank our clients and you, our shareholders, for your continued support.

Yours sincerely,

Ewen Crouch

Ewen Crouch AM

Chairman,
Corporate Travel Management Limited

18 August 2021

Managing Director's Report

JAMIE PHEROUS
MANAGING DIRECTOR

CTM has never been a business that sits still. Our commitment to innovation and continuous improvement is testament to the spirit of our people. I am immensely proud of what our teams have achieved and the collaborative role they have played in supporting our clients and supplier partners throughout the pandemic.

The team at CTM has managed the impacts of the COVID-19 pandemic exceptionally well under difficult circumstances. By moving swiftly and early in FY20, and maintaining strong cash management, we were able to mitigate the worst of the crisis. At 30 June, we remain debt-free with sufficient cash reserves which ensures we can continue to invest in developing the expert services and travel technologies that are most relevant to our clients in this new environment.

CTM has never been a business that sits still. Our commitment to innovation and continuous improvement is testament to the spirit of our people. I am immensely proud of what our teams have achieved and the collaborative role they have played in supporting our clients, each other and supplier partners throughout the pandemic.

The pandemic continued to restrict business travel around the world during the year, which inevitably impacted our financial performance. However, despite the impacts of COVID-19, the Group's underlying profitability was a positive result for the second half of the financial year.

There were encouraging signs of momentum building in North America and UK/Europe in the final quarter of the year and into the new financial year. The Group is currently generating more than 80 per cent of its revenue from these regions, which are the most advanced in rolling out vaccines and recovering from the pandemic. Fourth quarter underlying EBITDA for the Group was $13.6 million, and our North America, Europe and Australia/New Zealand regions were profitable in the period.

Our clients are increasingly confident about returning to business travel as pandemic restrictions ease and this is an encouraging sign for the future of the business travel industry.

Our unique financial position and strong shareholder support of a $375 million capital raising allowed us to acquire Travel & Transport (USA, Europe) in late 2020, a company with a similar culture to CTM.

Travel & Transport

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The travel 'downtime' during late 2020 / early 2021 allowed us to focus on quickly integrating our teams under the CTM brand and has positioned the business to emerge from the pandemic a bigger and stronger business with the ability to support our clients' evolving travel needs well into the future.

Enhanced scale combined with technology and exceptional service

With the acquisition of Travel & Transport, we are a much bigger business. CTM is now estimated to be the fourth largest travel management company in the world, with the scale and reach to service our clients wherever their business takes them. Our goal has never been to be the biggest, but to be the best at what we do. We are unwavering in our commitment to deliver on our value proposition of providing excellent client service, unrivalled travel technology and measurable return on our clients' travel investment – and all with a 'can do' attitude. This value proposition of expert service, proprietary technology and ROI saw CTM continue to win clients in every region as evidenced by our above market revenue recovery.

CTM's butterfly philosophy – represented in our brand diversification and agility – enabled us to adapt quickly to the global pandemic and will support us as we continue to grow and evolve to meet the challenges and opportunities of the future. This agile mindset and operating structure enabled CTM to bring new client solutions to market at record speed during the pandemic, including:

- the integration of COVID-related health and safety features for airlines and hotels within our proprietary online booking tool, Lightning
- the deployment of our COVID-hub portal to keep clients informed of the fast-changing travel rules and regulations to support more informed travel decisions.

Strategic initiatives

The Group focused on the following key strategic initiatives during the year:

Continued Organic Growth and Acquisitions:

- Enhancing our value proposition to meet client needs across the CTM global network, including a team dedicated to the strategic global client segment.
- Leveraging clients across all lines of business (CTM, ETM, Leisure, Loyalty, Wholesale).
- Executing merger and acquisition opportunities that add scale, niche market positions and/or geography.

Productivity and Internal Innovation:

- Internal innovation feedback loops, to improve and automate existing client and non-client facing processes.
- Staff empowerment to make service decisions to drive high staff engagement and client satisfaction outcomes.

Client Facing Innovation:

- Expanding CTM SMART Technology globally by developing new tools for and with our clients.
- Through regional technology hubs, building tools that address local or regional market requirements, including COVID-19 related tools.

Leveraging our Scale and Geography:

- Capitalising on scale and our global network, to develop and optimise supplier performance for our clients and the CTM Agency Partnership Program (APP).
- Continuing to demonstrate that CTM is a valuable partner in the global travel supply chain.

Our People:

- Attract, retain and develop the industry's brightest talent.
- Empowering our team to support our clients' needs.
- Embracing a culture that represents our values and business drivers.

People

Thanks to the professionalism and commitment of our people, CTM is a highly valued business partner for our clients. As a Board and senior management team, we are mindful of the impact of the pandemic on our team members across the globe and we are grateful for their ability to adapt and remain focused on supporting clients. Unfortunately, the fall-out from COVID-19 led to the difficult decision in the second half of the year to make some roles redundant, particularly in Asia where travel activity has continued to be subdued. All of the people who left the business made valuable contributions to CTM and I would like to thank each one of them for their efforts. Since we reduced the size of our workforce in FY20, many former staff have chosen to return to CTM as travel activity has started to recover. This shows the strength of CTM's culture and I hope to welcome more people back to our team as business travel activity continues to improve.

FY22 – a new year and new horizons

Notwithstanding the uncertainty which exists with government decisions on border restrictions and their impact on travel supply and demand, CTM is showing steady signs of recovery. As vaccination programs progress around the world I am pleased to advise that through our large exposure to North America and UK/Europe, we are seeing increased demand for domestic and international travel where borders permit as we enter the new financial year.

The Group remains focused on managing the business with an eye on the future. We will continue to enhance our value proposition to meet clients' needs across the CTM global network while also assessing acquisition opportunities that support our global strategy to create more levers of organic growth in the long-term.

The Group remains focused on managing the business with an eye to the future.

So as we enter FY22, I would like to take this opportunity to thank the Board, management team and all of our team members for their efforts in challenging circumstances. I also wish to thank our clients, suppliers, partners and shareholders for your ongoing support for CTM throughout the COVID-19 pandemic.

Yours sincerely,

Jamie Pherous

Managing Director,
Corporate Travel Management Limited

18 August 2021

Board of Directors

Ewen Crouch AM

Chairman, Independent Non-Executive Director

Ewen Crouch was a Partner at Allens from 1988 – 2013. He served as a member of the firm's board for 11 years, including four years as Chairman of Partners. His other roles at Allens included Co-Head Mergers & Acquisitions and Equity Capital Markets from 2004 – 2010, Executive Partner – Asian Offices from 1999 – 2004 and Deputy Managing Partner from 1993 – 1996. He was a director of Mission Australia from 1995, including as Chairman from 2009, until retiring in November 2016.

Ewen is a Fellow of the Australian Institute of Company Directors and a member of its Law Committee and a director of Jawun. He served as a member of the Takeovers Panel from 2010-2015, as a member of the Commonwealth Remuneration Tribunal from 2015 – 2019, and as a director of Sydney Symphony Orchestra from 2009 – 2020.

Jamie Pherous

Managing Director

Jamie Pherous founded Corporate Travel Management Limited (CTM) in 1994. He has built the Group from its headquarters in Brisbane to become one of the world's largest travel management companies.

Prior to establishing CTM, Jamie was employed by Arthur Andersen, now EY, as a qualified Chartered Accountant, specialising in business services and financial consulting, notably in Australia, Papua New Guinea and the United Arab Emirates.

Sophia (Sophie) Mitchell

Independent Non-Executive Director

Sophie Mitchell has over 30 years of corporate advisory, capital markets and equity research experience. She retired from Morgans in June 2019 after over a decade as an Executive Director in Morgans Corporate and, prior to this, she was Morgans Head of Research.

Sophie is a Non-Executive Director of Morgans Holdings (Australia) Limited and the Morgans Foundation Limited, a Board member for the Australia Council for the Arts, Non-executive Director of Myer Family Investments Pty Ltd, Chairman of Australian Super's Queensland Advisory Council and was a member of the Australian Government Takeovers Panel between 2009 and 2018.

Jon Brett

Independent Non-Executive Director

Jon Brett was formerly an executive director of Investec Wentworth Private Equity Limited, and an executive of Investec Bank (Australia) Limited. He was also the CEO of Techway Limited which pioneered internet banking in Australia. Jon brings extensive strategic, board and management experience to CTM, particularly in the areas of finance and corporate advisory.

Jon is currently Executive Chairman of Stridecorp Equity Partners, an AFSL licensed fund manager specialising in private equity. His former directorships include Godfreys Group Limited, The Pas Group Limited, deputy president of the NRMA and Vocus Group Limited since its listing on the ASX.

Laura Ruffles

Executive Director

Laura Ruffles is CTM's Global Chief Operating Officer and, in late 2015, was appointed an Executive Director in recognition of her leadership contribution. She has significant local, regional and global industry experience and, in a career of more than 20 years, has led teams across sales, account management, operations and technology. Laura is responsible for all aspects of CTM's business performance. She joined CTM in 2010 and has been a key contributor to its successful growth. She is also a Director of the Australian Federation of Travel Agents.

Executive Team

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Cale Bennett

Global Chief Financial Officer

Cale Bennett joined CTM in August 2019, before becoming Global CFO in March 2021. Prior to joining CTM, Cale held senior finance roles in ASX listed entities in the banking, entertainment, and transportation industries. Cale's corporate background includes five years spent as Group Treasurer of an ASX-100 company, driving a commercial approach that resulted in significant financial outcomes. A strong interest in technology has also led Cale to both co-found and advise start-ups in the fintech industry. Cale holds a Bachelor of International Finance, Graduate Diploma in Applied Finance and Investment, and Master of Business Administration qualification. Cale is a Fellow of CPA Australia.

Laura Ruffles

Global Chief Operating Officer

Laura Ruffles is CTM's Global Chief Operating Officer and, in late 2015, was appointed an Executive Director in recognition of her leadership contribution. She has significant local, regional and global industry experience and, in a career of more than 20 years, has led teams across sales, account management, operations and technology. Laura is responsible for all aspects of CTM's business performance. She joined CTM in 2010 and has been a key contributor to its successful growth. She is also a Director of the Australian Federation of Travel Agents.

Debbie Carling

CEO UK / Europe

Debbie Carling has worked in the travel industry for more than 30 years in several key strategic and senior roles, including Commercial Director at Britannic Travel. During this time Debbie led the setup of global brand FCM Travel Solutions and became the Executive General Manager of Europe. In 2011 Debbie joined Chambers Travel and became COO soon after. Debbie successfully instilled new company processes, productivity and developments in supplier relations. In December 2014 Chambers was acquired by Corporate Travel Management, during which time Debbie played a key role in the successful transition. Debbie was appointed as CEO Europe for CTM in July 2016.

Kevin O'Malley

CEO North America

Kevin O'Malley has more than 25 years of travel industry experience, and joined CTM from the Travel and Transport acquisition in 2020. His leadership style, industry acumen and genuine interest in the success of clients and staff make him an integral member of the CTM executive team. Kevin is committed to advancing the travel industry, acting as advisory board member among several key industry groups, and also cultivates his local community by serving on several boards for Nebraska-based educational institutions and charitable foundations. As CEO, North America, Kevin is responsible for ensuring the highest level of personal service, innovation and return on investment to our customers, while leveraging CTM's global strategy to benefit regional clients and staff. Prior to joining the travel industry, Kevin worked as a CPA for both Deloitte and Lutz..

Greg McCarthy

CEO Australia & New Zealand

Greg McCarthy has extensive executive level experience in the travel industry having held several leadership positions. He founded two travel management companies in Australia, building them up from small operations to highly successful medium-sized businesses, with a strong focus on customer retention and superior service levels. Greg has worked for international airlines and held an executive directorship in a global TMC, achieving a strong track record delivering for customers. He was co-founder of Platinum Travel Corporation. CTM acquired Platinum's Brisbane and Sydney offices in 2018, with Greg commencing as CTM CEO Australia and New Zealand on 1 July 2018.

Larry Lo

CEO Asia

Larry Lo is responsible for the overall management, sales operations and continued development of strategic alliance partnerships across the Asia region. He started his career in 1988 as a Travel Consultant and worked in several travel companies in Hong Kong and Canada gaining an in-depth insight into the international travel industry. Today, Larry manages the CTM business in Hong Kong, Mainland China, Taiwan and Singapore. He currently serves on the Executive Committee of the Society of IATA Passenger Agents (SIPA), the Chairman of IATA Agency Programme Joint Council (APJC) and a Director of World Travel Agents Associations Alliance (WTAAA).

Sustainability Report

Driving sustainability throughout our business

Corporate Travel Management Limited is pleased to present its FY21 Sustainability Report.

CTM's focus on long-term sustainability has guided decision-making, particularly since the onset of the COVID-19 pandemic. We have made decisions and taken action with a long-term view to creating and protecting value for the business and our key stakeholders. The pandemic has caused some sustainability initiatives to be scaled back and others emphasised, to create a focused pathway to see us through the impact of the COVID-19 pandemic and into a successful recovery environment.

CTM has revised this Report following a review of our sustainability strategy and associated reporting during FY21 to provide further information on the material areas that we believe will determine CTM's sustainability over the longer-term. This Report is a further step in our reporting on areas critical to CTM's long-term success. In the coming year, work will continue with our key stakeholders to refine data capture, measurement and goal setting.

Our long-term success is dependent on meeting the expectations of our key stakeholders including our people, clients, suppliers, industry partners, investors and financiers. We have begun stakeholder engagement and are introducing feedback processes to ensure we capture and respond appropriately to each perspective.

Our Sustainability Pillars

After reviewing a number of the evolving reporting frameworks in the sustainability ecosystem, we have broadly aligned our reporting with the guidance provided by the World Economic Forum's ("WEF") report; Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation due to its broad applicability and commitment from a number of relevant bodies to WEF's process to develop globally consistent reporting.

The diagram below summarises our revised areas of focus based on the WEF's four reporting pillars being Principles of Governance, People, Planet and Prosperity. The pillars form the foundation of this Sustainability Report and will underpin CTM's sustainability planning in the coming years.

Stakeholders and stakeholder engagement

During FY21, we reviewed how we engage with our key stakeholders given they are critical to successfully meeting our purpose to deliver an enhanced value proposition to corporate travellers. CTM's material stakeholders include:

1. Our employees: past, present and prospective
2. Our clients: past, present and prospective
3. Our investors: present and prospective
4. Our suppliers and our industry partners
5. Governments and regulatory bodies in the regions we operate in
6. Our financiers

The table below sets out how we engage with each of our material stakeholder groups:

Stakeholder	Engagement methods
Employees	— Various employee meetings, business update sessions, intranet, newsletters and a range of other communication methods — Regular one-to-one employee and leader meetings, and monthly check-ins — Employee feedback loops including but not limited to employee engagement surveys, employee new starter and exit surveys — Training sessions
Clients	— Client feedback loops — Client surveys — Client engagement forums — Client information requests on sustainability topics — Participation in industry events and conferences — Direct engagement to understand emerging challenges and long-term needs
Investors	— Direct engagement with larger shareholders and analysts — Direct engagement with proxy houses and other shareholder or investment advisors — Interim and full year result reporting and presentations — Investor roadshows — Participation in investment market events and conferences — ASX releases — Annual General Meeting
Suppliers/Partners	— Participation in industry events and conferences — Discussions throughout the procurement process — Direct engagement throughout the supply contract lifecycle — Questionnaires, audits
Government and regulatory bodies	— Membership of and participation in industry associations — Policy submissions, participation in working groups and meetings with government — Liaison with regulators in the jurisdictions in which we operate
Financiers	— Direct engagement — Participation in industry events and conferences

CTM conducted informal interactions with our stakeholders during FY21 regarding sustainability, including many conversations on long-term sustainability issues given the pandemic and increased importance of climate change. This report covers the material topics that stakeholders focussed on. In FY22, we will engage with stakeholders in a structured way on sustainability matters to ensure we fully capture their views and insights relevant to CTM.

Principles of Governance

Governance is fundamental to our long-term sustainability. Defining and monitoring our purpose, governance framework, ethics and integrity, and risk management framework together provide CTM's material governance foundations required to create long-term value for our stakeholders.

Our purpose

CTM was established in 1994 with a clear purpose to deliver an enhanced value proposition to corporate travellers. Our purpose remains unchanged. CTM's culture is founded on the principle of empowering its people, through good processes and excellent training, to deliver a strong return on investment to clients underpinned by intuitive industry-leading technology and highly personalised service. The sustainability of CTM is inextricably linked to our vision, mission and values summarised below.

Our Vision

To be recognised as the global leader in travel management solutions – an entrepreneurial, innovative and inspiring company of choice for employees, customers, partners and shareholders.

Our Mission

To be travel management leaders in all regions in which we operate, using innovative technology to improve the customer experience and bring positive change to the market.

Our Company Values

Exceed to Service
Excellence is a habit not an act

Trust to Succeed
Belief is what makes a person, team, company, and community stronger

Innovate to Generate
Innovation in thinking and doing what nobody else does

Collaborate to Perform
Through teamwork wonderful things will be achieved

Play to Win
People are successful when they have fun in what the do

Empowered to Achieve
The power to make the right decision to achieve great results

Recognise to Reward
Celebrate and acknowledge when we have accomplished something special

Governance framework

We recognise the importance of good corporate governance practices which assist in ensuring the accountability of the Board and management of CTM to our stakeholders. The Board regularly reviews our governance practices in light of corporate governance developments, applicable legislation and standards, as well as stakeholder expectations.

At CTM, we believe that good governance practices are fundamental to:

— the long-term performance and sustainability of CTM
— the delivery of strategic objectives
— contributing to the preservation and growth of shareholder value.

The Board has established the following governance framework:

Board

— Provide leadership and set the strategic objectives of CTM
— Oversee CTM's corporate strategy, financial performance and key objectives

Remuneration & Sustainability Committee

— People and remuneration strategy and policies
— Talent development and succession planning
— Overseeing sustainability matters
— Monitoring policies and initiatives to ensure safeguards are in place for dealing fairly and ethically with stakeholders

Audit & Risk Committee

— Internal controls
— External audit
— Financial reporting
— Risk management
— Monitoring health and safety
— Corporate Governance

Nomination Committee

— Board and Committee evaluation
— Board skills, diversity and renewal
— Succession planning

Senior Leadership Team

— Day-to-day operation and management of CTM
— Develop and deliver on CTM's corporate strategy, financial performance and key objectives

Further details regarding our governance structures, including Directors' skills, experience and Committee memberships can be found in our FY21 Corporate Governance Statement available on our website and in the Directors' Report contained in the FY21 Annual Report.

Ethics and integrity

CTM has policies in place that support its governance framework and promote creating and sustaining a workplace culture that supports equality of opportunity, empowerment, collaboration and recognition.

CTM's Code of Conduct sets out the ethical and responsible conduct expected of all our employees and Directors. We promote acting in accordance with the law; acting with honesty, integrity, and fairness; a commitment to a high standard of professionalism; and avoidance of conflicts of interest by all our employees and Directors. Our reputation as a fair and ethical organisation is important to our ongoing success. At CTM we have in place internal grievance and investigation processes as well as the Whistleblower Policy and process. Internally, a breach of the Code of Conduct could result in disciplinary action including termination of employment.

Through our Whistleblower Policy and associated processes, we aim to ensure that our people and stakeholders feel encouraged and supported to report conduct which they consider to be inappropriate.

CTM is committed to taking prompt and appropriate action in investigating possible inappropriate conduct to ensure that incidents are appropriately addressed and to stop any re-occurrence of the situation.

Breaches of our policies are reported to the Board through the relevant Board Committees.

Everyone at CTM is required to complete training on our core policies, including our Code of Conduct, Whistleblower Policy, Anti-Bribery and Corruption Policy, Risk Management Policy, Privacy Policy, Securities Trading Policy, Continuous Disclosure Policy, Workplace Health and Safety Policy, and Equal Opportunity and Diversity Policy. We also have processes for the delivery of annual refresher training and require an acknowledgement of reading and understanding our policies.

This year, we published our first Modern Slavery Statement which sets out CTM's approach to identifying, managing and addressing potential modern slavery risks and impacts in our operations and supply chain. We will continue to build upon and improve our existing risk management and remediation frameworks as they relate to modern slavery, and in FY22 all of our employees will receive enhanced training regarding CTM's modern slavery policies and principles so that they have a higher level of understanding of the risks of modern slavery in our business and supply chain.

Further details regarding our approach to modern slavery risks can be found in our Modern Slavery Statement available on our website.

Risk oversight

Risk management forms a core part of our day-to-day business. CTM's senior leadership team is responsible for the identification, evaluation and monitoring of material business risks on an ongoing basis as well as embedding a culture throughout CTM that promotes awareness of potential exposures created by risk. The material issues addressed in this report were identified by CTM personnel who engage regularly with each of our stakeholder groups.

The Board is responsible for the oversight and management of risk and is assisted by Board Committees where required. In performing its oversight role, the Audit & Risk Committee:

- regularly reviews CTM's risk appetite and risk tolerance with respect to relevant categories of strategic and operational risk;
- monitors, reviews and reports on risks which may impact CTM achieving its goals and objectives, or on CTM's performance more generally;
- assesses risks which may impact CTM's reputation; and
- reviews actions taken by management to reduce risk exposure.

The Remuneration & Sustainability Committee assists the Board in relation to sustainability risks relevant to CTM including by:

- developing long-term targets and aspirations for sustainability and, once in place, monitoring progress towards achieving those targets;
- reviewing the effectiveness of CTM's initiatives designed to support a sustainable business; and
- monitoring CTM's policies and initiatives to ensure appropriate safeguards are in place for dealing fairly and ethically with CTM's stakeholders.

The COVID-19 pandemic continues to cause major disruption to the travel industry because of government-imposed travel restrictions, border closures and quarantine requirements. The strengths of our business model, being:

- capital light
- corporate travel / essential travel clients
- global geographic diversity
- majority of revenue from domestic travel

meant that we were well-positioned, before the emergence of COVID-19. We protected CTM's strong liquidity and financial position, participated in M&A opportunities and adequately managed various risks to our business when the global travel industry experienced this unprecedented disruption. Through our risk management framework, we quickly created an action plan and implemented a new rolling operating framework driving accountability and operating simplicity, with a clear focus on cost management, employee communications, client and supplier engagement, and finance initiatives.

Opportunity oversight

Our risk framework also enabled CTM to be in a position to capitalise on opportunities aligned with our strategic direction, such as the acquisitions of Travel & Transport and Tramada in FY21. We apply a disciplined approach to acquisitions and will only pursue opportunities that deliver commercially attractive and strategic outcomes which complement, or benefit from, our established operating capabilities.

In addition to managing our own risks, as businesses adjust to COVID-19, we are providing our clients with a broader range of consultancy support beyond traditional travel booking, reporting and supplier management. We have worked hard to help our clients with sophisticated risk management tools, including traveller tracking and emergency communications, to enable our clients to travel more safely, efficiently and cost-effectively during the pandemic.

Planet

We recognise the environmental harm that can result from business operations. Impacts on the environment are playing an increasingly important role in determining a company's "licence to operate" which, if damaged or lost, will have an impact on CTM and our stakeholders.

CTM's and our clients' long-term sustainability are dependent on the long-term economic health of the regions where we operate. Thriving communities with opportunities for economic growth, investment and development will underpin our clients' travel requirements. Should any of CTM's upstream or downstream business activities be threatened due to environmental impact, CTM's longer-term sustainability may be threatened.

Direct impact

CTM has a number of initiatives in place to manage the size of our own climate footprint.

We continue to partner with South Pole (www.southpole.com), a company which offers solutions to help organisations meet the United Nations Sustainable Development Goals. Through this partnership, CTM has a policy of offsetting 100% of the carbon emissions generated by our employees' air travel against a range of global initiatives.

During FY21, CTM offset 234 tonnes of greenhouse gas emissions. Due to border restrictions and the resulting reductions of employee travel, this amount has reduced from FY20 when we offset more than 1,191 tonnes of greenhouse gas emissions. Through the offsetting process with South Pole, CTM is able to support projects which contribute to the regeneration and preservation of Australian biodiversity.

In addition to our own air travel, CTM has a direct impact on the environment from the amount of waste we generate, the electricity, gas and water we consume, our technology usage and the offices we occupy.

Whilst we have not yet measured these impacts, CTM has implemented initiatives within the business to reduce or negate some of our impact. Our team members are encouraged to be mindful of our environmental responsibility. We have taken the following steps to reduce our impact on the environment:

— A focus on paperless processes
— Shredding and recycling paper where practical
— Recycling ink cartridges
— Donating or recycling old / no longer required furniture, IT equipment and office supplies
— Provision of reusable kitchen items rather than disposable items
— Office and kitchen waste separation
— Participation in Earth Hour
— Partnering with suppliers who meet environmental standards
— Australian offices located in buildings with a minimum 4 star NABERS for Energy and Water.

Over FY22, CTM will endeavour to extend the measurement of our own environmental impact. With this knowledge, CTM will review our goals related to reducing our adverse impacts on the environment. CTM is committed to understanding the impact we directly have on the environment and managing this for our long-term sustainability.

Impact from our value chain

We are aware that the upstream and downstream activities in our value chain also have an impact on the environment. In providing our services to our clients, we are very cognisant that travel creates impacts on the environment. Whilst we do not provide the actual transport or accommodation, we on-supply this to our clients by procuring travel services on their behalf.

Also, our client's business and core activities may have impacts on the environment which, indirectly, we are enabling through the provision of travel services. At CTM, we will assist and collaborate with our clients to reduce our collective environmental footprints. We have a diverse portfolio of clients across a number of industries, many of which regard travel as a key success enabler.

Our approach to ensure our longer-term sustainability is to deliver innovative travel solutions which assist our clients to achieve their own sustainability goals. For example, we provide our clients with the opportunity to offset the emissions generated by their employees' air travel via CTM's Climate+ program (in partnership with South Pole).

Additionally, some of our industry partners offer options to offset emissions directly. We facilitate this approach through enabling our clients to choose this option in our booking systems at the point of sale.

In FY22, CTM will continue to engage with our clients to better understand our clients' objectives and to assist the informed development of travel solutions which reduce the impact on the environment. We will also increase our understanding of our suppliers' sustainability strategies to assist and ensure long-term sustainability for CTM.

People

Our people are CTM's frontline value creators for our stakeholders. Our long-term creation of value is dependent on attracting and retaining talented and motivated staff. From a sustainability perspective, CTM's People initiatives focus on diversity, health and safety, and training and development. These initiatives alongside our remuneration structure, policies and procedures, ethics and integrity framework, focus on innovation, and our contribution to the communities we operate in, underpin CTM's workplace culture.

CTM has historically used employee surveys to provide insights into workplace culture and employee engagement. This has included comprehensive annual employee surveys (the Vibe Survey), new starter and exit surveys, informal and formal complaint handling procedures, Workplace Health and Safety information including access to an Employee Assistance Program, and quick employee pulse surveys.

The information gathered is used to adjust and set our People and Sustainability strategies to ensure we address issues which may impact on our ability to attract and retain talented people.

In FY21, CTM's annual Vibe Survey was suspended given the sudden and significant impact COVID-19 had on our team members as we focussed on ensuring the health and wellbeing of our people and their families. Feedback was primarily sourced from direct contact between managers and their teams. Our employees and leaders worked together tirelessly to support each other during this time. Some other People programs were also scaled back during the year given their lower priority in the pandemic environment. In FY22, we will return to using the Vibe Survey globally to provide more defined metrics and benchmarks around our understanding of employee engagement, and we will focus on reintroducing key People programs as our teams return to the workplace and the business recovers.

Diversity factors

We understand that it is critical that our most important asset - our people - have a range of skills, experiences, backgrounds, thoughts and beliefs. We acknowledge the individual strengths of each employee and the potential they bring. Valuing the differences of others is what ultimately brings us all together and creates innovation through diversity of thought. It also contributes to an engaging work environment.

— 71% of our employees are female and 29% male
— Average age is 44
— Average tenure is 8 years
— 68% of our team leaders and managers are female, 46% of senior leaders are female

There has been no material change to these statistics from FY20 to FY21.

Knowledge, skills and training are critical elements in developing and supporting a diverse team.

With our new Global Learning Management System, implemented in late FY21, we have introduced new and enhanced training relating to:

— Diversity and inclusion
— Equal opportunity
— Unconscious bias
— Becoming a Diversity, Equity and Inclusion Ally and Agent for Change
— Harassment training

Equity in relation to salary is important at CTM, and we have processes and procedures in place to identify, reduce and eliminate any unconscious bias.

Each region completes an annual review of salaries. Included in this process is the requirement for each region to evaluate local minimum wage requirements and assess where our employees sit in context to local employee relations requirements. We also complete an annual analysis of salaries by gender, and we support our leaders with recommendations and training in this area.

Reporting

At CTM, we submit gender diversity information to the relevant government and reporting bodies as required. Our work is recognised by compliance with the Australian Workplace Gender Equality Act (WGEA) 2012, UK Gender Pay Gap Reporting, US Equal Employment Opportunity Commission - Employer Information Report EEO-1, New Zealand Government Employment Survey, and others where required.

Indigenous Engagement Plan

In Australia, we continued our focus on raising employee awareness and understanding of traditional cultures through our Australian Indigenous Engagement Plan. We promote and celebrate NAIDOC Week, with this year's goal to increase employees' awareness of Aboriginal and Torres Strait Islander communities and culture. During FY21, we continued our partnership with NRL Cowboys House. This program provides supported accommodation for Aboriginal and Torres Strait Islander students from remote Queensland communities so they can access quality secondary education, and includes separate housing for young females. In partnership with the students from Cowboys House, CTM produced a video showcasing students' traditional languages and their importance to local communities and heritage. CTM is also a member of Supply Nation, an organisation which connects Australian companies to Indigenous suppliers, with the aim to build a vibrant and prosperous Indigenous business sector by incorporating Indigenous-owned businesses into the supply chain.

