



ASX Announcement

31 October 2024

2024 AGM – Chairman Address

Attached are the Chairman's address and accompanying slides to be presented at Corporate Travel Management Limited's 2024 Annual General Meeting being held today.

Authorised for release by the Board.

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2024 AGM Chairman's Address

It is now time to commence the formal part of Corporate Travel Management's 2024 Annual General Meeting. I will begin with a short address, followed by a presentation from Jamie Pherous, CTM's Managing Director. There will be time for questions from shareholders on my address and Jamie's presentation as we consider the resolutions for the FY24 AGM.

Year in Review

It is my privilege to provide you with an update on the progress at Corporate Travel Management as we reflect on the past year.

2024 marks CTM's 30th year in business travel.

Founded here in Brisbane, we are proud to have grown into a respected global leader in travel management, operating across 4 continents and employing more than 3,200 employees.

CTM's performance over the past 12 months has been steady across our operating regions and gives us a solid platform to continue to grow. Our commitment to our underlying business, and the investments we are making in technology, service and productivity initiatives, will, I am confident, underpin positive results in the period ahead.

Importantly, in FY24 the Group's revenue rose by 9%, converting to 21% growth in underlying EBITDA. This performance reflects the strategic benefits of our ongoing capital allocation to automation and productivity projects to drive stronger profit growth and expand our business. Notably, we successfully converted 61% of incremental revenue into EBITDA, a clear indicator that the strategy is working.

Performance in our businesses in North America and ANZ saw significant improvement as the year progressed with second half EBITDA for these regions up 39% on the prior corresponding period. Pleasingly both regions have gathered further momentum through the fourth quarter which has carried into the start of this financial year.

This past year has not been without its challenges, requiring us to revise our outlook for FY24 when releasing our first half results. Changes in government policy affected the UK Bridging Accommodation contract scope, and revenues fell below what had been expected. Additionally, UK humanitarian support projects relating to the conflicts in Ukraine, Afghanistan and the Middle East tapered off more quickly than expected in the final quarter of the financial year.

For a number of years, CTM has been providing an important service in the UK accommodating displaced persons fleeing conflict, particularly in Ukraine and Afghanistan. We are pleased that 90% of these families are now settled in long-term accommodation and no longer require interim accommodation.

Over the past year, sales teams in all regions were reorganised to drive our double digit revenue growth target. I am proud to say CTM achieved new client wins with an estimated annual total transaction value of \$970 million and also retained 97% of our clients.

Strategic Goal and key projects

CTM has set a goal of doubling FY24 Earnings per share in five years. The Board considers this to be the best measure to ensure alignment between our investment strategy, shareholder value expectations and management incentive structures.

I would like to mention three key projects to drive our aspirations in the mid to longer term.

First is Sleep Space, CTM's proprietary hotel content engine. This will be fundamental to improved customer and supplier experience leading to revenue yield improvement.

Secondly, Project Atlas will streamline our back-end processes through standardisation and automation and is expected to deliver cost savings of \$10 million in FY25, increasing to \$20 million per annum by FY29.

Lastly Project Scout is automating thousands of previously manual transactions every week, significantly reducing high-volume, low-value tasks for our travel consultants enabling them to better support the more complex needs of our customers.

These projects are being delivered to plan and have contributed to increasing our customer NPS throughout the year. As these projects expand in their capabilities and geographical impact over time, we expect substantial contribution to improved customer experience and employee productivity.

Financial Performance, Dividend and share buyback

The Group reported statutory Net Profit After Tax attributable to owners of \$84.5 million compared to \$77.6 million for the previous year. Excluding one-off or non-recurring items, underlying Net Profit After Tax was \$113.3 million, an increase of 22.5% compared to \$92.5 million in FY23.

Although the Group reported increases in revenue and EBITDA across all operating regions for FY24, one-off projects in the European business underperformed against expectations.

CTM maintained a strong capital position with \$134.8 million in cash at the year end, no debt and access to \$100 million of committed debt facilities which mature in July 2025. Additionally, the Group returned \$68.3 million to shareholders during FY24 through dividends and the share buyback program.

CTM recently paid a final dividend of 12 cents per share in relation to FY24 which combined with the interim dividend of 17 cents per share, provided total dividends of 29 cents per share (unfranked) for the year to shareholders, representing 50% of the Group's Net Profit After Tax attributable to the owners of CTM.

The Board remains committed to providing shareholders with returns in the form of dividend payments equivalent to 50% of the Group's Net Profit After Tax.

At last year's AGM, we announced an on-market share buyback program in order to enhance shareholder returns and complement our dividend strategy. This allowed for the purchase of ordinary CTM shares up to a value of \$100 million in the period to 13 November 2024.

During FY24, the Company completed \$26.1 million in share buy-backs at an average price of \$15.55 per share.

We have extended the completion date to 30 June 2025 and reset the amount remaining available for purchase to up to \$100 million, subject to the Board's discretion and market conditions. As at the end of September 2024, a further \$23.9 million was spent buying back 2 million shares at an average price of \$11.79 per share.

