

An aerial photograph of a tropical beach. On the left, there is a dense line of green palm trees and other tropical vegetation. A white sandy beach runs along the bottom and left edges. The water is a vibrant turquoise color, with some darker patches indicating coral reefs or sandbars. A small boat is visible in the water near the bottom center. A dark rectangular overlay is positioned in the center of the image, containing white text.

Macquarie Conference Presentation

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FLIGHT CENTRE
TRAVEL GROUP™

Section 1: Trading Update



FY23 Trading Update

Further positive steps on path to full recovery

Recovering Well – Guidance Amended



- Tracking comfortably within guidance range ahead of key May/June period
- Guidance narrowed (low end of range removed) & range updated to include Scott Dunn acquisition
- Now targeting \$270m-\$290m underlying EBITDA (previously \$250m-\$280m excluding Scott Dunn)

Strong Sales Momentum



- Travel demand holding up strongly
- Post COVID record TTV in March 2023 – 6% above March 2019 result
- \$1b+ TTV contributions from both the leisure & corporate businesses for 1st time ever in a month

Underlying Profit Margin Improving



- Underlying cost margin now at historic low – reflects permanent & structural cost base changes early in pandemic + growth in lower cost, highly scalable models
- Revenue margin consistent with 1H – impacted by rapid growth in lower revenue margin businesses as expected & as flagged previously
- Impact expected to be offset by cost margin reductions & other margin improvement strategies
- Supplier margins generally steady across all sectors – overall margins expected to grow as conditions normalise



Corporate Business Outperforming

- TTV for 10 months to April 30 2023 in line with record FY19 full year result with 2 months to come
- Strong pipeline of future TTV as new & recent wins are onboarded & start to trade
- Operating cost leverage starting to be seen and will increase over 4Q23 and 1H24



Leisure Recovery Accelerating

- Generated 47% of Group TTV during 3Q23
- TTV up 280% for nine months to March 31 compared to corresponding period in FY22
- Exceeded pre-COVID TTV levels in Australia in March 2023



Stronger Balance Sheet

- \$200m increase in cash & investments during 3Q23 – now over \$1.3b & liquidity improvement of c.\$90m
- Continued investment in key growth drivers
- Capital management review underway with focus on medium-term shareholder returns

Targeting 2% underlying PBT margin for FY25

Key assumptions & drivers

- Group-wide target expected to be achieved via a combination of revenue margin & cost margin improvement
- Assumes business & channel mix does not materially vary from current expectations
- Corporate & leisure segments globally will be above the group-wide target, with the Other segment partially offsetting these operating business margins
- Various leisure & corporate business/channels with PBT margin above 2% (Corporate Traveller, FCM, Flight Centre shop network, Ignite, Travel Associates, Scott Dunn) will also be partially offset by lower-margin businesses at 2% or below (Independents; Student Universe; FCB on-line; BYO Jet; Travel Money).
- Travel Services will also operate above 2% PBT margin
- Potential positive impact flowing from proactive cash & debt management in near-term
- Ongoing objective is to deliver sustainable, long-term growth – FLT does not intend to sacrifice future prosperity by slowing growth in profitable but lower margin businesses in order to hit short-term margin target



Balance Sheet

1

Strengthening the Balance Sheet

- Ongoing recovery in revenue & EBITDA supporting cash flow & cash generation - cash at March 31 increased to \$1.3b
- Short-medium term focus on managing debt levels – bank borrowings & convertible bonds
- Bank debt facility refinanced in April; extended for further 12 months to February 2025
- No changes to covenants which re-commence from 30 June 2023
- \$1.1b gross tax losses to be utilised against future profits

2

Continued Investment in Key Growth Drivers

- Ongoing upstaffing in leisure to meet current & anticipated future demand – recruiting c.100 consultants per month
- Technology; a core component of both leisure & corporate offerings & will see ongoing investment
- Marketing requirements muted given current demand levels but expected to increase over medium term
- M&A not required to feed top-line growth but will continue to be utilised for strategic channel or geographic growth