Health and safety

At CTM, the health and safety of our people is paramount. During the pandemic we have supported our employees with a variety of initiatives promoting health and mental wellbeing. These include flexible working arrangements, access to wellness information, mental health tips and techniques, and the Employee Assistance Program. Return-to-office processes have been implemented to help protect our people, including COVID-Safe plans, following local health authority requirements and advice, additional cleaning, provision of hygiene products, and social distancing.

Across our regions we have a number of ongoing health and wellbeing initiatives in place to support our people:

— Intranet sites dedicated to providing information, tools and discounts relating to health and wellbeing
— Mental health training
— Health challenges and programs
— R U OK Day?
— Employee Assistance Programs
— Domestic and family violence awareness and training
— COVID-related health and wellbeing tips and tools

As a service-centric business, our employees work either remotely from home or within modern, managed corporate offices, ensuring very limited exposure to workplace risks, incidents and injuries. During FY21 the number of non-work related and work-related incidents was immaterial and CTM had no fatalities or permanent disabilities.

Training and development

During FY21 we scaled back the CTM HiPo (High Performance) program and other leadership development activities and focused on operational and process training, which was critical in a volatile travel landscape. In late FY21, we streamlined our compliance training globally and launched a new global Learning Management System to deliver on-demand learning opportunities to all employees. The objective of this program and the investment in the development of our people aims to provide:

— high quality compliance training
— enhanced reporting capability on training completion
— continuous learning which supports our culture of innovation and empowerment
— an extensive library of on-demand learning content in a variety of forms and languages
— a pro-active, personalised and self-initiated development and learning culture.

To remain a vibrant, sustainable sector over time, the industry needs to continue attracting talented people to a career in travel. CTM is proud to support the continued advancement of the travel industry through ongoing skills training, which contributes to the local economies and communities in which we operate. During FY21, initiatives such as the TAFE Travel and Tourism scholarship program in Australia, our partnership with Bradford College (UK), and our various graduate programs in the USA, were placed on hold and we are looking forward to reigniting these programs in FY22.

Prosperity

We believe the core drivers for longer-term sustainability from a prosperity perspective include our contribution to employment, wealth generation, investment in innovation, community participation and support, including the payment of taxes, and the protection of our stakeholders' data and privacy.

Whilst the travel industry is traversing its toughest period in recent times, CTM has remained resilient throughout the pandemic. As a result, CTM has been able to act on opportunities to grow our footprint, add scale and acquire talent, evidenced in CTM's acquisitions of Travel & Transport and Tramada in October 2020.

There have been many decisions contributing to CTM's corporate performance through the COVID-19 pandemic, and we are well-positioned to continue creating value in the future.

Employment

In response to the pandemic and for the sustainability of our business, CTM made the decision to resize its workforce and temporarily reduce pay and/or working hours for employees to align with the significant reduction in travel activity and revenue in FY21. CTM did benefit from government grants available in some of our regions, which were instrumental in enabling us to reduce the impact on our employees and clients.

CTM has recommenced hiring in some regions as travel activity recovers, and most employees have returned to full pay and working hours.

We have been focussed on retaining skilled and knowledgeable staff during the reporting period to support our clients and our business.

We again thank our alumni for all they have contributed to CTM, and look forward to welcoming many back to the CTM business in the near future.

Wealth generation

We have made the decision to not recommend dividend payments during the COVID-19 impacted period, resulting in a loss of income for shareholders. We are committed to returning value back to stakeholders via dividends as soon as prudent.

Whilst the pandemic was an unforeseeable event, CTM entered the period in a strong financial position as a result of sustainable business planning and diligent governance.

Balance sheet strength and management were key to the resiliency of the business through the COVID-19 affected period. As the pandemic took hold from early 2020, CTM's balance sheet management has been tested. During the pandemic, we benefited from the working capital unwind that had built up prior to the pandemic. We also funded significant amounts of refunds as cancellations occurred. We continue to see refunds as cancellations continue to occur in response to COVID-19 outbreaks and border lockdowns globally. We were able to manage these events through our relationships with our clients, suppliers and partners. Given significant cash holdings and a strong focus on debt collection, all external debt was repaid in May 2020.

We have maintained cash holdings through the pandemic sufficient to ensure no debt has been drawn since it was repaid.

CTM's debt covenants were waived by debt providers, allowing us flexibility to navigate through the pandemic period. As at 30 June 2021, CTM holds $92.8 million in cash available to be used and has no drawn debt on a facility of $110.7 million.

During June 2021, CTM reduced the facility limit from £100 million to £60 million given the strong balance sheet position. Looking forward, we will continue to manage our balance sheet positions prudently and conservatively.

Our balance sheet management ensured CTM did not need to raise equity capital to fund the operations or losses of the underlying business. Rather, we raised capital in October 2020 to acquire Travel & Transport and Tramada. These acquisitions grew the pre-pandemic pro-forma revenue by 64%. Travel & Transport gives CTM greater access to the North American and European markets in corporate travel. Both of these acquisitions will benefit stakeholders in the future through increased client offerings and accretive EPS.

CTM has a diversified client base and is mindful to minimise concentration of revenues from individual clients.

This diversification includes clients in 'essential services' industries who continued traveling through the pandemic. This ensured continued revenues, although lower than historic levels, during the downturn. We are conscious that our supply chain is a leading factor in recovery. We have been and continue to work closely with industry partners to ensure the best outcome for all stakeholders both short term and long-term. Global airline capacity has increased over the reporting period. Travel bubbles and quarantine-free travel pathways have started to appear globally. However, the countries we operate in take a sovereign approach to border closures and vaccine rollouts. Some regions will reopen international travel quicker than others. CTM has developed a strategy to operate through this uncertain period of recovery and into the post pandemic environment.

In FY21, CTM navigated an extremely difficult period. We are re-emerging from the pandemic impact a larger and stronger business focussed on our stakeholders and their long-term prosperity.

Core Metrics

Economic contribution (A$m)	Australia/ New Zealand	North America	Asia	Europe	Consolidated
Direct economic value generated[1]					
FY21	43.7	97.6	18.2	42.0	201.5
FY20	84.6	134.3	53.2	77.8	349.9
Economic value distributed[2]					
FY21	66.8	150.8	33.9	47.4	298.9
FY20	77.2	137.0	72.3	79.2	365.7
Economic value retained/(distributed)[3]					
FY21	**(23.1)**	**(53.2)**	**(15.7)**	**(5.4)**	**(97.4)**
FY20	**7.4**	**(2.8)**	**(19.1)**	**(1.4)**	**(15.9)**

1. Direct economic value generated represents revenue and other income from continuing and discontinued operations.
2. Economic value distributed represents operating costs, employee wages and benefits, payments to providers of capital, payments to governments and community investments.
3. Economic value retained equals direct economic value generated less economic value distributed.

Core Metrics

Government financial assistance by region	Monetary value (A$m) FY21	Monetary value (A$m) FY20
AUSTRALIA	7.8	2.5
ASIA	7.0	2.0
EUROPE	3.6	3.2
TOTAL	**18.4**	**7.7**

Innovation of better products and services

Innovation is at the core of CTM's purpose, value proposition and sustainability. The proprietary technology we have developed continues to improve and was an important tool to facilitating our clients' travel plans from when the pandemic started to impact travel in the second half of FY20. Our proprietary technology continues to be core to our client value proposition.

Decisions regarding employee reduction did impact the software development teams in CTM during FY21. The decision was made to reduce technology projects whilst we navigated the loss of activity in order to preserve cash.

We were agile and prioritised changes to the technology needed to supply valuable information to our clients regarding COVID-19-safe travel. These changes were made quickly and ensured we were able to provide service to those who needed it in a safe and informed method.

As businesses adjust to COVID-19 and changing macro trends, we are listening to our clients' requirements as they return to travel. We have delivered new solutions and technologies that provide our clients information needed to get back to business travel. CTM supports our clients' health, safety and wellbeing through a range of products and services including CTM's traveller tracking tools, risk management and communications tools, and traveller wellbeing reporting.

We have also been working closely with travel suppliers and governments to prioritise the development of new solutions which enable our clients to make more informed travel decisions that increase traveller confidence.

Looking forward, CTM has a Board-approved strategic vision for the future of corporate travel and the technology required to enable it. As development headcount increases along with research and development investment, this vision will support long-term value creation for stakeholders.

Core Metrics

Financial investment contribution	Monetary value (A$m) FY21	Monetary value (A$m) FY20
Software development less amortisation	(3.5)	4.0
Acquisition of entities less distribution of capital to shareholders	276.1	(1.2)
Total	**272.6**	**2.8**

Innovation and community contribution	Monetary value (A$m) FY21	Monetary value (A$m) FY20
Total development cost	**14.2**	**18.5**

Community and social vitality

As a global business, we empower our employees to develop and deliver initiatives that suit the needs of their local communities, but are underpinned by our broader purpose, mission, vision and values.

During FY21, initiatives were scaled back due to various restrictions, and the focus was on supporting our internal communities' health, wellbeing and community spirit. Some of the external initiatives supported during FY21 included:

- **Australia and New Zealand:** Sponsorship of Cowboys House (supported accommodation for Aboriginal and Torres Strait Islander students from remote communities during their secondary education), fundraising for the Animal Welfare League, and volunteering at the Street Buffet to support people impacted by homelessness.
- **Asia:** The Community Chest Skip Lunch Day in support of the homeless in Hong Kong, and the FeiMaYi Program in support of remote rural communities in China.
- **North America:** Volunteering and support for organisations and charities servicing women and children affected by domestic violence, youth support, student scholarships, homeless services, and programs that combat adult and childhood illnesses.
- **Europe:** Volunteering at COVID-19 vaccination centres, fundraising for the Marie Currie Donation Appeal, and volunteering at the Oak Cakes Rescue Kennels in the UK.

CTM is committed to responsibly managing the Group's compliance with its tax obligations around the world.

Tax

The Group's approach to tax is governed by a Board-approved Tax Governance Framework. The Group has robust internal tax controls and risk management procedures in place to enable the Group to identify and respond to tax risk. To guide the Group's response to tax risks identified, CTM has implemented a Tax Code of Conduct aligned to the Group's core values and commitment to corporate responsibility.

Under the Group's tax risk management strategy, CTM will not participate in tax evasion or aggressive tax planning, and is committed to maintaining a proactive and transparent relationship with taxation authorities in all tax jurisdictions in which the Group operates.

As a global business, CTM contributes to the wealth of communities and society through remitting the correct amount of taxes to tax authorities. CTM has paid $9.1 million in tax for FY21 (FY20: $31.8 million).

Data security and privacy

As a travel management provider, CTM collects, uses, stores and protects large amounts of confidential and personally identifiable information (PII) to facilitate travel bookings and associated travel. We take information security and privacy very seriously, and have implemented a robust information security framework across the entire business that includes appropriate security policies and procedures, staff and contractor security awareness programs, and technical security measures.

CTM abides by the applicable privacy legislation in all regions in which we operate and is certified to internationally recognised security and compliance standards, including ISO27001, PCI-DSS and SOC2. In addition to these compliance requirements, CTM strives to follow best practice cybersecurity to ensure the confidentiality, integrity and availability of data for our customers, business partners and employees.

Despite these measures, in FY21 CTM was impacted by a cyber-attack in one of our regions that resulted in the unauthorised access to a small amount of low-value legacy data. This attack was detected and contained quickly, largely due to preventative security measures already in place, which fortunately limited both the impact and duration of the breach.

Specialist security expertise was brought in to assist with remediation processes, and CTM reported the breach to the relevant privacy regulator and impacted clients as required by law. Following a review, and having regard to the remediation and prevention strategies employed by CTM, the regulator determined that no further action was necessary.

As a result of the incident, CTM identified opportunities to reduce the likelihood of further attacks and to improve and enhance our cybersecurity posture. These improvements were completed within FY21.

Conclusion

CTM is committed to the sustainability of the business and creating value for our stakeholders. Since the onset of the pandemic, focussing on CTM's long-term sustainability has helped our decision-making.

We have taken steps to identify critical areas to achieve long-term sustainability and are on a journey towards improving our sustainability reporting. In FY22, we will focus on more structured interactions with our stakeholders to understand their perspectives on sustainability, measuring our environmental impact, rebuilding our workforce as activity returns, returning initiatives that were scaled back, and increased investment in innovative proprietary technology.

Financial Report

Directors' Report

The Directors present their report, together with the consolidated financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Corporate Travel Management Limited (referred to hereafter as 'CTM' or the 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

The following persons were Directors of CTM during the financial year and up to the date of this Directors' Report, except as otherwise stated.

- Ewen Crouch AM (Chairman, Independent Non-Executive Director).
- Sophie Mitchell (Independent Non-Executive Director).
- Jon Brett (Independent Non-Executive Director).
- Jamie Pherous (Managing Director).
- Laura Ruffles (Executive Director).

Principal activities

The principal activities of the Group during the year consisted of managing the purchase and delivery of travel services for our clients. There were no significant changes in the nature of the activities of the Group during the year.

Dividends

There were no dividends paid, recommended, or determined during the current reporting period.

There were no dividends recommended for the previous reporting period. On 19 February 2020 an interim dividend of 18.0 cents was determined by the Board. On 19 August 2020, the Board resolved to cancel that interim dividend due to the ongoing impacts of the COVID-19 pandemic on the travel industry and the Group.

Dividends of $26,456,000 were paid in the previous reporting period in relation to the final dividend declared for the year ended 30 June 2019.

Review of operations

The Group continued to engage in its principal activity, being the provision of travel services, the results of which are disclosed in the following financial statements.

Corporate Activity

CTM completed a capital raising during the year, issuing 27,424,566 shares at $13.85 raising proceeds of $379,830,000. This capital raise was undertaken to complete the acquisition of Travel and Transport, Inc ('T&T') and strengthen the balance sheet.

Travel and Transport, Inc

The Group acquired 100% of the shares of T&T with effect from 30 October 2020 for consideration of US$209,897,000 (AU$292,494,000). T&T is based in North America, with operations in Europe, specialising in travel agency services for the corporate market.

Tramada Holdings Pty Ltd

The Group acquired 100% of the shares of Tramada Holdings Pty Ltd ('Tramada') with effect from 29 October 2020 for consideration of $9,353,000. Tramada is a software company focused on automation of the travel booking process, enabling better business performance for travel agencies and independent travel consultants primarily in the Australian market. The Group was the largest customer of Tramada prior to the acquisition.

Data Visualization Intelligence, Inc

CTM entered into an Asset Purchase Agreement effective 18 February 2021 for the sale of certain assets and liabilities of Data Visualization Intelligence, Inc ('DVI'), a wholly-owned subsidiary of CTM, for US$2,500,000 (AU$3,218,000). CTM also has the right to receive an earnout payment contingent on the future performance of the business. DVI, based in North America, offered a cloud-based data solution for insights on travel and entertainment spend.

Group financial performance

The net loss after tax of the Group for the financial period amounted to $55,351,000 (2020 loss: $8,185,000). During the period, the Group's result continued to be affected by the travel restrictions and regional government imposed lockdowns caused by the global COVID-19 pandemic with underlying EBITDA falling by (110%) to a loss of $7,249,000. The reconciliation to profit/(loss) before income tax from continuing operations is set out in note 3 'Segment reporting' in the consolidated financial statements.

In addition to the strength of the recovery in the Europe, North America ('NA') and Australia and New Zealand ('ANZ') regions in the second half of FY21, the measures taken in FY20 to reduce costs benefited the result in FY21. As vaccines have been delivered and government management approaches to the pandemic have become known, activity has trended positively within most regions from the lows experienced in FY20 and early FY21. Whilst initially contributing negatively to the Group's financial performance, the acquisition of T&T contributed positively to the closing months of FY21 and provides a strong platform for profitability as activity continues to return. The business recovery is accelerating through enhanced scale, technology, integrated automation, and an increasingly attractive value proposition for customers.

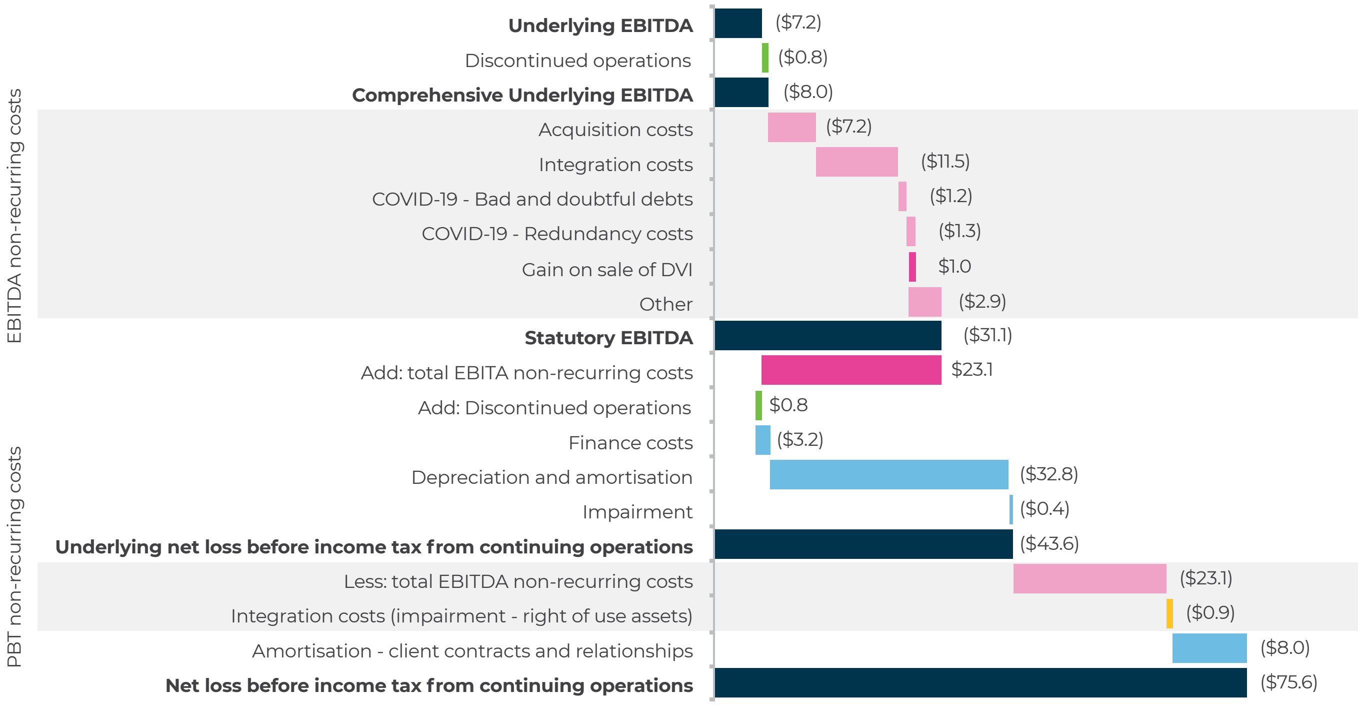
The Group became profitable on an underlying EBITDA basis from April 2021 and remained so until the end of the financial year.

The Group ended FY21 with a strong balance sheet with no debt and cash of $99,018,000. Through the year, a combination of management actions and reduced travel activity reduced outstanding bank guarantees from $54,349,000 to $19,595,000. Executed management actions will ensure that as travel activity recovers, issued bank guarantees are unlikely to return to historic levels.

Directors' Report

Continued

Underlying EBITDA to Statutory Net Loss Before Tax Reconcilliation ($M)



Regional operations

The key financial results are summarised in the following tables.

Consolidated Group

	2021 $'m	2020 $'m	Change
Reported AUD			
TTV	1,609.4	4,561.8	(65%)
Revenue	174.0	316.4	(45%)
Total revenue and other income	200.5	349.9	(43%)
Underlying EBITDA	(7.2)	74.4	(110%)
Underlying EBITDA as % of Revenue	(4.1%)	23.5%	
Underlying profit/(loss) before tax from continuing operations	(43.6)	39.2	

Australia and New Zealand

	2021 $'m	2020 $'m	Change
Reported AUD			
TTV	442.8	958.8	(54%)
Revenue	34.6	78.0	(56%)
Total revenue and other income	42.0	81.3	(48%)
Underlying EBITDA	7.7	32.8	(77%)
Underlying EBITDA as % of Revenue	22.3%	42.1%	
Underlying profit/(loss) before tax from continuing operations	(3.0)	21.5	

The year-on-year decrease in revenue and underlying EBTIDA in ANZ region was caused by continued government-mandated restrictions on travel, particularly international travel. These restrictions began late in 3Q20 and continued throughout FY21. Intermittent Australian state border closures and capital city lock-downs caused disruption to the domestic travel industry throughout FY21. Despite this, the ANZ region's strong domestic business driven by exposure to essential travel clients has resulted in a resilient result, with the region maintaining positive underlying EBITDA in both halves of FY21. A key focus of the ANZ segment in the second half of FY21 has been the matching of operational resources with the recovering travel activity to ensure the balance between service levels and cost recovery remained appropriate.

Directors' Report

Continued

Whilst small, the acquisition of Tramada for $9,353,000 in 1H21 positively impacted the region in FY21, increasing revenue diversification and strengthening the technology capability of the team.

North America

	2021 $'m	2020 $'m	Change
Reported AUD			
TTV	755.5	1,146.3	(34%)
Revenue	92.7	113.6	(18%)
Total revenue and other income	96.0	134.3	(29%)
Underlying EBITDA	(10.7)	14.7	(173%)
Underlying EBITDA as % of Revenue	(11.5%)	12.9%	
Underlying loss before tax from continuing operations	(29.9)	(0.3)	

CTM acquired T&T for $292,494,000. This acquisition provides the North America region with additional scale and capability to deliver its service and technology proposition to the large and rapidly recovering travel market in the United States. The integration of the T&T acquisition was a key focus of the region in FY21 to ensure maximum synergies are attained when the region fully recovers from the impacts of COVID-19.

Domestic travel activity, historically the largest revenue contributor in North America, has trended positively month on month throughout FY21. North America has seen a significant increase in supply within the travel market, with airlines in the region rapidly increasing capacity in line with recovering market demand. Whilst the addition of T&T initially impacted the region's financial performance negatively, this has now been turned around with the region becoming profitable on an underlying EBITDA basis late in FY21. Costs have continued to be managed tightly in line with the recovering activity, while ensuring customer service levels remain appropriate.

Asia

	2021 $'m	2020 $'m	Change
Reported AUD			
TTV	23.9	1,523.5	(98%)
Revenue	8.5	50.0	(83%)
Total revenue and other income	18.9	53.2	(64%)
Underlying EBITDA	(5.4)	6.9	(178%)
Underlying EBITDA as % of Revenue	(63.5%)	13.8%	
Underlying profit/(loss) before tax from continuing operations	(9.0)	2.1	

Revenue in the Asia region is predominately derived from international travel with ongoing travel restrictions resulting in subdued trading activity throughout the period. The region continues to execute significant cost savings to limit business losses during this low travel activity period. Government support for staff costs in Hong Kong and Singapore assisted in reducing the financial impacts of the reduced activity levels, however these programs were discontinued in March 2021. This resulted in further redundancies in the Asia region. Over the final quarter of FY21, activity levels in the Asia region increased albeit off a low base.

Directors' Report

Continued

Europe

	2021 $'m	2020 $'m	Change
Reported AUD			
TTV	387.3	933.2	(58%)
Revenue	38.2	74.8	(49%)
Total revenue and other income	42.0	77.8	(46%)
Underlying EBITDA	10.1	26.7	(62%)
Underlying EBITDA as % of Revenue	26.4%	35.7%	
Underlying profit before tax from continuing operations	7.4	24.0	

The European region's operational expertise in managing complex, cross border travel has resulted in an extraordinary recovery during FY21. Against a backdrop of extended domestic lockdowns in the United Kingdom, the Europe region secured several material new business opportunities, both project-based and ongoing.

The contract with the UK Government to manage the inbound quarantine hotel program and COVID-19 test kit sales has supported the region's FY21 result. In order to secure these contracts, the Europe team were challenged to deliver a technology-led solution in a short time frame with the complexity of extremely high volume.

Europe region revenue more than doubled in 2H21 compared to 1H21. Costs continue to be tightly managed in the Europe region, balanced against maintaining client service levels at an appropriate level. Consequently, the Europe region recorded consistent positive underlying EBITDA from February 2021 through to the end of the financial year. The vaccination roll-out in the United Kingdom continues to be exemplary, resulting in the lifting of some restrictions late in the financial year, which provided further momentum for the business.

Group Financial Position

The Group continues to maintain a strong financial position, with net current assets of $58,581,000 and total equity of $851,457,000. At 30 June 2021, the Group had no interest-bearing liabilities (2020: nil), excluding lease liabilities.

Dividends

There were no dividends paid, recommended, or determined during the current reporting period.

There were no dividends recommended for the previous reporting period. On 19 February 2020 an interim dividend of 18.0 cents was determined by the Board. On 19 August 2020, the Board resolved to cancel that interim dividend due to the ongoing impacts of the COVID-19 pandemic on the travel industry and the Group.

Dividends of $26,456,000 were paid in the previous reporting period in relation to the final dividend declared for the year ended 30 June 2019.

	2021	2020
Earnings per share for profit/(loss) from continuing operations attributable to the ordinary equity holders of the Company		
- Basic EPS (cents per share)	(43.0)	(7.5)
- Diluted EPS (cents per share)	(43.0)	(7.5)

Strategy and future performance

The Group's operating model is focused on the corporate travel market and our client value proposition combines personalised service excellence with market-leading technology. In FY21, the Group continued to focus on its key strategic drivers being:

- sustainably expanding our global operations, driving organic growth through operational excellence and leveraging our technology platforms;
- retaining current clients and winning new clients through our client value proposition;
- development and deployment of innovative technology and digital initiatives 'in region, for region', with a focus on delivering an improved customer experience and internal productivity;
- capitalising on our scale and global network to develop and optimise supplier performance for our clients;
- continuing to seek selective opportunities for mergers and acquisitions where it represents strong value and aligns with the Group's strategic goals;
- staff empowerment to make service decisions that drive high staff engagement and client satisfaction outcomes.

In the 30 June 2021 financial year, the Group executed well on these strategic drivers. Notwithstanding the unprecedented conditions and challenges presented by travel restrictions arising from COVID-19, the Group maintained historically strong client retention numbers. Further, we used our technology to drive enhanced servicing to assist and support travellers.

The Group intends to continue to pursue the opportunity to sustainably expand our global operations, drive organic growth and leverage our technology platforms. Additionally, the Group continues to seek merger and acquisition opportunities that add scale in niche travel sectors or which complement our existing business and/or geographic footprint.

Material business risks

The potential material business risks that could adversely affect the achievement of the Group's business strategies and financial prospects in future years are described below. This section does not purport to list every risk that may be associated with the Group's business now or in the future. There is no guarantee or assurance that the importance of these risks will not change, or other risks emerge. While the Group aims to manage risks in order to minimise adverse impacts on its financial and reputational standing, some risks are outside the control of the Group.

Travel industry disruption and impact of COVID-19

The Group's financial prospects are dependent on the strength of the travel industry generally. A decline in the domestic and/or international travel industry, whether as a result of a particular event (such as a war, terrorism, health epidemic/pandemic or a natural disaster), economic conditions (such as a decrease in business demand), geopolitical conditions or any other factors, will likely have a material adverse effect on the Group's business, financial condition and operations.

The COVID-19 pandemic has caused an unprecedented disruption to the travel industry as a result of government-imposed travel restrictions, border closures and quarantine requirements. This has resulted in a significant detrimental impact on corporate travel services and as a result, the Group's earnings since March 2020.

While vaccination roll outs continue to gather momentum around the world, as new strains of COVID-19 emerge, there remains uncertainty as to the duration of and further impact of COVID-19, including (but not limited to) in relation to government, regulatory or health authority actions, work stoppages, lockdown, quarantine, travel restrictions and the impact on the Australian and global economy. There is a risk that if the spread of COVID-19 continues, and/or the border closure and travel restriction actions taken to combat COVID-19 persist, CTM's operational and financial performance could deteriorate further.

In light of the continued uncertainty around recovery timeframes globally, and in particular the restrictions in relation to travel, there is no certainty that the demand for CTM's services will normalise to a level existing prior to the impact of COVID-19, or how long such a return might take. CTM is leveraged to domestic travel and is able to operate a high performing domestic-only business in region until international activity returns.

The diversification of the Group's businesses across multiple jurisdictions and a diverse portfolio of customers, including a high exposure to essential travel clients, provides the Group with greater resilience when there are disruptions to the travel industry. The Group's 'capital light model' allows the Group to rapidly re-size the business and reduce costs, while maintaining a high quality product and service offering to customers. The combination of the Group's resilient business model and the actions taken to respond to COVID-19, including strong cost control, securing debt covenant waivers and preserving liquidity have helped to mitigate the impact of COVID-19.

General economic conditions

The Group's operating and financial performance is influenced by a variety of general economic and business conditions globally. A prolonged deterioration in general economic conditions (both globally and regionally) including a decrease in consumer and business demand, are likely to have a material adverse impact on the Group's operating performance through a reduction in corporate travel, including airline, hotel and hire car reservations and business or trade conferences. This risk is heightened in the current uncertain economic environment.

It is anticipated that many of the markets in which the Group operates will have economic downturns of differing severity and duration, which could affect the desire of people to travel in those markets, which in turn impacts on the operating and financial performance of the Group.