Sustainability

CTM's sustainability focus in FY24 covered Product optimisation, Greenhouse gas reporting, decarbonisation targets and mandatory climate reporting roadmap to support a sustainable business over the longer term. Our 2024 Sustainability Report released in August sets out CTM's sustainability approach and progress.

Key achievements this year include refining our materiality assessment to ensure our sustainability framework is best positioned to address risks and opportunities as they arise and meet the evolving needs of our stakeholders.

We continued to improve our business travel products to help customers meet their sustainability goals for their corporate travel programs.

We also reviewed our operations and prepared a roadmap to mandatory climate-related reporting compliance, undertook third-party verification of our greenhouse gas inventory, and operationalised our decarbonisation plan.

One of our decarbonisation plan targets is to increase renewable energy source and supply use. I am pleased we were able to increase renewable energy use to 20% over the year. We are committed to making more progress in the year ahead.

Organisational Structure changes

In March 2024, Laura Ruffles stepped down from the CTM board and executive team due to personal reasons and her time with CTM came to an end at 30 September. Laura has been an enormous part of the success of CTM over her 16-year tenure. We want to acknowledge her substantial contribution and particularly thank Laura for all she achieved. We wish her well for the future.

Adapting our organisational structure to best support our long-term goals, we re-aligned the Group executive team accountabilities to deliver the key drivers of CTM's future success: new client wins, enhancing revenue per transaction, lowering cost per transaction through automation, and a robust capital allocation and management program to maximise shareholder returns.

CTM is pleased to announce the appointment of Ana Pedersen in a new role of Global Chief Commercial Officer (CCO) reporting directly to Jamie Pherous. Her primary responsibilities are 'front of house': to grow revenues through new client wins, the Sleep Space hotel program and supplier deals and to lead customer-facing technology development that supports this growth.

Eleanor Noonan was appointed Global Chief Operating Officer to cover organisational structure, people performance, data and security and the internal automation, AI and machine learning processes that will drive a lower cost per transaction whilst enhancing client NPS scores.

James Spence joined CTM as Global Chief Financial Officer in May 2024 with a key focus upon the five year strategy, and the optimal capital management program across capital expenditure, capital allocation and shareholder returns to deliver the strategy.

I would like to thank James Patterson who assumed the role of Acting Global CFO between July 2023 and May 2024.

There are also two changes in regional leadership. In April this year, Kevin O'Malley announced his decision to step down as CEO North America after completing his commitment to building and integrating the North American business over the last four years. On 31 December 2024, Debbie Carling will retire as CEO of Europe, a position she has held since 2016.

We thank Kevin and Debbie for their enormous contributions to CTM.

Jamie will talk more about our regional leadership in his presentation. I would like to acknowledge that we are very pleased that Anita Salvatore and Michael Healy are the successors for Kevin and Debbie. The strength of our succession planning program has enabled internal promotion and seamless transition plans.

Executive remuneration changes

To align with our long-term goals, we made changes in our executive remuneration structure. We also enhanced our governance framework for remuneration.

In the last year, we conducted a comprehensive review and benchmarking of our compensation structures across all roles, ensuring alignment with our strategic objectives and shareholder interests. This was informed by data from comparable listed entities, industry peers, regional markets, and our commitment to fair and competitive compensation practices throughout the organisation.

As a result, we have reset the remuneration framework for our Key Management Personnel (KMP) to a reweighted pay mix of fixed remuneration, short and long term variable rewards.

Our Short-Term Incentive opportunity is set at 50% of fixed and evaluates KMP against specific Key Performance Indicators, based on financial profit attainment in terms of underlying EBITDA and non-financial targets.

In FY25, our Long-Term Incentive Plan has undergone key changes to strengthen alignment with shareholder interests introducing an Earnings Per Share (EPS) hurdle rather than underlying EBITDA. The LTI has incremental vesting between 5% and 15% three-year EPS compound annual growth rate.

We believe these changes will align KMP remuneration more closely with the long-term strategy and shareholder growth expectations.

In conclusion

Our commitment and focus is to provide personalised service and proprietary technology solutions which drives growth to deliver return on investment to our customers across the world supported by our strong financial platform.

In the year ahead, we will continue to make purposeful investments in technology that support our organisational goals. Additionally, investing in our employees, and the sustainability of the industry and communities CTM operates in, is vital for us to maintain focus on operational excellence and achieving our goal of being the best travel management partner in every market we operate in.

On behalf of the Directors, I would like to sincerely thank all CTM employees for their commitment to delivering exceptional outcomes for our customers and partners, and for their focus on delivering on CTM's 5-year plan. I would also like to thank our customers and our shareholders for their continued support.

I now invite our Managing Director, Jamie Pherous to deliver his presentation.

Thank you.

