



## CORPORATE TRAVEL MANAGEMENT

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Date: 10<sup>th</sup> October, 2018

# Morgans Conference.



corporate travel  
management

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# The CTM Story from the beginning – a compelling value proposition.

2 Staff in Brisbane,  
Australia

...1994

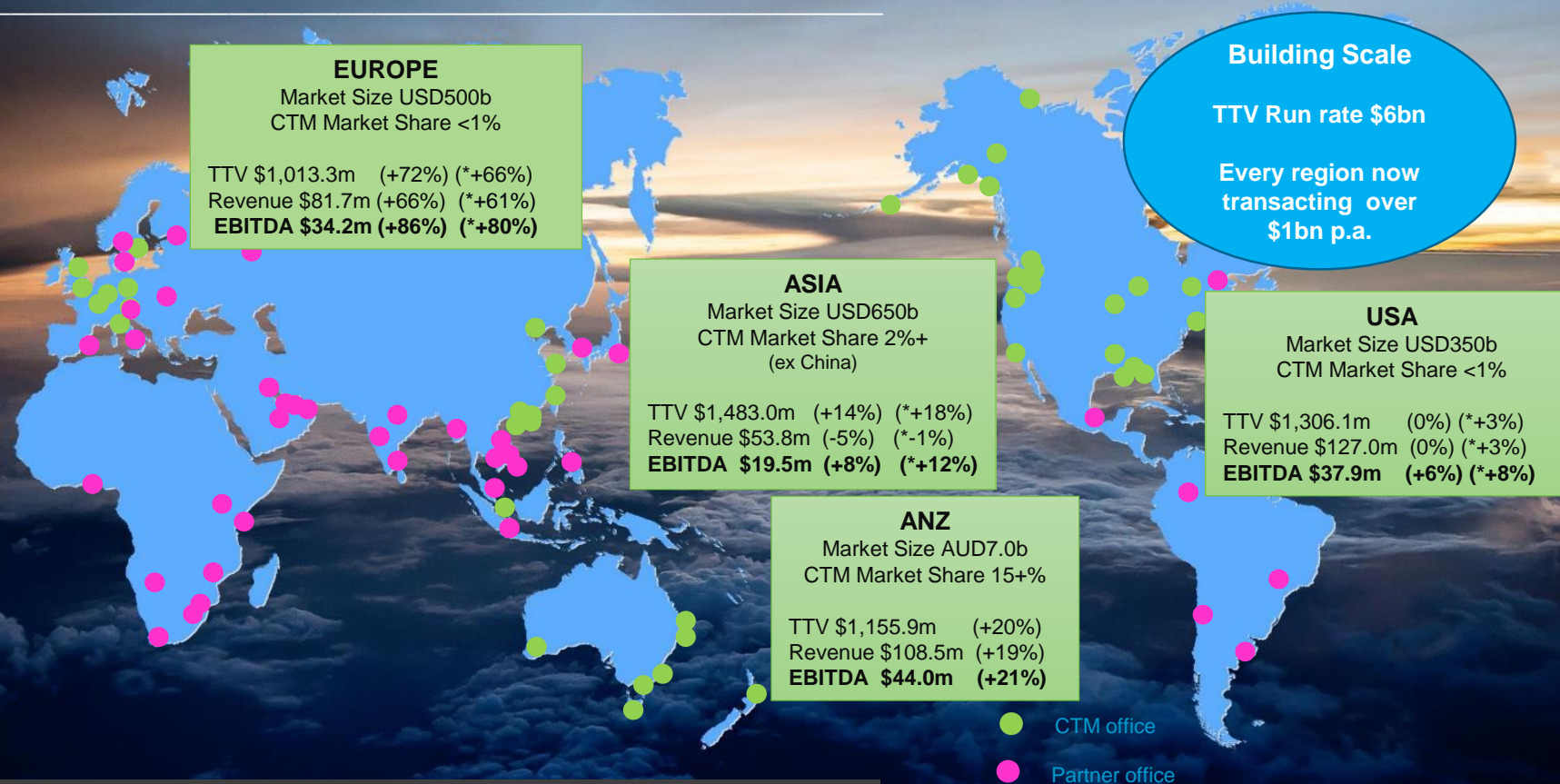
## Value Proposition

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