There are also other changes in the macroeconomic environment which are beyond the control of CTM and may be exacerbated in an economic recession or downturn. These include, but are not limited to:

- changes in inflation, interest rates and foreign currency exchange rates;
- changes in employment levels and labour costs, which will affect the cost structure of the Group;
- changes in aggregate investment and economic output; and
- other changes in economic conditions which may affect the revenue or cost of the Group.

Due to the impact of COVID-19, many of these factors are in a state of change and may have an adverse impact on the financial position and prospects of the Group in the future.

To mitigate these impacts, the Group maintains a resilient business model with a diverse portfolio of clients across multiple jurisdictions and industries, which reduces the reliance on any one specific geography or client as recovery occurs in different timeframes across the Group's key regions.

Supplier risk

The Group's business model and financial prospects and operations are reliant on mutually beneficial contractual arrangements with a number of third party suppliers, including airlines, rail travel providers and global distribution system providers. The Group cannot be certain that contracts with third party suppliers will be renewed or the terms on which they may be renewed. If contracts are not renewed or are renewed on terms which are less favourable than current arrangements, there is a possibility that this would diminish the attractiveness of the Group's offerings to consumers, which may result in the Group being unable to generate earnings equal to those historically generated by those contracts.

Further, there are a variety of credit risks inherent in the Group's supply chains which are particularly heightened in the current economic environment. To the extent suppliers are facing financial stress (including as a result of the impact of COVID-19), they may seek to change the terms upon which they engage with, cease or significantly reduce engagement with the Group or, in some cases, may not pay their debts as and when they fall due. Receivable balances are actively monitored on an ongoing basis and where issues are identified, appropriate actions are taken to mitigate the Group's exposure to bad debts.

Client risk

The Group's operating and financial performance is dependent upon client satisfaction, loyalty and the specific travel markets in which the Group operates. As a result of unprecedented travel restrictions and declining consumer and business sentiment towards travel in general across the Group's key markets, the Group cannot be certain that clients will engage in any minimum level of travel activity, that contracts with clients will be renewed or the terms on which they may be renewed. If contracts which account for material travel activity are not renewed or are renewed on terms which are less favourable than current arrangements, there is a possibility that this would result in the Group being unable to generate earnings equal to those historically generated by those contracts. Further, any diminution in client satisfaction may have an adverse impact on the financial performance and position of the Group.

In mitigating this risk, the Group has a diverse spread of quality clients with exposure to a wide variety of industries. For example, many of CTM's essential travel clients, including government, healthcare, mining, fly-in, fly-out (FIFO), fisheries, construction and infrastructure have continued to travel during the COVID-19 pandemic. Further, CTM's proprietary client-facing technology delivers CTM the ability to swiftly deploy software updates to meet changing client needs and expectations.

Financing risk

The Group is exposed to risk relating to the cost and availability of funds to support its operations, including changes in interest rates and foreign currency exchange rates, counterparty credit and liquidity risk, which could impact its financing activities.

CTM maintains a revolving multi-currency bank loan facility with its relationship banks. The Group agreed a covenant waiver with its lenders for the testing periods through to 31 December 2021. Covenant testing for the period ending 30 June 2022 will be based on 2H22 performance. To the extent the Group's operational or financial position deteriorates further, there is no guarantee that it will be able to obtain further relief from covenant testing in the future. In such circumstances, the banks may require the loan be repaid immediately, which may have a material adverse effect on the Group's future financial performance. Refer to note 20 'Financial risk management'.

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk. The Group uses foreign exchange spot and forward contracts to manage its net risk position. At times, the Group also uses its multi-currency debt facility allowing for borrowings in relevant currencies to provide an offset to revaluation of foreign currency assets or future foreign currency earnings. However, notwithstanding these measures, the movement of foreign exchange rates could still have an adverse effect on the Group's operating and financial performance. Refer to note 20 'Financial risk management'.

Taxation risk

Changes in tax law, or changes in the way tax law is interpreted in the various jurisdictions in which the Group operates, may impact the future tax liabilities of the Group. There can be no assurance that these tax laws or their interpretation in relation to the Group will not change, or that regulators will agree with the tax position the Group has adopted.

The Group regularly reviews its operating business model and strategies to take account of changes in tax law and changes in the way tax law is interpreted, which may impact the Group.

Directors' Report
Continued

Information Technology

The Group relies on both its outsourced technology platforms and develops its own software internally. Whilst all third party systems are licensed, any failure or disruption to the supply or performance of these systems may have an immediate and a longer term impact on the Group's operations, client and supplier satisfaction and company performance, which may have an adverse impact on the financial performance of the Group.

The Group manages this risk by having system redundancy, other back-up measures, security and monitoring programs in place. However, there can be no assurance that the Group's mitigation arrangements will be sufficient to entirely prevent the risk of significant systems failure.

Cybersecurity and data protection

The protection of client, employee, third party and company data is critical to the Group's operations. The Group has access to a significant amount of client, employee and third party information, including through its database of clients. There is a risk of failure in the Group's operations or material financial loss as a result of cyber-attacks. Any unauthorised access to the Group's information technology systems (including as a result of cyberattacks, computer viruses, malicious code or phishing attacks) could result in the unauthorised release or misuse of confidential or proprietary information of the Group, its employees or clients, which may lead to reputational damage, regulatory breaches, financial penalties, litigation and compromised relationships with clients. Further, cyber-attacks or a disruption in relation to suppliers may impact the Group's operations. For example, a disruption in relation to airline operators could cause significant disruption to travel schedules which may result in the Group being unable to provide certain services during that period or providing a less attractive service, which may have an adverse impact on the operating and/or financial performance of the Group. The legal and regulatory environment surrounding information security and privacy is increasingly complex and demanding. The Group retains a significant amount of customer, employee and third party information and the protection of that information is critical to the Group's operations.

The Group has monitoring programs and systems in place to monitor and identify potential threats. It also utilises third party expertise from technology partners and maintains support arrangements for cyber incident response and recovery. The Group also holds a cyber breach insurance policy.

Competition

The Group operates in a competitive market, and the Group's business is subject to competition from existing and new entrants and business models at any time. Technological innovation is now challenging entire business models and causing disruption to industry structures. Technological developments have therefore increased, and will continue to increase competition to the Group's businesses. Also, current competitors or new competitors may become more effective.

If the Group does not adequately respond to competitive forces, this may have an adverse effect on operational and/or financial performance. A sustained increase in competition from new entrants may result in a material failure to grow, decline in profitability, or a loss of market share or revenues.

The Group aims to continually improve its product and service offering to attract and retain customers.

People and Capabilities

CTM relies on the talent and experience of its directors, key senior management and staff generally. Our long term sustainability is dependent on attracting and retaining talented and motivated staff. As the travel industry continues to face a challenging operating environment, we expect to see the exit of skilled employees from our business and the industry. In addition to retaining people with corporate travel expertise, we need to attract and retain employees with expertise in areas such as cybersecurity, software development, data and analytics. Attracting and retaining people with these skills can be difficult due to increased demand from local and global businesses.

The loss of any key personnel could cause disruption to the conduct of CTM's business in the short term and may have a material adverse impact on CTM's operations and/or financial performance. It may be difficult to replace key personnel, or do so in a timely manner or at comparable expense. The Group regularly reviews its succession planning, training and development programs as well as its remuneration frameworks to mitigate and manage this risk.

Acquisitions and integration

From time to time, the Group examines new acquisition opportunities in all of the regions in which it operates. Any future acquisitions may cause a change in the sources of the Group's earnings and result in variability of earnings over time. There is a risk that integration of new businesses may result in the Group incurring substantial costs, delays or other problems in implementing its strategy for any acquired businesses, which could negatively impact the Group's operations, profitability and/or reputation. Further, the financial performance of investments and the economic conditions they operate within may result in investment impairment should the recoverable amount of the investment fall below its carrying value.

Impairment risk

CTM assesses whether there is any indication that an asset may be impaired on an ongoing basis. Annually, or when an indicator of impairment exists, CTM makes a formal estimate of the recoverable amount. When the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to the recoverable amount. Adverse outcomes of some of the risk factors listed above, and in particular if market conditions continue to deteriorate, as well as new developments which are not currently apparent, could trigger an impairment and have a negative impact on the reported financial result of CTM. Refer to note 25 'Impairment testing of goodwill'.

Litigation risk

While the Group is not currently engaged in any material litigation or disputes, it remains exposed to possible litigation and dispute risks, and this risk may be heightened having regard to the current volatility in global economic markets. A member of the Group may be subject to litigation in the course of its business, in each of the jurisdictions in which it operates, including commercial, contractual or client claims, injury claims, employee claims, indemnity claims and regulatory disputes.

Even if the Group is ultimately successful in defending claims against it (or in pursuing claims made by it), reputational harm may be inflicted and substantial legal and associated costs may be incurred that may not be recoverable from other parties, which may have a material adverse impact on the Group's financial position and performance.

Any litigation, disputes or investigations that arise from time to time are proactively managed by the Group with a view to protecting CTM's financial position as well as its reputation and ongoing business.

Political and social sustainability risk

The Group has global operations. The ability of the Group to conduct business in the countries in which it operates long-term, is uncertain. Regional, political or social instability (including as a result of COVID-19) could negatively impact the Group's revenue streams and ultimately, its financial performance.

The diversification of the Group's businesses across multiple jurisdictions and a diverse portfolio of customers provides the Group with greater resilience if regional, political or social instability arises.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Events since the end of the financial year

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

As vaccines are being delivered across the globe, travel activity is expected to recover over the coming years. The domestic travel market is recovering faster than international travel. The Group's exposure to domestic travel activity is proportionately high and is able to operate a high performing domestic-only business until meaningful international activity returns.

The Group's global footprint, diverse client pool, technology assets, and strong cost management has enabled a return to positive underlying EBITDA from primarily domestic travel activity in 2H21. This has the Group well-positioned to grow our business organically as travel activity returns.

Details that could give rise to likely material detriment to the Group, for example, information that is commercially sensitive, confidential or could give a third party a commercial advantage, has not been included in this report.

Environmental regulations

The Group has determined that no particular or significant environmental regulations apply to its operations.

The Directors have considered climate-related risks and do not currently deem there to be an associated material risk to the Group's operations and the amounts recognised in the financial statements. The Group continues to monitor climate-related and other emerging risks and the potential impact on the financial statements. Refer to the Group's sustainability report for additional information.

Directors' Report
Continued

Information on Directors

Particulars of the skills, experience and special responsibilities of the Directors in office as at the date of this report are set out below.

Mr Ewen Crouch AM *BEc (hons.), LLB, FAICD*

Independent Non-Executive Director – Chairman since March 2019

Experience and expertise:

Ewen Crouch was a Partner at Allens from 1988 – 2013. He served as a member of the firm's board for 11 years, including four years as Chairman of Partners. His other roles at Allens included Co-Head Mergers & Acquisitions and Equity Capital Markets from 2004 – 2010, Executive Partner – Asian Offices from 1999 – 2004 and Deputy Managing Partner from 1993 – 1996. He was a director of Mission Australia from 1995, including as Chairman from 2009, until retiring in November 2016.

Ewen is a Fellow of the Australian Institute of Company Directors, a member of its Law Committee and a director of Jawun. He served as a member of the Takeovers Panel from 2010-2015, as a member of the Commonwealth Remuneration Tribunal from 2015-2019 and as a director of Sydney Symphony Orchestra from 2009-2020.

Other current directorships:

BlueScope Steel Limited (since March 2013)

Former directorships (last 3 years):

Westpac Banking Corporation (February 2013 - December 2019).

Special responsibilities:

Chair of the Board

Chair of Nomination Committee

Audit & Risk Committee member

Remuneration & Sustainability Committee member

Interests in shares:

12,482 Ordinary shares in Corporate Travel Management Limited

Mr Jamie Pherous *BCom*

Executive Director, Managing Director since May 2008

Experience and expertise:

Jamie Pherous founded Corporate Travel Management in 1994. He has built the Group from its headquarters in Brisbane to become one of the world's largest travel management companies.

Prior to establishing CTM, Jamie Pherous was employed by Arthur Andersen, now EY, as a qualified Chartered Accountant, specialising in business services and financial consulting notably in Australia, Papua New Guinea and the United Arab Emirates.

Other current directorships:

Nil

Former directorships (last 3 years):

Nil

Special responsibilities:

Managing Director

Interests in shares:

19,240,000 Ordinary shares in Corporate Travel Management Limited

Directors' Report

Continued

Ms Laura Ruffles *MBA, GAICD*

Executive Director since December 2015

Experience and expertise:

Laura Ruffles is CTM's Global Chief Operating Officer and, in late 2015, was appointed an Executive Director in recognition of her leadership contribution. She has significant local, regional and global industry experience and, in a career of more than 20 years, has led teams across sales, account management, operations and technology. Laura Ruffles is responsible for all aspects of CTM's business performance. She joined CTM in 2010 and has been a key contributor to its successful growth.

Other current directorships:

Australian Federation of Travel Agents

Former directorships (last 3 years):

Nil

Special responsibilities:

Global Chief Operating Officer

Interests in shares:

50,000 Ordinary shares in Corporate Travel Management Limited

Interests in rights:

437,500 Share appreciation rights in Corporate Travel Management Limited

Ms Sophia (Sophie) Mitchell *B.Econ, GAICD*

Independent Non-Executive Director since September 2019

Experience and expertise:

Sophie Mitchell has over 30 years of corporate advisory, capital markets and equity research experience. She retired from Morgans in June 2019 after over a decade as an Executive Director in Morgans Corporate and, prior to this, she was Morgans Head of Research.

Sophie is a Non-Executive Director of Morgans Holdings (Australia), the Morgans Foundation Limited, and Myer Family Investments Pty Ltd a Board member for the Australia Council for the Arts, Chairman of Australian Super's Queensland Advisory Council and was a member of the Australian Government Takeovers Panel between 2009 and 2018.

Other current directorships:

Flagship Investments Limited (since June 2008)

Apollo Tourism and Leisure Ltd (since September 2016)

Former directorships (last 3 years):

Silver Chef Limited (September 2011 - December 2019)

Special responsibilities:

Chair Remuneration & Sustainability Committee

Audit & Risk Committee member

Nomination Committee member

Interests in shares:

27,612 Ordinary shares in Corporate Travel Management Limited

Directors' Report

Continued

Mr Jon Brett *BAcc, MCom, CA(SA), Dip Datametrics*

Independent Non-Executive Director since January 2020

Experience and expertise:

Jon Brett was formerly an executive director of Investec Wentworth Private Equity Limited, and an executive of Investec Bank (Australia) Limited. He was also the CEO of Techway Limited which pioneered internet banking in Australia. Jon brings extensive strategic, board and management experience to CTM, particularly in the areas of finance and corporate advisory.

Jon is currently Executive Chairman of Stridecorp Equity Partners, an AFSL licensed fund manager specialising in private equity. His former directorships include Godfreys Group Limited, The Pas Group Limited, deputy president of the NRMA and Vocus Group Limited since its listing on the ASX.

Other current directorships:

Mobilicom Limited (since September 2018)

Former directorships (last 3 years):

Indoor Skydive Australia Limited (September 2018 – July 2019)

Vocus Group Limited (June 2010 – August 2018)

Special responsibilities:

Chair Audit & Risk Committee

Remuneration & Sustainability Committee member

Nomination Committee member

Interests in shares:

1,249 Ordinary shares in Corporate Travel Management Limited

Company secretary

Anne Tucker

Anne Tucker was appointed as a Company Secretary on 2 September 2019. Anne holds Bachelors of Law and Commerce, Graduate Diplomas in Legal Practice and Applied Corporate Governance, and is an Associate of the Governance Institute of Australia.

Meetings of Directors

The number of meetings of CTM's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each Director were:

	Board A	Board B
Mr Ewen Crouch AM	12	12
Ms Sophie Mitchell	12	12
Mr Jon Brett	12	12
Mr Jamie Pherous	12	12
Ms Laura Ruffles	11	12

	Audit & Risk Committee A	Audit & Risk Committee B	Remuneration & Sustainability Committee A	Remuneration & Sustainability Committee B	Nomination Committee A	Nomination Committee B
Mr Ewen Crouch AM	4	4	4	4	3	3
Ms Sophie Mitchell	4	4	4	4	3	3
Mr Jon Brett	4	4	4	4	3	3
Mr Jamie Pherous	NM	NM	NM	NM	NM	NM
Ms Laura Ruffles	NM	NM	NM	NM	NM	NM

A = Number of meetings attended

B = Number of meetings held during the time the Director held office or was a member of the Committee

NM = Not a member of the relevant Committee

Corporate Governance

The Board of CTM recognises the importance of good corporate governance practices which assist in ensuring the accountability of the Board and management of the Group. The Group believes that these practices are fundamental to the long-term performance and sustainability of the Group, the delivery of strategic objectives and contributing to the preservation of shareholder value.

Information relating to the Group's corporate governance practices and its Corporate Governance Statement can be found in the Corporate Governance section on the Group's website at https://investor.travelctm.com.au/corporate-governance

Remuneration Report

Introduction

This report sets out the remuneration arrangements of the Company for the year ended 30 June 2021 and is prepared in accordance with section 300A of the Corporations Act 2001. The information has been audited as required by section 308(3C) of the Corporations Act 2001.

The report is structured as follows:

Directors' Report

Continued

Remuneration Report Continued

Letter from the Chair of the Remuneration & Sustainability Committee

Dear Shareholders,

I am pleased to present you with CTM's Remuneration Report for the year ended 30 June 2021.

FY21 was another challenging year for the travel industry as a whole and CTM's approach to remuneration and sustainability continued to focus on those matters which we consider to be material to CTM's long-term sustainability and to creating value for our stakeholders. Since expanding the Committee's role to include oversight of sustainability matters, we have reviewed our sustainability strategy and associated reporting to provide further information on the material areas that we believe are critical to CTM's sustainability over the longer term. Further information regarding CTM's approach to sustainability can be found in the Sustainability Report commencing on page 20.

FY21 Outcomes

In FY21, we implemented a range of remuneration related measures in response to COVID-19. Many of these measures, such as no increases to fixed annual remuneration or to the fees paid to Non-executive Directors and reduced working hours and pay, were introduced in FY20 and continued into FY21.

We also implemented measures to support our employees with a variety of initiatives promoting health and mental wellbeing, including flexible working arrangements, access to wellness information, mental health tips and techniques, as well as support provided through our employee assistance program.

Pleasingly, and consistent with increasing travel activity in Australia, New Zealand, North America and Europe over the second half of FY21, we have welcomed back some former CTM employees and on-boarded new employees. We also thank our CTM alumni for all they have contributed to our business and look forward to continuing to welcome back many of our alumni to the CTM business as travel activity recovers. Unfortunately in regions such as Australia, sudden regional lockdowns and border closures result in short term impacts on revenue and activity, and we are thankful for the government employee support being made available during these difficult periods. The Committee is very cognisant of the impact on our employees of the many difficult decisions made over the last year to assist manage the business through the pandemic. The support, understanding and loyalty of CTM's staff is a testament to the culture at CTM.

For FY21, we made some temporary adjustments to both our short term and equity incentive programs in an attempt to balance the impact of COVID-19 on earnings, preserve incentive remuneration arrangements aligned with shareholders, while maintaining our ability to attract, retain and motivate employees during a period of heightened uncertainty.

Given the short term earnings uncertainty driven by border closures and government mandated quarantine requirements, the Committee decided to make some adjustments to the FY21 STI program. The STI opportunity for all employees was reduced by 50% and KPI targets were directly focused on cost containment, cash management and client retention. We also split the FY21 STI program into two opportunities across the full year, with positive underlying earnings gates for both opportunities. This differed from the usual earnings gate that underlying earnings exceed the same metric for the prior financial year.

We awarded $220,000 in short term incentives to employees whose contribution to special projects delivered significant client contract wins and substantial revenue to our UK business. No short term incentives were awarded to key management personnel given their participation in the FY21 equity incentive program.

Temporary modifications were also made to CTM's equity incentive program. Approximately 50 senior leaders were offered share appreciation rights (SARs), where two-thirds of the rights granted were subject to EPS growth and conduct hurdles measured across a two year performance period and one-third were subject to conduct hurdles, including a 12 month service condition, with recipients not able to dispose of shares awarded upon vesting for a further 12 month period. The SARs tranche subject to the 12 month service condition have now vested and are able to be exercised by participants.

Talent retention and motivation are critical for CTM's business performance and to create wealth for shareholders. In our experience, employees in the travel industry with transferable skills who are experiencing uncertain future prospects have been and will continue to be targeted by other industries during this period of uncertainty. The temporary adjustments to our FY21 equity incentive program were specifically introduced to deal with these particular challenges and were aimed directly at the retention of our leaders and to incentivise actions and behaviours consistent with the immediate priorities of the Group which the Committee judged would drive future shareholder returns. The outcome has been strong cost control, cash management and client retention, the successful acquisition of Travel & Transport and Tramada and delivery of key integration objectives in accordance with our integration plan, and an excellent retention rate among our senior leaders.

Directors' Report

Continued

Remuneration Report Continued

Equity incentives in the form of SARs were also awarded to key Travel & Transport senior leaders to support retention and integration delivery. Vesting of these SARs is conditional on continued service through until 30 June 2022, in line with our integration road map. In addition, a cash incentive was offered to seven Travel & Transport senior leaders considered critical to the delivery of the integration plan. Moving forward, eligible CTM North American senior leaders will participate in SARs offers made to other Group senior leaders.

FY22 Approach

Our overarching remuneration strategy remains focused on driving performance and providing competitive total rewards that attract, retain and motivate the high quality employees required to deliver on CTM's longer term growth aspirations during a period of ongoing uncertainty. Retaining, motivating and having the ability to attract staff is particularly important to combat employee concerns about job security and lower job satisfaction, and to limit staff with transferable skills moving to sectors less affected by the pandemic. Equally important is aligning our talented people with shareholders by incentivising our people to deliver long-term sustainable growth in shareholder value and ensuring our people's conduct meets CTM's values and expectations.

As the business continues to recover, the Group's ability to attract, retain and motivate staff remains a high priority and we recognise that each of our regions will recover at different cadences. During this recovery phase, we are mindful of the importance of balancing all stakeholders' interests.

Specifically, the FY22 remuneration and people plan includes:

- a return to full pay and working hours for all of our people
- wherever possible, the continued return of CTM alumni in line with travel activity
- a short term incentive pool based on the Group achieving positive underlying EBITDA for FY22 and achievement of individual KPIs reflecting regional priorities that may include measures such as client retention, client wins, cost containment, employee engagement, client satisfaction or major project/integration execution. This short tem incentive will be available to a wider group of CTM employees than in previous years
- an equity incentive plan comprised of SARs set at a strike price of $21.19 (5 day VWAP to 30 June 2021) capable of vesting over two and three year performance periods, with vesting conditional on achieving conduct and service conditions and EPS growth (100% vesting at 20% EPS growth over the performance period).

We expect that when the business recovers, the remuneration structure will return broadly to the pre-COVID-19 structure. The Committee believes this structure is simple and clear and has served CTM's shareholders and employees well for many years.

On behalf of the Committee, I thank you for your ongoing support of CTM.

Yours Sincerely,

Sophie Mitchell
Remuneration & Sustainability Committee Chair

18 August 2021

Remuneration Highlights

COVID-19

Throughout FY21 we have continued to support our people with flexible work arrangements while ensuring business continuity as well as offering mental health support through our employee assistance programs and local initiatives in each of our regions.

Many of the plans which were actioned in FY20 to manage costs against the reduced corporate travel activity experienced as a result of COVID-19 continued in FY21.

As travel activity returns, we have recommenced hiring in some regions , and where possible, have begun returning our people to full pay and working hours. In those regions where activity remains low relative to pre-COVID 19 levels or where sudden regional lockdowns and border closures result in short term impacts on revenue and activity, our people remain on reduced pay and working hours.

In the second half of FY21, further redundancies were actioned in the Asia region as travel activity remains very low.

Group remuneration

There were no increases to fixed annual remuneration (FAR) for employees across the Group (FY20: average 3%).

There was no increase in FAR for Executive KMP, noting that Executive KMP returned to full pay from 1 August 2020.

Managing Director remuneration

Total FY21 remuneration for the Managing Director and CEO (Managing Director) was $492,904 (FY20: $436,010).

No short term or long-term incentive was awarded to the Managing Director in FY21.

As part of the Company's cost containment measures to mitigate the impacts of COVID-19, the Managing Director's fixed remuneration was reduced by an equivalent 25% for part of FY20 and FY21, returning to 100% from 1 August 2020.

Short term performance incentives

No short term incentives were awarded to KMPs.

In FY21 we awarded $220,000 in short term incentives relating to exceptional outcomes (FY20: nil). These incentives were awarded to employees who contributed to special projects delivering significant client contract wins and substantial revenue contribution in our UK business.

FY19 Long-term performance incentives

Following the end of the three year performance period ended 30 June 2021, share appreciation rights (SARs) awarded to employees in FY19 were tested. Vesting of these SARs was conditional on achieving:

— conduct and service conditions – continued employment and behaviour in line with our values
— performance conditions – EPS growth, with target performance being set at 10% EPS growth.

With the impact of COVID-19 on earnings, the EPS performance condition was not met, resulting in all of the FY19 SARs being forfeited.

FY21 retention and performance equity incentives

In FY21, we made some temporary adjustments to our equity incentive program to balance the impact of COVID-19 on earnings, preserve incentive remuneration arrangements aligned with shareholders, while maintaining our ability to attract, retain and motivate staff during a period of heightened uncertainty.

The FY21 equity offer was comprised of two tranches of SARs:

— approximately one-third of SARs were granted with vesting conditional on achieving conduct and service conditions over a 12 month period, with a further 12 month disposal restriction **(FY21 Retention SARs)**; and
— approximately two-thirds of SARs were granted with vesting conditional on achieving conduct and service and EPS growth over a two year period ending 30 June 2022 **(FY21 Performance SARs)**.

The temporary adjustments to our FY21 equity incentive program were aimed directly at the retention of our leaders and to incentivise actions and behaviours consistent with the immediate priorities of the Group which the Committee judged would drive future shareholder returns. The outcome has been strong cost control, cash management and client retention, the successful acquisition of Travel & Transport and Tramada and delivery of key integration objectives in accordance with our integration plan, and an excellent retention rate among our senior leaders.

Having achieved share price growth over a strike price of $9.89 (5 day VWAP to 30 June 2020), the FY21 Retention SARs vested following the end of the financial year, with a total of 431,786 CTM shares able to be exercised from 809,750 SARs awarded to 48 participants.

Acquisition of Travel & Transport

With the acquisition of Travel & Transport (which completed in October 2020) and to support retention and integration delivery, equity incentives in the form of SARs were awarded to Travel & Transport senior leaders. Vesting of these SARs is conditional on achieving conduct and service conditions ending on 30 June 2022. These SARs were set at a strike price of $12.35.

Cash retention arrangements were also established with seven Travel & Transport executives considered critical to the integration program. Further details about these arrangements can be found on page 56 of this report.

Non-executive Director fees

There were no increases to Non-executive Director fees in FY21 (FY20: 1.7% increase to Non-executive Director fees and a 1% increase to the Chairman's fees).

As part of the Company's cost containment measures to mitigate the impacts of COVID-19, Non-executive Director fees were reduced by an equivalent 33% for part of FY20 and FY21, returning to 100% from 1 August 2020.

FY22

The FY22 remuneration plan includes:

— a short term incentive opportunity where the Group achieves positive underlying EBITDA for FY22, with each individual's incentive opportunity determined by reference to individual performance and minimum targets reflecting regional imperatives; and
— an equity incentive plan comprised of SARs set at a strike price of $21.19 (5 day VWAP to 30 June 2021), capable of vesting over two and three year performance periods, with vesting conditional on achieving conduct and service conditions and EPS growth (100% vesting at 20% EPS growth over the performance period).

We expect that when the business recovers, the remuneration structure will return broadly to the pre-COVID-19 structure.

Persons covered by this report

Key management personnel (KMP) include Non-executive Directors, Executive Directors and those senior executives with authority and responsibility for the planning, controlling and directing of the activities of the Company and the Group, which includes those executives who lead business units.

For the purposes of this report, Executive KMP means the Executive Directors (Managing Director and Global COO), the Global CFO, the CEO - North America, CEO – UK/Europe, CEO – Asia and the CEO – Australia and New Zealand.

Details of the KMP are provided in the table below.

	Name	Position
Non-executive Directors	Ewen Crouch AM	Chairman, Non-executive Director
	Jon Brett	Non-executive Director
	Sophie Mitchell	Non-executive Director
Executive Directors	Jamie Pherous	Managing Director
	Laura Ruffles	Global COO
Other Key Management Personnel	Kevin O'Malley	CEO – North America (appointed as a KMP 1 November 2020)
	Debbie Carling	CEO – UK/Europe
	Larry Lo	CEO – Asia
	Greg McCarthy	CEO – Australia and New Zealand
	Cale Bennett	Global CFO (appointed as a KMP 1 March 2021)
KMP who ceased to be KMP in FY21	Neale O'Connell[1]	Global CFO (ceased as KMP 26 February 2021)
	Maureen Brady[2]	CEO – North America (ceased as KMP 30 October 2020)

1 Neale O'Connell retired as Global CFO on 26 February 2021. Mr O'Connell's services were retained after his retirement under a consultancy agreement which ended on 30 June 2021.

2 Maureen Brady remains employed by CTM. Following the acquisition of Travel & Transport and appointment of Kevin O'Malley as CEO – North America, Maureen Brady was appointed COO – North America.

Remuneration governance framework

Remuneration and Sustainability Committee

The Remuneration and Sustainability Committee **(Committee)** consists of all of the Non-executive Directors, with one performing the role of Chair. The Managing Director and Global COO are invited to attend but are not present when their remuneration is discussed.

