Webjet Limited

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31 August 2021

Market Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

AGM - Managing Director presentation

Attached is the Managing Director presentation to be provided by John Guscic at Webjet Limited's Annual General Meeting.

The presentation will be webcast live at Webjet AGM meeting from 3pm (AEDT) today and will be archived on the Webjet Limited investor website for viewing.

This announcement was authorised for release by the Chair of the Board of Directors.

For more information:

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Webjet Limited

Managing Director Presentation

2021 AGM.

31 August 2021

WebBeds

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FY21
Year in review.

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Powered for travel recovery.

- **B2C** - Webjet OTA and Online Republic saw bookings pick up as domestic leisure markets reopened; **Webjet OTA returned to profitability**
- **B2B -** WebBeds impacted by ongoing travel restrictions in many regions; bookings started to pick up as markets opened. **Transformation Strategy underway to emerge as #1 global B2B provider**
- **Focused on** reducing operating expenses, managing cash burn, proactive capital management and extending term debt repayment
  - **Pro forma cash**: $431 million
  - **FY21 average cash burn**: $5.5 million/ month
  - **Term Debt due November 2023**
- We see a world of opportunity and are **transforming the business to be ready for the recovery**

FY21 – Key Financials (1)
(9 months to 31-March)

Webjet Group	Statutory Result	Underlying Operations (2)
TTV	$453m	$453m
Revenue	$38.5m	$38.5m
Expenses	$163.8m	$94.8m
EBITDA (3)	($125.3m)	($56.3m)
NPAT (before AA) (4)	($141.5m)	($73.7m)
NPAT	($156.6m)	($88.8m)

***Statutory Result** includes $69.4 million non-cash items

1) Reflects new 31-March year end. Not useful to provide comparison between FY20 (12 months) and FY21 (9 months)
2) Underlying Operations – excludes non-operating expenses (refer to slide 21 of the FY21 Investor Presentation for detail)
3) EBITDA excludes Share Based Payment (SBP) Expense (refer to slide 35 of the FY21 Investor Presentation for detail)
4) Acquisition Amortisation - includes charges relating to amortisation of intangibles acquired through acquisition

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Operating cash flow will be positive for 1H22.

Strong capital position heading into recovery phase.

$431m
31 March 2021
pro forma cash

Nov 2023
$87 million
Term Debt due

20%+
more cost-efficient at scale

Proactive capital management

- Pro forma cash: $431 million
- Mitigated B2B debtor risk
- New Convertible Note at low coupon of 0.75%

All Term Debt now due November 2023

- Extended from November 2022
- Next covenant test 30 June 2022 based on modified test (1)

On track to be at least 20% more cost-efficient at scale

- Significant leverage opportunity

Positive operating cash flow in 1H22

- FY21 average cash burn - $5.5 million/ month
- WebBeds TTV growth delivering positive working capital

1) Tests to be done at; 30 June 2022, 30 September 2022 and 31 December 2022 based on annualising EBITDA for the period commencing 1 April 2022

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B2B Division Update

WebBeds.

Digital Provision of Hotel Rooms to Global Partners

WebBeds

WebBeds

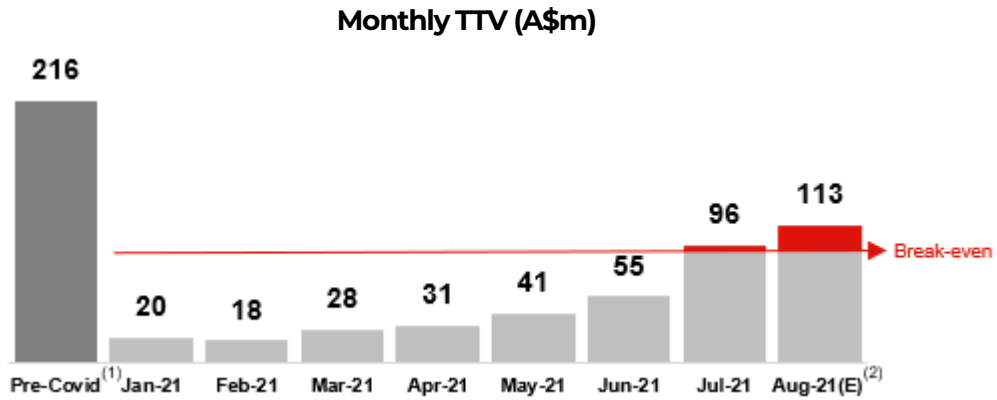
Post Covid-19 strategy is delivering.