3

Shareholder Returns

- Review of broader capital management being undertaken to consider most appropriate approach to increasing shareholder value over the medium-term



Section 2: Leisure Update



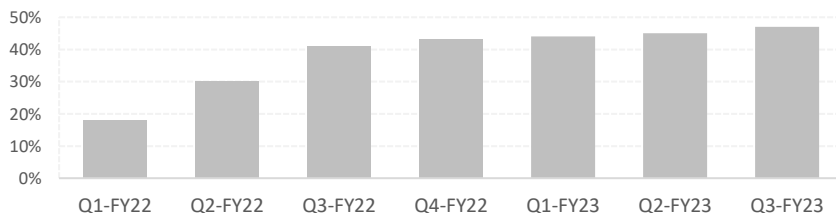
Leisure Trading Update

Renaissance of the travel agent continues

✓ Recovery Gaining Momentum

- Diverse stable of mass market, luxury, complementary & independent brands catering to a broad customer mix & now recovering solidly
- Continued sales momentum – monthly TTV topped \$1b in March for 1st time since before the pandemic & now contributing almost half of group TTV
- TTV up 280% year-on-year during nine months to March 31 2023
- March TTV above pre-COVID levels in Australia - outpacing recovery in outbound travel & in airline capacity
- Focus on profitable recovery in Northern Hemisphere from a smaller bricks & mortar footprint – Northern Hemisphere TTV not expected to return to pre-COVID levels in the short-term

Leisure TTV as % of Group TTV



✓ Achieving Strategic Objectives

- Differentiating & growing Flight Centre brand
- Rapid expansion in growth categories
- Accelerating complementary models
- Productivity holding at near record levels, with a renewed focus on driving higher productivity & revenue margin across the specialist businesses
- Early progress in revenue margin recovery strategy – increased components per booking within Flight Centre brand
- Captain's Package now being attached to c.70% of Flight Centre brand in-store bookings in Australia

CAPTAIN'S PACKAGE
EXCLUSIVE TO INSTORE AND PHONE BOOKINGS

	CAPTAIN'S ESSENTIALS \$99	CAPTAIN'S VALUE \$149	CAPTAIN'S PLUS \$199
Waive Flight Centre's Change Fee Up to \$127 per booking in savings. Supplier fees may apply.	✗	✓	✓
Waive Flight Centre's Cancellation Fee Up to \$357 per booking. Supplier fees may apply.	✗	✓	✓
24/7 Priority Assistance Reserve a priority phone number to reach our team when you need them.	✗	✓	✓
Price Drop Protection* See a cheaper price on your flight, we'll give you the difference as a Flight Centre voucher.	✗	UP TO \$50	Unlimited.
Lost Baggage Tracking Service If your checked-in luggage is not found after 96 hours, you get another \$500.	\$500 PER BAGGAGE	\$1000 PER BAGGAGE	\$1000 PER BAGGAGE
Travel Insurance Discount We'll give you a discount off the cost of your Cover-More policy.	5% \$500,000	10% \$1,000,000	10% \$1,000,000
Family Bonus When every adult purchases a Captain's Package, 1 child (12 years & under) is included.	✗	✓	✓

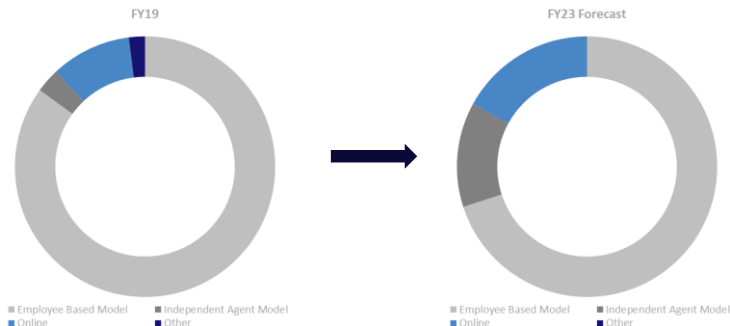
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Book Now | Book | Book on Travel | Repurchase

