



## ASX Announcement

25 October 2023

### Corporate Travel Management Managing Director AGM Presentation and Market Update

Corporate Travel Management (CTM, ASX:CTD) will today present the attached presentation and market update at its Annual General Meeting. A copy of the Managing Director's presentation is attached.

Authorised for release by Shelley Sorrenson, Company Secretary.

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**Jamie Pherous**

Managing Director







**Market  
update: 1Q24**



## Market Update - 1Q24

	1Q24 <sup>1</sup>	1Q23 <sup>1</sup>	% change	FY24 guidance mid-point
Revenue and other income	\$187.9m	\$138.2m	+36.0%	on track
Underlying EBITDA	\$56.6m	\$22.0m	+157.3%	on track
EBITDA / Rev Margin	30.1%	15.9%	+89.2%	on track

Recap FY23 /FY24 guidance	<ul style="list-style-type: none"> <li>FY23 results: Revenue \$660m, underlying EBITDA \$167m</li> <li>FY24 Guidance range : Revenue \$770m-\$850m (+17-29%), EBITDA \$240-\$280m(+43-67%)</li> <li>On track for mid-point of guidance</li> </ul>
1Q24 highlights: Financial	<ul style="list-style-type: none"> <li>Off to a great start; revenue +36%, result of new client win momentum in FY23</li> <li>Incremental revenue to profit conversion going to plan, EBITDA up +157%</li> <li>Expect a stronger 1H result than the 1/3 skew originally guided</li> <li>1Q historically a soft quarter for CTM, due to northern hemisphere summer vacation season</li> </ul>
Client activity	<ul style="list-style-type: none"> <li>Large clients in NA, ANZ, EU gradually improving. This segment has been a recovery laggard</li> </ul>
New Client wins	<ul style="list-style-type: none"> <li>\$0.5bn including verbal wins year to date</li> </ul>
Automation and AI	<ul style="list-style-type: none"> <li>Projects well underway and expected to have positive productivity impact for many years</li> </ul>

<sup>1</sup> CTM Management accounts (unaudited)



## Investment Thesis

## CTM – High quality compound ROE model

Globally diversified growth company	<ul style="list-style-type: none"> <li>30<sup>th</sup> year of operation - well diversified by geography, industry, client size</li> <li>Every CTM region expected to surpass \$2 billion in annual TTV in FY24</li> <li>Client base of ~5700 clients<sup>1</sup>, expected to make over 17 million transactions in FY24</li> <li>~40% of the client base represented by government and essential travel clients</li> <li>CTM now the 4<sup>th</sup> or 5<sup>th</sup> largest Travel Management company in the world</li> </ul>
Successfully taken business model off-shore at scale	<ul style="list-style-type: none"> <li>Australian headquartered company that now generates ~80% of revenues off-shore and develops client facing technology in every region we operate</li> <li>Award winning: 2023 industry awards; Best Corporate agency in Asia<sup>2</sup>, Best booking tool (Lightning) in Europe<sup>3</sup>. Recognised by suppliers as a leader in all regions we operate</li> <li>Off-shore market size and scale: #1 in Asia (ex. China), #2 in UK, #4 in USA , #2 in ANZ</li> </ul>
Corporate travel is a superior growth thematic	<ul style="list-style-type: none"> <li>Global corporate travel market estimated to grow at 7.9% p.a. FY23-FY26<sup>4</sup></li> </ul>
Investment grade metrics	<ul style="list-style-type: none"> <li>Growth since IPO in 2010<sup>5</sup>: revenue 26x, EBITDA 47x</li> <li>Generating strong free operating cash flow, ROIC, paying dividends ~50% NPAT</li> <li>Strong balance sheet with zero debt, net cash balance</li> <li>FY24 will be a record EPS year</li> <li>Targeting mid-teen double digit EPS CAGR growth beyond FY25 (~2x ASX200 average)</li> </ul>
Capital Management	<ul style="list-style-type: none"> <li>\$100 million on-market share buy-back announced</li> </ul>

<sup>1</sup> travel spend above \$100k p.a. <sup>2</sup> TTG travel awards Asia, <sup>3</sup> Bttb Europe travel awards, <sup>4</sup> Global Business Travel Association (GBTA) forecast 15Aug23, <sup>5</sup> growth multiples compare FY2010 to FY24 consensus.