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Return to profitability in July.

- As countries swiftly implemented travel restrictions to contain Covid-19, the impact on WebBeds was severe
- **Recognising domestic markets would be the first to open**, we took the strategic decision to **pivot our contracting and sales efforts to domestic travel**, diversifying our business model
- Additionally we undertook a series of **transformational initiatives** that are expected to deliver **20%+ cost efficiencies at scale**
- TTV significantly increasing as **domestic markets open up - WebBeds was profitable in July and August and will be profitable in September**
- We have **retained our global footprint, hotel supply relationships and global customer network** and are **ready for when intra-regional and international travel markets reopen**

WebBeds has been profitable since July



When markets normalise, WebBeds will have greater market share, lower costs and improved profitability

1) Pre-Covid-19 average based on 12 months ending 31 December 2019
2) Estimate for August 2021 based on extrapolation of actuals up to and including 23 August 2021

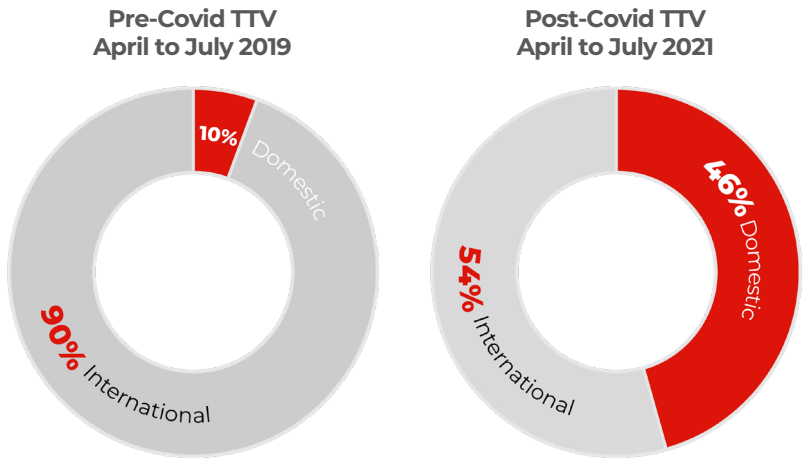
WebBeds

Pivoted to focus on domestic travel while waiting for international markets to open.

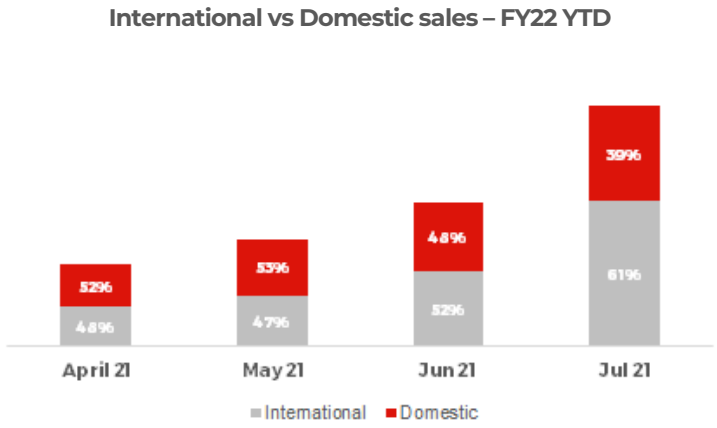
Increasing our domestic foothold.

- Global travel volume has not yet returned to pre pandemic levels but **the volume that has returned is predominately domestic**
- **Domestic sales as % of total sales have grown significantly** – and as international volume starts to return, domestic sales continue to grow
- **Strategy to focus on domestic opportunities driving return to profitability** – August bookings are estimated to be 51% of pre-pandemic volumes (Aug-19)