...2018

2,750 Staff (incl. Lotus)  
70+ Countries  
TTV Over \$6bn run rate

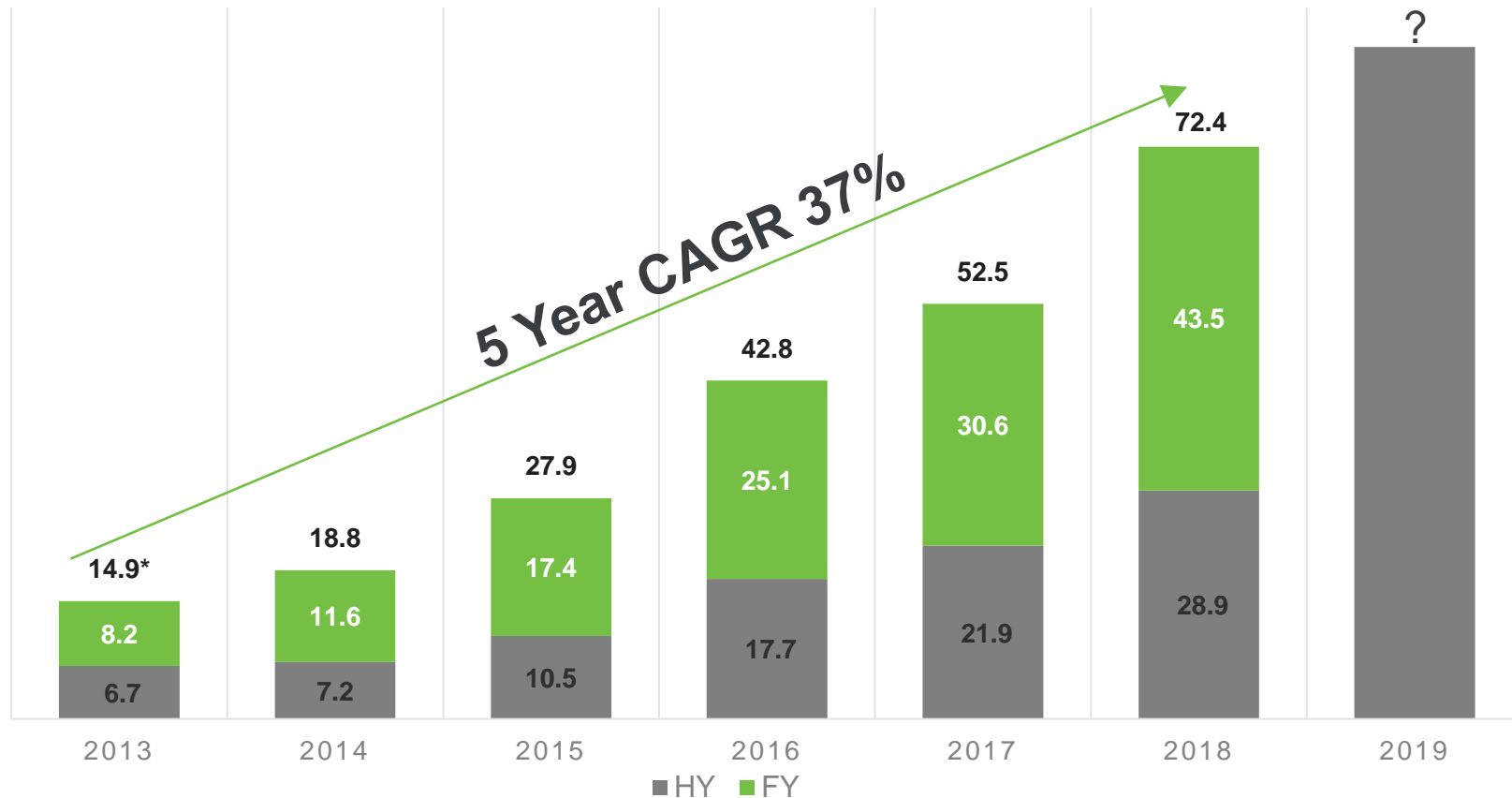
# CTM Global Footprint and FY18 Performance Overview (AUD\$m)



Market size estimated at USD1.4 trillion, growing at USD40bn p.a.  
The CTM network provides local service solutions in more than 70 countries globally  
Approximately 70% of CTM profits derived off-shore.