The Committee has an advisory role and assists the Board in the following areas:

— people and remuneration strategy and policies;
— setting executive remuneration and incentives for Executive KMP;
— talent development and succession planning;
— Non-executive Director remuneration; and
— sustainability issues relevant to the Group.

Under the terms of the Remuneration and Sustainability Committee Charter, the majority of Committee members must be independent directors and the Chair of the Committee must be an independent director. All members of the Remuneration and Sustainability Committee are independent non-executive directors. Details about members of the Committee and their backgrounds are included in the Directors' Report which can be found on pages 47 to 49.

To ensure the Committee is fully informed when making remuneration decisions, the Committee may seek external remuneration advice. During the reporting period, the Committee did not engage any consultants to provide recommendations in relation to remuneration.

COVID-19

In light of the reduced travel activity experienced from the COVID-19 pandemic, the various plans actioned by CTM during FY20 to manage its cost base while balancing the need to retain a motivated, engaged and adequately sized workforce, remained in place in FY21. Consistent with our clear purpose to deliver an enhanced value proposition to corporate travellers, we have been focused on retaining a skilled and knowledgeable team to support our clients and our business as travel activity returns.

We have welcomed back some of our former CTM employees in-line with increasing travel activity in Australia, New Zealand, North America and Europe and have begun returning our people to full pay and working hours. However, in those regions where activity remains low relative to pre-COVID 19 levels, or where sudden regional lockdowns and border closures result in short term impacts on revenue and activity, our people remain on reduced pay and working hours. For KMP, all Executive KMP and non-executive Directors were returned to full pay from 1 August 2020.

Acquisition of Travel & Transport

As part of the acquisition of Travel & Transport, the Committee considered the need to put retention arrangements in place for certain Travel & Transport employees to reduce the risk of loss of employees who occupy roles that are key to the delivery of the integration plan. To support retention and integration delivery, equity incentives in the form of SARs were awarded to 23 Travel & Transport senior leaders. Vesting of these SARs is conditional on achieving conduct and service conditions ending on 30 June 2022. These SARs were set at a strike price of $12.35.

In addition, a maximum total retention pool of USD 2.3 million was approved by the Board and, during FY21, an allocation was made to cover seven employees considered critical to the delivery of the integration plan

For these seven senior executives, the retention arrangements range from 50% to 80% of their fixed annual remuneration at the time of the acquisition of Travel & Transport. The retention arrangements are payable on 30 October 2021 for these senior executives. The Board believes that these arrangements are fair and reasonable and that it was in shareholders' best interests that the services of these senior executives were retained to lead the Group through the Travel & Transport integration program.

Executive KMP remuneration

Remuneration Framework

The objective of the Group's remuneration framework, summarised below, is to:

— attract and retain high calibre team members;
— incentivise and reward team members for the achievement of strategic objectives designed to deliver sustained growth in shareholder wealth, ensuring reward for performance is competitive and appropriate for the results delivered; and
— align remuneration with shareholder interests.

Key elements of remuneration

The Group's remuneration framework typically has three components:

— Fixed annual remuneration (FAR);
— Short term performance incentives (STI); and
— Equity incentives (LTI).

CTM's remuneration framework provides for a mix of short and long-term incentives. As team members gain seniority within the Group, the balance of their remuneration mix between FAR, STI and LTI shifts to a higher proportion of 'at risk' rewards, commensurate to each individual's role and responsibilities.

The proportion of short and long-term incentives (relative to fixed pay) for Executive KMP is set at the start of the financial year, together with KPIs. Incentive awards are subject to adherence with CTM's values and behavioural standards – behaviour which does not meet expectations is actively and consistently managed, through the application of formal consequences such as formal warnings, reductions to performance-based remuneration, or termination of employment.

Fixed Annual Remuneration

Fixed annual remuneration (FAR) comprises base pay, superannuation and pensions. Team members are offered a competitive FAR that targets the desired skills and experience for our roles. FAR is reviewed annually, to ensure that it remains competitive with the market. Team member FAR is also reviewed upon promotion. There are no guaranteed pay increases in any senior executive contracts of employment and in FY21 there were no increases to fixed annual remuneration.

Variable Remuneration - Short term performance incentives (STI)

Participation in the Group's short term incentive scheme is broad, with team members across all regions eligible to participate. An individual's target STI opportunity is set depending on the accountabilities and impact of the role on the organisation or business unit performance. Short term incentives are paid in cash around 30 September each year.

The scheme is designed to reward and recognise outstanding employee performance and execution of CTM's business plans, provided the Group can also demonstrate it has created value for shareholders.

Each year, the Remuneration and Sustainability Committee considers the appropriate targets and key performance indicators (KPIs), including setting any maximum payment potential under the STI plan and minimum levels of performance required to trigger payment of short term incentives. STI performance targets are underpinned by the Group's strategic priorities and are aligned with CTM's values and risk appetite. All targets and KPIs are defined and measurable.

Ordinarily, the short term incentive pool is based on the following key elements:

1. the financial performance of the relevant region and the financial performance of the Group in the year
2. each individual's performance.

The Board retains the discretion to adjust short term incentives.

1. Financial Performance

In FY21, if the Group achieved pre-determined financial targets set by the Remuneration and Sustainability Committee, an incentive pool would become available. The criteria for FY21 required positive underlying EBITDA in each half, adjusted for one-off items including significant non-recurring items, currency movements and items that are considered by their nature and size as unusual or not in the ordinary course of business, such as merger and acquisition activity.

The approach adopted in FY21 differed from the financial targets used in previous years, namely that underlying earnings exceed the same metric for the prior financial year.

If the global and regional underlying EBITDA results exceed expectations, the full STI pool will be available for distribution. Conversely, if results are below expectations, only a fraction of the pool, or possibly none of the short term incentive pool will be available for distribution. The use of financial targets ensures variable reward is only available when value has been created for shareholders and when earnings are consistent with the Group's approved targets.

If an incentive pool does not form due to the regional and/or Group financial performance not achieving the pre-determined financial targets set by the Remuneration and Sustainability Committee, the Board may exercise discretion to determine incentives for specific regions that individually perform strongly against their KPIs.

2. Individual Performance

Each individual's incentive opportunity is determined by reference to the individual's own KPIs. KPI targets for Executive KMP include a mix of financial and non-financial targets. In FY21, these targets were focused on the following core metrics which were set by the Board at the beginning of the financial period: global EBITDA targets, cost containment, cash management, client retention, people and leadership.

Individual performance impacts the amount of incentive payment for any individual. Executive KMP performance reviews are conducted by the Managing Director and provided to the Remuneration and Sustainability Committee and Board annually. The Managing Director's performance review is conducted by the Chairman and provided to the Remuneration and Sustainability Committee and Board annually.

The weighting of the financial and non-financial KPIs for current Executive KMP is outlined in the following table:

		Financial KPIs	Non-financial KPIs
Executive KMP	Title / Region	EBITDA Cost containment Cash management	Client retention People and leadership
Jamie Pherous	MD / Global	70%	30%
Laura Ruffles	COO / Global	70%	30%
Cale Bennett[1]	CFO / Global	80%	20%
Kevin O'Malley[1]	CEO / North America	70%	30%
Larry Lo	CEO / Asia	70%	30%
Debbie Carling	CEO / UK/Europe	70%	30%
Greg McCarthy	CEO / Australia & New Zealand	70%	30%

1 Executives who became KMPs during the year. Cale Bennett commenced as a KMP on 1 March 2021. Kevin O'Malley commenced as a KMP on 1 November 2020.

Special projects / circumstances incentive

The Board has the discretion to consider special achievements when determining the amount payable in incentives. Special projects / circumstances incentives will only be paid, at the discretion of the Board, where very significant Group changing and/or Group defining events occur which more directly influence the share price, investor perspectives and longer term value of the Group.

Special projects / circumstances could encompass major technology, business specific or Group-wide projects designed to add value through substantial revenue enhancement, improved cost efficiency, or business sustainability. Any payments of this nature will generally be in the form of cash.

In FY21 we awarded $220,000 in short term incentives to employees whose contribution to special projects delivered significant client contract and substantial revenue to our UK business. No short term incentives were awarded to KMP.

FY21 Reward Outcomes under STI

As the world responded to the impact of the COVID-19 pandemic, CTM continued to face difficult operating conditions in FY21 with government mandated shutdowns, border closures, quarantine arrangements and travel restrictions remaining in place in various forms.

In light of the uncertain environment for our employees and the travel industry more generally, minor adjustments were made to the FY21 STI program to split the FY21 STI into two opportunities across the first and second halves, with financial targets for both periods and individual KPIs focused on global EBITDA targets, cost containment, cash management, client retention and people and leadership. For all employees, including Executive KMP, their potential STI opportunity for FY21 was set at a maximum of 50% of their FY20 maximum opportunity (25% of their FY20 maximum opportunity for each half).

Following the assessment of Executive KMP against their KPIs, no short term incentives were awarded to KMPs as summarised in the table below:

	FY21			FY20		
Name	Maximum STI Potential (FY21)[1]	Awarded %	Forfeited %	Maximum STI Potential (FY20)[1]	Awarded %	Forfeited %
Jamie Pherous	$125,000	0%	100%	$270,000	0%	100%
Laura Ruffles	$550,000	0%	100%	$1,100,000	0%	100%
Cale Bennett[2]	N/A	N/A	N/A	N/A	N/A	N/A
Kevin O'Malley[2]	$250,000	0%	100%	N/A	N/A	N/A
Larry Lo	$129,402	0%	100%	$286,352	0%	100%
Debbie Carling	$112,702	0%	100%	$234,522	0%	100%
Greg McCarthy	$25,000	0%	100%	$50,000	0%	100%
Neale O'Connell[3]	$115,000	0%	100%	$230,000	0%	100%
Maureen Brady[3]	$66,916	0%	100%	N/A	N/A	N/A

1 Maximum STI potential for Kevin O'Malley, Larry Lo, Debbie Carling and Maureen Brady are determined in local currency and converted at average exchange rates.

2 Executives who became KMPs during the year. Cale Bennett commenced as a KMP on 1 March 2021. Kevin O'Malley commenced as a KMP on 1 November 2020.

3 KMPs who ceased to be a KMP during the year. Neale O'Connell ceased to be a KMP on 26 February 2021 following his retirement as Global CFO. Mr O'Connell's services were retained after his retirement under a consultancy agreement which ended on 30 June 2021. Maureen Brady ceased to be a KMP on 30 October 2020 and remains employed by CTM as COO – North America.

Variable Remuneration – equity based incentives

Senior leaders who have a greater potential impact on share price and long-term value creation participate in CTM's equity based incentive program. CTM's equity based incentive scheme is designed to:

(a) assist in the reward, retention and motivation of eligible employees;

(b) link the reward of eligible employees to shareholder value creation; and

(c) align the interests of eligible employees with shareholders by providing an opportunity for eligible employees to receive an equity interest in the Group.

Grants of Share Appreciation Rights (SARs) are ordinarily made annually according to the role and influence on long-term performance. A SAR is a right to receive an award which may be satisfied by the issue of shares, cash payment, or a combination of both (at the Board's sole discretion), subject to the achievement of performance conditions which can include service conditions, EPS growth and conduct expectations.

If the performance conditions are achieved, the number of shares awarded is calculated by reference to an increase in the CTM share price from a strike price set at the volume weighted average price (VWAP) of the 5 trading days prior to 1 July immediately preceding the grant of SARs against the 5 day VWAP immediately preceding the time that the Board determines the performance hurdles are satisfied. The use of a 5 day VWAP to set both the strike price and the subsequent share price at the time of vesting, provides a very clear and publicly verifiable pricing structure for equity based remuneration. Awards are of no value to participants if the subsequent share price at the time of vesting is below the strike price, aligning the interests of participants with shareholders.

Given the potential for volatility of CTM's share price in the period leading into full year results in mid-August each year, in FY21 we changed the basis of the share price calculation to determine the equity allocation for FY21. We replaced the 30 day VWAP for the period immediately preceding the release of CTM's full year results, with a 5 day VWAP to and including 30 June, meaning that the strike price would be reflective of CTM's share price at the commencement of the performance period and would be compared against the 5 day VWAP to and including 30 June immediately preceding the end of the relevant performance period.

Participation

In FY21, 74 senior employees (including employees from Travel & Transport) were invited by the Board to participate in the equity incentive scheme (FY20: 51 senior employees). All Executive KMP, other than the Managing Director, participated in the FY21 equity incentive scheme.

Performance hurdles and performance period

The Board resolved to make some temporary adjustments to the vesting conditions for the FY21 equity incentive grants to balance the impact of COVID-19 on earnings, preserve the alignment of incentive remuneration arrangements with shareholders, while maintaining our ability to attract, retain and motivate staff during a period of heightened uncertainty.

Talent retention and motivation are critical for CTM's business performance and to create wealth for shareholders. In our experience, employees in the travel industry with transferable skills who are experiencing uncertain future prospects have been and will continue to be targeted by other industries during this period of uncertainty. The temporary adjustments to our FY21 equity incentive program were specifically modified to deal with these particular challenges and were designed to retain our key staff during this period of heightened uncertainty.

The FY21 equity offer was comprised of the following tranches of SARs:

— FY21 Retention SARs were granted with vesting conditional on achieving service and conduct conditions (including a 12 month time based service condition), with a further 12 month disposal restriction

— FY21 Performance SARs were granted with vesting conditional on achieving service and conduct conditions and EPS growth over a two year period ending 30 June 2022.

— FY21 SARS were granted to Cale Bennett following his appointment to the role of Global CFO with vesting conditional on achieving service and conduct conditions and EPS growth over a three year period ending 30 June 2024.

Directors' Report
Continued
Remuneration Report Continued

The FY21 Performance SARs, which are subject to EPS growth as well as achieving service conditions, will vest on a scaled basis as follows:

Minimum EPS growth from 1 July 2020 – 30 June 2022	Portion of SARs that become performance qualified
80% achievement of target growth rate (i.e. 16.0% EPS growth)	50% of SARs
90% achievement of target growth rate (i.e. 18.0% EPS growth)	75% of SARs
100% achievement of target growth rate (i.e. 20.0% EPS growth)	100% of SARs

SARs will become performance qualified on a straight-line basis where EPS growth over the relevant performance period falls between 16-20% EPS growth.

The final tranche of FY21 equity incentives were awarded to senior Travel & Transport leaders following the acquisition of Travel & Transport (which completed in October 2020) with the key objective of supporting retention and integration delivery. Vesting of these SARs is conditional on achieving service and conduct conditions, including a time based service condition ending 30 June 2022.

While temporary adjustments were made in FY21 to performance periods and vesting conditions, the overarching philosophy for equity incentive remuneration remains unchanged: to reward, retain and motivate senior leaders; link the reward to shareholder value creation to align senior leaders with shareholders; provide an opportunity for eligible employees to build an equity interest in CTM; and support our employee conduct expectations.

The Board may exercise its discretion with respect to adjustments to thresholds and targets at the time of testing. The Group will provide a clear explanation if any adjustments are made to thresholds and targets. The Board retains the discretion to adjust equity incentives (including vesting conditions, performance hurdles and the forfeiture of unvested SARs), in light of unexpected or unintended circumstances, or where an individual has engaged in conduct which is contrary to CTM's values. For example, behaviour which does not meet expectations is actively and consistently managed, through the application of formal consequences such as formal warnings, reductions to performance-based remuneration, or termination of employment.

Cessation of employment, change of control and clawback

All unvested SARs lapse immediately upon cessation of employment with the Group. However, the Board has discretion in special circumstances to determine that SARs be retained and the terms applicable following cessation of employment. Special circumstances include events such as retirement, redundancy, death and permanent disability. If a Change of Control Event occurs, or the Board determines in its absolute discretion that a Change of Control Event may occur, the Board has absolute discretion to determine the appropriate treatment regarding any awards.

In addition to other formal consequences, including formal warnings or termination of employment, unvested SARs may be clawed back where there has been a material misrepresentation of the financial outcomes on which the award was assessed and/or the participant's actions have been found to be fraudulent, dishonest, in breach of his or her duties, contrary to CTM's values and behavioural standards or would bring CTM into disrepute.

Dividend entitlements

Recipients of SARs are not entitled to dividends until shares are allocated (based on vesting and meeting the relevant performance hurdles, employment condition and conduct expectations and being exercised by recipients).

Dilution

Shares issued under the Group's Omnibus Incentive Plan are subject to a cap of 5% of equity. This is inclusive of shares that may be issued in respect of each outstanding offer of shares, options or rights if accepted or exercised under other equity plans.

Hedging

Executive KMP are not permitted to hedge equity awards.

Directors' Report

Continued

Remuneration Report Continued

FY21 Reward Outcomes under equity incentive plan

FY21 SARs

In FY21, a total of 3,504,250 SARs were awarded to 74 participants (FY20: 1,678,000 to 51 participants) in three tranches:

- 809,750 SARs were granted with vesting conditional on achieving service and conduct condition conditions (including a 12 month time based service), with a further 12 month disposal restriction (FY21 Retention SARs)
- 1,664,500 SARs were granted with vesting conditional on achieving service and conduct conditions and EPS growth over a 2 year period ending 30 June 2022 (FY21 Performance SARs)
- 930,000 SARs were granted with vesting conditional on achieving service and conduct conditions ending on 30 June 2022 (FY21 T&T Retention SARs)
- 100,000 SARs were granted with vesting conditional on achieving service and conduct conditions and EPS growth over a 3 year period ending 30 June 2024 (FY21 CFO SARs)

Having achieved share price growth over a strike price of $9.89 (5 day VWAP to 30 June 2020), the FY21 Retention SARs vested after the end of the financial year, with a total of 431,786 CTM shares able to be exercised from 809,750 SARs awarded to 48 participants.

FY19 SARs

The three year performance period for the FY19 SARs ended on 30 June 2021. Vesting was conditional on the Group achieving earnings per share (EPS) growth per annum over the three year testing period, with target performance being set at 10% EPS growth and participants continuing to be employed by the Group at the end of the performance period.

Following the end of the financial year, the FY19 SARs were tested. As the EPS growth condition was not met, 100% of the FY19 SARs failed to vest. Had the EPS hurdle been met, this tranche of SARs would have been valueless to the holders given the vesting share price was below the $29.00 strike price.

Correlation between variable remuneration and financial results

In considering the Group's performance in the context of appropriate remuneration levels and structures, the Remuneration & Sustainability Committee considers a variety of measures including financial results, share price growth and the delivery of return on investment to shareholders. Over the past two years, COVID-19 has created substantial volatility to these measures. This is highlighted in the table below which outlines the performance of the Group and shareholder returns over the last five financial years.

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Net profit/(loss) attributable to members ($'000)	(55,351)	(8,185)	86,235	76,712	54,556
Basic earnings per share (cents)	(43.0)	(7.5)	79.6	72.4	53.5
Dividends paid ($'000)	-	23,953	42,263	34,964	27,554
Dividend payout ratio (%)[1]	N/A	N/A	49.0	45.6	50.5
Increase/(decrease) in share price (%)	111.5	(56.9)	(17.6)	19.0	63.9
Total Executive KMP STI as percentage of net profit/(loss) (%)	**0.0**	**0.0**	**1.6**	**1.9**	**2.2**

[1] Based on dividends paid in respect of the financial year

The following table sets out details of the SARs granted to persons in their capacity as Executive KMP during FY21 under the 2021 allocation, as well as details of SARs granted under prior awards that have not yet vested as at 30 June 2021.

The three year performance period for SARs granted under the FY19 allocation ended on 30 June 2021 and were tested following the end of FY21. As the EPS performance and share price growth conditions were not met, the FY19 tranche did not vest and all FY19 SARs were forfeited.

The 12 month service period for the FY21 Retention SARs ended on 30 June 2021 and, having achieved share price growth over a strike price of $9.89 (5 day VWAP to and including 30 June 2020), the FY21 Retention SARs vested following the end of the financial year.

Name	Year of grant	Year in which rights may vest	Exercise Price	No. of rights granted	Value per right at grant date	No. of rights vested during the year	Vested %	Forfeited %	Max value yet to vest $
Laura Ruffles	2021 Performance	2023	N/A	125,000	$7.18	-	-	-	896,975
	2021 Retention[3]	2022	N/A	62,500	$7.21	-	-	-	450,375
	2020	2023	N/A	100,000	$1.67	-	-	-	167,230
	2019	2022	N/A	150,000	$4.80	-	-	-	720,690
	2018	2021	N/A	150,000	$2.49	-	-	-	-
Cale Bennett[1]	2021	2025	N/A	100,000	$6.00	-	-	-	599,920
Larry Lo	2021 Performance	2023	N/A	75,000	$2.67	-	-	-	200,108
	2021 Retention[3]	2022	N/A	37,500	$2.29	-	-	-	86,059
	2020	2023	N/A	75,000	$1.67	-	-	-	125,423
	2019	2022	N/A	75,000	$4.80	-	-	-	360,345
	2018	2021	N/A	75,000	$2.49	-	-	-	-
Debbie Carling	2021 Performance	2023	N/A	75,000	$2.67	-	-	-	200,108
	2021 Retention[3]	2022	N/A	37,500	$2.29	-	-	-	86,059
	2020	2023	N/A	75,000	$1.67	-	-	-	125,423
	2019	2022	N/A	75,000	$4.80	-	-	-	360,345
	2018	2021	N/A	75,000	$2.49	-	-	-	-
Greg McCarthy	2021 Performance	2023	N/A	75,000	$2.67	-	-	-	200,108
	2021 Retention[3]	2022	N/A	37,500	$2.29	-	-	-	86,059
	2020	2023	N/A	75,000	$1.67	-	-	-	125,423
	2019	2022	N/A	100,000	$4.80	-	-	-	480,460
Kevin O'Malley[1]	2021 T&T Retention	2023	N/A	187,500	$3.50	-	-	-	656,063
Neale O'Connell[2]	2021 Performance	2023	N/A	100,000	$2.67	-	-	50%	133,405
	2021 Retention[3]	2022	N/A	50,000	$2.29	-	-	-	114,745
	2020	2023	N/A	100,000	$1.67	-	-	50%	83,615
Maureen Brady[2]	2021 Performance	2023	N/A	75,000	$2.67	-	-	-	200,108
	2021 Retention[3]	2022	N/A	37,500	$2.29	-	-	-	86,059
	2020	2023	N/A	50,000	$1.67	-	-	-	83,615

[1] Executives who became KMP during the year. Cale Bennett commenced as a KMP on 1 March 2021. Kevin O'Malley commenced as a KMP on 1 November 2020.

[2] Executives who ceased as KMP during the year. Neale O'Connell ceased to be a KMP on 26 February 2021 after retiring as Global CFO. Maureen Brady ceased to be a KMP on 30 October 2020 but remains employed by CTM as COO – North America.

[3] FY21 Retention SARs vested on 1 July 2021.

Directors' Report

Continued

Remuneration Report Continued

Contractual arrangements for Executive KMP

Each Executive KMP, including the Managing Director, has a formal contract, known as a service agreement.

Executive KMP	Contract duration	Notice period by KMP	Notice period by Group	Termination payment
Jamie Pherous	No fixed duration	6 months	6 months	Combination of notice and payment in lieu totaling no less than 6 months
Laura Ruffles	No fixed duration	24 weeks	24 weeks	Combination of notice and payment in lieu totaling no less than 24 weeks
Cale Bennett[1]	No fixed duration	12 weeks	12 weeks	Combination of notice and payment in lieu totaling no less than 12 weeks
Kevin O'Malley[1]	30 June 2023	3 months	Nil	Combination of notice and payment in lieu totaling no less than 12 months
Larry Lo	No fixed duration	6 months	6 months	Combination of notice and payment in lieu totaling no less than 6 months
Debbie Carling	No fixed duration	3 months	3 months	Combination of notice and payment in lieu totaling no less than 3 months
Greg McCarthy	No fixed duration	12 weeks	12 weeks	Combination of notice and payment in lieu totaling no less than 12 weeks

1 Executives who became KMP during the year. Cale Bennett commenced as a KMP on 1 March 2021. Kevin O'Malley commenced as a KMP on 1 November 2020.

Termination payments are assessed on a case-by-case basis and are capped at law. As is the case for all employees, the employment of Executive KMP may be terminated immediately in the case of serious misconduct.

Non-executive Director Remuneration

Non-executive Directors receive a base fee and, where applicable, an additional fee in recognition of the higher workload and extra responsibilities resulting from chairing Board Committees. The Chairman receives an all-inclusive fee as Chairman of the Board and as a member of all Board Committees (including as Chairman of the Nomination Committee).

Board fees are not paid to Executive Directors and Executive KMP do not receive fees for directorships of any subsidiaries.

Fee Structure

As approved by shareholders at the 2019 Annual General Meeting, the maximum aggregate Non-executive Directors' fee pool is $950,000 per annum, of which the Group utilised $515,593 in FY21 (FY20: $632,421). Fees paid to Non-executive Directors are set out in the table below and are inclusive of superannuation. Fees are reviewed annually by the Board.

	Board	Audit & Risk Committee	Remuneration & Sustainability Committee	Nomination Committee
Chair	$242,500	$22,500	$22,500	-
Member	$122,500	-	-	-

There were no increases to Board or Committee fees in FY21. In FY21, non-executive Director fees were temporarily reduced by an equivalent 33% from 1 July 2020 – 31 July 2020, having been reduced from 1 April 2020.

Non-executive Directors do not receive incentive payments, nor are they entitled to participate in any Group employee equity plans. They receive no non-monetary benefits and do not participate in any retirement benefit scheme, other than statutory superannuation contributions, where applicable. Non-executive Directors are reimbursed for expenses properly incurred in performing their duties as a Director of the Group. This policy is consistent with Non-Executive Directors being responsible for objective and independent oversight of the Group.

Directors' Report

Continued

Remuneration Report Continued

Statutory KMP Remuneration

		Fixed Remuneration				Variable remuneration			
Name	Year	Cash salary and fees $	Non-cash benefits[1] $	Leave[2] $	Superan-nuation $	Short term incentive $	Equity incentive[3] $	Total $	Perfor-mance Related %
Non-Executive Directors									
Ewen Crouch AM	FY21	229,961	-	-	4,834	-	-	234,795	N/A
	FY20	211,662	-	-	10,615	-	-	222,277	N/A
Sophie Mitchell	FY21	128,218	-	-	12,181	-	-	140,399	N/A
	FY20	95,205	-	-	9,044	-	-	104,249	N/A
Jon Brett	FY21	128,218			12,181	-	-	140,399	N/A
	FY20	40,178	-	-	3,817	-	-	43,995	N/A
Stephen Lonie	FY21	-	-	-	-	-	-	-	N/A
	FY20	39,346	-	-	3,738	-	-	43,084	N/A
Greg Moynihan	FY21	-	-	-	-	-	-	-	N/A
	FY20	94,273	-	-	8,956	-	-	103,229	N/A
Admiral Robert Natter[6]	FY21	-	-	-	-	-	-	-	N/A
	FY20	115,587	-	-	-	-	-	115,587	N/A
Sub-Total Non-Executive Directors	**FY21**	**486,397**	**-**	**-**	**29,196**	**-**	**-**	**515,593**	**N/A**
	FY20	**596,251**			**36,170**			**632,421**	**N/A**
Executive Directors									
Jamie Pherous	FY21	460,955	8,342	1,913	21,694	-	-	492,904	0%
	FY20	441,164	8,983	(35,140)	21,003	-	-	436,010	0%
Laura Ruffles	FY21	682,498	9,426	41,045	21,694	-	866,592	1,621,255	53%
	FY20	653,171	10,104	(49,529)	21,003	-	(489,498)	145,252	0%
Sub-Total Executive Directors	**FY21**	**1,143,453**	**17,768**	**42,958**	**43,388**	**-**	**866,592**	**2,114,159**	
	FY20	**1,094,335**	**19,087**	**(84,669)**	**42,006**	**-**	**(489,498)**	**581,261**	

1 Non-cash benefits represent the cost to the Group of providing parking and in the US, health and communications benefits.

2 Leave represents the movement in the annual leave and long service leave provision balances. The accounting value may be negative, for example, where a KMP leave balance decreases as a result of taking more leave than the leave entitlement accrued during the year.

3 For accounting purposes, equity incentives are calculated at fair value on grant date and expensed over the performance period, in accordance with AASB 2 Share Based Payments. The accounting value may be negative where SARs are forfeited, resulting in amounts expensed in prior years being reversed. There can also be a reversal of amounts expensed where there is a reduction in the probability of performance conditions being met.

4 KMP who ceased to be a KMP during FY21. Neale O'Connell ceased to be a KMP on 26 February 2021 after retiring as Global CFO. Mr O'Connell's services were retained after his retirement under a consultancy agreement which ended on 30 June 2021, during which period he was paid $30,800 for his consultancy services. Maureen Brady ceased to be a KMP on 30 October 2020 but remains employed by CTM as COO – North America.

5 Commenced as KMP during FY21. Cale Bennett commenced as a KMP on 1 March 2021. Kevin O'Malley commenced as a KMP on 1 November 2020.

6 Payments made to Admiral Robert Natter, Larry Lo, Debbie Carling, Kevin O'Malley, Maureen Brady, Stephen Fleming and Chris Thelen are in local currency and converted at average exchange rates.

