

FLIGHT CENTRE TRAVEL GROUP™

STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE – October 10, 2023

Open Market Repurchase of 2.50% Convertible Notes Due 2027

FLIGHT Centre Travel Group (FLT) has agreed to repurchase convertible notes with a total face value of \$AU25.2million, in accordance with its new capital management policy, which was announced in August.

The notes have been repurchased on the open market and are part of the \$AU400million 2.5% convertible notes due 2027 (“the notes”). FLT will cancel all notes that it repurchases in accordance with the notes’ conditions and will lodge an Appendix 3H following the repurchase and cancellation of any of its convertible notes, as required by the ASX Listing Rules.

FLT will continue to evaluate opportunistic repurchases but is not under any obligation to repurchase any further notes and may suspend or terminate any repurchase activity at any time.

In future, FLT will provide updates on the total amount of notes repurchased and the face value of convertible notes outstanding at the company’s AGM, half and full year results, in addition to lodging ASX Appendix 3H and SGX filings as required.

FLT’s capital management policy was outlined in FLT’s full year result announcement on August 30 and has been designed to create shareholder value by using free cash flow to:

- Re-invest in the business to drive longer term growth through capital expenditure and, where appropriate, mergers and acquisitions; and
- Deliver tangible short and long-term benefits through a combination of dividend payments and strategic buy-backs of FLT’s issued capital or convertible notes to increase earnings per share

Under this policy, 50-60% of FLT’s net profit after tax will be allocated to dividends or buy-backs from this year (2024 fiscal year), subject to the business’ anticipated needs at the time. The company also noted that surplus cash flow could be used to accelerate buy-backs and hence this opportunistic repurchase is in addition to the 50-60% target.

In addition to initiating this new capital management policy and as announced previously, the company also declared a fully franked 18 cents-per-share final dividend for the 2023 fiscal year. The dividend, FLT's first since before the pandemic, will be paid to eligible shareholders on October 19, 2023.

FLT managing director Graham Turner said the buy-back reflected the company's goal of reducing debt levels post-COVID and increasing future earnings per share.

"We have proactively entered into this transaction in light of the opportunity presented by prevailing market conditions and with a view to creating future value for our shareholders," he said. "We will continue to assess capital and liability management options in relation to the notes, as well as the \$AU400million 1.625% convertible notes due 2028 on an opportunistic basis in the future."

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FLT's Board of Directors has authorised this announcement