Domestic sales as % total sales have grown significantly since Covid-19…



…and as international volume returns, domestic sales continue to grow



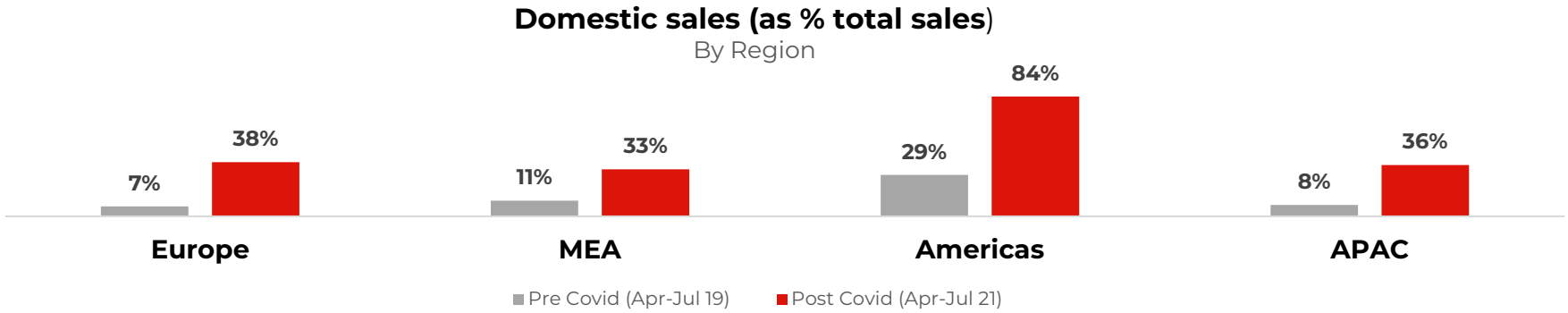
Management estimates for international versus domestic volumes

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Increasing domestic share in all regions.

Diversification of our business model.



Europe

- Higher domestic share in the key markets Spain, Italy, the UK and France
- 75 new customers offering access to new business channels and segments
- Worked with supply partners to deliver more relevant rates and optimised existing 3rd party connections

Middle East & Africa

- Higher domestic share in 5 key markets; Turkey, UAE, Egypt, Kuwait and Saudi
- 84 new customers; introduced local currency trading in Turkey and Egypt
- Contracted significant Dubai content serving both local and global markets

Americas

- Onboarded new customers with primarily domestic focus, optimised existing partnerships and added local currency options for key markets
- Contracted new hotel product catering to domestic markets, with key focus on Florida, California, Texas, Nevada and Mexico

Asia-Pacific

- New domestic-focused customers (i.e. China) and deepened existing customer relationships (adding Chinese product language content)
- Expanded direct contracting efforts in domestic secondary cities and connected 3rd party suppliers with significant domestic content

Management estimates for international versus domestic volumes

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WebBeds

When markets normalise WebBeds will have greater market share, lower costs and improved profitability.

Covid-19 provided opportunity to transform WebBeds.

The competitive landscape has changed

- **Domestic leisure markets** have been the first to open up
- **B2C channels** like OTAs and Super Apps are utilising B2B content more effectively
- **Severe financial pressure** on smaller providers and the industry
- **Bedbanks are more relevant than ever** in the distribution landscape as they provide a single source of significant content for customers and valuable reach for hoteliers

