



STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE – September 20, 2019

**FLIGHT CENTRE TRAVEL GROUP ASSUMES FULL OWNERSHIP
OF GOLD COAST'S IGNITE TRAVEL GROUP**

THE Flight Centre Travel Group (FLT) has strengthened its Australian leisure business with the 100 per cent acquisition of the rapidly growing Gold Coast-based Ignite Travel Group (Ignite).

FLT previously held a 49 per cent stake in the award-winning company and the parties have agreed to strategically bring forward the full purchase of Ignite's Australian and New Zealand businesses to capitalise on its highly successful "readymade" holiday package model.

This will allow full deployment and integration of Ignite's product suite through FLT's leisure network, beyond the recently launched "Flight Centre Exclusives" product range, to include its market-leading My Holiday Centre brands such as MyFiji, MyHawaii and MyCruises.

FLT managing director Graham Turner said the readymade package model was growing rapidly in Australia, with Ignite's unique IP and skills making the company pioneers and a market leader in the exciting new sector.

"Ignite has been hugely successful, growing sales more than 40 per cent per annum for the past two years, and we are excited by its future potential in Australia and overseas," he said.

"Full ownership of the business will allow for streamlined integration of Ignite's innovative products and will deliver new offerings and choices to our customers.

"The acquisition will also allow Ignite to expand internationally, with its founder and managing director, Randall Deer, set to work with us in a 50-50 joint venture partnership to develop the company's unique models in desired international markets."

The readymade package/flash-sale model was one of four new and emerging leisure business streams that FLT highlighted as future growth drivers in its recent FY19 result announcement.

The other rapidly growing leisure business streams were:

- Online – FLT’s online leisure brands generated \$1.3billion in total transaction value (TTV) during FY19 and have continued to grow strongly during FY20
- Independent contractor/home-based agents; and
- Flight Centre brand’s specialist businesses, which focus on small corporate accounts (Flight Centre Business Travel), group travel, cruise, first and business class flights and round-the-world airfares

Mr Turner said Ignite would continue to operate within FLT’s Emerging Brands division, would remain a separate entity on the Gold Coast, under the stewardship of current CEO Ryan Thomas, and would maintain the operating models that had underpinned its success.

In addition to working to expand the Ignite offering internationally, Mr Deer will take on a new strategic product development role within FLT.

Mr Deer, who founded Ignite in 2005, said he was excited by the deal as it would allow Ignite to fully integrate and unlock the potential of its business model.

“Expanding our presence through the Flight Centre network will not only benefit our travel partners, but will also help attract a new customer segment to FLT and to bring this new product range to other markets internationally,” he said.

“Additionally, I’m particularly happy that Ignite will remain a separate operating entity, allowing for its unique culture of innovation in the industry to continue as well as keeping its independent relationships with partners and suppliers, which is important for its ongoing success.”

Ignite turned over more than \$180million during the 2019 fiscal year across its three distinct business models that specialise in the promotion and distribution of leisure inventory such as hotel rooms, airline seats and cruise cabins.

Under its My Holiday Centre division, the company has 14 recognised B2C retail brands such as MyFiji, MyHawaii, MyQueenslandHoliday and MyCruises, while its Holiday Exclusives division provides third-party partners including 7Travel, flybuys and Flight Centre Exclusives with exclusive packaged holidays for distribution. RewardsCorp, Ignite’s founding division, provides patented sales and loyalty programs to corporate clients.

The acquisition's terms are currently confidential. FLT will use its existing debt facilities to fund the deal.

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About Ignite: Ignite Travel Group (ITG) is an awarded multi-channelled travel marketing corporation parent to My Holiday Centre (MHC), RewardsCorp and Holiday Exclusives with 14 destination-specific brands under the MHC division. Most recently winning Australia's fastest growing travel business (2018) and 'Disruptor of the Year' this year in the Mumbrella Travel Marketing Awards, ITG delivers incredible scale across the industry reaching more than 10 million Australians every week through its top 5 travel advertising spend through to its revolutionary partnerships with 7travel, RACQ, Flybuys and Entertainment Book, alongside an exclusive long-term partnership and investment by Flight Centre Travel Group. ITG is one of the largest private corporations on the Gold Coast and currently employs more than 200 staff and this year, was awarded Australia's 15th fastest growing private business across all industries.