Name	Year	Fixed Remuneration: Cash salary and fees $	Non-cash benefits[1] $	Leave[2] $	Superannuation $	Variable remuneration: Short term incentive $	Equity incentive[3] $	Total $	Performance Related %
Other Key Management Personnel (Group)									
Neale O'Connell[4]	FY21	297,879	6,012	(5,424)	17,071	-	164,698	480,236	34%
	FY20	401,007	8,817	16,499	21,003	-	-	447,326	0%
Cale Bennett[5]	FY21	128,067	2,500	5,906	7,093	-	127,050	270,616	47%
	FY20	-	-	-	-	-	-	-	-
Larry Lo[6]	FY21	548,960	-	16,250	3,106	-	178,913	747,229	24%
	FY20	524,646	-	(8,517)	3,436	-	(244,749)	274,816	0%
Debbie Carling[6]	FY21	343,213	-	15,127	10,503	-	178,913	547,756	33%
	FY20	333,635		636	10,353	-	(244,749)	99,875	0%
Greg McCarthy	FY21	385,761	-	9,922	21,694	-	178,913	596,290	30%
	FY20	305,309	-	(8,463)	21,003	-	(160,153)	157,696	0%
Kevin O'Malley[5, 6]	FY21	384,661	17,803	13,512	-	-	260,909	676,885	38%
	FY20	-	-	-	-	-	-	-	-
Maureen Brady[4, 6]	FY21	103,204	-	13,660	-	-	-	116,864	0%
	FY20	109,166	3,494	-	-	-	-	112,660	0%
Stephen Fleming[6]	FY21	-	-	-	-	-	-	-	-
	FY20	14,070	-	3,968	1,338	-	5,176	24,552	-
Chris Thelen[6]	FY21	-	-	-	-	-	-	-	-
	FY20	530,931	5,860	-	-	-	(244,749)	292,042	-
Sub-Total Other Key Management Personnel	**FY21**	**2,191,745**	**26,315**	**68,953**	**59,467**	**-**	**1,089,396**	**3,435,876**	
	FY20	**2,218,764**	**18,171**	**4,123**	**57,133**	**-**	**(889,224)**	**1,408,967**	
Total	**FY21**	**3,821,595**	**44,083**	**111,911**	**132,051**	**-**	**1,955,988**	**6,065,628**	
	FY20	**3,909,350**	**37,258**	**(80,546)**	**135,309**	**-**	**(1,378,722)**	**2,622,649**	

1 Non-cash benefits represent the cost to the Group of providing parking and in the US, health and communications benefits.

2 Leave represents the movement in the annual leave and long service leave provision balances. The accounting value may be negative, for example, where a KMP leave balance decreases as a result of taking more leave than the leave entitlement accrued during the year.

3 For accounting purposes, equity incentives are calculated at fair value on grant date and expensed over the performance period, in accordance with AASB 2 Share Based Payments. The accounting value may be negative where SARs are forfeited, resulting in amounts expensed in prior years being reversed. There can also be a reversal of amounts expensed where there is a reduction in the probability of performance conditions being met.

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5 Commenced as KMP during FY21. Cale Bennett commenced as a KMP on 1 March 2021. Kevin O'Malley commenced as a KMP on 1 November 2020.

6 Payments made to Admiral Robert Natter, Larry Lo, Debbie Carling, Kevin O'Malley, Maureen Brady, Stephen Fleming and Chris Thelen are in local currency and converted at average exchange rates.

The table above is prepared in accordance with the *Corporations Act 2001* requirements. The amounts that appear under the heading 'Equity incentive' represent the amounts expensed by the Group in accordance with the required Accounting Standards in respect of current and past incentive allocations of share appreciation rights. These amounts are therefore not amounts actually received by Executive KMP during the year. Whether Executive KMP receive any value from the allocation of equity incentives in the future will depend on whether applicable performance conditions are met.

Other information

Minimum Shareholding Guidelines for Non-executive Directors

To align the Non-executive Directors' interest with the interests of shareholders, the Board has established guidelines to encourage Non-executive Directors to progressively acquire and hold shares within three years of their appointment with a value equal to 100% of base fees. Direct and indirect holdings count towards the minimum shareholding target.

Minimum Shareholding Guidelines for Executive KMP

Executive KMP are encouraged to progressively, through participation in the Group's equity incentive program, acquire and hold shares over a reasonable period from the date of their appointment. They are expected to hold a minimum number of shares commensurate to their role and responsibilities. Direct and indirect holdings together with unvested equity will count towards the minimum shareholding target.

Equity instruments held by Key Management Personnel

The tables below show the number of shares and share appreciation rights held by Non-executive Directors and Executive KMP respectively at the beginning and end of the financial year.

Ordinary Shares

	Balance as at 30 June 2020	Purchased	Disposed	Received on vesting of rights	Other changes during the year	Balance at 30 June 2021
Non-Executive Directors						
Ewen Crouch AM	10,000	2,482	-	-	-	12,482
Jon Brett	1,000	249	-	-	-	1,249
Sophie Mitchell	22,122	5,490	-	-	-	27,612
Executive Directors						
Jamie Pherous	21,266,893	67,410	(1,500,000)	-	(594,303)[1]	19,240,000
Laura Ruffles	237,531	-	(187,531)	-	-	50,000
Other Key Management Personnel						
Cale Bennett[2]	N/A	-	-	-	-	-
Kevin O'Malley[2]	N/A	102,429	-	-	-	102,429
Larry Lo	161,632	10,000	(50,000)	-	-	121,632
Debbie Carling	38,578	-	(5,000)	-	-	33,578
Greg McCarthy	97,627	29,072	(37,000)	-	-	89,699
Neale O'Connell[3]	10,172	3,263	-	-	-	N/A
Maureen Brady[3]	0	-	-	-	-	N/A

1 Jamie Pherous was a director and 25% shareholder of Shamiz Pty Ltd and therefore had a relevant interest in the CTM ordinary shares held by Shamiz Pty Ltd, as trustee of the Sami Superannuation Fund. On 24 November 2020, Jamie Pherous disposed of his 25% shareholding interest in Shamiz Pty Ltd and ceased to be a shareholder (and director) of Shamiz Pty Ltd and therefore ceased to have a relevant interest in the CTM ordinary shares held by Shamiz Pty Ltd, as trustee of the Sami Superannuation Fund.

2 Commenced as KMP during the year. Cale Bennett commenced as a KMP on 1 March 2021. Kevin O'Malley commenced as a KMP on 1 November 2020.

3 Ceased as KMP during the year. Neale O'Connell ceased as a KMP on 26 February 2021 after retiring as Global CFO. Maureen Brady ceased as a KMP on 30 October 2020 but remains employed by CTM as COO – North America.

Directors' Report

Continued

Remuneration Report Continued

Share Appreciation Rights

	Balance as at 30 June 2020	Awarded during the year	Vested during the year[3]	Forfeited during the year	Other changes during the year	Balance at 30 June 2021
Executive Directors						
Jamie Pherous	-	-	-	-	-	-
Laura Ruffles	400,000	187,500	-	(150,000)	-	437,500
Other Key Management Personnel						
Cale Bennett[1]	N/A	100,000	-	-	85,000	185,000
Larry Lo	225,000	112,500	-	(75,000)	-	262,500
Debbie Carling	225,000	112,500	-	(75,000)	-	262,500
Greg McCarthy	175,000	112,500	-	-	-	287,500
Kevin O'Malley[1]	N/A	187,500	-	-	-	187.500
Neale O'Connell[2]	100,000	150,000	-	(100,000)	-	N/A
Maureen Brady[2]	50,000	112,500	-	-	-	N/A

1 Commenced as KMP during the year. Cale Bennett commenced as a KMP on 1 March 2021. Kevin O'Malley commenced as a MKP on 1 November 2020. Other changes represent SARs held at the time of commencing as KMP.

2 Ceased as KMP during the year. Neale O'Connell ceased as a KMP on 26 February 2021 after retiring as Global CFO. Maureen Brady ceased as a KMP on 30 October 2020 but remains employed by CTM as COO – North America.

3 FY21 Retention SARs vested on 1 July 2021

Securities Trading Policy

The Group's Securities Trading Policy prohibits employees from dealing in CTM securities while in possession of material non-public information relevant to CTM. It also prohibits entry into transactions in associated products that limit the economic risk of participating in unvested entitlements under equity-based remuneration schemes.

Shares under option

There are currently no unissued ordinary shares of CTM under option. No share options were granted as equity compensation benefits during the financial year (FY20: nil).

Loans to KMP

There have been no loans granted to Non-executive Directors and Executive KMP of the Company or their related entities (FY20: nil).

Other transactions and balances with key management personnel

Contingent consideration of $700,000 in relation to the acquisition of SCT Travel Group Pty Ltd was earned during the financial year and will be paid to Greg McCarthy in FY22.

In the normal course of business, the Group may enter into transactions with various entities that have Directors in common with CTM. Transactions with these entities are made on commercial arm's length terms and conditions. The relevant Directors do not participate in any decisions regarding these transactions.

Non-executive Directors and Executive KMP can acquire travel and event management services from the Group. All transactions are made on normal commercial terms and conditions and at market rates. There are no amounts outstanding in relation to these transactions at 30 June 2021.

Directors' Report

Continued

Insurance of officers and indemnities

The Company has entered into directors' and officers' insurance policies and paid an insurance premium in respect of the insurance policies, to the extent permitted by the Corporations Act 2001 (Cth). The insurance policies cover former Directors of the Company along with the current Directors of the Company. Executive officers and employees of the Company and its related bodies corporate are also covered.

In accordance with Rule 24 of its Constitution, the Company, to the maximum extent permitted by law, must indemnify any current or former Director or Company Secretary and current or former executive officers of the Company or any of its related bodies corporate, against all liabilities incurred in those capacities. For the year ended 30 June 2021, no amounts have been paid pursuant to indemnities (FY20: nil).

A Deed of Indemnity, Access and Insurance is in place between the Company and Directors, the Company Secretary and some other current and former executives. The deed indemnifies those persons, to the extent permitted by law, against liabilities, including costs and expenses, incurred as a result of acting in their capacity as officers of the Company or its related bodies corporate.

The Company's Constitution also allows the Company to pay insurance premiums for contracts insuring the officers of the Company in relation to any such liabilities and legal costs. The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability insurance contract, as, in accordance with normal commercial practice, such disclosure is prohibited under the terms of the contract.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, PwC, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit. No payment has been made to PwC during or since the end of the financial year in respect of this indemnification.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with the lease of the Court under section 237 of the Corporations Act.

Non-Audit Services

PwC provided $359,320 of non-audit services during the year ended 30 June 2021, comprising:

— Tax compliance services - $117,418

— Tax advisory services - $227,402

— Other advisory services - $14,500

The Directors are satisfied that the provision of these non-audit services is compatible with the general standard of independence for auditors in accordance with the Corporations Act 2001 (Cth). The nature, value and scope of each type of non-audit service provided is considered by the Directors not to have compromised auditor independence.

Auditor's Independence Declaration

The Auditor's Independence Declaration for the year ended 30 June 2021 has been received from PwC. This is set out at page 70 of the Directors' Report.

Rounding of amounts

Amounts in the Directors' Report are presented in Australian dollars (unless otherwise indicated) with values rounded to the nearest thousand dollars, or in certain cases, the nearest dollar, in accordance with the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) instrument 2016/191.

This Report is made in accordance with a resolution of the Directors and is signed for and on behalf of the Board.

Mr Ewen Crouch AM
Chairman

Mr Jamie Pherous
Managing Director

18 August 2021
Brisbane

Directors' Report

Continued

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Auditor's Independence Declaration

As lead auditor for the audit of Corporate Travel Management Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Corporate Travel Management Limited and the entities it controlled during the period.

Michael Crowe
Partner
PricewaterhouseCoopers

Brisbane
18 August 2021

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Consolidated Financial Statements

Consolidated Financial Statements

General information

Corporate Travel Management Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 24,
307 Queen Street
Brisbane
Queensland 4000

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	Note	2021 $'000	2020 $'000
Revenue	4	174,046	316,364
Other Income	5	26,406	33,541
Total revenue and other income		**200,452**	**349,905**
Operating Expenses			
Employee benefits		(164,855)	(213,987)
Information technology and telecommunications		(29,220)	(36,377)
Occupancy		(3,820)	(4,863)
Travel and entertainment		(501)	(3,758)
Cost of goods sold		(8,176)	-
Administrative and general		(24,098)	(26,898)
Depreciation and amortisation	10, 16, 26	(40,857)	(42,512)
Impairment	10, 16	(1,261)	(23,643)
Total operating expenses		**(272,788)**	**(352,038)**
Operating loss		(72,336)	(2,133)
Finance costs	18	(3,267)	(9,620)
Loss before income tax benefit from continuing operations		**(75,603)**	**(11,753)**
Income tax benefit	8	19,018	1,129
Loss after income tax benefit from continuing operations		(56,585)	(10,624)
Loss after income tax benefit from discontinued operations		(1,176)	-
Loss after income tax (expense)/benefit for the year		**(57,761)**	**(10,624)**
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss: Exchange differences on translation of foreign operations		(28,400)	6,330
Other comprehensive income/(loss) for the year, net of tax		(28,400)	6,330
Total comprehensive income/(loss) for the year		**(86,161)**	**(4,294)**
Loss for the year is attributable to:			
Non-controlling interest	29	(2,410)	(2,439)
Ordinary Equity Holders of Corporate Travel Management Limited	24	(55,351)	(8,185)
		(57,761)	**(10,624)**
Total comprehensive loss for the year is attributable to:			
Continuing operations		(3,856)	(1,851)
Discontinued operations		-	-
Non-controlling interest		**(3,856)**	**(1,851)**
Continuing operations		(81,129)	(2,443)
Discontinued operations		(1,176)	-
Ordinary Equity Holders of Corporate Travel Management Limited		**(82,305)**	**(2,443)**
		(86,161)	**(4,294)**
		Cents	Cents
Earnings per share for loss attributable to the ordinary equity holders of Corporate Travel Management Limited			
Basic earnings per share	6	(43.0)	(7.5)
Diluted earnings per share	6	(43.0)	(7.5)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2021

	Note	2021 $'000	2020 $'000
ASSETS			
Current assets			
Cash and cash equivalents	11	99,018	92,843
Trade and other receivables	12	175,428	64,535
Inventory	13	884	-
Income tax receivable		9,541	11,657
Other assets		5,803	4,787
Total current assets		**290,674**	**173,822**
Non-current assets			
Trade and other receivables	12	398	-
Investments accounted for using the equity method	14	2,849	-
Financial assets at fair value through profit or loss	15	4,423	-
Property, plant and equipment	26	11,155	12,091
Right-of-use assets	16	40,526	46,828
Intangible assets	10	756,918	524,458
Deferred tax assets	8	28,805	6,318
Total non-current assets		**845,074**	**589,695**
Total assets		**1,135,748**	**763,517**
LIABILITIES			
Current liabilities			
Trade and other payables	17	204,745	100,499
Borrowings	18	-	-
Lease liabilities	19	9,193	8,672
Provisions	21	18,155	33,826
Total current liabilities		**232,093**	**142,997**
Non-current liabilities			
Trade and other payables	17	9,998	522
Borrowings	18	-	-
Lease liabilities	19	37,188	44,423
Deferred tax liabilities	8	1,400	12,095
Provisions	21	3,612	5,393
Total non-current liabilities		**52,198**	**62,433**
Total liabilities		**284,291**	**205,430**
Net assets		**851,457**	**558,087**
EQUITY			
Contributed equity	22	744,581	375,314
Reserves	23	3,484	20,174
Retained earnings	24	87,994	143,345
Equity attributable to the equity holders of Corporate Travel Management Limited		836,059	538,833
Non-controlling interests - equity	29	15,398	19,254
Total equity		**851,457**	**558,087**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2021

	Contributed equity $'000	Reserves $'000	Retained earnings $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 July 2019	364,368	27,001	175,483	23,608	590,460
Loss after income tax expense for the year	-	-	(8,185)	(2,439)	(10,624)
Other comprehensive income for the year, net of tax	-	5,742	-	588	6,330
Total comprehensive income for the year	**-**	**5,742**	**(8,185)**	**(1,851)**	**(4,294)**
Transactions with ordinary equity holders in their capacity as ordinary equity holders:					
Contributions of equity, net of transaction costs (note 22)	10,946	-	-	-	10,946
Share-based payments (note 28)	-	(12,569)	-	-	(12,569)
Dividends paid (note 7)	-	-	(23,953)	(2,503)	(26,456)
Balance at 30 June 2020	**375,314**	**20,174**	**143,345**	**19,254**	**558,087**

	Contributed equity $'000	Reserves $'000	Retained earnings $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 July 2020	375,314	20,174	143,345	19,254	558,087
Loss after income tax benefit for the year	-	-	(55,351)	(2,410)	(57,761)
Other comprehensive loss for the year, net of tax	-	(26,954)	-	(1,446)	(28,400)
Total comprehensive loss for the year	**-**	**(26,954)**	**(55,351)**	**(3,856)**	**(86,161)**
Transactions with ordinary equity holders in their capacity as ordinary equity holders:					
Contributions of equity, net of transaction costs (note 22)	369,267	-	-	-	369,267
Share-based payments (note 28)	-	10,264	-	-	10,264
Balance at 30 June 2021	**744,581**	**3,484**	**87,994**	**15,398**	**851,457**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

Consolidated Statement of Cash Flows

For the year ended 30 June 2021

	Note	2021 $'000	2020 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of consumption tax)		114,285	630,031
Payments to suppliers and employees (inclusive of consumption tax)		(170,294)	(525,483)
Transaction costs relating to acquisitions		(7,153)	(70)
Interest received		82	261
Finance costs		(3,258)	(4,338)
Income taxes received/(paid)		5,982	(21,152)
Net cash from/(used in) operating activities	11	(60,356)	79,249
Cash flows from investing activities			
Payments for property, plant and equipment	26	(802)	(2,637)
Payments for intangibles	10	(14,545)	(19,588)
Proceeds from sale of property, plant and equipment		125	3
Payments of contingent/deferred consideration relating to acquisitions	9	-	(700)
Payments relating to purchase of controlled entities, net of cash acquired	9	(276,147)	(22,763)
Proceeds from sale of subsidiary		2,867	-
Payments relating to financial assets		(886)	-
Net cash (used) in investing activities		(289,388)	(45,685)
Cash flows from financing activities			
Proceeds from issue of new shares		379,830	-
Share issue transaction costs	22	(11,115)	(10)
Proceeds from borrowings		-	206,581
Repayments of borrowings		-	(252,985)
Release of secured deposits		(317)	6,014
Dividends paid to company's shareholders	7	-	(23,953)
Dividends paid to non-controlling interests in subsidiaries		-	(2,503)
Principal elements of lease payments		(9,315)	(7,745)
Net cash from/(used in) financing activities		359,083	(74,601)
Net increase/(decrease) in cash and cash equivalents		9,339	(41,037)
Cash and cash equivalents at the beginning of the financial year		92,843	138,791
Effects of exchange rate changes on cash and cash equivalents		(3,164)	(4,911)
Cash and cash equivalents at the end of the financial year		**99,018**	**92,843**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

Notes to the Consolidated Financial Statements

Notes to the Consolidated Financial Statements

Note 1. Basis of preparation

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of Corporate Travel Management Limited and its controlled entities (“CTM” or “the Group”).

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has ability to affect those returns through its power to direct the activities of the entity.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. For subsidiaries acquired within the current financial year, financial statements will be prepared from the date control is transferred to the Group through to the end of the current reporting period. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-Group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and deconsolidated from the date that control ceases.

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in each of the Group entities’ financial statements are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The consolidated financial statements are presented in Australian dollars, which is the Group’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit or loss, are recognised in profit or loss in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as part of the fair value gain or loss.

(iii) Foreign operations

The results and financial position of all the foreign operations that have functional currencies different to the presentation currencies are translated into the presentation currency as follows:

- Assets and liabilities for each Consolidated Statement of Financial Position item presented are translated at the closing rate at the date of that statement;
- Income and expenses for each profit and loss item in the Consolidated Statement of Profit or Loss and Other Comprehensive Income are translated at average exchange rates; and
- All resulting exchange differences are recognised as a separate component of equity.

Exchange differences arising from the translation of any net investment in foreign operations and of borrowings and other financial instruments designated as hedges of such investments are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences is recognised in the profit and loss in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as the foreign operations’ assets and liabilities and translated at the closing rate.

Notes to the Consolidated Financial Statements

Note 2. Critical accounting judgements, estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are considered to be reasonable under the circumstances.

In the process of applying the Group’s accounting policies, management is required to exercise judgement. Those judgements involving estimations that may have an effect on the amounts recognised in the financial statements.

The Group makes estimates, assumptions and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in this report, as follows:

- Value of intangible assets relating to acquisitions:
  - Refer note 9 'Business combinations'.
  - Refer note 10 'Intangible assets'.
- Software developed or acquired not as part of a business combination:
  - Refer note 10 'Intangible assets'.
- Impairment testing of goodwill:
  - Refer note 25 'Impairment testing of goodwill'.
- Expected credit losses:
  - Refer note 20 'Financial risk management'.
- Provisions:
  - Refer note 21 'Provisions'.
- Share based payments:
  - Refer note 28 'Share-based payments'.
- Value of investments:
  - Refer note 9 'Business combinations'.
  - Refer note 14 'Investments accounted for using the equity method'.
  - Refer note 15 'Financial assets at fair value through profit or loss'.
- The recognition and recoverability of a net deferred tax asset relating to income tax losses:
  - Refer note 8 'Income tax'.

Judgements and estimates as a result of the Coronavirus (COVID-19) pandemic

The impact of COVID-19 is expected to last for several years, necessitating additional judgements and estimates which involve assumptions. Key judgements require an assessment of forecast performance of the Group and its businesses, and, at the time of this report, those assessments have inherent uncertainty.

These judgements were made based on the best available information to date regarding the circumstances existing at 30 June 2021 including key assumptions as set out above. Evidence since the reporting date to the date of these financial statements has been evaluated, and adjustments made where required. The assumptions made should not be taken to indicate the outcome of future Group decisions. Should actual performance differ significantly from the assumptions outlined, there may be material changes to the carrying value of the assets and liabilities in future reporting periods.

Consideration of liquidity risk

The impact of COVID-19 has had a negative impact on the Group's operational and financial position. In response, the Group has agreed a waiver of financial covenants with its lenders for the testing periods through until 31 December 2021. Covenant testing for the period ending 31 December 2021 will be based on 1H22 performance.

To the extent the Group’s operational or financial position deteriorates further, there is no guarantee that it will be able to obtain further relief from covenant testing in the future. In such circumstances, the Group's banks may require loans to be repaid immediately, which may have an adverse effect on the Group’s future financial performance.

However, CTM’s modelling indicates that, as a result of the actions it has taken to date and notwithstanding ongoing uncertainties, its strong balance sheet, including significant cash holdings and no debt, coupled with the continued activity of its clients and the market, ensures that it has the capacity to continue through the challenges caused by the impacts of the COVID-19 pandemic.

Refer to Note 20(c) for further information in relation to Liquidity risk.

Notes to the Consolidated Financial Statements

Note 3. Segment reporting

(a) Description of segments

The operating segments are based on the reports reviewed by the Chief Operating Decision Makers ('CODMs') who assess performance and determine resource allocation.

The CODMs are the Managing Director Jamie Pherous (MD), Global Chief Financial Officer Cale Bennett (CFO) and Global Chief Operating Officer Laura Ruffles (COO).

The CODMs consider, organise and manage the business from a geographic perspective. The CODMs have identified four operating Travel and related service segments being Australia and New Zealand, North America, Asia, and Europe. There are currently no non-reportable segments.

(b) Segment information provided to the Chief Operating Decision Makers

The CODMs assess the performance of the operating segments based on a measure of underlying EBITDA. This measurement basis excludes the effects of the costs of acquisitions, acquisition related adjustments, and other non-recurring items during the year.

The segment information provided to the CODMs for the reportable segments for the year ended 30 June 2021 is as follows:

June 2021	Australia and New Zealand $'000	North America $'000	Asia $'000	Europe $'000	Other* $'000	Total $'000
Total revenue from external parties	34,619	92,691	8,506	38,230	-	174,046
Other income	7,399	3,331	10,380	3,767	1,529	26,406
Total revenue and other income	**42,018**	**96,022**	**18,886**	**41,997**	**1,529**	**200,452**
Underlying EBITDA	7,745	(10,724)	(5,355)	10,119	(9,034)	(7,249)
Total segment assets	122,027	536,324	147,721	307,345	22,331	1,135,748
Total segment liabilities	44,308	76,234	38,428	123,000	2,321	284,291

June 2020	Australia and New Zealand $'000	North America $'000	Asia $'000	Europe $'000	Other* $'000	Total $'000
Total revenue from external parties	77,946	113,623	49,994	74,801	-	316,364
Other income	3,399	20,663	3,196	3,022	3,261	33,541
Total revenue and other income	**81,345**	**134,286**	**53,190**	**77,823**	**3,261**	**349,905**
Underlying EBITDA	32,780	14,740	6,842	26,745	(6,708)	74,399
Total segment assets	110,173	281,071	152,988	185,488	33,797	763,517
Total segment liabilities	41,585	44,642	81,037	36,306	1,860	205,430

* The other segment represents the Group's support service, created to support the operating segments and growth of the global business.

Note 3. Segment reporting continued

(c) Other segment information

Underlying EBITDA

The reconciliation of underlying Statutory EBITDA to underlying and statutory loss before income tax is provided as follows:

	2021 $'000	2020 $'000
Underlying EBITDA to Statutory EBITDA reconciliation		
Underlying EBITDA	**(7,249)**	**74,399**
Discontinued operations	(755)	0
Comprehensive underlying EBITDA	**(8,004)**	**74,399**
EBITDA non-recurring items		
Acquisition costs	(7,153)	0
Integration costs	(11,471)	0
Gain on sale of DVI	970	0
US legal settlement	0	(3,138)
Other	(2,876)	(518)
COVID-19 impacts		
Bad and doubtful debts	(1,199)	(13,034)
Redundancy costs	(1,322)	(15,056)
Contingent consideration adjustment	0	21,108
Total EBITDA non-recurring items	**(23,051)**	**(10,638)**
Statutory EBITDA	**(31,055)**	**63,761**
Underlying EBITDA to underlying and statutory loss before tax		
Underlying EBITDA	**(7,249)**	**74,399**
Interest revenue	82	261
Finance costs	(1,728)	(4,328)
Interest on lease liabilities	(1,539)	(1,813)
Depreciation - Property, plant and equipment	(4,720)	(3,841)
Depreciation - Right-of-use assets	(9,384)	(9,257)
Amortisation - Intangibles	(18,711)	(14,062)
Impairment - Intangibles	(358)	(2,128)
Underlying loss before income tax benefit from continuing operations	**(43,607)**	**39,231**
PBT non-recurring items		
Total EBITDA non-recurring items	(23,051)	(10,638)
Right-of-use assets - impairment (integration costs)	(903)	0
Amortisation - intangibles	0	(9,075)
Impairment - software WIP	0	(1,361)
Impairment - goodwill	0	(20,154)
COVID-19 impacts		
Borrowing cost acceleration	0	(3,479)
Total PBT non-recurring items	**(23,954)**	**(44,707)**
Amortisation - client contracts and relationships	(8,042)	(6,277)
Loss before income tax benefit from continuing operations	**(75,603)**	**(11,753)**

Accounting policy

AASB 8 Operating Segments requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes.

Operating segments are reported in a manner that is consistent with the internal reporting provided to the Chief Operating Decision Makers. The CODMs have been identified as a group of executives, which is the committee that makes strategic decisions. Goodwill is allocated by management to groups of cash-generating units on a segment level.

Notes to the Consolidated Financial Statements

Note 4. Revenue

(a) Disaggregation of revenue from contracts with customers

2021	Australia and New Zealand $'000	North America $'000	Asia $'000	Europe $'000	Other $'000	Total $'000
Transactional revenue	31,033	72,006	8,269	36,452	-	147,760
Volume based incentive revenue	617	5,992	207	608	-	7,424
Revenue from sale of inventory	-	10,339	-	-	-	10,339
Licensing revenue	2,474	4,326	-	1,169	-	7,969
Other revenue	495	28	30	1	-	554
Total revenue from external parties	**34,619**	**92,691**	**8,506**	**38,230**	**-**	**174,046**

2020	Australia and New Zealand $'000	North America $'000	Asia $'000	Europe $'000	Other $'000	Total $'000
Transactional revenue	72,465	100,487	35,958	67,731	-	276,641
Volume based incentive revenue	5,226	12,730	13,961	5,837	-	37,754
Revenue from sale of inventory	-	-	-	-	-	-
Licensing revenue	-	-	-	1,233	-	1,233
Other revenue	255	406	75	-	-	736
Total revenue from external parties	**77,946**	**113,623**	**49,994**	**74,801**	**-**	**316,364**

(b) Assets related to contracts with customers

The Group has contract assets related to contracts with customers:

	2021 $'000	2020 $'000
Contract assets	3,674	8,522

Contract assets represent only current balances for amounts outstanding from suppliers for volume based incentive revenue.

Note 4. Revenue continued

Accounting policy

Transactional revenue

Transactional revenue is revenue derived from clients and suppliers generated from the provision of travel services to clients. The performance obligation is the facilitation of travel related services on behalf of clients. Transactional revenue is the fixed amount per client transaction and is recognised at either the ticketed date of the travel booking or on the date of travel, depending on the terms of the contract.

Transactional revenue also includes Pay Direct Commission, which is recognised when the performance obligation has been satisfied and the amount of the commission is highly probable, which is either upon receipt from the supplier or when it is confirmed commissionable by the supplier.

Volume based incentive revenue

Volume based incentive revenue is revenue derived from contracts with suppliers. The revenue is variable and is dependent upon the achievement of contractual performance criteria specific to each supplier. Revenue is recognised over time and is measured as the amount that is deemed highly probable to be received, which has been determined using the most likely amount method and the Group's experience with the contracts.