Our opportunity has expanded

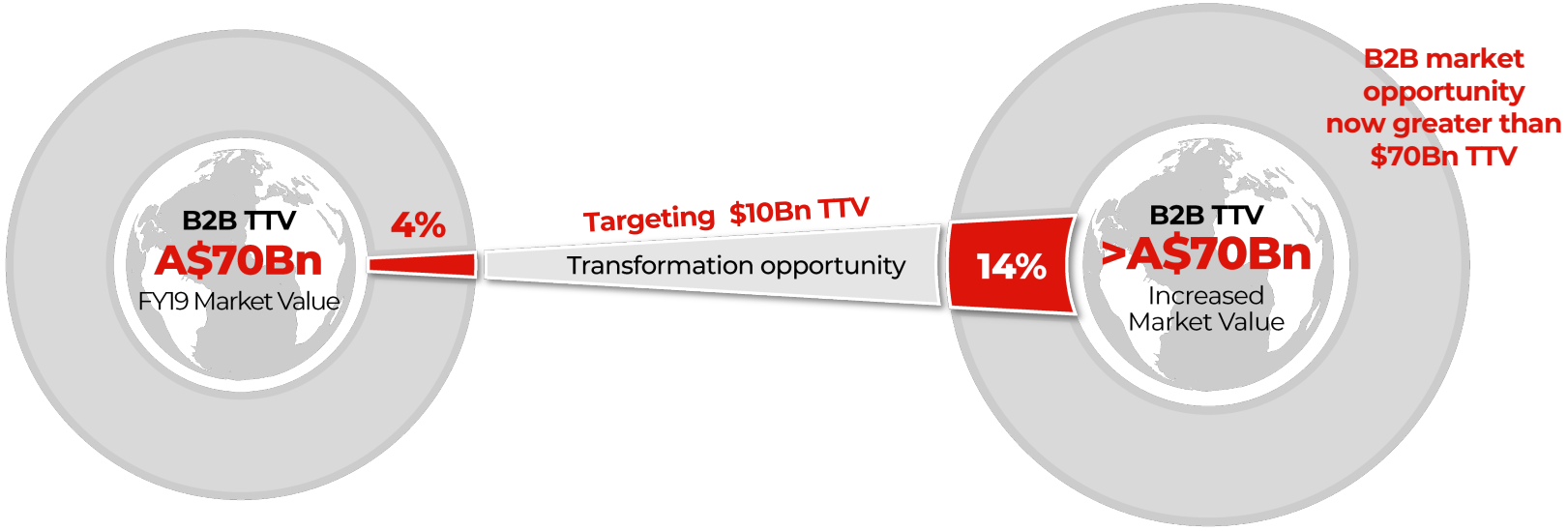
- **B2B market opportunity now more than $70Bn in TTV** due to growth in B2C distribution opportunities
- **Opportunity to gain significant market share** through:
  - Expanded domestic offering targeting previously unserved markets
  - Retaining existing intra-regional and international offering
  - Enhanced technology offering
- Transformation initiatives to deliver **at least 20% greater cost efficiency** at scale
- Our **strong financial position** makes us a trusted partner for our hotel suppliers

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Initiatives will drive greater share of a larger market opportunity.

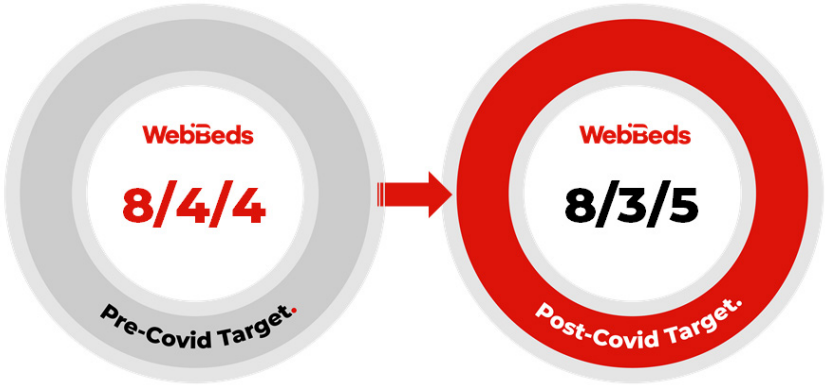
Strategic objective:
To become the #1 global B2B provider.



COVID-driven transformational initiatives

- Diversifying into previously uptapped markets
- Increasing North America market penetration
- B2C channel expansion
- Streamlined technology
- Leveraging data analytics
- Simplifying processes across the business
- On track to be 20% more cost efficient at scale

Increased profitability target (1)



(1) 8/4/4 = at scale 8% revenue/TTV and 4% costs/TTV to drive 4% EBITDA/TTV
8/3/5 = at scale 8% revenue/TTV and 3% costs/TTV to drive 5% EBITDA/TTV

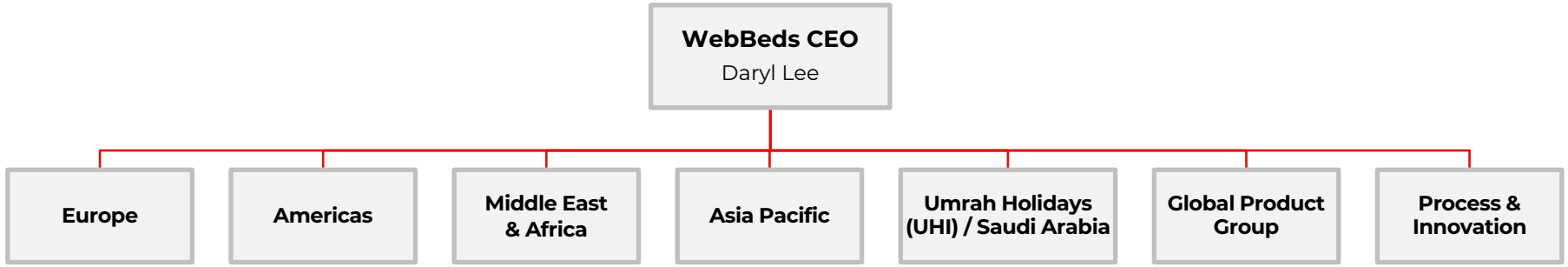
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Organisational restructure to unlock potential.