Leisure Trading Update

Investment in new growth models paying dividends

- Now capturing c.40% of leisure TTV via online, independent & luxury brands (c.20% pre-COVID)
- Independents continuing to see strong top line growth - in March 2023 trading at 205% up on the corresponding pre-COVID period
- Online leisure TTV for FY23 well on track to top record FY19 result of c.\$1.3b
- Developing a luxury collection built around Travel Associates & Scott Dunn – combined revenue & profit contributions likely to significantly exceed TTV contribution
- Travel Associates delivering strong net margin, with TTV in March 2023 at ~120% of pre-COVID levels with 60% of the consultants
- Employee based models expected to contribute c.70% of Leisure TTV in FY23 compared to c.85% in FY19



Scott Dunn Update

Integration progressing well

- Acquisition aligned with FLT's clearly articulated strategy to grow in the global Luxury travel market
- Operates in a high margin market segment with resilient characteristics that is expected to continue to grow
- Scott Dunn acquisition positions FLT to target a range of customer needs through its various brands - from mass market to curated packages
- High revenue & PBT margin business, with a high value and loyal customer base
- Integration progressing as planned, with benefits being realised as Scott Dunn leverages FLT's strength & capabilities
- Accelerating Scott Dunn's growth in the US market, with Scott Dunn leveraging FLT's US office space to establish an East Coast presence in early FY24



Section 3: Corporate Update

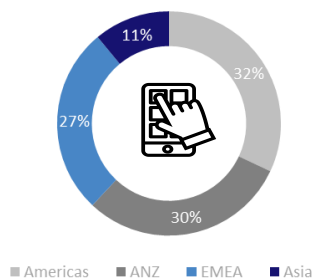




Corporate Trading Update

Grow to Win strategy successfully executed

Corporate TTV Contribution (YTD Mar-23)
by Region



- ✓ TTV to comfortably surpass record FY19 result with average client spend tracking at just 70-75% of pre-COVID levels
- ✓ Record monthly transactions & TTV in March 2023
- ✓ Strong organic market-share growth
 - High customer retention rates + large volume of new account wins in both large market (FCM) and SME (Corporate Traveller)
 - FCM on track to secure new accounts with projected annual spends of c.\$2b during FY23
- ✓ Investment in proprietary, differentiated tech a key success driver
 - 95% of Corporate Traveller USA wins now being implemented via Melon platform
 - "Tech" cited as major reason why most new clients chose FCM
- ✓ FCM Next Generation Service Hub model operating in Asia & Europe – utilising the latest technology to deliver consistent customer experience & enhance productivity
- ✓ Investing in key NYC SME market – new corporate office now open to fast-track growth in world's largest corporate market



Corporate Update

Focus on achieving scale benefits

- Corporate Traveller recovering strongly & now approaching pre-COVID monthly profitability levels
- Focus on 3 key performance metrics across corporate division:
 1. Transaction volumes
 2. Income per transaction
 3. Cost per transaction
- Improvement in these metrics expected (particularly in FCM) heading into FY24 & leading to more meaningful profit margin recovery during FY25
- Significant pre-investment already undertaken within FCM business to win, implement & service a materially larger volume of business (current activity + new account pipeline)
- Now fully staffed for the medium term – c.1000 staff added to global workforce since July 2022
- Productivity gains expected as new staff (industry newcomers) gain experience, as travel returns to normal & through system enhancements
- Ready to benefit from account wins early in pandemic – high profile accounts now implemented & entering 2nd & 3rd years

Section 4: Other



Other Segment

c.\$50m-\$55m EBITDA loss expected in FY23

1 Travel Services (c.\$1m 1H23 EBITDA loss)

- Discova – destination management business
- BackRoads, Topdeck - touring
- Cross Hotels & resorts – hotel management