Revenue from sale of inventory

Revenue from sale of inventory is revenue derived from the sale of gift cards for loyalty programs within the US market. This revenue is recognised at the time the order is dispatched to the customer.

Licensing Revenue

Licensing revenue is revenue derived from the right to use CTM's software and travel supply network. This revenue is recognised over time in-line with the satisfaction of the performance obligation, being the provision of access to software and the travel supply network.

Other revenue

Other revenue is recognised when the transfer of the promised goods or service to the customer has been completed. Other revenue includes third party licensing and development fees, interest revenue, rental income, and other minor operating revenue.

Notes to the Consolidated Financial Statements

Note 5. Other income

	2021 $'000	2020 $'000
Net foreign exchange gain	2,169	4,071
Government grants	18,401	7,732
Other	5,836	21,738
Other income	**26,406**	**33,541**

Income from Government grants as a result of the COVID-19 pandemic have been recognised in other income. The Group has received government assistance for operations in Australia, New Zealand, Singapore, Hong Kong and the United Kingdom. Regional assistance packages from which the Group benefited included JobKeeper (Australia), Employer Wage Subsidy Scheme (New Zealand), Job Support Scheme (Singapore), Employment Support Scheme (Hong Kong), and the Job Retention Scheme (United Kingdom). There are no unfulfilled conditions or other contingencies attached to these grants. The Group did not benefit directly from any other forms of government assistance. Government grant income is offset by the cost of retaining additional staff. In the Asia and Europe regions, access to the grants was made possible by retaining staff.

'Other' predominately represents research and development tax incentives and the gain on sale of DVI. In FY20 the 'Other' amount predominately represented the non-cash contingent consideration liability reversed as a result of the reassessment of earn-out provisions from acquisitions. Amounts are recognised where there is reduced probability of the obligations having to be paid by the Group.

Accounting Policy

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. If conditions are attached to the grant which must be satisfied before the Group is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Notes to the Consolidated Financial Statements

Note 6. Earnings per share

The following information reflects the income and share data used in the basic and diluted earnings per share computations:

	2021 $'000	2020 $'000
Loss after income tax	(57,761)	(10,624)
Non-controlling interest	2,410	2,439
Loss after income tax attributable to the ordinary equity holders of Corporate Travel Management Limited	**(55,351)**	**(8,185)**

	Number	Number
Weighted average number of ordinary shares used as a denominator in calculating basic earnings per share	128,645,231	108,868,570
Weighted average number of ordinary shares used as a denominator in calculating diluted earnings per share	**128,645,231**	**108,868,570**

Accounting policy

Basic earnings per share

Basic earnings per share is calculated as net profit/(loss) attributable to owners of the Group, adjusted to exclude any costs of servicing equity (other than dividends) divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share

Diluted earnings per share is calculated as net profit/(loss) attributable to owners of the Group, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element, and adjusted for:

- Costs of servicing equity (other than dividends);
- The after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenues or expenses during the period that would result from the conversion into potential ordinary shares.

Notes to the Consolidated Financial Statements

Note 7. Dividends paid and proposed

Ordinary shares

	2021 $'000	2020 $'000
Final ordinary dividend for the prior financial year ended 30 June	**-**	**23,953**

Current period

There were no dividends paid, recommended or determined during, or for, the current reporting period.

Franking credit balance

	2021 $'000	2020 $'000
Franking credits available for subsequent reporting periods based on a tax rate of 30% (2020: 30%)	-	(813)

These amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or of receivables for income tax and dividends after the end of the year.

Accounting policy

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at balance dates. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Notes to the Consolidated Financial Statements

Note 8. Income tax benefit

	2021 $'000	2020 $'000
Current income tax		
Current tax on profits for the year	(345)	2,828
Adjustments for current tax of prior periods	531	630
Deferred income tax		
(Increase) in deferred tax assets	(24,680)	(1,350)
Increase/(decrease) in deferred tax liabilities	5,444	(3,237)
Income tax benefit	**(19,050)**	**(1,129)**
Income tax benefit is attributable to:		
Loss from continuing operations	(19,018)	(1,129)
Loss from discontinued operations	(32)	-
Income tax benefit	**(19,050)**	**(1,129)**
Numerical reconciliation of income tax (benefit) to prima facie tax payable/(receivable)		
Loss before income tax benefit from continuing operation	(75,603)	(11,753)
Loss before income tax benefit from discontinued operations	(1,208)	-
	(76,811)	**(11,753)**
Tax at the statutory tax rate of 30%	**(23,043)**	**(3,526)**
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible amounts	729	6,909
Other amounts	234	(5,727)
	(22,080)	**(2,344)**
Adjustments for current tax of prior periods	531	630
Recognition of temporary differences previously not brought to account	(921)	(177)
Difference in overseas tax rates	4,092	1,168
Research and development tax credit	(669)	(22)
Utilisation of previously unrecognised tax losses	(3)	(384)
Income tax benefit	**(19,050)**	**(1,129)**

Notes to the Consolidated Financial Statements

Note 8. Income tax benefit continued

Deferred income tax

	2021 $'000	2020 $'000
Deferred tax assets		
The balance comprises temporary differences attributable to:		
Provisions	7,115	6,042
Employee benefits (SARs)	5,620	-
Lease liabilities	10,825	11,540
Tax losses	30,495	7,347
Other	-	30
	54,055	24,959
Set-off of deferred tax liabilities pursuant to set-off provisions	(25,250)	(18,641)
Net deferred tax assets	**28,805**	**6,318**

	2021 $'000	2020 $'000
Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
Depreciation and amortisation	17,345	15,800
Accrued income	281	1,383
Right-of-use assets	9,122	10,070
Other	(98)	3,483
	26,650	30,736
Set-off of deferred tax assets pursuant to set-off provisions	(25,250)	(18,641)
Net deferred tax liabilities	**1,400**	**12,095**

Notes to the Consolidated Financial Statements

Note 8. Income tax benefit continued

Deferred income tax

Deferred tax assets	At 1 July $'000	Adjustment on adoption of AASB 16 $'000	At 1 July (Restated) $'000	(Charged)/ credited in year via P&L $'000	(Charged)/ credited in year via equity $'000	Acquisition of subsidiaries $'000	Disposal of subsidiaries $'000	Change in FX rates $'000	At 30 June $'000
2021									
Provisions	6,042	-	6,042	650	553	90	(1)	(219)	7,115
Employee benefits (SARs)	-	-	-	791	4,829	-	-	-	5,620
Lease liabilities	11,540	-	11,540	(214)	-	-	(12)	(489)	10,825
Tax losses	7,347	-	7,347	23,483	-	-	(117)	(218)	30,495
Other	30	-	30	(30)	-	-	-	-	-
	24,959	**-**	**24,959**	**24,680**	**5,382**	**90**	**(130)**	**(926)**	**54,055**
2020									
Provisions	5,774	-	5,774	476	3	-	-	(211)	6,042
Employee benefits (SARs)	3,641	-	3,641	(1,699)	(1,942)	-	-	-	-
Lease liabilities	-	14,059	14,059	(1,943)	-	-	-	(576)	11,540
Tax losses	1,180	-	1,180	4,516	1,941	-	-	(290)	7,347
Other	30	-	30	-	-	-	-	-	30
	10,625	**14,059**	**24,684**	**1,350**	**2**	**-**	**-**	**(1,077)**	**24,959**

Deferred tax liabilities	At 1 July $'000	Adjustment on adoption of AASB 16 $'000	At 1 July (Restated) $'000	(Charged)/ credited in year via P&L $'000	(Charged)/ credited in year via equity $'000	Acquisition of subsidiaries $'000	Disposal of subsidiaries $'000	Change in FX rates $'000	At 30 June $'000
2021									
Depreciation and amortisation	15,800	-	15,800	1,889	-	945	24	(1,313)	17,345
Accrued income	1,383	-	1,383	(887)	-	(136)	-	(79)	281
Right-of-use assets	10,070	-	10,070	(511)	-	-	(5)	(432)	9,122
Other	3,483	-	3,483	4,953	(8,534)	-	-	-	(98)
	30,736	**-**	**30,736**	**5,444**	**(8,534)**	**809**	**19**	**(1,824)**	**26,650**
2020									
Depreciation and amortisation	15,000	-	15,000	(745)	-	1,656	-	(111)	15,800
Accrued income	2,493	-	2,493	(1,248)	-	-	-	138	1,383
Right-of-use assets	-	12,840	12,840	(2,261)	-	-	-	(509)	10,070
Other	2,241	-	2,241	1,017	225	-	-	-	3,483
	19,734	**12,840**	**32,574**	**(3,237)**	**225**	**1,656**	**-**	**(482)**	**30,736**

The Group has tax losses that arose in foreign subsidiaries of $14,754,000 (2020: $3,484,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. In most cases, the unused tax losses have no expiry date. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group and there is insufficient evidence to support recoverability in the near future. If the Group were able to recognise all unrecognised deferred tax assets, the profit would increase by $3,210,000 (2020: $681,000).

Notes to the Consolidated Financial Statements

Note 8. Income tax benefit continued

Accounting policy

Tax consolidation

Corporate Travel Management Limited and its 100% owned Australian resident subsidiaries have formed a tax consolidated group with effect from 1 July 2008. Corporate Travel Management Limited is the head entity of the tax consolidated group. Members of the Group have entered into a tax sharing agreement in order to enable Corporate Travel Management Limited to allocate income tax expense to the wholly owned subsidiaries on a pro-rata basis. In addition, the agreement provides for the allocation of income tax liabilities amongst the entities should the head entity default on its tax payment obligations.

Tax effect accounting by members of the tax consolidated group

Members of the tax consolidated group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group in accordance with their accounting profit for the period, while deferred taxes are allocated to members of the tax consolidated group in accordance with the principles of AASB 112 Income Taxes. Allocations under the tax funding agreement are made at the end of each quarter.

The allocation of taxes under the tax funding agreement is recognised as an increase/decrease in the subsidiaries' inter-company accounts with the tax consolidated group head company, Corporate Travel Management Limited.

The income tax expense (or benefit) for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. It includes adjustments for tax expected to be payable or recoverable in respect of previous periods. Where the amount of tax payable or recoverable is uncertain, management establishes provisions based on either: the Group's judgment of the most likely amount of the liability or recovery or; where there is a range of possible non-binary outcomes, the expected value calculated under a probability weighted approach.

Deferred income tax is provided for in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted, or substantially enacted, by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Other taxes

Revenues, expenses and assets are recognised net of the amount of consumption tax except:

— When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case, the consumption tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

— Receivables and payables, which are stated with the amount of consumption tax included.

The net amount of consumption tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position. Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the consumption tax component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of consumption tax recoverable from, or payable to, the taxation authority.

Note 9. Business combinations

Tramada Holdings Pty Ltd

On 29 October 2020, the Group acquired 100% of the shares of Tramada Holdings Pty Ltd, a travel software provider based in Sydney, Australia. The cost of the acquisition was $9,353,000. This was paid in cash. There is no earn-out consideration payable.

There were no acquisition-related costs incurred for the Tramada acquisition.

Trade and other receivables approximate the gross contractual amounts receivable, of which all balances were expected to be collectable at acquisition date.

The acquired business contributed revenues of $3,377,000 and a net profit after tax of $909,000 to the Group for the period 29 October 2020 to 30 June 2021. If the acquisition had occurred on 1 July 2020, the Group's consolidated revenue and net loss after tax for the year ended 30 June 2021 would change from $174,046,000 to $175,658,000 and from $57,761,000 to $57,459,000 respectively.

Travel and Transport, Inc

On 30 October 2020, the Group acquired 100% of the shares of Travel and Transport, Inc, a corporate travel management company based in Omaha, USA. The cost of the acquisition was US$209,897,000 (AU$292,494,000), which was paid in cash. There is no earn-out consideration payable.

Acquisition-related costs of $7,153,000 are included in administrative and general expenses in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Trade and other receivables approximate the gross contractual amounts receivable, adjusted for any balances expected to be uncollectable.

The acquired business contributed revenues of $55,584,000 and a net loss after tax of $27,467,000 to the Group for the period 30 October 2020 to 30 June 2021. If the acquisition had occurred on 1 July 2020, the Group's consolidated revenue and net loss after tax for the year ended 30 June 2021 would change from $174,046,000 to $201,237,000 and from $57,761,000 to $65,688,000 respectively.

Fair value acquisition consideration and reconciliation to cash flow	Tramada $'000	T&T $'000
Initial consideration	8,990	278,980
Working capital adjustment	363	13,514
Total acquisition date fair value consideration	**9,353**	**292,494**
Cash paid	9,353	292,494
less: cash balances acquired	(95)	(25,605)
Total outflow of cash - investing activities	**9,258**	**266,889**

Note 9. Business combinations continued

The fair values of the assets and liabilities of the acquired businesses, as at the date of acquisition, are as follows:

	Tramada $'000	T&T $'000
Current assets		
Cash and cash equivalents	95	25,605
Trade and other receivables	686	13,128
Inventory	-	1,177
Other assets	414	4,450
Non-current assets		
Investments accounted for using the equity method	-	3,193
Financial assets held at fair value through profit or loss	-	3,748
Property, plant and equipment	279	5,323
Right-of-use assets	-	15,079
Intangible assets	89	7,513
Deferred tax asset	182	8
Current liabilities		
Trade and other payables	(854)	(25,127)
Lease liabilities	-	(2,591)
Provisions	(328)	(1,731)
Non-current liabilties		
Trade and other payables	-	(10,883)
Lease liabilities	-	(12,800)
Provisions	-	(723)
Net identifiable assets acquired	**563**	**25,369**
Goodwill on acquisition	1,207	231,005
Intangible assets - software	7,155	-
Intangible assets - client contracts and relationships	688	32,500
Intangible assets - brands	451	3,818
Deferred tax liability	(711)	(198)
Net assets acquired	**9,353**	**292,494**

Prior period business combinations

During the year ended 30 June 2021, no contingent consideration relating to the achievement of performance conditions in FY20 was paid for prior year business combinations.

Accounting policy

The purchase method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. The consideration transferred is measured as the fair value of the assets acquired, shares issued or liabilities incurred or assumed at the date of exchange. Acquisition-related costs are expensed in the period in which the costs are incurred.

Where equity instruments are issued in a business combination, the fair value of the instruments is their published market price as at the date of exchange. Transaction costs arising on the issue of equity instruments are recognised directly in equity. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

With limited exceptions, all identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, over the net fair value of the Group's share of the identifiable net assets acquired is recognised as goodwill. If the consideration transferred for the acquisition is less than the Group's share of the net fair value of the identifiable net assets of the subsidiary, the difference is recognised as a gain in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, but only after a reassessment of the identification and measurement of the net assets acquired.

Note 9. Business combinations continued

Where settlement of any part of the cash consideration is deferred, the amounts payable in the future are discounted to their present value, as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified as a financial liability at acquisition. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in other income or other expenses, and interest expense resulting from discounting is recognised within finance costs in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Any subsequent adjustment to the final contingent consideration, based on actual results as at 30 June 2021, has been reflected in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The Group recognises any non-controlling interest, in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the noncontrolling interests' proportionate share of the acquired entity's net identifiable assets.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position and Consolidated Statement of Changes in Equity.

Critical estimates, assumptions and judgements

Value of intangible assets relating to acquisitions

The Group has allocated portions of the cost of acquisitions to client contracts and relationships, software and other intangibles. Client contracts and relationships were valued using the multi-period excess earnings method. These calculations require the use of assumptions including future customer retention rates and cash flows.

Acquired software has been valued using the cost to re-create method. These calculations require the use of assumptions including the period of time it would take to rebuild the software, the number of people it would take to rebuild the software and the cost per person to rebuild the software.

Acquired other intangible assets were valued using the relief from royalty method. These calculations require the use of assumptions including the projection of financial performance and the estimation of a suitable royalty rate, useful life and discount rate.

Value of financial assets held at fair value through profit or loss and investments accounted for under the equity method

The Group has allocated portions of the cost of acquisitions to financial assets held at fair value through profit or loss. As these minority interests are unlisted securities, significant inputs used to calculate the fair value of these interests are unable to be based upon observable market data and assumptions must be used. The Group relies upon financial information provided by the controlling interest for measurement purposes.

The Group has allocated portions of the cost of acquisitions to investments accounted for under the equity method. Whilst the Group has significant influence over the investee, it does not have a controlling interest and relies upon financial information provided by the investee to calculate the value of these investments.

Notes to the Consolidated Financial Statements

Note 10. Intangible assets

	2021 $'000	2020 $'000
Goodwill - at cost	699,677	498,448
Less: Accumulated amortisation & impairment	(21,424)	(20,237)
	678,253	478,211
Client contracts and relationships - at cost	96,928	69,016
Less: Accumulated amortisation	(59,873)	(53,894)
	37,055	15,122
Software - at cost	93,211	72,101
Less: Accumulated amortisation & impairment	(54,864)	(41,236)
	38,347	30,865
Other intangible assets - at cost	4,608	5,181
Less: Accumulated amortisation	(1,345)	(4,921)
	3,263	260
	756,918	**524,458**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Client contracts and relationships $'000	Software $'000	Goodwill $'000	Other intangible assets $'000	Total $'000
Balance at 1 July 2019	19,256	30,314	453,522	3,598	506,690
Additions	-	19,588	-	-	19,588
Additions through business combinations	5,462	-	40,577	180	46,219
Impairment expense	-	(3,489)	(20,154)	-	(23,643)
Amortisation expense	(10,229)	(15,580)	-	(3,605)	(29,414)
Exchange differences	633	32	4,266	87	5,018
Balance at 30 June 2020	15,122	30,865	478,211	260	524,458
Additions	-	14,522	-	23	14,545
Additions through business combinations (note 9)	33,188	14,668	232,212	4,358	284,426
Disposals	-	(1,895)	-	-	(1,895)
Impairment expense	-	(358)	-	-	(358)
Amortisation expense - continuing operations	(8,042)	(17,614)	-	(1,097)	(26,753)
Amortisation expense - discontinued operations	-	(323)	-	-	(323)
Exchange differences	(3,213)	(1,518)	(32,170)	(281)	(37,182)
Balance at 30 June 2021	**37,055**	**38,347**	**678,253**	**3,263**	**756,918**

Notes to the Consolidated Financial Statements

Note 10. Intangible assets continued

Accounting policy

Client contracts and relationships

The client contracts were acquired as part of a business combination (refer note 9 'Business combinations' for details). They are recognised at their fair value at the date of acquisition and are subsequently amortised based on the consumption of future economic benefits from the acquired customer base, or on a straight line basis.

Software developed or acquired not as part of a business combination

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised as software and systems assets.

Software acquired as part of a business combination

Identifiable intangible software acquired through a business combination, which is expected to contribute future period financial benefits through revenue generation and/or cost reduction is capitalised as software and system assets.

Other

Other intangible assets, such as brand names are recognised at fair value and are amortised over their useful life. Other intangible assets with an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that the intangible asset may be impaired.

Amortisation expense

The useful lives of the below intangible assets are assessed to be finite.

A summary of the amortisation policies applied to the Group's intangible assets is as follows:

Item	Years	Method	Acquired/Internally generated
Client contracts and relationships	3 – 6	Straight line or timing of projected cash flows	Acquired
Software developed and acquired	3 – 7	Straight line	Acquired/Internally generated
Other intangible assets	2 – 10	Straight line	Acquired/Internally generated

Where amortisation is charged on assets with finite lives, this expense is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the expense category 'depreciation and amortisation'.

Impairment expense

Goodwill and indefinite life intangibles are tested for impairment annually, or whenever facts and circumstances indicate impairment. An impairment loss is recognised when the carrying amount exceeds recoverable amount. The recoverable amount is the higher of fair value less costs of disposals or value-in-use.

Goodwill

Goodwill is reviewed for impairment, annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired (refer note 25 'Impairment testing of goodwill').

Critical estimates, assumptions and judgements

Client contracts and relationships

The Group recognises customer contracts and relationships arising from business combinations. Estimates and judgements are used in determining the fair value of future benefits of contracts and relationships acquired.

Software developed or acquired not as part of a business combination

The Group recognises internally generated software assets arising from development once they meet the criteria set out in the Australian Accounting Standards. Estimates are used in determining the useful life for amortisation. There is also judgement involved in assessing how the asset will deliver probable future economic benefit to the Group.

Goodwill

Refer note 25 'Impairment testing of goodwill'.

Software acquired as part of a business combination

Refer to note 9 'Business combinations'

Notes to the Consolidated Financial Statements

Note 11. Cash and cash equivalents

	2021 $'000	2020 $'000
Cash at bank and on hand	92,824	90,445
Client cash	6,194	2,398
Total cash and cash equivalents	**99,018**	**92,843**

Cash at bank and on hand and client cash earns interest at floating rates. The range of deposit rates as at 30 June 2021 was: -0.50%-0.08% (2020: 0.00%-1.89%).

Accounting policy

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank and on hand and short term deposits, with an original maturity of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Client cash represents amounts contributed by clients that the Group is required by regulation or contract to hold separately before release.

For the purpose of the Consolidated Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined, net of outstanding bank overdrafts.

	2021 $'000	2020 $'000
Reconciliation of profit/(loss) after income tax to net cash inflow from operating activities		
Loss for the year	(57,761)	(10,624)
Adjustments for:	-	-
Depreciation and amortisation	41,306	42,512
Impairment of intangible assets	1,261	23,643
Net exchange differences	107	(267)
Non-cash interest	60	5,681
Adjustments relating to acquisitions	-	(21,107)
Non-cash employee benefits expense - share-based payments	5,548	(4,160)
Net gain on disposal of subsidiary	(970)	-
Fair value adjustment of acquisition payable	-	(1,015)
Net gain/(loss) on disposal of non-current assets	439	203
Changes in operating assets and liabilities	-	-
(Increase)/decrease in trade and other receivables	(99,803)	286,892
(Increase)/decrease in other assets	3,148	217
(Increase)/decrease in inventory	168	-
Increase/(decrease) in deferred tax balances	(18,968)	(4,183)
Increase/(decrease) in income tax payable/(receivable)	1,914	(18,095)
Increase/(decrease) in trade and other payables and provisions	63,195	(220,448)
Net cash flow from operating activities	**(60,356)**	**79,249**

Note 12. Trade and other receivables

	2021 $'000	2020 $'000
Current assets		
Trade receivables[1]	20,378	14,662
Client receivables[1]	145,766	32,243
Contract assets	3,416	7,762
	169,560	54,667
Deposits[2]	5,248	7,887
Other receivables	620	1,981
	5,868	9,868
Total current trade and other receivables	**175,428**	**64,535**
Non-current assets		
Long-term receivables	398	-
Total trade and other receivables	**175,826**	**64,535**

[1] Trade and client receivables are non-interest bearing and are generally on terms ranging from 7 to 30 days.

[2] Deposit balance represents advanced deposits to suppliers and deposits made on behalf of clients for travel which will occur at a future date.

Accounting policy

Trade and client receivables are recognised initially at fair value and, subsequently, measured at amortised cost using the effective interest method, less a provision for impairment in accordance with the simplified approach permitted by AASB 9 *Financial Instruments* (AASB 9).

The Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade and client receivables and contract assets (refer note 20 'Financial risk management').

Notes to the Consolidated Financial Statements

Note 13. Inventory

	2021 $'000	2020 $'000
Current assets		
Inventory	884	-

Amounts recognised in profit or loss

Inventory recognised as an expense during the year ended 30 June 2021 amounted to $8,176,000 (2020: $0). These were included in cost of goods sold in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Accounting policy

Inventory is valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Inventory represents gift cards for a loyalty program in the US market.

Revenue from the sale of inventory is recognised at the time the order is fulfilled and sent to the customer. Cost of goods sold is recognised as the expense of the value of inventory sold.

Notes to the Consolidated Financial Statements

Note 14. Investments accounted for using the equity method

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

These assets were acquired as part of the T&T acquisition.

The following table presents the Group's investments accounted for using the equity method at 30 June 2021:

Name of company	Principal Activity	Ownership Interest 2021 %	Ownership Interest 2020 %	Investment in associates 2021 $'000	Investment in associates 2020 $'000
2120 Tower LLC (North America)	Commercial real estate	37.78%	-	2,849	-
MFG Riesen (Europe)	Travel services	40.00%	-	-	-

The MFG Riesen investment value has reduced to zero at 30 June 2021 after recognition of losses by the Group.

Accounting policy

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the Consolidated Statement of Financial Position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Notes to the Consolidated Financial Statements

Note 15. Financial assets at fair value through profit or loss

Minority interest Investments are investments in entities over which the Group does not have significant influence nor joint control. This is generally the case where the Group holds less than 20% share capital. These investments are accounted for at fair value through profit or loss.

These assets were acquired as part of the T&T acquisition.

The following table presents the Group's financial assets measured and recognised at fair value at 30 June 2021:

	2021 $'000	2020 $'000
Minority interest investments	4,423	-

Refer to note 27 'Fair value measurement' for further information on fair value measurement.

Notes to the Consolidated Financial Statements

Note 16. Right-of-use Assets

	2021 $'000	2020 $'000
Buildings - right-of-use	56,778	55,671
Accumulated depreciation	(15,344)	(8,843)
Accumulated impairment	(908)	-
Total right-of-use assets	40,526	46,828

	2021 $'000	2020 $'000
Opening net book value	46,828	-
Recognition on application of AASB 16	-	50,893
Additions	1,340	6,056
Additions through business combinations (note 9)	15,079	1,213
Disposals	(9,701)	(2,667)
Depreciation - continuing operations	(9,384)	(9,257)
Depreciation - discontinuing operations	(90)	-
Impairment of assets	(903)	-
Exchange difference	(2,643)	590
Closing net book value	**40,526**	**46,828**

	2021 $'000	2020 $'000
Expense relating to short term leases (included in occupancy expenses)	4	1,029
Expense relating to leases of low-value assets that are not shown above as short term leases (included in operating expenses)	426	420
Expense relating to variable lease payments not included in lease liabilities (included in operating expenses)	563	193

Accounting policy

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventory, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Extension and termination options are included in a number of building leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension and termination options held are exercisable only by the Group and not by the respective lessors. Most extension options have been included in the lease liabilities. Extension options are only included in the lease term if the lease is reasonably certain to be extended. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Notes to the Consolidated Financial Statements

Note 17. Trade and other payables

	2021 $'000	2020 $'000
Current liabilities		
Trade payables[1]	41,079	7,801
Client payables[1]	119,048	52,443
Other payables and accruals	43,918	40,255
Acquisition payable	700	-
Total current trade and other payables	**204,745**	**100,499**
Non-current liabilities		
Other payables and accruals	9,998	522
Total trade and other payables	**214,743**	**101,021**

1 Trade payables and client payables are non-interest bearing and are normally settled on terms ranging from 7 to 30 days.

Accounting policy

Client payables result from provision of travel services and products to clients. Trade payables result from other activities required to provide those travel services, such as corporate services.

Other payables and accruals represent liabilities for goods and services received, amounts recognised as redundancy payments and amounts owed to clients for refund. These amounts are unsecured and are paid within terms ranging from 7 to 30 days from recognition. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. Other payables and accruals also includes deferred revenue. Deferred revenue ($14.5 million) relates to incentive payments received from suppliers as upfront payments when entering into long-term contracts. The incentive payments are recognised as revenue in the consolidated statement of profit or loss and other comprehensive income over the life of the contract based on specific performance criteria being achieved.

Acquisition payables are recognised where contingent consideration hurdles have been satisfied and the amount is to be settled from previously acquired entities.

Notes to the Consolidated Financial Statements

Note 18. Borrowings

Borrowings

	2021 $'000	2020 $'000
Total current borrowings	-	-

The Group maintains a revolving multi-currency syndicated bank loan facility (the 'Facility') which was established in August 2019. The facility expires on 31 August 2022 and had a total capacity of GBP £60,000,000 (AU $110,644,000) at 30 June 2021. The facility's limit was reduced to GBP £60,000,000 from GBP £100,000,000 in June 2021. The reduction was made to align with the Group's forecast liquidity requirements, and to reduce costs associated with carrying surplus debt capacity.

The facility is secured against the assets of certain members of the Group who also are guarantors under the facility.

The Group has remained in compliance with requirements under its bank facility throughout the period. The Group has agreed a covenant waiver with its lenders as detailed in the FY20 annual report. The waiver was extended in January 2021 and now continues through until 31 December 2021 with no further restriction. This waiver was granted with conditions and benefits, including a minimum liquidity requirement of $10,600,000 and covenant testing at 31 December 2021 to be based on 1H22 performance.

Bank guarantees/letters of credit

The Group provides bank guarantees and letters of credit primarily for the benefit of suppliers in accordance with state travel agency licensing and International Air Transport Association (IATA) regulations. The table below shows the outstanding balance of guarantees issued by the Group at 30 June:

	2021 $'000	2020 $'000
Bank guarantees	19,595	54,349

Bank guarantees are used primarily for trade support for transactions with airlines in Greater China and European rail companies. These mandatory bank guarantees represent a barrier to entry for competitors in these markets and provide a cost advantage for the Group.

Finance costs

	2021 $'000	2020 $'000
Bank loans	1,544	3,371
Interest on lease liabilities	1,539	1,813
Other finance costs[1]	184	4,436
Total finance costs	**3,267**	**9,620**

1 Other finance costs in FY20 include the write-off of capitalised borrowing costs upon amendment to the multi-currency facility.

Accounting policy

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost, using the effective interest rate method. Establishment costs are capitalised and are amortised over the life of the related borrowing. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Finance costs

This expense is recognised as interest accrues, using the effective interest method for bank loans and an incremental borrowing rate for lease liabilities. These methods calculate the amortised cost of a financial liability and allocate the interest expense over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount of the financial liability.