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WebBeds - Organisational structure from May 2021.



- **Dedicated CEO** for the whole WebBeds business
- **Moving from 3 to 4 Commercial Regions** – Europe, Middle East & Africa (MEA), Asia-Pacific and now also Americas; each responsible for selling and contracting for their market and working more seamlessly across geographies
- **Umrah Holidays International (UHI)/Saudi Arabia** – focused on capturing key Saudi Arabian growth opportunities as borders reopen
- New **Global Product** group – bringing a unified approach to contracting with key supplier groups
- New **Process and Innovation Division –** includes Operations and a new Innovation Hub, bringing a structured approach to innovation and development across all areas of the business

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B2C Division Update

Webjet OTA.

Australia & New Zealand

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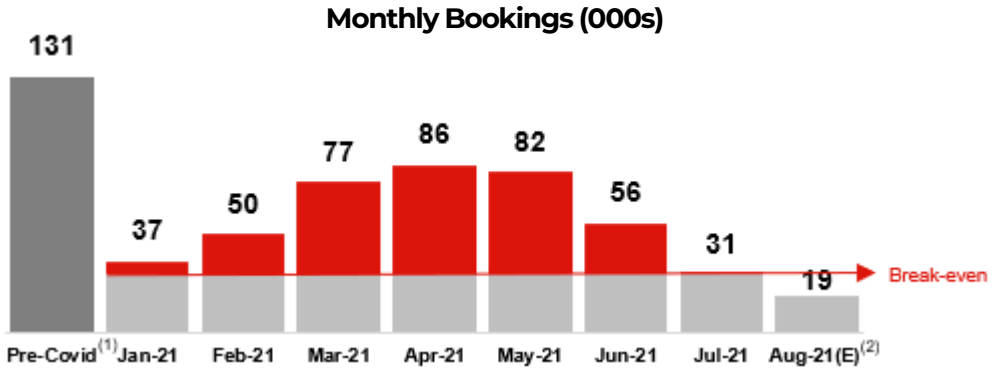
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Uniquely placed to benefit from domestic led tourism industry.

Domestic border openings drive return to profitability.

- **#1 OTA** in Australia and New Zealand
- **Predominantly serves the leisure market**
- **Significant demand for leisure travel -** bookings spike as borders open
- Strong **international demand** expected once borders re-open
- **Structural shift to online** continues to accelerate
- **Brand strength** enables significant bookings growth with targeted marketing spend
- **Able to leverage our highly scalable cost base** – profitable as soon as key borders open

Bookings spike as borders open



Domestic border openings drive return to profitability - profitable January through July; bookings since June impacted by border closures

1) Pre-Covid-19 average based on 12 months ending 31 December 2019
2) Estimate for August 2021 based on extrapolation of actuals up to and including 23 August 2021

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Outperforming market by 1.6x, increasing share despite border closures.

Increasing market share.

Webjet OTA bookings

1.6x

the market (1)

LTM average domestic bookings performance to Jun-21

Significant growth in market share

- Structural shift to online is accelerating
- Unique "mix and match" offering
- Broadest range of payment options for OTAs in Australia
- Strong focus on servicing the leisure market
- Superior technology offering

