



Mantra Group Limited (ASX Code: MTR)

ABN 69 137 639 395

2017 Annual General Meeting

22 November 2017

Chairman's Address

Peter Bush

Good Morning, and welcome to the 2017 Mantra Group Annual General Meeting.

I am pleased to announce that in FY17 the business continued to perform strongly in all operating segments and in line with market guidance, demonstrating the Board and Management's commitment to delivering ongoing Security Holder value.

The Group provided a final fully franked dividend of 6 cents per share bringing the total fully franked dividend for FY17 to 11 cents per share.

We grew the portfolio by 6 new properties in the fiscal year and have added an additional 3 properties since 30 June, namely Mantra Sydney Airport Hotel, FV by Peppers in Brisbane and Mantra MacArthur Hotel, Canberra. I am also pleased to announce that the acquisition of the Art Series Hotel Group completed this morning, delivering 7 unique CBD hotels into Mantra's growing portfolio.

Bob's presentation that will follow will provide details of new properties scheduled to enter the portfolio in the second half of FY18 and the properties secured and expected to be completed in FY19 and beyond.

I would now like to provide some information around the Scheme Implementation Agreement announced to market on 12 October 2017.

Following a period of due diligence and negotiations with AccorHotels, Mantra Group entered into a Scheme Implementation Agreement with AccorHotels for the proposed acquisition of the Mantra Group business which resulted in the announcement to market on 12 October 2017.

The Scheme Implementation Agreement contemplates the acquisition by AccorHotels of all the shares in Mantra Group and remains subject to a number of customary conditions including the approval of Mantra's Shareholders and the Federal Court of Australia, as well as regulatory approvals including from Australia's Foreign Investment Review Board and the Australian Competition and Consumer Commission (ACCC).



By way of update on those regulatory approvals, a submission was made to the ACCC shortly after the transaction was announced to market. The ACCC has confirmed that it will undertake a public review process as part of its consideration of the transaction. The condition relating to the approval by the New Zealand Commerce Commission has been waived, as per the announcement made to market on 10 November 2017. We will provide further updates to Shareholders regarding the satisfaction of regulatory conditions as and when we have material developments to disclose.

We are still working towards the indicative timing referred to in the market announcement on 12 October 2017. This timing remains subject to the progress of regulatory approvals and other matters relating to the Scheme.

If anyone has questions, the Board and I will be available after this meeting to respond to questions.

On behalf of the Board, I thank our Owners, loyal Guests, Investors, Shareholders and all stakeholders for their support of Mantra Group during FY17.

I also thank my fellow non-Executive Directors, CEO, Bob East, the Executive Team and the broader Mantra Group Team Members for their significant commitment and contribution during FY17.



CEO Address

Bob East

Good Morning Ladies and Gentlemen

I am delighted as CEO of Mantra Group to welcome you to the 4th Annual General Meeting of the Company and thank you for your attendance. Mantra Group has had another successful year, achieving its financial forecast. During FY17 growth and development delivered strategic aligned properties in key destinations. I am also pleased to announce that settlement of the Art Series Hotel Group acquisition, this morning, further enhances Mantra Group's portfolio and product offering with 7 unique and iconic hotels in key CBD locations.

Key drivers of performance of the business in FY17 include:

- Increased keys in buildings under management by 10%;
- Secured additional tenure in existing properties under management;
- Refurbished room inventory and product across the portfolio;
- Consolidated all brands (Peppers, Mantra and BreakFree) onto one global website – mantrahotels.com;
- Launched the 'my kind of wonderful' brand campaign as well as the mantra+ loyalty program;
- Continued investment in Team Member training and career development aimed at retention and attraction of quality candidates.

My presentation that follows will provide information on Mantra's FY17 performance, market conditions and domestic and international traveller patterns.

Currently it is business as usual at Mantra Group and Management and Team Members remain focussed on driving its core business to deliver earnings and key strategies aimed at delivering ongoing Security Holder value.

I would also like to thank:

- Owners, loyal Guests, Investors and all stakeholders for their commitment and support of the Mantra Group;
- My fellow Board Members for their support;
- Finally and importantly, Mantra's Team Members whose commitment has again exceeded expectation contributing to the ongoing success of Mantra Group and who, I am confident, will continue to do so into the next phase in the journey of the success of this business.

I look forward to the year ahead in which the business is expected to continue to deliver Security Holder value.