\* Represents constant currency comparisons

## Statutory EPS growth.



\* Restated downwards for voluntary change in accounting policy on recognition of pay direct commissions

# Lotus Travel recap – Completed 2 October 2018

- Acquisition completed 2 October 2018, and expected to contribute 9 months to FY19 group EBITDA, projected to be HKD24.0m (AUD4.0m) for FY19.
- Lotus CY17 TTV HKD6.0bn (AUD1.0bn), and EBITDA HKD30.0m (AUD5.0m)

## Highlights:

- Executed combined organisational structure, reporting lines and business plan
- Combining offices into one new Hong Kong location Q4FY19
- Lotus has an excellent reputation and highly motivated staff- opportunity to bring CTM automation and rigour to leverage greater staff effectiveness and enhanced client solutions

- Exchange rates AUD1.00= HKD6.00





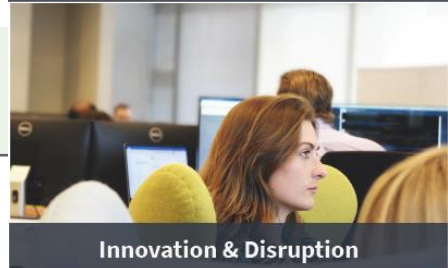
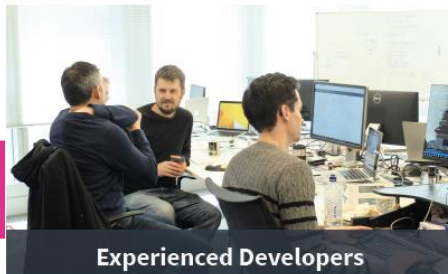


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**Innovation.**

# Technology regional hubs now located in all global regions

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



Over 100 FTE across regional tech hubs all located in CTM Offices

**Goal : To Accelerate speed to market and tailor client development, in-region**



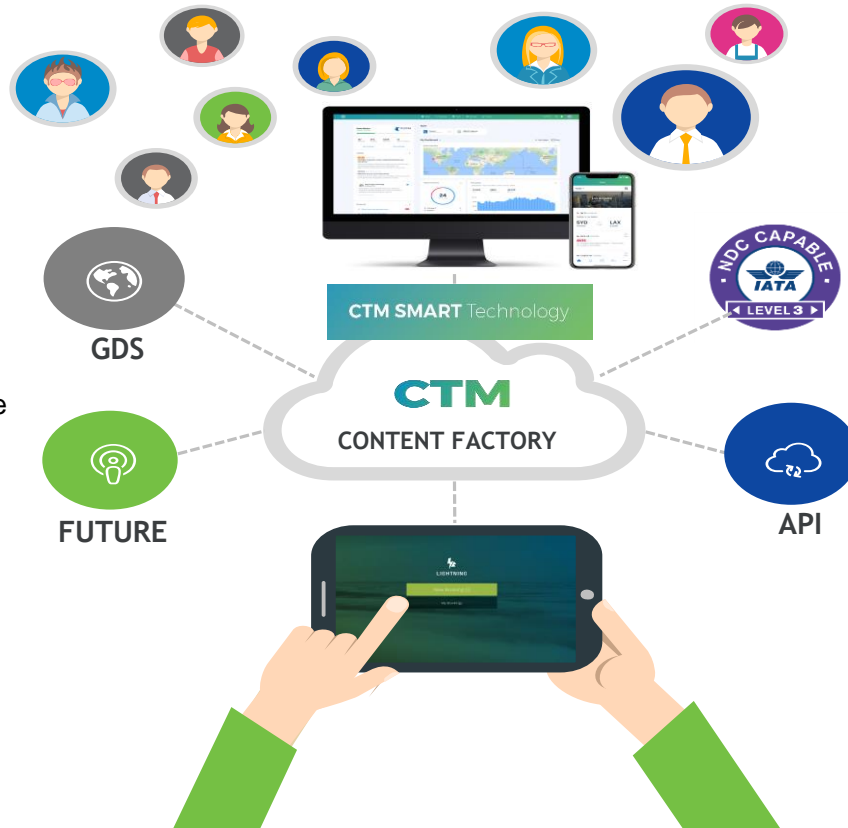
# Future proofing technology - controlling our destiny