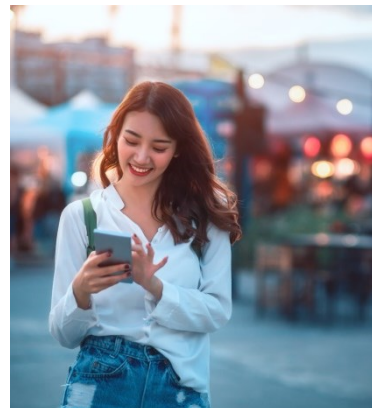
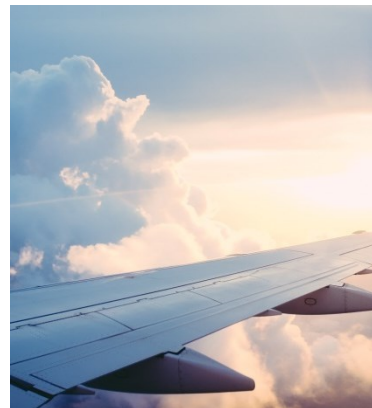
2 TP Connects (c.\$4m 1H23 EBITDA loss)

- Investment in content – airfare aggregation

3 Other Businesses (c.\$4m 1H23 EBITDA loss)

- Pedal Group profit share
- Wholesale FX (India)
- GOGO (Wholesale business)
- Avmin (air charter)

4 Global Head Office Teams (c.\$19m 1H23 EBITDA loss)



Other segment also includes interest and amortisation of convertible bonds (\$50m p.a.) at a PBT level (excluded for EBITDA)

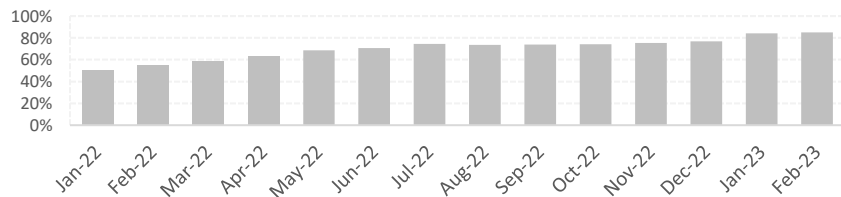
Section 5: Supply Update





Consistent recovery in air traffic globally with strong build-up early in CY23

Global Air Traffic RPKs as % of pre-COVID



Source: IATA Revenue Passenger Kilometer (RPK) data

Supply Update

Environment gradually normalising

- International air capacity gradually increasing - tracking at 82% of pre-COVID levels in Australia in April 2023
- Steady recovery in air traffic globally - RPKs back above 80% of pre-COVID levels from January 2023
- Recent capacity increase announcements in Australia from United Airlines & Korean - increasing services
- Chinese carriers now back in Australia – capacity recently extended beyond October
- Supply margins generally stable – cruise, touring & hotel margins consistent with pre-COVID levels
- Air contract structures starting to normalise – growth targets & tiers again being factored into contracts
- Proactively working with airline partners to surface best content for customers regardless of channel (traditional GDS or NDC)



Airfare Pricing Outlook

- Average fares to most international destinations ex Australia peaked late in CY22
- Average fares have generally remained above pre-COVID levels but have tended to decrease early in CY23, with the exception of fares to Europe
- Positive recent signs with heavily reduced discount fares offered as capacity/competition has started to increase
- Sydney-London return sale fares currently available from sub \$1,500
- Similar price to \$1,408 sale fare advertised 10 years ago (April 2013)

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ECONOMY FLIGHTS ON SALE

KUALA LUMPUR				TOKYO				LONDON							
RETURN FROM			PER PERSON	RETURN FROM			PER PERSON	RETURN FROM			PER PERSON				
	\$	7	5	4		\$	1	0	1		\$	1	4	6	3



END OF PRESENTATION: QUESTIONS?