

STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE – 11 November, 2020

## **FLIGHT CENTRE SUCCESSFULLY PRICES A\$400M CONVERTIBLE NOTES DUE 2027**

The Flight Centre Travel Group Limited (“**Flight Centre**” or “**FLT**”) is pleased to announce that it has successfully priced its offering of A\$400 million senior unsecured convertible notes due 2027 (the “**Notes**”) (the “**Offering**”).

The Notes will have a coupon of 2.50% per annum, paid on a semi-annual basis. Upon conversion, the Notes will be physically settled by the issuance of new fully paid ordinary shares in Flight Centre (“**Ordinary Shares**”), with an initial conversion price of A\$20.04 per Ordinary Share, subject to adjustment in the manner set out in the terms and conditions of the Notes. The Notes have a maturity date of 17 November 2027.

The net proceeds from the Offering are expected to be approximately A\$392 million, after deduction of commissions, professional fees and other administrative expenses. Flight Centre intends to use the net proceeds from the Offering to repay A\$100 million of FLT’s existing debt, with the remaining proceeds applied to further strengthen FLT’s liquidity position.

Goldman Sachs International and Merrill Lynch Equities (Australia) Limited are acting as Joint Bookrunners on the Offering.

Concurrent with the Offering, a delta placement of approximately 5.2 million ordinary shares has been executed to facilitate some of the hedging activity in relation to the Notes. The clearing price of A\$15.30 per share, which represents a discount of 2.5% to the closing price of the ordinary shares on 10 November 2020, was used as Reference Share Price for the Notes.

The Company will lodge an offering circular in connection with the Offering with the Singapore Exchange Securities Trading Limited. This contains certain operating and financial information, including an updated pro forma capitalisation and indebtedness summary of the Company reflecting the impact of the Notes as at 30 September 2020.

Settlement of the Offering is expected on 17 November 2020 and is subject to satisfaction of customary conditions precedent.

Authorised by David Smith, Company Secretary.

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**Appendix A:**
**Key terms of the Notes**

Issuer	Flight Centre Travel Group Limited
Issue Size	A\$400 million
Ranking	Direct, unsubordinated, unconditional and unsecured
Term of Notes	7 years
Coupon / Yield	2.50% p.a., on a semi-annual basis
Conversion Premium	31% over the Reference Share Price (as determined under the Delta Placement)
Conversion Right	At any time on or after 41 business days after issuance investors may exercise a right to convert Notes into FLT Ordinary Shares.
Investor Put Date/Put Price	17 November 2024 (4 years) at 100% plus accrued interest
Reference Share Price	A\$15.30 per share
Stock Borrow Facility	The Stock Lenders intend to enter into a stock lending agreement with the Stock Borrower over 15 million Ordinary Shares. The Stock Borrow Facility has a term of one year and the Stock Lenders will retain the right to vote on 50% of the Ordinary Shares lent via a contractual right to recall equivalent securities from the Stock Borrower over voting periods.
Settlement of the Shares	Where a holder is entitled to convert their Notes into Ordinary Shares, the conversion of the Notes will be physically settled by the issuance of new Ordinary Shares.

	The number of Ordinary Shares issued on exercise of the conversion right will be determined by dividing the principal amount of the Notes to be converted by the then applicable conversion price
Conversion Price Adjustment	<p>Standard anti-dilutive adjustments including adjustment for all dividends paid by FLT.</p> <p>Upon a change of control of FLT, the conversion price will be reduced in accordance with the terms of the Notes. The extent to which the conversion price is reduced following a change of control is variable, dependent on the time period between the change of control and the final maturity date of the Notes.</p>
Listing of the Notes	SGX-ST
Selling Restrictions	Reg S (Cat 1) only
MiFID II professionals/ECPs-only/No PRIIPs KID	Manufacturer target market (MiFID II product governance) is expected to be eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail in EEA or UK

*FCA / ICMA stabilisation applies.*

*Singapore Securities and Futures Act Product Classification – In connection with Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 (the “CMP Regulations 2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*

*This announcement does not comprise an offer of the Notes. No prospectus, product disclosure document or other disclosure document as that term is defined in the Corporations Act has been or will be lodged with the Australian Securities and Investments Commission in relation to the Notes.*

*No offers or invitations to apply for the Notes may be made to persons in Australia unless:*

*(a) the offer or invitation does not constitute an offer or invitation for which disclosure is required to be made to investors under Part 6D.2 or Chapter 7 of the Corporations Act;*

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*(b) the offer or invitation is made to sophisticated or professional investors within the meaning of sections 708(8) or 708(11) of the Corporations Act;*

*(c) the offer or invitation is not made to a person who is a “retail client” within the meaning of Section 761G of the Corporations Act; and*

*(d) such action complies with applicable laws, and directives in Australia.*

*Goldman Sachs International (“GSI”) is exempt from the requirement to hold an Australian Financial Services License (“AFSL”) under the Corporations Act 2001 (Cth) in respect of the financial services it provides in relation to this transaction, and does not therefore hold an AFSL. GSI is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under U.K. laws, which differ from Australian laws.*

*MiFID II professionals/ECPs-only/No PRIIPs KID – Target market (MiFID II product governance) is expected to be eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful.*

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*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*