## What is CTM SMART technology?

- CTM developed, integrated end-to-end solution for clients, including:
- **SMART** portal, 20+ diagnostic widgets, BI analytic reporting and intuitive diagnostic tools
- **Lightning** OBT, user-centric, operating globally (USA Dec18)
- CTM mobile apps, SME OBT's
- SMART is OBT agnostic so it can be used by any customer

## Enhanced productivity & Service:

- End-to-end seamless solution, easy to use, locally and globally
- Allows CTM to excel on the high value, complex travel demands critical to retaining clients



## Competitive Advantage

- Speed to market -180 releases p.a.
- Developed with and for our clients, via innovation feedback loops
- Developed in-region, addressing local market nuances
- Agile methodology, global framework and discipline
- **Over 6m bookings p.a.** via CTM developed OBT's globally

## CTM Content Factory

- Content aggregator
- Both our clients and CTM team have easy access to content in one place, irrespective of source

## GLOSSARY OF TERMS

OBT: Online Booking Tool

SME: Small and Medium Enterprises

NDC: New Distribution Capability

IATA: International Air Transport Association

GDS: Global Distribution System

API: Application Programming Interface

A photograph of three business professionals in an office setting. In the foreground, a man with a beard and glasses is looking intently at a screen. Behind him, a woman with glasses is also looking at the screen. To the left, another woman with glasses is looking towards the screen. The background shows a blurred office environment with a whiteboard and a brick wall.

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# FY19 Strategy and Guidance.

# Key Strategic Initiatives FY19-21

## Continued Organic Growth & Acquisition

1. Enhance our value proposition to client needs, across CTM global network
2. Outperform in local, regional and global segments
3. Leverage clients across all lines of business (CTM, ETM, B2B, B2C)
4. Execute upon M&A opportunities that add scale, niche, geography

## Client Facing Innovation

1. Continuous development of SMART technology suite globally & develop new tools with our clients
2. Through regional technology hubs, build tools that address local or regional market nuances

## Productivity & Internal Innovation

1. Internal innovation feedback loops to improve and automate existing client and non-client facing process
2. Staff empowerment in decisions to drive high staff engagement and client satisfaction outcomes

## Leverage Our Scale & Geography

1. Demonstrating CTM is of high value in the supply chain
2. Optimise supplier performance and resulting client outcomes

## Our People

1. Empower our teams to support our client needs
2. Continued investment to attract, retain and develop the brightest talent
3. Embracing culture that represents our values and business drivers

# **FY19 Guidance update**

**FY19 underlying EBITDA range of AUD\$144-150m (approximately +15%-20% growth on the p.c.p.).**

## **Guidance Assumptions:**

1. Foreign Currency cross-rates average USD0.76c/HKD6.00/ GBP0.56p during the year.

FX sensitivity upon EBITDA in FY19:

- For every +/- USD1c movement = approximately +/- AUD\$1.1m FY19 EBITDA
- For every +/- GBP1p movement= approximately +/- AUD\$0.7m FY19 EBITDA

2. Assume relatively flat client activity globally

3. Includes a 9 month contribution from Lotus Travel in FY19, effective 2 October 2018

4. Excludes any future potential acquisitions

## **Trading update - strong start to FY19:**

- 1QFY19 client wins at record levels
- Key FX and client activity assumptions are proving favourable to CTD guidance
- Further guidance updates at the CTM AGM, held in Brisbane on 31 October 2018

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are reflected in each other, creating a complex geometric pattern. The sky is bright blue with some light clouds. A large, semi-transparent green rectangle is overlaid on the left side of the image, containing the word "Questions?".

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Questions?