



## ASX Announcement

28 November 2025

### CTM - Update on Financial Statements

Corporate Travel Management (ASX:CTD) refers to the announcements made to the ASX on 22 August 2025 and 17 September 2025.

CTM provides the following update to the market in relation to the delay in the release of its financial statements.

#### KPMG review of CTM UK group financial statements

Following Deloitte's identification of potential material adjustments related to the European region and to the revenue recognised in the financial statements of the CTM UK group, the Board of CTM engaged KPMG in the UK to conduct a forensic review of certain aspects of the FY23 to FY25 financial statements of the CTM UK group.

The KPMG work has been time intensive involving the assessment of approximately 47,000 documents and data analysis of over 1.5 million sales and purchases transaction lines, representing aggregate transaction values exceeding GBP400 million.

On 23 November 2025, CTM received draft interim reports in which KPMG identified areas of concern regarding:

- the circumstances which led to the recognition of revenue by CTM UK group in relation to certain large customer contracts carried out by CTM UK group in 2021 to 2023 and which have since concluded (**Concluded Customer Contracts**). The revenue in question that is attributable to the Concluded Customer Contracts is GBP 45.4 million; and
- recognition of other revenue by CTM UK group (in particular, Corporate Travel Management (North) Ltd).

Whilst KPMG's work is ongoing, material restatements are required to reverse revenue in relation to the Concluded Customer Contracts in the CTM UK group in the FY23 and FY24 audited financial statements, and to revise the amount of revenue previously expected to be reported in the FY25 financial statements, given

AUSTRALIA • NEW ZEALAND • NORTH AMERICA • ASIA • EUROPE

For personal use only

the relevant revenue is not "highly probable" under AASB 15.<sup>1</sup> A financial liability reflecting any refund to the customers for these amounts will also need to be recorded retrospectively.

The amount of revenue that is to be reversed by way of restatement across FY23 and FY24 is expected to be up to GBP 58.2 million in aggregate.

In FY25, other revenue reversal adjustments of up to GBP 19.4 million are expected to be made, arising from a combination of refunds due to customers and where contractual uncertainty may not allow for revenue to be recognised.

Further restatements and adjustments may be required as a result of KPMG's ongoing work referred to above.

Given the circumstances, the FY25 guidance provided by CTM on 2 May 2025 is withdrawn.

### **Actions being taken by CTM in relation to the European business**

In view of the interim findings of KPMG, at the Board's direction, the following actions are being taken:

1. CTM has met with impacted customers and commenced a review process in relation to the Concluded Customer Contracts. This review process is expected to continue into 2026 and will determine the amount of any refunds that are due to these customers.
2. CTM will work with KPMG to complete their work and determine the quantum of any further restatements and adjustments.
3. CTM will reverse the revenue referred to above, resulting in restatements of the FY23 and FY24 financial statements, with these revised amounts to be recorded as financial liabilities.
4. CTM has commenced a comprehensive review of financial processes and record keeping in the CTM UK group.
5. CTM will undertake an external governance review to identify why the matters identified above were not previously identified and resolved earlier.

---

<sup>1</sup> The AASB 15 is a standard issued by the [Australian Accounting Standards Board](https://www.aasb.gov.au/) that outlines the principles for recognizing revenue from contracts with customers.

The circumstances and conduct which have given rise to the issues in the European business remain subject to further investigation and review by the Board. This includes potential irregularities in relation to the recognition of revenue under the Concluded Customer Contracts. The Chief Executive Officer for CTM UK and Europe has been temporarily stood down from his position.<sup>2</sup> The Board will also consider the outcomes of the further work being undertaken by KPMG.

### **Other impacts on FY25 financial statements**

The FY25 financial statements will include additional provisions of \$13.9m (not included in the May 2025 forecast) related to the ANZ region, as a result of year-end and subsequent events reviews and due primarily to an expected credit loss provision on receivables arising in 2022-24 where doubt over collectability exists.

These additional provisions have been identified by CTM in the course of finalising the FY25 financial statements and are unrelated to the matters regarding CTM's European financial statements as described above.

### **Finalisation of FY25 financial statements**

CTM is committed to working in a swift and collaborative manner to finalise the year-end processes with its auditors. However, in the circumstances, the timing for finalisation and release of the FY25 financial statements is not currently known. A further update will be provided by 19 December 2025.

CTM has obtained relief from ASIC to extend the statutory deadline to lodge its FY25 financial statements until 31 December 2025. CTM does not expect to be able to meet this timeline and is engaging with ASIC in relation to this.

### **ASX Suspension**

The mandatory suspension of the Company from trading on the ASX - issued on 1 September 2025 - will remain in place.

### **Cash**

As noted above, there will be cash impacts to CTM, although the timing and total quantum remain uncertain. CTM's current cash exceeds AUD 148.3 million<sup>3</sup> and no drawn debt.

---

<sup>2</sup> Refer to CTM's separate ASX announcement of today's date.

<sup>3</sup> As at 31 October 2025, including restricted cash of AUD 18.2 million.



**Ewen Crouch AM, Chairman said:**

"We recognise how serious this situation is and the concerns it has caused. We deeply regret and sincerely apologise for the impact of the trading suspension on our shareholders. We also extend our sincere apologies to the affected clients in the UK.

While further investigation is required, including a comprehensive review of our UK operations and our overall governance framework, we remain fully committed to taking the necessary action to restore confidence.

A process is now underway to consider all necessary remediation for the clients impacted in the UK. Further, we remain committed to working collaboratively with our auditors to finalise the FY25 financial statements and will provide a further update as soon as it is possible.

While these are challenging circumstances, our core operations remain strong and the quality of service to clients has not wavered."

**Jamie Pherous, Managing Director said:**

"We recognise the impact this situation has had on our shareholders and affected UK clients, and we unreservedly apologise. Our priority is to uphold the highest standards across our operations, work closely with our auditors to finalise the FY25 financial statements, and implement all necessary measures to strengthen the company. While this work continues, we remain firmly focused on delivering quality service to our clients across all markets."

A teleconference briefing will be held today at 10.00am AEDT with CTM Chairman Ewen Crouch AM, Managing Director, Jamie Pherous and Global Chief Financial Officer, James Spence.

**Teleconference**

To pre-register for the teleconference, please click on the following link:

[Conference Call Link](#)

If you wish to ask a question during the teleconference, please dial into the teleconference line then select \*1 (star, 1) on your keypad.

Authorised for release by the Board.



Australian media enquiries:

Max Hewett; +61 432 332 215; [mhewett@pattersonadvisory.com.au](mailto:mhewett@pattersonadvisory.com.au)

UK media enquiries:

Jack Doyle; +44 (0)79 1775 0519; [CTM@headlandconsultancy.com](mailto:CTM@headlandconsultancy.com)

For personal use only



[www.travelctm.com.au](http://www.travelctm.com.au)