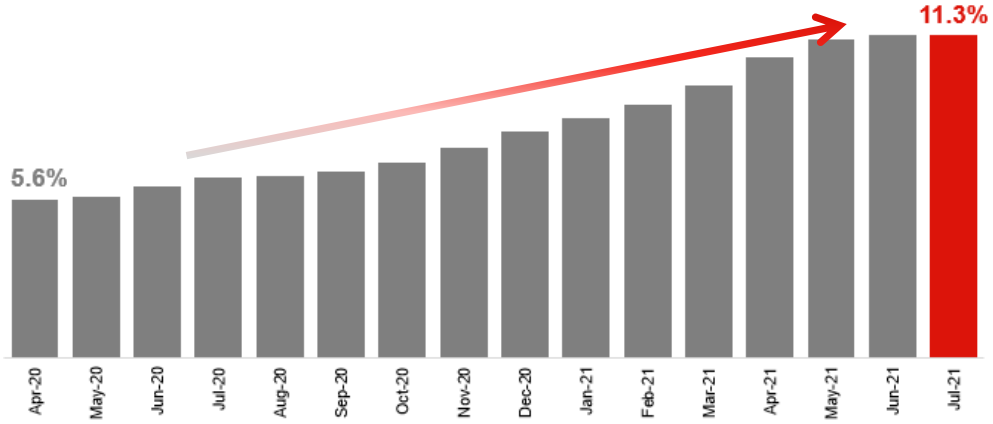
50%+

of the entire OTA flights market in Australia and New Zealand

11.3%

of all Global Distribution System (GDS) bookings in Australia

Webjet average market share across all GDS bookings – Travel Agency Offline & Online(2)



Rolling 12 month average market share

1) Webjet OTA (domestic bookings) versus the Market (IATA total Australia domestic RPKs)
2) GDS bookings do not include Low Cost Carriers.

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B2C Division Update

Online Republic.

Global Marketplace

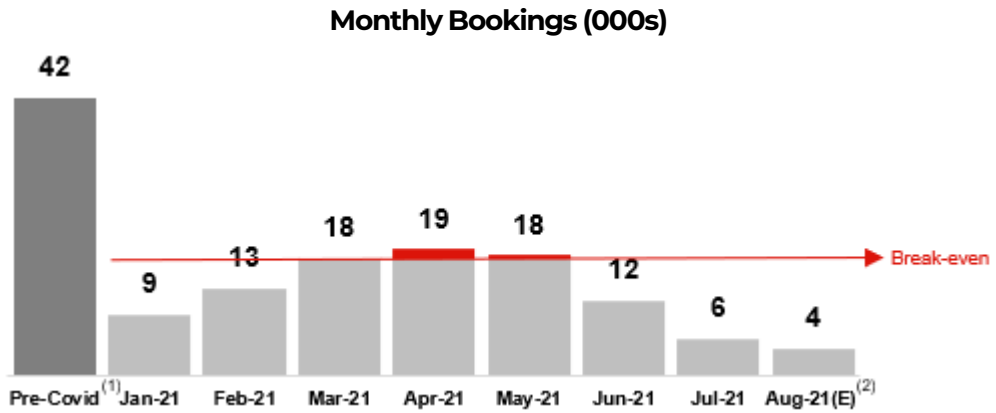


Ready to benefit from domestic focused tourism around the world.

Global domestic leisure exposure.

- **Significant exposure to leisure markets** – 100% of Motorhomes and more than 80% of Cars are booked for leisure purposes
- **Substantial Cars and Motorhome inventory** in key markets (Australia, New Zealand, US and Europe)
- **Product mix well suited for domestic markets** while international markets are closed
- **New CEO** appointed April 2021 with a focus on brand rejuvenation and global expansion
- **Profitable in April and May**; since June, bookings reflect increased cancellations due to State border and Trans-Tasman bubble closures

Bookings reflect border closures



1) Pre-Covid average based on 12 months ending 31 December 2019
2) Estimate for August 2021 based on extrapolation of actuals up to and including 23 August 2021

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Group update

FY22 Outlook.

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Demand for travel will return and we are ready to capture it.

Webjet Limited will capitalise on travel recovery.

- **Our geographic diversification has become a core strength** as different regions recover at different times
- **Our market opportunity has increased in all businesses** – serving new market segments and benefiting from the structural shift to online
  - **WebBeds** - become the global #1 B2B provider
  - **Webjet OTA** - increase market share leadership
  - **Online Republic** - improve underlying performance
- Our **cost base is on track to be 20% lower at scale**
- We have **significant cash reserves and runway**



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Operating cash flow will be positive for 1H22, WebBeds profitable since July.

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FY22 - Outlook.