Notes to the Consolidated Financial Statements

Note 19. Lease liabilities

	2021 $'000	2020 $'000
Current liabilities		
Lease liabilities	9,193	8,672
Non-current liabilities		
Lease liabilities	37,188	44,423
Total lease liability	**46,381**	**53,095**

Reconciliation of lease liabilities at 30 June 2021 was as follows:

	2021 $'000	2020 $'000
Opening net book value	53,095	-
Recognition on application of AASB 16	-	55,723
Additions	1,477	6,056
Additions through business combinations (note 9)	15,391	1,213
Disposals	(11,330)	(2,783)
Repayment of principal element of lease liabilities	(9,315)	(7,745)
Exchange difference	(2,937)	631
	46,381	**53,095**

Accounting policy

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 20. Financial Risk Management

The Group is exposed to market risk (interest rate risk and foreign exchange risk), credit risk, and liquidity risk in the normal course of business. The Group's financial risk management is controlled by a central treasury department under policies approved by the Board of Directors. Group Treasury identifies, evaluates, and hedges financial risks in co-operation with the Group's operating units and in accordance with the Board approved Treasury Policy. The Treasury Policy provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

Interest rate risk

The Group's income and financial cash flows are impacted by changes in market interest rates, as the Group holds both interest bearing assets and liabilities.

The Group's main interest rate exposure during the period arose from interest receivable on cash deposited with banks. As at 30 June 2021, the Group had no outstanding variable rate borrowings (refer note 18 'Borrowings').

Interest rate risk is managed using natural hedges, borrowing terms available under facility documents or using interest rate derivatives. As at the balance date, the Group had no interest rate derivatives outstanding. The Group has considered its exposure to interest rate movements and notes that significant changes in interest rates would not result in a material impact to finance costs.

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk. Foreign exchange risk arises from future transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant Group entity.

The Group uses foreign exchange spot and forward contracts to manage its net risk position. At times, the Group also uses its multi-currency debt facility allowing for borrowings in relevant currencies to provide an offset to revaluation of foreign currency assets or future foreign currency earnings.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars, was as follows.

2021	Cash and cash equivalents $'000	Trade and other receivables $'000	Related party loans $'000	Trade and other payables $'000	Borrowings $'000	Total $'000
USD	754	152	2,598	(99)	-	3,405
EUR	134	8	(2,273)	14	-	(2,117)
HKD	78	1	(2,116)	(3)	-	(2,040)
GBP	2,031	-	3	(19)	-	2,015
SGD	1,530	-	-	(22)	-	1,508
NZD	6	-	1,046	(1)	-	1,051
Other	302	173	415	(82)	-	808
Total foreign exchange risk	**4,835**	**334**	**(327)**	**(212)**	**-**	**4,630**

Based on the 30 June 2021 balances, a 10% stronger and 10% weaker Australian dollar against the currencies held, would result in a gain of $514,000 and a loss of $421,000 respectively.

Note 20. Financial risk management continued

2020	Cash and cash equivalents $'000	Trade and other receivables $'000	Related party loans $'000	Trade and other payables $'000	Borrowings $'000	Total $'000
USD	9,759	16	(59,440)	(8)	-	(49,673)
HKD	2,046	52	22,642	(499)	-	24,241
GBP	7,504	6	(25,884)	(43)	-	(18,417)
NZD	3	15	1,397	-	-	1,415
EUR	304	13	884	(20)	-	1,181
CHF	133	-	921	(1)	-	1,053
Other	964	339	1,266	(304)	-	2,265
Total foreign exchange risk	**20,713**	**441**	**(58,214)**	**(875)**		**(37,935)**

Based on the 30 June 2020 balances, a 10% stronger and 10% weaker Australian dollar against the currencies held, would result in a loss of $3,449,000 and a loss of $4,215,000 respectively.

(b) Credit risk

Credit risk arises from cash and cash equivalents placed on deposit with counterparties and balances owing from clients and suppliers.

The Group's exposure to credit risk relating to cash and cash equivalents arises from the ability of the counterparty to repay funds placed on deposit. The Group's cash and cash equivalent investments are held on deposit with counterparties holding an investment grade credit rating.

The Group's policy is that all clients which wish to trade on credit terms are subject to credit verification procedures, and subsequent risk limits, which are set for each individual client in accordance with the Group's policies. For some client receivables, the Group may also obtain security in the form of deposits. In addition, receivable balances are actively monitored on an ongoing basis, with the result that the Group's exposure to bad debts has been historically negligible.

Trade and other receivables are subject to the expected credit loss model. The Group has applied the AASB 9 Financial Instruments simplified approach to measuring the expected credit loss, which uses a lifetime expected loss allowance for all receivables and contract assets.

Contract assets represent balances earned which are not yet unconditional and have the same characteristics as trade receivables. The Group has, therefore, concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for contract assets.

To measure the expected credit losses, receivables and contract assets have been grouped based on shared credit risk characteristics (by client industry or supplier type) and the days past due. Based on the grouping of clients, an expected loss rate has been applied. Any individual receivable or contract asset which had significantly increased credit risk, were individually assessed and allowed for. Historic loss events and forward-looking assumptions have been factored into the expected loss allowance calculation for these assets as at 30 June 2021.

On this basis, the loss allowance as at 30 June 2021 and 30 June 2020 was determined as follows:

2021	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate (%)	1	7	10	62	3
Carrying amount – client receivables ($'000)	140,967	2,575	1,527	4,914	149,983
Carrying amount – trade receivables ($'000)	20,561	169	30	925	21,685
Carrying amount – contract assets ($'000)	3,674	-	-	-	3,674
Loss allowance ($'000)	1,811	181	163	3,627	5,782

Note 20. Financial risk management continued

2020	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate (%)	3	21	86	54	10
Carrying amount – client receivables ($'000)	25,983	4,092	227	5,816	36,118
Carrying amount – trade receivables ($'000)	14,823	1,053	98	125	16,099
Carrying amount – contract assets ($'000)	8,522	-	-	-	8,522
Loss allowance ($'000)	1,463	1,092	281	3,235	6,071

The loss allowances for receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Client Receivables $'000	Trade Receivables $'000	Contract Assets $'000
Opening loss allowance as at 1 July 2020	**3,874**	**1,437**	**760**
Increase/(decrease) in loss allowances recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income	33	(135)	(281)
Receivables written off during the year as uncollectible	(1,791)	-	(221)
Additions through acquisitions	2,102	4	-
Closing loss allowance as at 30 June 2021	**4,218**	**1,306**	**258**

	Client Receivables $'000	Trade Receivables $'000	Contract Assets $'000
Opening loss allowance as at 1 July 2019	**2,102**	**-**	**-**
Increase in loss allowances recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income	2,989	1,437	760
Receivables written off during the year as uncollectible	(1,217)	-	-
Closing loss allowance as at 30 June 2020	**3,874**	**1,437**	**760**

Receivables and contract assets are written-off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a client or supplier to engage in a repayment plan.

Losses on client and trade receivables and contract assets are presented as bad and doubtful debts for client receivables and transactional overrides or a write-back of revenue for volume-based overrides. Subsequent recoveries will be recognised against the same line items.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure sufficient cash and credit facilities are available to meet its liabilities when due, under both normal and stressed conditions.

In addition to the cash position outlined in note 11 'Cash and cash equivalents', the Group had the following credit facilities available at 30 June 2021. Bank loan amounts include the Group's £60,000,000 (AUD $110,664,000) multi-currency revolving loan facility which matures in August 2022, and overdraft facilities. Note that the Facility's total limit was reduced to GBP £60,000,000 from GBP £100,000,000 in June 2021. The reduction was made to align with the Group's forecast liquidity requirements, and to reduce costs associated with carrying surplus debt capacity.

Notes to the Consolidated Financial Statements

Note 20. Financial risk management continued

	2021 $'000	2020 $'000
Bank loans		
Used	-	-
Unused	110,664	179,630
Total bank loans available	**110,664**	**179,630**
Credit cards		
Used	15,990	10,098
Unused	60,672	88,238
Total credit cards limit	**76,662**	**98,336**
Overdraft facilities		
Used	-	-
Unused	8,841	17,069
Total overdraft facilities available	**8,841**	**17,069**

The Group's credit card facilities are primarily used for client bookings via virtual credit cards.

The following table summarises the contractual timing of undiscounted cashflows of financial liabilities, expressed in AUD as at 30 June 2021. No derivative financial instruments were held as at the reporting date. Cash flows for financial liabilities without fixed amount or timing are based on the conditions existing at 30 June 2021.

Contractual maturities of financial liabilities	Less than 6 months $'000	6 - 12 months $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying amount (assets)/ liabilities $'000
June 2021							
Trade and other payables	197,078	7,630	2,931	7,104	-	214,743	214,743
Lease liabilities	5,423	5,090	9,043	19,054	12,352	50,962	46,381
Total non-derivative financial liabilities	**202,501**	**12,720**	**11,974**	**26,158**	**12,352**	**265,705**	**261,124**
June 2020							
Trade and other payables	87,386	13,113	91	391	40	101,021	101,021
Lease liabilities	5,170	5,036	9,596	22,522	16,954	59,278	53,095
Total non-derivative financial liabilities	**92,556**	**18,149**	**9,687**	**22,913**	**16,994**	**160,299**	**154,116**

Notes to the Consolidated Financial Statements

Note 21. Provisions

Movements in provisions	Employee entitlements $'000	Provisions for other liabilities and charges $'000	Total $'000
At 1 July 2020	5,825	33,394	39,219
Acquisition of subsidiaries	1,285	1,497	2,782
Disposal of subsidiaries	(24)	(35)	(59)
Arising during the year	6,020	76,960	82,980
Utilised	(4,741)	(92,221)	(96,962)
Write back of provision	(837)	(2,690)	(3,527)
Transfer to acquisition payable	-	(700)	(700)
Exchange differences	(224)	(1,742)	(1,966)
At 30 June 2021	**7,304**	**14,463**	**21,767**
At 1 July 2019	8,882	24,096	32,978
Acquisition of subsidiary	-	19,157	19,157
Arising during the year	7,772	235,382	243,154
Utilised	(9,790)	(219,742)	(229,532)
Write back of provision	(974)	(25,131)	(26,105)
Exchange differences	(65)	(368)	(433)
At 30 June 2020	**5,825**	**33,394**	**39,219**
2021			
Current	6,517	11,638	18,155
Non-current	787	2,825	3,612
	7,304	**14,463**	**21,767**
2020			
Current	4,001	29,825	33,826
Non-current	1,824	3,569	5,393
	5,825	**33,394**	**39,219**

Accounting policy

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. At the end of the reporting period, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, net of any reimbursement.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Note 21. Provisions continued

Employee benefits

Short term employee benefits

Liabilities for wages and salaries including non-monetary benefits, expected to be settled within 12 months of the reporting period, are recognised in other payables and accruals in respect of employees' services up to the reporting date. Liabilities for annual leave and accumulated sick leave, expected to be settled within 12 months of the reporting period, are recognised in the provision for employee benefits in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulated sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Other long-term employee benefits

Liabilities for long service leave are recognised in the provision for employee benefits and measured at the present value of expected future payments to be made in respect of services provided by the employees up to the reporting date, using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on government bonds, with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Consolidated Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Retirement benefit obligations

Contributions to defined contribution funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in the future payments are available.

Bonus plans

The Group recognises a provision for future bonus payments where it is contractually obliged or where there is a past practice that has created a constructive obligation.

Provision for other liabilities and charges

Provision for unclaimed charges

The Group recognises a provision for unclaimed charges, arising from the sale of travel services. Based on historical data and past experience, management considers the possibility of claims and, if appropriate, it is written back to the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Note 22. Contributed equity

	2021 $'000	2020 $'000
Ordinary shares - fully paid	744,581	375,314

Ordinary shares entitle the holder to receive dividends as declared and, in the event of winding up the Group, to participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on, shares held.

On a show of hands, every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

Movements in ordinary share capital

Details	Date	Number of shares	$'000
Balance	1 July 2019	108,491,948	364,368
Share appreciation rights issue	21 August 2019	386,762	8,447
Initial consideration for the Corporate Travel Planners Inc. business combination	21 February 2020	122,240	2,506
Less: transaction costs arising on share issue			(10)
Deferred tax credit recognised directly in equity			3
Balance	30 June 2020	109,000,950	375,314
Capital raising used primarily for the acquisition of T&T	October 2020	27,055,823	374,723
T&T management share issue	6 November 2020	368,743	5,107
Less: transaction costs arising on share issue			(11,115)
Deferred tax credit recognised directly in equity			552
Balance	**30 June 2021**	**136,425,516**	**744,581**

Accounting policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Capital management

The Group maintains a conservative funding structure that allows it to meet its operational and regulatory requirements, while providing sufficient flexibility to fund future strategic opportunities.

The Group's optimal capital structure includes a mix of debt (refer note 18 'Borrowings'), cash (refer note 11 'Cash and cash equivalents') and equity attributable to the parent's equity holders.

When determining dividend returns to shareholders the Board considers a number of factors, including the Group's anticipated cash requirements to fund its growth, operational plan, and current and future economic conditions. There were no dividends paid, recommended or determined during, or for, the current reporting period.

Notes to the Consolidated Financial Statements

Note 23. Reserves

The following table shows a breakdown of the 'reserves' line item as per the Consolidated Statement of Financial Position, and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided in the following table.

	Foreign currency translation $'000	Share-based payments $'000	Total $'000
At 30 June 2019	42,221	(15,220)	27,001
Currency translation differences	6,464	-	6,464
Deferred tax	(722)	-	(722)
Other comprehensive income	**5,742**	**-**	**5,742**
Share-based payments:			
Expense for the year	-	(4,160)	(4,160)
Issuance of shares on vesting	-	(8,447)	(8,447)
Effect of tax	-	38	38
At 30 June 2020	**47,963**	**(27,789)**	**20,174**
Currency translation differences	(28,765)	-	(28,765)
Deferred tax	1,811	-	1,811
Other comprehensive loss	**(26,954)**	**-**	**(26,954)**
Share-based payments:			
Expense for the year	-	5,548	5,548
Issuance of shares on vesting	-	-	-
Effect of tax	-	4,716	4,716
At 30 June 2021	**21,009**	**(17,525)**	**3,484**

Nature and purpose of reserves

Foreign currency translation

Exchange differences arising on translation of foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income when the net investment is sold.

Share-based payments

The share-based payments reserve is used to recognise an expense for the grant date fair value of deferred shares granted to employees but not yet vested over the vesting period, as well as deferred tax associated with future tax deductions. Upon vesting of shares, the fair value of the shares issued is recognised in share capital (refer note 22 'Contributed equity') and a corresponding entry recognised in the share-based payment reserve.

Notes to the Consolidated Financial Statements

Note 24. Retained earnings

	2021 $'000	2020 $'000
Retained earnings at the beginning of the financial year	143,345	177,190
Adjustment for change in accounting policy	-	(1,707)
Retained earnings at the beginning of the financial year - restated	143,345	175,483
Loss after income tax benefit for the year	(55,351)	(8,185)
Dividends paid (note 7)	-	(23,953)
Retained earnings at the end of the financial year	**87,994**	**143,345**

Notes to the Consolidated Financial Statements

Note 25. Impairment testing of goodwill

For goodwill impairment testing, a cash-generating unit (CGU) for the Group has been defined as the lowest level of travel services operations to which goodwill relates, where individual cash flows can be identified in order to discount future cash flows.

	2021 $'000	2020 $'000
The carrying amount of goodwill to the cash generating unit:		
Australia and New Zealand	56,081	54,874
North America	402,668	208,004
Asia	49,744	54,132
Europe	169,760	140,090
Corporate Travel Planners (CTP)	-	21,111
Total goodwill	**678,253**	**478,211**

The recoverable amount of each cash-generating unit ('CGU') has been determined based on probability-weighted scenarios of future economic conditions, with the value-in-use ('VIU') basis being used for all valuations. A total of three different scenarios were considered, each scenario modelling recovery path projections through to FY24. Each of the scenarios were translated into probable outcomes for the respective CGU, with the probabilities based on external research conducted by a global consulting firm. That research included a global survey of senior executives, the results of which were used to determine the probability of each of the scenarios occurring. These externally determined probabilities were then applied to the cash flow forecasts developed for each scenario to generate a probability-weighted cash flow forecast for each CGU to be used in the assessment of its recoverable amount.

Corporate Travel Planners has been fully integrated into the North America CGU in FY21.

The three economic scenarios considered most probable as a result of the research, in order of weighting, were as follows:

1. COVID-19 recurs, long-term economic growth is slowed with a muted world recovery;
2. COVID-19 causes damage to the economy, with growth insufficient to deliver a full recovery to historic levels for an extended period; and
3. COVID-19 is contained in a reasonable amount of time, and growth returns to trend historic growth over the medium term.

The following table sets out the remaining key assumptions for those cash-generating units that have goodwill allocated to them.

	ANZ	NA	Asia	Europe
2021				
Pre-tax nominal discount rate applied to the cash flow projection	13.07%	11.69%	10.63%	11.22%
Cash flows beyond FY24, up to year 5, are extrapolated using an average nominal growth rate of:				
Revenue	3.50%	3.50%	3.50%	3.50%
Operating expenses	3.00%	3.00%	3.00%	3.00%
Long-term growth rate	2.00%	2.00%	2.00%	2.00%
2020				
Pre-tax nominal discount rate applied to the cash flow projection	13.25%	12.58%	11.69%	10.99%
Cash flows beyond FY23, up to year 5, are extrapolated using an average nominal growth rate of:				
Revenue	3.50%	3.43%	3.50%	3.00%
Operating expenses	3.00%	3.00%	3.00%	2.00%
Long-term growth rate	2.00%	2.00%	2.00%	2.00%

Note 25. Impairment testing of goodwill continued

The following key assumptions were used in the modelling:

— Recovery path projections through to FY24.
— Pre-tax discount rates - reflect specific risks and conditions relating to the relevant cash-generating units and the countries in which they operate.
— Revenue - the basis used to determine the amount assigned to sales volume is based on historical experience, expected client retentions and wins, and adjusted for growth and other known circumstances. This information was overlayed to create three revenue scenarios based on the economic recovery paths.
— Operating expenses - the basis used to determine the amount assigned to the forecast costs are based on historical margins and patterns of revenue, adjusted for growth and other known circumstances.
— Long-term growth rate - the growth rate used to extrapolate cash flows beyond the current period is based on historical experience and future expectations for growth in the context of inflation expectations in the countries in which the cash-generating units operate.

Sensitivity to changes in key assumptions

Management recognises that there are various reasons the estimates used in these assumptions may vary. For each CGU, changes in key assumptions could cause the carrying value of the CGU to exceed its recoverable amount.

All cash-generating units have been affected by the closure of borders, both domestic and international, caused by the COVID-19 pandemic. Whilst the probability-weighted scenario modelling of cash flows inherently captures probable and possible impacts of border closures, persistent border closures over long periods of time could cause the recoverable amount of cash generating units to fall below their carrying values.

Accounting policy

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. To assess impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In assessing value in use, estimated cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Note 26. Property, plant and equipment

	Furniture, fixtures and equipment $'000	Computer equipment $'000	Leasehold improve-ments $'000	Other $'000	Total $'000
Year ended 30 June 2021					
Cost	6,790	18,684	9,244	1,165	35,883
Accumulated depreciation	(5,083)	(14,423)	(4,765)	(457)	(24,728)
	1,707	4,261	4,479	708	11,155
Opening net book amount	2,250	3,353	5,514	974	12,091
Additions	84	209	472	-	765
Additions through business combinations (note 9)	343	3,934	1,325	-	5,602
Disposals	(267)	(59)	(1,095)	(74)	(1,495)
Depreciation charge - continuing operations	(774)	(2,365)	(1,389)	(192)	(4,720)
Depreciation charge - discontinued operations	(30)	(6)	-	-	(36)
Exchange differences	101	(805)	(348)	-	(1,052)
Closing net book amount	**1,707**	**4,261**	**4,479**	**708**	**11,155**
Year ended 30 June 2020					
Cost	7,376	15,727	9,224	1,325	33,652
Accumulated depreciation	(5,126)	(12,374)	(3,710)	(351)	(21,561)
	2,250	3,353	5,514	974	12,091
Opening net book amount	2,833	2,871	6,441	1,183	13,328
Additions	208	1,997	415	50	2,670
Additions through business combinations	46	-	-	-	46
Disposals	(346)	(1,037)	(628)	(153)	(2,164)
Depreciation charge	(710)	(1,526)	(1,371)	(234)	(3,841)
Exchange differences	219	1,048	657	128	2,052
Closing net book amount	**2,250**	**3,353**	**5,514**	**974**	**12,091**

Accounting policy

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the item. All other repairs and maintenance costs are charged to the profit and loss in the Consolidated Statement of Profit or Loss and Other Comprehensive Income during the reporting period in which they are incurred.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the year the asset is derecognised.

Note 26. Property, plant and equipment continued

Depreciation expense

Depreciation is calculated on property, plant and equipment using the following estimated useful lives and methods:

Item	Years	Method
Leasehold improvements	3-15	Straight line
Computer equipment	3-5	Straight line
Furniture, fixtures and equipment	4-10	Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

Notes to the Consolidated Financial Statements

Note 27. Fair value measurement

Fair value hierarchy

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2021 on a recurring basis.

At 30 June 2021	Level 1 $,000	Level 2 $,000	Level 3 $,000	Total $,000
Financial assets at fair value through profit or loss	-	-	4,423	4,423

At 30 June 2020	Level 1 $,000	Level 2 $,000	Level 3 $,000	Total $,000
Financial assets at fair value through profit or loss	-	-	-	-

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted marked price used for financial assets and liabilities held by the Group is the closing bid or ask price as appropriate. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over–the–counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Notes to the Consolidated Financial Statements

Note 28. Share-based payments

Share appreciation rights

In 2020 CTM introduced a new Omnibus Incentive Plan (Incentive Plan). The Incentive Plan replaced CTM's Share Appreciation Rights Plan (SARs Plan) and Exempt Employee Share Plan. The Incentive Plan enables CTM to offer a range of different awards, including share appreciation rights (SARs), options, performance rights and tax exempt shares. The grant of awards under the Incentive Plan forms an integral part of effectively rewarding executive management, and serves a number of positive purposes, including acting as a retention tool for key employees as well as linking the award of management incentives to shareholder value creation and aligning the interests of senior executives with those of shareholders to encourage the long-term sustainable growth of the CTM.

SARs under the current framework

In FY21, performance SARs (Performance SARs) and retention SARs (Retention SARs) were awarded under the Incentive Plan. Participation in the Incentive Plan is at the Board's absolute discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. SARs granted under the Incentive Plan carry no dividend or voting rights.

Performance SARs only vest if certain performance standards are met, the employee remains in service, and upon the achievement of earnings per share growth targets over a two year performance period. Vesting of Retention SARs is subject to continuing employment for a specified period and satisfactory employee performance.

There is no consideration payable by the participant upon exercising of vested SARs. The number of shares to be issued upon vesting of Performance SARs and Retention SARs is calculated by reference to an increase in the price of CTM's shares from a base price determined by the Board and the 5 day volume weighted average price of CTM's shares immediately preceding the date that the Board determines that the vesting conditions are satisfied and/or waived.

Further details can be found in the Remuneration Report.

SARs under the legacy framework

SARs grants made in 2018 and 2019 only vest if certain performance standards are met, the employee remains in service and the achievement of an earnings per share growth target over a three year performance period. The EPS growth test has performance conditions on a scaled basis as follows:

- 50% qualify at 80% target achievement;
- 75% qualify at 90% target achievement; and
- 100% qualify at 100% target achievement.

SARs granted under the SARs Plan carry no dividend or voting rights. There is no consideration payable by the participant upon exercising of vested SARs.

The following table summarises the movement in SARs granted under the plan:

Grant date	2021 Number of SARs	2020 Number of SARs
As at 1 July	3,489,000	3,868,500
Granted during the year	3,504,250	1,698,000
Exercised during the year	-	(1,297,500)
Forfeited during the year	(1,178,500)	(780,000)
As at 30 June	**5,814,750**	**3,489,000**
Vested and exercisable at 30 June	**-**	**-**

No SARs issued during the periods above expired during those periods.

SARs outstanding at the end of the year have the following performance period and share base prices:

Grant date	Performance period	Base price	2021 Number of SARs	2020 Number of SARs
22 August 2017	1 July 2017 – 30 June 2020	$23.90	-	983,000
22 August 2018	1 July 2018 – 30 June 2021	$29.00	1,101,500	1,113,000
9 September 2019	1 July 2019 – 30 June 2022	$22.84	1,311,500	1,393,000
18 August 2020	1 July 2020 – 30 June 2021	$9.89	809,750	-
18 August 2020	1 July 2020 – 30 June 2022	$9.89	1,574,500	-
1 November 2020	1 November 2020 - 30 June 2022	$12.35	917,500	-
30 April 2021	1 July 2021 - 30 June 2024	$13.85	100,000	-
			5,814,750	**3,489,000**

No SARs vested during the period. 3,504,250 SARs were granted during FY21, pursuant to the CTM SARs Incentive Plan.

Notes to the Consolidated Financial Statements

Note 28. Share-based payments continued

Fair value of SARs granted

The assessed weighted average fair value at grant date of the SARs granted during the year ended 30 June 2021 was $3.15 per SAR (2020: $1.67). The fair value at grant date was determined using the Black-Scholes pricing model that takes into account the share price at the time of the grant, the exercise price, the term of the SAR, the expected dividend yield, the expected price volatility of the underlying share and the risk free interest rate for the term of the SAR.

The fair value model inputs for SARs granted during the year ended 30 June 2021 included:

	Base price $	Grant date	Vesting date	Share price at grant date $	Expected price volatility of CTM's shares %	Expected dividend yield %	Risk-free interest rate %
SARs are granted for no consideration and vest based on employees being employed at CTM on 30 June 2021	9.89	18 August 2020	1 July 2021	11.61	31.20%	-	0.25%
SARs are granted for no consideration and vest based on the Group's Earnings per Share growth over a 2 year vesting period	9.89	18 August 2020	1 July 2022	11.61	31.20%	1.00%	0.25%
SARs are granted for no consideration and vest based on the Group's Earnings per Share growth over a 2 year vesting period	12.35	1 November 2020	1 July 2022	14.77	32.30%	1.00%	0.25%
SARs are granted for no consideration and vest based on the employee being employed at CTM on 30 June 2021	9.89	18 August 2020[1]	1 July 2021	17.02	32.30%	-	0.25%
SARs are granted for no consideration and vest based on the Group's Earnings per Share growth over a 2 year vesting period	9.89	18 August 2020[1]	1 July 2022	17.02	32.30%	1.00%	0.25%
SARs are granted for no consideration and vest based on the Group's Earnings per Share growth over a 3 year vesting period	13.85	30 April 2021	1 July 2024	18.45	32.30%	1.00%	0.25%

1 The grant of SARs to Laura Ruffles, Executive Director and Global COO, was made subject to shareholder approval which was received at the 2020 AGM held on 27 October 2020.

The expected price volatility is based on the historic volatility, and on the remaining life of the SARs, adjusted for any expected changes to future volatility due to publicly available information.

Expenses arising from SARs

An expense for the year of $5,548,000 has been recognised in the consolidated statement of profit or loss and other comprehensive income with a corresponding amount recognised in the share based payment reserve (refer to note 23 'Reserves'). The expense recognised is based on the number of SARs issued in FY21 that are expected to vest.

For SARs issued prior to FY21, it was determined in FY20 that none of the unvested SARs were expected to vest resulting in the reversal of previously recognised expenses (2020: net credit of $4,160,000 recognised). The probability of vesting remains unchanged following a reassessment in FY21.