Ewen Crouch AM
31 October 2024



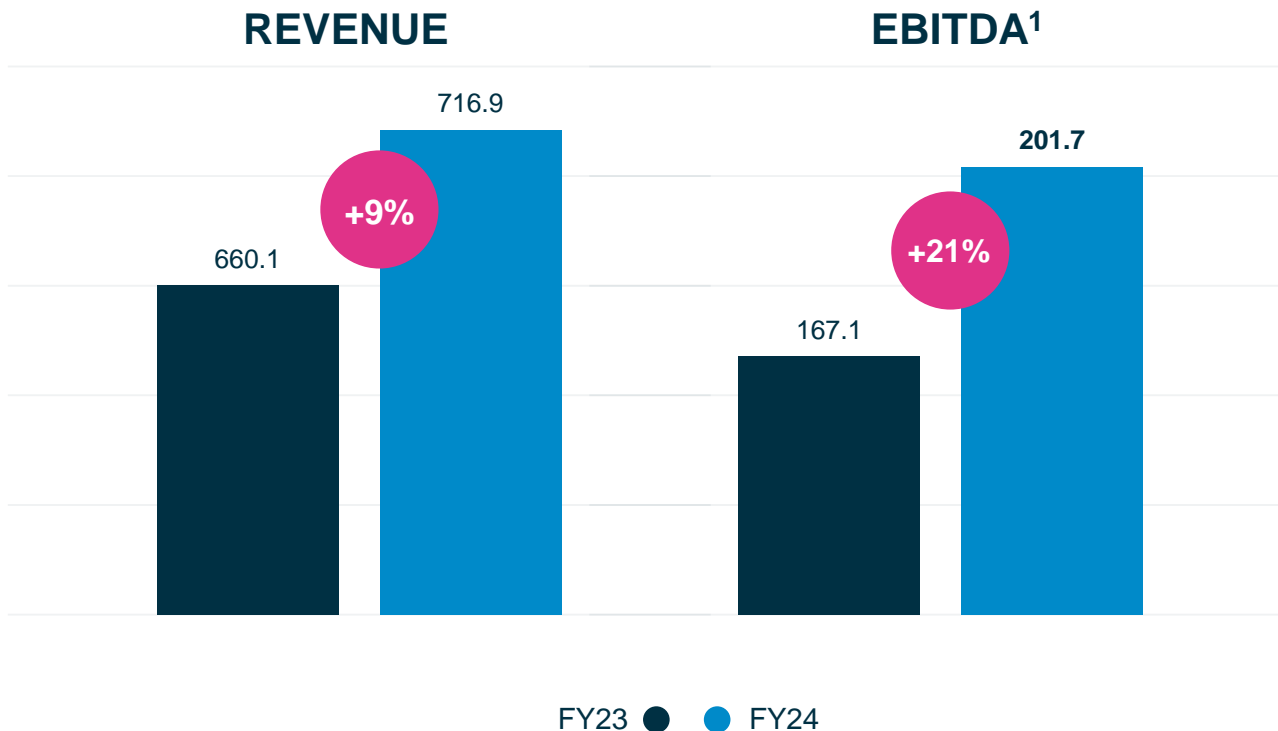
Ewen Crouch AM

Chair

Independent Non-Executive Director



FY24 financial performance, dividend and share buyback



Earnings growth

- Record EBITDA of \$201.7m
- Statutory NPAT of \$84.5m
- Underlying NPAT² of \$113.3m



Strong balance sheet / flexibility

- Cash balance \$134.8m
- No debt
- \$100m unused debt facility



Shareholder returns / capital mgt

- A total of \$68.3m of distributions to shareholders relating to FY24
 - Final dividend of 12cps, following the 17cps interim dividend
 - \$26.1 million of shares bought back
- Buyback program reset to up to \$100m and extended through to June 2025

FY24 Sustainability progress



Review of sustainability functionality and carbon reduction capability to ensure CTM can deliver value to customers and support their carbon reduction targets.



Scrutiny of greenhouse gas (GHG) emissions, including Scope 3 boundary, emissions factors, calculation basis, and a third-party verification of our GHG inventory



Embedding CTM's decarbonisation plan, achieving 20% renewable source energy for our offices and rationalising the office footprint, seeking energy efficiencies and better sustainability credentials in new tenancy procurement



Gap analysis and preparation of a roadmap for mandatory climate-reporting compliance

Global Executive Leadership Team



Jamie Pherous
Managing Director

Guides global strategy.

- Strategic vision / direction.
- Investor relations.
- M&A opportunities.
- Shaping culture.



Eleanor Noonan
Global COO

Delivers internal excellence.

- People performance and accountability.
- Data, ICT and IT security.
- Internal productivity, automation and transformation.



James Spence
Global CFO

Leads financial strategy.

- Global financial strategy and reporting.
- Share buy backs and acquisitions.
- Capital Management.



Ana Pedersen
Global CCO

Creates customer value.

- New client wins.
- Customer facing technology.
- Supplier revenue.