Vaccine rollouts underway and directly correlated to travel recovery

- USA and UK vaccine rollout programs are well advanced; North American and European markets starting to open up
- Accelerated vaccine rollouts underway in Australia/New Zealand; expected to have a positive impact in early CY22, although timing for removal of border restrictions still uncertain

As markets open, all businesses rebound quickly

- **WebBeds** - profitable in July and August and will be profitable in September; significant upside as more markets open
- **Webjet OTA** - profitable April to July (highest trading volume day on record in April); bookings since June impacted by lockdowns but will be profitable as soon as domestic Australia reopens
- **Online Republic** - profitable in April and May; bookings since June impacted by lockdowns; expected to return to profitability as Australia and New Zealand reopen

Company will generate positive operating cash for 1H22

- WebBeds TTV growth delivering positive working capital

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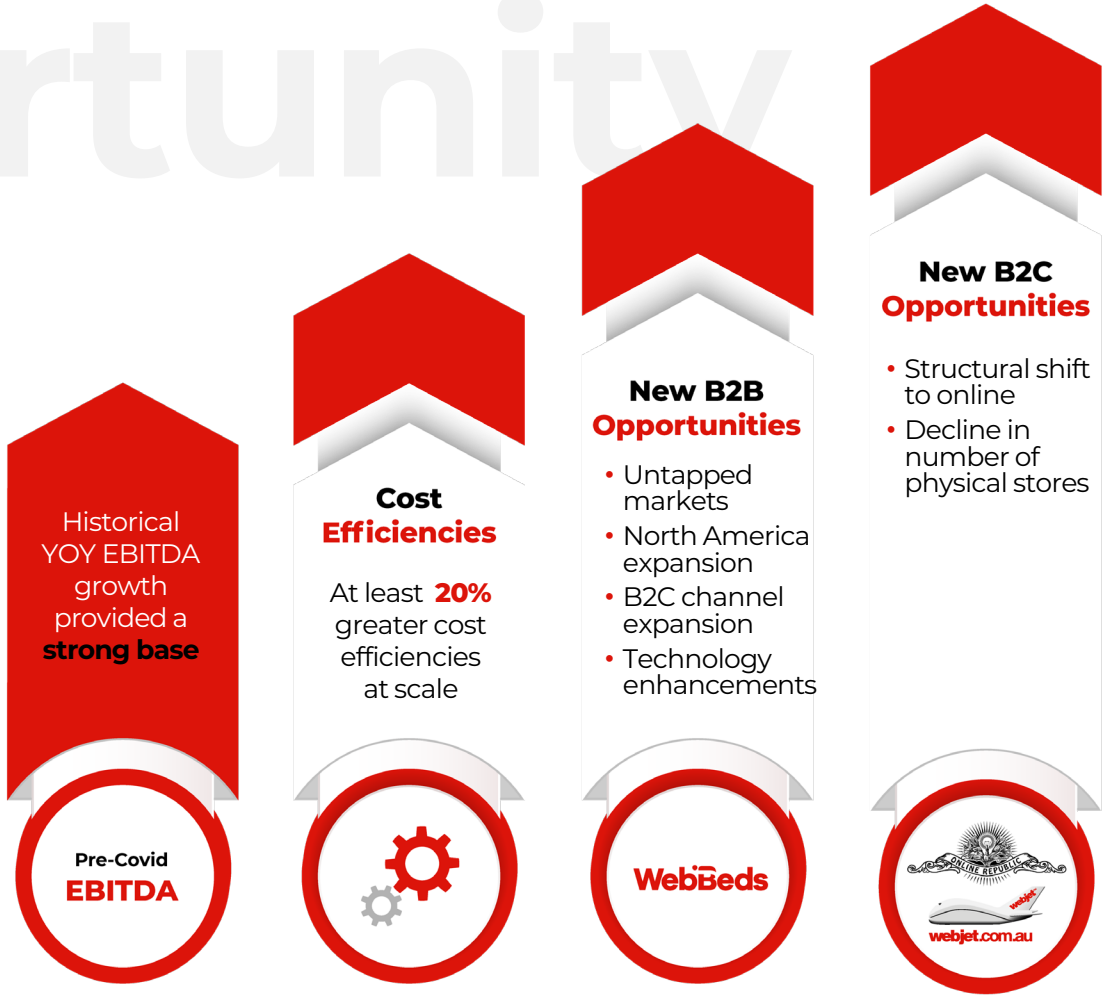
We see
a world of
opportunity.

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Beyond FY22...

Opportunity

Webjet Limited
is ideally positioned
as global travel markets
re-open. As a result,
we believe we will be
substantially bigger
and more profitable once
we are back at scale.



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Thank you.

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