Accounting policy

Share-based compensation benefits are provided to employees by way of a Share Appreciation Right (SAR). The fair value of SARs granted is recognised as an employee benefits expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the rights granted, which includes any market performance conditions and the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of SARs that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, CTM revises its estimates of the number of SARs that are expected to vest based on the non-market vesting conditions. CTM recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Notes to the Consolidated Financial Statements

Note 29. Interest in other entities

(a) Subsidiary entities

The Group's subsidiary entities at 30 June 2021 are set out in the following table. Unless otherwise stated, each entity has share capital consisting solely of ordinary shares that are held by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Company	Region	Country	Ownership 2021 %	Ownership 2020 %
Corporate Travel Management Group Pty Ltd[5]	ANZ	Australia	100.00%	100.00%
Floron Nominees Pty Ltd[5]	ANZ	Australia	100.00%	100.00%
WA Travel Management Pty Ltd[5]	ANZ	Australia	100.00%	100.00%
Sainten Pty Ltd[5]	ANZ	Australia	100.00%	100.00%
ETM Travel Pty Ltd[5]	ANZ	Australia	100.00%	100.00%
Travelcorp Holdings Pty Ltd[5]	ANZ	Australia	100.00%	100.00%
Travelogic Pty. Limited[5]	ANZ	Australia	100.00%	100.00%
Andrew Jones Travel Pty Ltd	ANZ	Australia	100.00%	100.00%
SCT Travel Group Pty Ltd	ANZ	Australia	100.00%	100.00%
Travelcorp (Aust) Pty Ltd[5]	ANZ	Australia	100.00%	100.00%
Tramada Holdings Pty Ltd[1]	ANZ	Australia	100.00%	-
Tramada International Pty Ltd[1]	ANZ	Australia	100.00%	-
Tramada Systems Pty Ltd[1]	ANZ	Australia	100.00%	-
Corporate Travel Management (New Zealand) Limited	ANZ	New Zealand	100.00%	100.00%
Tramada Systems (UK) Limited[1]	ANZ	United Kingdom	100.00%	-
Tramada Systems (USA) Inc[1]	ANZ	United States of America	100.00%	-
CTMNA Holdings Limited	North America	United States of America	100.00%	100.00%
Corporate Travel Management North America Inc	North America	United States of America	100.00%	100.00%
Corporate Travel Planners, Inc	North America	United States of America	100.00%	100.00%
Travel & Transport, Inc[2]	North America	United States of America	100.00%	-
Travefy Incorporated[2]	North America	United States of America	10.00%	-
TTRE Inc[2]	North America	United States of America	100.00%	-
TTINV Inc[2]	North America	United States of America	100.00%	-
WTT Inc[2]	North America	United States of America	100.00%	-
Data Vizualization Intelligence, Inc	North America	United States of America	100.00%	-
2120 Tower LLC[2]	North America	United States of America	37.78%	-
Corporate Travel Management (CAN) Limited	North America	Canada	100.00%	100.00%
Thayer Ventures III, L.P[2]	North America	United States of America	4.00%	-
CTM Global Services (UK)[3]	Europe	United Kingdom	-	100.00%
Corporate Travel Management (UK) Limited	Europe	United Kingdom	100.00%	100.00%
USD Treasury Coy (UK) Limited	Europe	United Kingdom	100.00%	100.00%
GBP Treasury Coy (UK) Limited[3]	Europe	United Kingdom	-	100.00%
AUD Treasury Coy (UK) Limited[3]	Europe	United Kingdom	-	100.00%
HKD Treasury Coy (UK) Limited[3]	Europe	United Kingdom	-	100.00%
Corporate Travel Management (Europe) Limited	Europe	United Kingdom	100.00%	100.00%
Corporate Travel Management (North) Limited	Europe	United Kingdom	100.00%	100.00%
Portall Travel Limited	Europe	United Kingdom	100.00%	100.00%
Arizonaco Limited	Europe	United Kingdom	100.00%	100.00%
AIT Travel Limited	Europe	United Kingdom	100.00%	100.00%
Alpha-Omega (Travel) Limited	Europe	United Kingdom	100.00%	100.00%
Corporate Travel Management (United Kingdom) Ltd	Europe	United Kingdom	100.00%	100.00%

Notes to the Consolidated Financial Statements

Note 29. Interest in other entities continued

Company	Region	Country	Ownership 2021 %	Ownership 2020 %
Radius Travel WTT Limited[2]	Europe	United Kingdom	100.00%	-
Travel and Transport UK Limited[2]	Europe	United Kingdom	100.00%	-
Statesman Travel Group Limited[2]	Europe	United Kingdom	100.00%	-
Statesman Travel Management Limited[2]	Europe	United Kingdom	100.00%	-
Statesman TMC Limited[2]	Europe	United Kingdom	100.00%	-
Statesman Travel Limited[2]	Europe	United Kingdom	100.00%	-
Statesman Travel (Leisure) Limited[2]	Europe	United Kingdom	100.00%	-
Statesman Travel Services Limited[2]	Europe	United Kingdom	100.00%	-
Statesman Travel Logistics Limited[2]	Europe	United Kingdom	100.00%	-
SAS Corporate Travel Management (France)	Europe	France	100.00%	100.00%
Corporate Travel Management (Germany) GmbH	Europe	Germany	100.00%	100.00%
Corporate Travel Management (Netherlands) BV	Europe	Netherlands	100.00%	100.00%
Corporate Travel Management (Switzerland) GmbH	Europe	Switzerland	100.00%	100.00%
Corporate Travel Management (Sweden) AB	Europe	Sweden	100.00%	100.00%
Corporate Travel Management (Czech Republic) s.r.o	Europe	Czechoslovakia	100.00%	100.00%
Corporate Travel Management (Norway) AS	Europe	Norway	100.00%	100.00%
Corporate Travel Management (Denmark) Aps	Europe	Denmark	100.00%	100.00%
Corporate Travel Management (Hungary) Kft	Europe	Hungary	100.00%	100.00%
Corporate Travel Management (Poland) SP. z.o.o	Europe	Poland	100.00%	100.00%
MFG Riesen[2]	Europe	Germany	40.00%	-
Travell inspector GmbH Schweiz[2]	Europe	Switzerland	40.00%	-
Statesman Travel Services Private Limited[2]	Europe	India	99.99%	-
Wealthy Aim Investments Limited	Asia	British Virgin Islands	75.10%	75.10%
Westminster Travel Limited	Asia	Hong Kong	75.10%	75.10%
Westminster Travel (China) Limited	Asia	Hong Kong	75.10%	75.10%
Jecking Tours & Travel Limited	Asia	Hong Kong	75.10%	75.10%
Far Extent Investments Limited	Asia	Hong Kong	75.10%	75.10%
Profit Shine Holdings Limited	Asia	British Virgin Islands	75.10%	75.10%
Bees.Travel Limited	Asia	Hong Kong	75.10%	75.10%
Corporate Travel Management Limited	Asia	Hong Kong	75.10%	75.10%
CTM Overseas Education Centre Limited	Asia	Hong Kong	75.10%	75.10%
Lotus Travel Group Limited	Asia	British Virgin Islands	75.10%	75.10%
Lotus Tours Limited	Asia	Hong Kong	75.10%	75.10%
Travel Resources Limited[4]	Asia	Hong Kong	-	75.10%
Memory Holidays Limited	Asia	Hong Kong	75.10%	75.10%
Westminster Travel (S) Pte. Ltd.	Asia	Singapore	75.10%	75.10%
Westminster Travel Limited (Taiwan)	Asia	Taiwan	75.10%	75.10%
Lotus Tours Taiwan Co Ltd (Taiwan)[3]	Asia	Taiwan	-	75.10%
Westminster Travel Limited (Macau)	Asia	Macau	75.10%	75.10%
Beijing Westminster Air Service Limited[3]	Asia	People's Republic of China	-	75.10%
Westminster Travel Consultancy (Guangzhou) Limited	Asia	People's Republic of China	75.10%	75.10%
Guangzhou Anlv Travel Service Co Ltd	Asia	People's Republic of China	75.10%	75.10%

1 On 29 October 2020, CTM acquired 100% of the shares of Tramada Holdings Pty Ltd, including all of its subsidiary entities.
2 On 30 October 2020, CTM acquired 100% of the shares of Travel and Transport, Inc., including all of its subsidiary entities.
3 Entities deregistered during the year.
4 Entity disposed of during the year.
5 These subsidiary entities have been granted relief from the necessity to prepare financial reports in accordance with Class Order 2016/785 issued by the Australian Securities and Investments Commission. For further information refer note 32 'Deed of cross guarantee'.

Notes to the Consolidated Financial Statements

Note 29. Interest in other entities continued

(b) Non-controlling interests ('NCI')

The following table summarises the financial information for entities which have a non-controlling interest which is material to the Group.

The amounts disclosed are before inter-company eliminations.

	2021 $'000	2020 $'000
Summarised Statement of Financial Position		
Current assets	71,549	123,296
Current liabilities	(25,763)	(60,815)
Current net assets	45,786	62,481
Non-current assets	66,687	77,827
Non-current liabilities	(11,706)	(20,679)
Non-current net assets	54,981	57,148
Net assets	**100,767**	**119,629**
Accumulated NCI of the subsidiary	**15,398**	**19,254**
Summarised Statement of Profit or Loss and Other Comprehensive Income		
Revenue and other income	18,238	53,124
Loss for the year	(9,581)	(9,334)
Other comprehensive income/(loss) for the year	(9,840)	4,088
Total other comprehensive loss for the year	**(19,421)**	**(5,246)**
Loss for the year allocated to NCI	(2,410)	(2,439)
Dividends paid to NCI	-	2,503
Summarised Statement of Cash Flows		
Cash flows from operating activities	(29,097)	27,161
Cash flows from investing activities	(1,704)	(2,091)
Cash flows from financing activities	56,359	(42,600)
Net increase/(decrease) in cash and cash equivalents	**25,558**	**(17,530)**

Notes to the Consolidated Financial Statements

Note 30. Related party transactions

(a) Parent entities

The ultimate parent entity within the Group is Corporate Travel Management Limited.

(b) Subsidiary entities

Interests in subsidiary entities are set out in note 29 'Interest in other entities'.

(c) Key management personnel compensation

	2021 $'000	2020 $'000
Short term	3,866	3,947
Post-employment	132	135
Long-term benefits	112	(81)
Share-based payments	1,956	(1,379)
Total KMP compensation	6,066	**2,622**

Detailed remuneration disclosures are provided in the Remuneration Report.

(d) Transactions with other related parties

Detailed remuneration disclosures are provided in the Remuneration Report.

(e) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties.

	2021 $'000	2020 $'000
Contingent consideration		
Key management personnel[1]	1,293	1,939

[1] The balance represents the present value of the contingent consideration to Greg McCarthy, as a part of the acquisition of SCT Travel Group Pty Ltd, trading as Platinum Travel Corporation.

(f) Terms and conditions

Directors of the Group hold other directorships as detailed in the Directors' Report. Where any of these related entities are clients of the Group, the arrangements are on normal commercial terms and conditions and at market rates.

Directors and executives can acquire travel and event management services on normal terms and conditions and at market rates. There are no amounts outstanding in relation to these transactions at 30 June 2021.

Note 31. Parent entity information

(a) Summary financial information

The individual financial statements of the parent entity show the following aggregate amounts:

Statement of profit or loss and other comprehensive income

	Parent 2021 $'000	Parent 2020 $'000
Profit/(loss) after income tax	(26,264)	27,482
Total comprehensive income	**(26,264)**	27,482

Statement of financial position

	Parent 2021 $'000	Parent 2020 $'000
Total current assets	2,359	24,032
Total assets	774,239	462,419
Total current liabilities	2,095	57,588
Total liabilities	17,121	57,990
Net assets	**757,118**	**404,429**
Equity		
Contributed equity	764,984	395,717
Reserve	(16,477)	(26,164)
Retained earnings	8,611	34,876
Total equity	**757,118**	**404,429**

Foreign currency amounts in 2020 have been reclassified from reserves to profit after income tax with no net impact on previously reported equity.

(b) Guarantees entered into by the parent entity

The parent entity is party to the overall financing arrangements and related security as detailed in note 18 'Borrowings'.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2021 or 30 June 2020.

(d) Contractual commitments

The parent did not have any contractual commitments at 30 June 2021 or 30 June 2020.

Note 31. Parent entity information continued

Accounting policy

The financial information for the parent entity, Corporate Travel Management Limited, has been prepared on the same basis as the consolidated financial statements, except as follows:

(i) Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of Corporate Travel Management Limited.

(ii) Tax consolidation legislation

Corporate Travel Management Limited and its wholly-owned Australian controlled entities have implemented tax consolidation in accordance with legislation. The head entity, Corporate Travel Management Limited and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, Corporate Travel Management Limited also recognises the current tax liabilities or assets and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

These entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate Corporate Travel Management Limited for any current tax payable assumed and are compensated by Corporate Travel Management Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Corporate Travel Management Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year.
The head entity may also require payment of interim funding amounts, to assist with its obligations to pay tax instalments.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the Group. Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to or distribution from wholly-owned tax consolidated entities.

(iii) Financial guarantees

Where the parent entity has provided financial guarantees in relation to loans and payables of subsidiaries for no compensation, the fair values of these guarantees are accounted for in the parent company and consolidated financial statements.

Notes to the Consolidated Financial Statements

Note 32. Deed of cross guarantee

Corporate Travel Management Limited, Corporate Travel Management Group Pty Ltd, Floron Nominees Pty Ltd, Sainten Pty Ltd, Travelogic Pty Limited, WA Travel Management Pty Ltd, Travelcorp Holdings Pty Ltd, Travelcorp (Aust) Pty Ltd, ETM Travel Pty Ltd and Corporate Travel Management (New Zealand), CTMNA Holdings Limited, Corporate Travel Management North America, Inc, are parties to a deed of cross guarantee, under which each company guarantees the debts of the other companies.

By entering into the deed, the wholly owned Australian entities have been relieved from the requirement to prepare a financial report and Directors' Report under Class Order 2016/785 (as amended) issued by the Australian Securities and Investments Commission.

These companies represent a 'closed group' for the purposes of the Class Order and, as there are no other parties to the deed of cross guarantee that are controlled by Corporate Travel Management Limited, they also represent the 'extended closed group'.

The following table presents a Consolidated Statement of Profit or Loss and Other Comprehensive income, Summary of movements in consolidated retained earnings and Consolidated Statement of Financial Position for the year ended 30 June 2021 of the closed group.

Statement of profit or loss and other comprehensive income	2021 $'000	2020 $'000
Revenue	68,115	187,244
Other income	39,001	39,076
Employee benefits	(67,872)	(129,948)
Information technology and telecommunications	(14,780)	(23,268)
Occupancy	(1,077)	(1,392)
Travel and entertainment	(237)	(2,488)
Administrative and general	(12,187)	(12,482)
Depreciation and amortisation	(19,710)	(20,014)
Impairment	-	(2,659)
Operating profit/(loss)	**(8,747)**	**34,069**
Finance costs	(1,929)	(9,782)
Profit/(loss) before income tax benefit	**(10,676)**	**24,287**
Income tax benefit	7,888	206
Profit/(loss) after income tax benefit	**(2,788)**	**24,493**
Other comprehensive income/(loss)		
Exchange differences on translation of foreign operations	(25,790)	10,277
Other comprehensive income/(loss) for the year, net of tax	**(25,790)**	**10,277**
Total comprehensive income/(loss) for the year	**(28,578)**	**34,770**
Summary of movements in retained earnings		
Retained earnings at the beginning of the financial year	127,329	126,696
Profit/(loss) after income tax benefit	(2,788)	24,493
Dividends paid	-	(23,860)
Retained earnings at the end of the financial year	**124,541**	**127,329**

Note 32. Deed of cross guarantee continued

Statement of financial position	2021 $'000	2020 $'000
Current assets		
Cash and cash equivalents	12,835	29,347
Trade and other receivables	45,719	23,645
Income tax receivable	6,647	9,625
Other assets	1,034	2,332
Total current assets	**66,235**	**64,949**
Non-current assets		
Investments	596,921	301,043
Property, plant and equipment	3,693	5,412
Right-of-use assets	11,958	23,320
Intangible assets	261,104	275,073
Deferred tax assets	17,231	5,185
Related party receivables	12,960	31,254
Total non-current assets	**903,867**	**641,287**
Total assets	**970,102**	**706,236**
Current liabilities		
Trade and other payables	49,955	39,770
Lease liabilities	2,650	4,484
Related Party	9,296	60,514
Provisions	2,757	3,732
Total current liabilities	**64,658**	**108,500**
Non-current liabilities		
Lease liabilities	11,752	22,211
Related Party	34,341	55,287
Deferred tax liabilities	-	10,537
Provisions	730	2,738
Total non-current liabilities	**46,823**	**90,773**
Total liabilities	**111,481**	**199,273**
Net assets	**858,621**	**506,963**
Equity		
Contributed equity	744,581	375,314
Reserves	(10,501)	4,320
Retained earnings	124,541	127,329
Total equity	**858,621**	**506,963**

Notes to the Consolidated Financial Statements

Note 33. Auditors' remuneration

The auditor of the Group is PricewaterhouseCoopers.

	2021 $	2020 $
Audit services - PricewaterhouseCoopers		
Audit or review of the consolidated financial statements	403,951	521,553
Other services - PricewaterhouseCoopers		
Assurance services	5,000	5,000
Tax compliance services	110,795	115,000
Tax advisory services	177,160	146,711
Other advisory services	14,500	-
	307,455	266,711
Total remuneration of PricewaterhouseCoopers Australia	**711,406**	**788,264**
Other PricewaterhouseCoopers network firms:		
Other services in relation to the entity and any other entity in the consolidated group:		
Audit and review of the financial reports	1,136,575	756,951
Other assurance services	43,750	18,369
Tax compliance services	6,623	1,074
Tax advisory services	50,242	63,458
Other advisory services	-	1,407
Total remuneration of PricewaterhouseCoopers network firms	**1,237,190**	**841,259**
Non-PricewaterhouseCoopers firms:		
Services in relation to the entity and any other entity in the consolidated group:		
Audit and review of the financial report	46,307	50,125
Total remuneration of Non-PricewaterhouseCoopers firms	**46,307**	**50,125**

Notes to the Consolidated Financial Statements

Note 34. Summary of significant accounting policies

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Corporate Travel Management Limited is a for-profit entity for the purpose of preparing the consolidated financial statements.

The consolidated financial statements have been prepared on a going concern basis.

Compliance with IFRS

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The annual financial report is presented in Australian dollars and all values, where appropriate, rounded to the nearest thousand dollars ($'000), unless otherwise stated.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities, fair value through Consolidated Statement of Profit or Loss and Other Comprehensive Income.

New standards and interpretations

The IFRIC decision regarding Configuration or Customisation in a Cloud Computing Arrangement delivered in March 2021 has been reviewed and determined to not have a material impact on CTM.

(b) Rounding of amounts

Amounts in the Consolidated Financial Statements are presented in Australian Dollars with values rounded to the nearest thousand dollars, or in certain circumstances, the nearest dollar, in accordance with the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2 'Critical accounting judgements, estimates and assumptions'.

Notes to the Consolidated Financial Statements

Note 34. Summary of significant accounting policies continued

Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Notes to the Consolidated Financial Statements

Note 35. Events after the reporting period

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Directors' Declaration

30 June 2021

In the Directors' opinion:

— the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
— the attached financial statements and notes comply with International Financial Reporting Standards as issued by the Inter-national Accounting Standards Board as described in note 34 'Summary of significant accounting policies' to the financial statements;
— the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the financial year ended on that date;
— there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
— at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 32 'Deed of cross guarantee' to the financial statements.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Ewen Crouch

Mr Ewen Crouch AM
Chairman

Mr Jamie Pherous
Managing Director

18 August 2021
Brisbane

Independent Auditor's Report

To the members of Corporate Travel Management Limited Continued

Independent auditor's report

To the members of Corporate Travel Management Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Corporate Travel Management Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2021
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

The Group provides travel management solutions to the corporate market and operates in four broad geographic regions, being Australia & New Zealand ("ANZ"), North America, Asia and Europe. The regional finance functions report to the Group finance function in Brisbane, Australia where the consolidation is performed.

Materiality

- For the purpose of our audit we used overall Group materiality of $1.7 million, which represents approximately 1% of the Group's revenue.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole. We chose Group revenue because it is reflective of the Group's operating activities during the year and provides a level of materiality which, in our view, is appropriate for the audit having regard to the expected users of the Group financial report.
- We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.

Independent Auditor's Report

To the members of Corporate Travel Management Limited Continued

Audit Scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- In establishing the overall approach to the Group audit, we determined the type of audit work that needed to be performed by us, as the Group engagement team, and by component auditors in the USA, Hong Kong and the UK operating under our instruction. We structured our audit as follows:
  - We performed audit procedures over the Australia & New Zealand region, in addition to auditing the consolidation of the Group's regional reporting units into the Group's financial report.
  - Component auditors in the USA, Hong Kong and the UK performed audit procedures over the North America, Asia and Europe regions respectively.
- For the work performed by component auditors in the USA, Hong Kong and the UK, we determined the level of involvement we needed to have in the audit work at these locations to be satisfied that sufficient audit evidence had been obtained as a basis for our opinion on the Group financial report as a whole. This included active dialogue throughout the year through discussions, issuing written instructions, receiving formal interoffice reporting, as well as attending meetings with local management.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	*How our audit addressed the key audit matter*
Impairment assessment of the Group's goodwill *(Refer to note 25)* At 30 June 2021, the Group recorded $756.9m of intangible assets, of which $678.3m related to goodwill. The goodwill is allocated to four cash generating units ("CGUs"), being Australia & New Zealand, North America, Europe and Asia. As required by Australian Accounting Standards, at 30 June 2021 the Group performed an impairment assessment over the goodwill balances by calculating the recoverable amount for each CGU, using	Our procedures in relation to the impairment assessment of goodwill included, amongst others: • Assessing the appropriateness of the Group's determination of its CGUs • Developing an understanding of the process undertaken by the Group in the preparation of the discounted cash flow models used to assess the recoverable amount of the Group's CGUs (the "impairment models") • Assessing the basis upon which the Group developed the forecast scenarios, and the probability weighting applied to each

Key audit matter	How our audit addressed the key audit matter
discounted cash flow models prepared on a 'value in use' basis. The recoverable amount of each CGU was determined by the Group based on three probability-weighted forecast scenarios, which model recovery path projections through to FY24. As a result of the significant impact of COVID-19 on the Group and the broader travel industry, and the continued uncertainty with regards to the future impact of COVID-19 on the Group's operations, there is considerable judgement involved in estimating the expected recovery of the business in the short-term and long-term and the key assumptions used in the Group's impairment valuation models, including discount rates and long-term growth rates. Given the degree of judgement involved in the Group's impairment models as a result of COVID-19, and the financial significance of the goodwill recognised on the Group's consolidated statement of financial position, we determined that this was a key audit matter.	• Assessing the arithmetical accuracy of the impairment models • Assessing whether the allocation of assets, including goodwill, to CGUs, was consistent with our knowledge of the Group's operations and internal Group reporting • Assessing whether the CGUs included a reasonable allocation of corporate overheads • Evaluating the Group's forecast recovery path projections through to FY24, by comparison to external economic and industry forecasts • Assessing that the discount rates applied in the impairment models reflect the risks of the CGU, with the assistance of PwC valuation experts • Assessing the long-term growth rates, by comparing to economic forecasts, with the assistance of PwC valuation experts • Assessing the Group's consideration of the sensitivity to a change in key assumptions that either individually or collectively would be required for assets to be impaired and considered the likelihood of such a movement in those key assumptions arising • Evaluating the adequacy of the disclosures made in Note 25, including those regarding the key assumptions and sensitivities to changes in such assumptions, in light of the requirements of Australian Accounting Standards. Based on our procedures, for each of the Group's CGUs, we found that headroom remained between the carrying value of the CGU's assets and the Group's calculation of the recoverable amount, and as such, no impairment of goodwill was identified. We also compared the Group's net assets as at 30 June 2021 of \$851.5m to its market capitalisation of \$2,931.8m at 30 June 2021, and noted the \$2,080.3m of implied headroom in the comparison.

Independent
Auditor's Report

To the members of Corporate Travel Management Limited Continued

Key audit matter	How our audit addressed the key audit matter
Recognition and presentation of the Group's revenue *(Refer to note 4)* The Group's provision of travel and related services to clients drives several different revenue streams. The recognition of revenue from each of these streams is dependent upon the terms of the underlying contracts with customers and suppliers. Judgement is involved in the recognition of volume-based incentive revenue, as revenue is accrued over the contract period based on the expected achievement of contractual performance criteria specific to each supplier. The Group has additional revenue streams following the business combinations during the year, being revenue from the sale or inventory and licencing revenue. We considered the recognition and presentation of revenue to be a key audit matter due to the financial significance of the Group's revenue, the judgemental nature of volume-based incentive revenue, and the disclosure considerations per the requirements of Australian Accounting Standards.	Our procedures in relation to the recognition and presentation of the Group's revenue included, amongst others: • Developing an understanding of the Group's revenue recognition processes • Agreeing a sample of recorded fees and commission transactions to supporting documents, including customer agreements, invoices and bank statements • Agreeing a sample of inventory sales and licencing revenue transactions to supporting documents, including customer agreements, invoices and bank statements • Utilising data analytic techniques to identify revenue transactions for our testing of journal entries • Comparing on a sample basis, volume based incentive revenue amounts to supporting documents, including third party confirmations, remittances and bank statements • Assessing the completeness and accuracy of the Group's revenue disclosures per the requirements of Australian Accounting Standards.
Accounting for the T&T and Tramada business combinations *(Refer to note 9)* The Group completed the acquisitions of Tramada Holdings Pty Ltd ("Tramada") and Travel and Transport Inc. ("T&T") on 29 and 30 October 2020 respectively. We determined that the accounting for business combinations was a key audit matter due to the financial significance of the value of the transactions, net assets acquired and resultant goodwill arising on the acquisitions, as well as the level of judgement involved in the Purchase Price Allocation ("PPA") calculations. The key area of judgement related to the fair value of the acquired assets and liabilities recognised at acquisition date, including software, brands and client contracts and relationships intangible assets.	Our procedures in relation to the accounting for business combinations included, amongst others: • Testing of the initial consideration paid for the acquisitions by obtaining supporting documentation including bank statements and the purchase agreement • Obtaining the purchase agreements to determine whether any consideration is contingent on future events • Testing a sample of acquired working capital balances to post acquisition date payments and receipts • Assessing the Group's valuation of client contracts and relationship intangible assets and brands, with reference to forecast future financial performance, industry benchmarks and brand values from recent transactions.

Key audit matter	How our audit addressed the key audit matter
	• Assessing the Group's methodology applied in valuing software acquired • Assessing the mathematical accuracy of the Group's calculation of the resulting goodwill arising on the PPA calculations • Considering the completeness of the recognition of intangible assets by reference to the purchase contract and intangible assets recognised in previous acquisitions by the Group • Assessing the accuracy and completeness of business combination disclosures in the financial statements in light of the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Independent
Auditor's Report

To the members of Corporate Travel Management Limited Continued

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 51 to 68 of the directors' report for the year ended 30 June 2021.

In our opinion, the remuneration report of Corporate Travel Management Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Michael Crowe

Michael Crowe
Partner

Brisbane
18 August 2021

Shareholder Information

The shareholder information set out below was applicable as at 27 July 2021

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Securities	% of Total Securities
1 to 1,000	10,186	3,452,189	2.53
1,001 to 5,000	4,084	8,891,170	6.52
5,001 to 10,000	528	3,629,231	2.66
10,001 to 100,000	343	7,753,648	5.68
100,001 and over	40	112,699,278	82.61
Total	15,181	136,425,516	100.00

Based on the Company's closing share price on 27 July 2021 ($21.38), there were 349 holders of less than a marketable parcel of ordinary shares and together they hold 1,958 shares.

Equity security holders

The names of the twenty largest registered shareholders are listed below:

	Number Held	Ordinary shares % of total shares issued
1. Citicorp Nominees Pty Limited	25,592,580	18.76
2. HSBC Custody Nominees (Australia) Limited	23,375,888	17.13
3. Pherous Holdings Group Pty Ltd	18,240,000	13.37
4. J P Morgan Nominees Australia Pty Limited	17,660,916	12.95
5. National Nominees Limited	7,606,619	5.58
6. BNP Paribas Nominees Pty Ltd (Agency Lending DRP A/C)	4,243,446	3.11
7. BNP Paribas Noms Pty Ltd (DRP)	2,781,383	2.04
8. Matimo Pty Ltd (Matimo A/C)	1,596,807	1.17
9. HSBC Custody Nominees (Australia) Limited (NT-Comnwlth Super Corp A/C)	1,484,429	1.09
10. Ms Helen Logas	1,120,710	0.82
11. Mr Steven Craig Smith	1,015,665	0.74
12. LJP2 Pty Ltd	1,000,000	0.73
13. BNP Paribas Noms (NZ) Ltd (DRP)	817,985	0.60
14. Citicorp Nominees Pty Limited (Colonial First State Inv A/C)	792,601	0.58
15. Shamiz Pty Ltd (Sami Superfund A/C)	566,393	0.42
16. BNP Paribas Nominees Pty Ltd HUB24 Custodial Serv Ltd (DRP A/C)	463,563	0.34
17. Amalfi Trading Pty Ltd (Michael Pherous Family A/C)	354,620	0.26
18. Mirrabooka Investments Limited	333,000	0.24
19. BNP Paribas Nominees Pty Ltd Six Sis Ltd (DRP A/C)	302,561	0.22
20. Ms Karen Ann Shaw	278,514	0.20
Top 20 Holders	**109,627,680**	**80.36**
Remaining Holders balance	26,797,836	19.64
Grand Total	**136,425,516**	**100.00**

Equity security holders (continued)

Unquoted equity securities

	Number on issue	Number of holders
Share appreciation rights	5,937,250	80

Substantial holders

As at 27 July 2021, the Company has been notified of the following substantial holders (including associate holdings):

	Number Held	Ordinary shares % of total shares issued
Pherous Holdings Group	19,240,000	14.10
Bennelong Funds Management Group Pty Ltd	16,192,901	11.87
Mitsubishi UFJ Financial Group Inc.	7,598,974	5.59

Voting rights

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares voting rights

On a show of hands, every member present at a meeting in person or by proxy shall have one vote. Upon a poll, each share shall have one vote. There are currently no options held.

Share Appreciation Rights

Share appreciation rights have no voting rights.

Securities purchased on-market

During FY21, a total of 2,808 ordinary shares were acquired on-market for the purposes of the Company's employee equity plans and the average price per share purchased was $19.69.

Corporate Directory

Directors	Ewen Crouch AM Jamie Pherous Jon Brett Laura Ruffles Sophie Mitchell
Secretary	Anne Tucker
Annual General Meeting	The Annual General Meeting of Corporate Travel Management Limited is scheduled to be held on 28 October 2021 at 11:00am (AEST)
Registered office in Australia	Level 24, 307 Queen Street Brisbane QLD 4000 Telephone: +61 7 3211 2400
Share registrar	Computershare Investor Services Pty Limited Level 1, 200 Mary Street Brisbane, QLD 4000 Telephone: 1300 787 272 Outside Australia: +61 3 9415 4000
Auditor	PricewaterhouseCoopers Australia 480 Queen Street Brisbane QLD 4000
Stock exchange listing	Corporate Travel Management shares are quoted on the Australian Securities Exchange (ASX).
Website address	www.travelctm.com
ABN	ABN 17 131 207 611