

webjet limited

Investor Presentation

1H24 Results.

22 November 2023

WebBeds



GoSee

tripninja

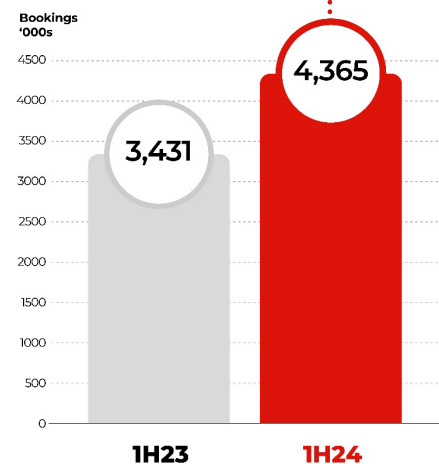
All metrics
materially
ahead of 1H23.

1H24 - Key Metrics.

Bookings

4.37m

↑ **27%**
on 1H23



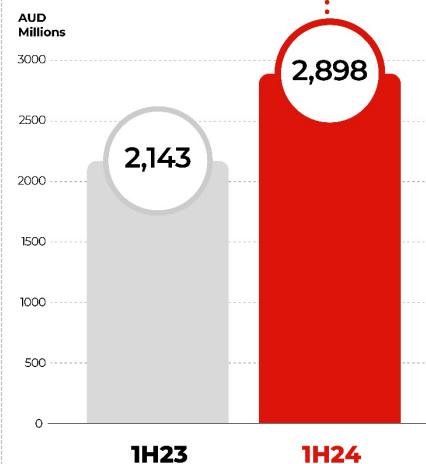
Driven by WebBeds with 1H24 Bookings 50% ahead of pre-pandemic levels

TTV

\$2.90bn

(AUD)

↑ **35%**
on 1H23



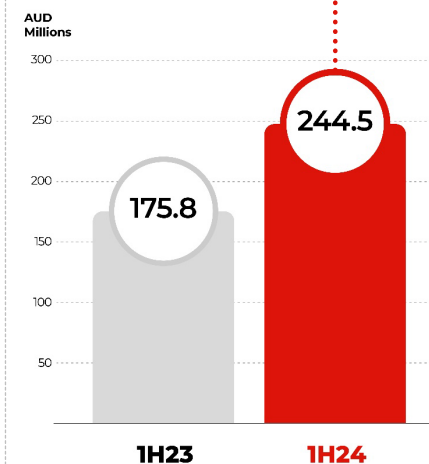
Reflecting **return of international travel** coming through in 1H24

Revenue

\$244.5m

(AUD)

↑ **39%**
on 1H23



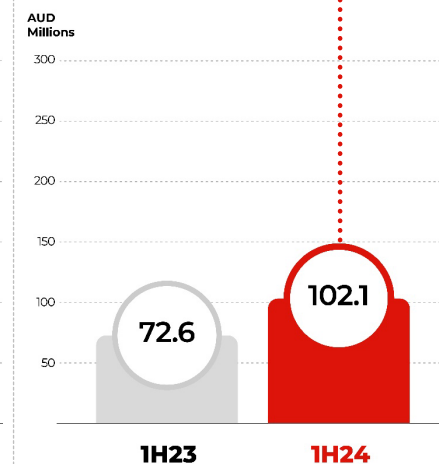
New revenue opportunities coming through in WebBeds and Webjet OTA

EBITDA

\$102.1m

(AUD)

↑ **41%**
on 1H23



Best-in-class EBITDA Margins

NOTE: Unless otherwise stated, in this document all financials are for **Underlying Operations** and all comparisons are over the previous corresponding period. The **Statutory P&L** is detailed on the Financial Summary (Slide 19).

1H20 (pre-Covid) and **pre-pandemic** refers to the unaudited 6 months ending 30 September 2019 (ie pre-Covid).

Transformation strategy delivering outperformance.

1H24 - Highlights.

WebBeds

EBITDA

\$89.9m

↑ 41% on 1H23

↑ 26% based on functional currency

- **Significant growth over 1H23 & all metrics ahead of pre-pandemic levels;** Booking volumes 50% more than pre-pandemic levels
- **Delivering significant EBITDA growth while maintaining best-in-class EBITDA margins** (1H24: 52.3%)

GoSee

EBITDA

\$1.1m

↑ 83% on 1H23

- **Strong improvement over 1H23** but inbound tourism & supply chain challenges continue



EBITDA

\$26.6m

↑ 24% on 1H23

- **Strong growth over 1H23 on all key metrics; TTV back to pre-pandemic levels** with significant rebound in international bookings
- **EBITDA margins back to pre-pandemic levels** (1H24: 43.4%)

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1H24 Cash ⁽¹⁾

\$144m

&

Total Cash

\$634m

- **Strong cash position**, with significant 1H24 cash generation
- **Strengthened balance sheet** - \$634 million Total Cash (after \$27 million capital management initiatives)

1. Cash Generation refer to slide 20.

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Travel Brands Update

WebBeds.

B2B Marketplace Serving the Global Travel Trade

WebBeds

WebBeds

WebBeds
Product Offering:

430,000+

hotels worldwide

16,000+

destinations

190+

countries

62,000+

directly contracted

chain properties

100+

contracted

properties

100+

contracted

properties

WebBeds Americas

WebBeds Europe

WebBeds MEA

WebBeds

WebBeds
Global Footprint.



1,500+
people



50+
languages



120+
cities



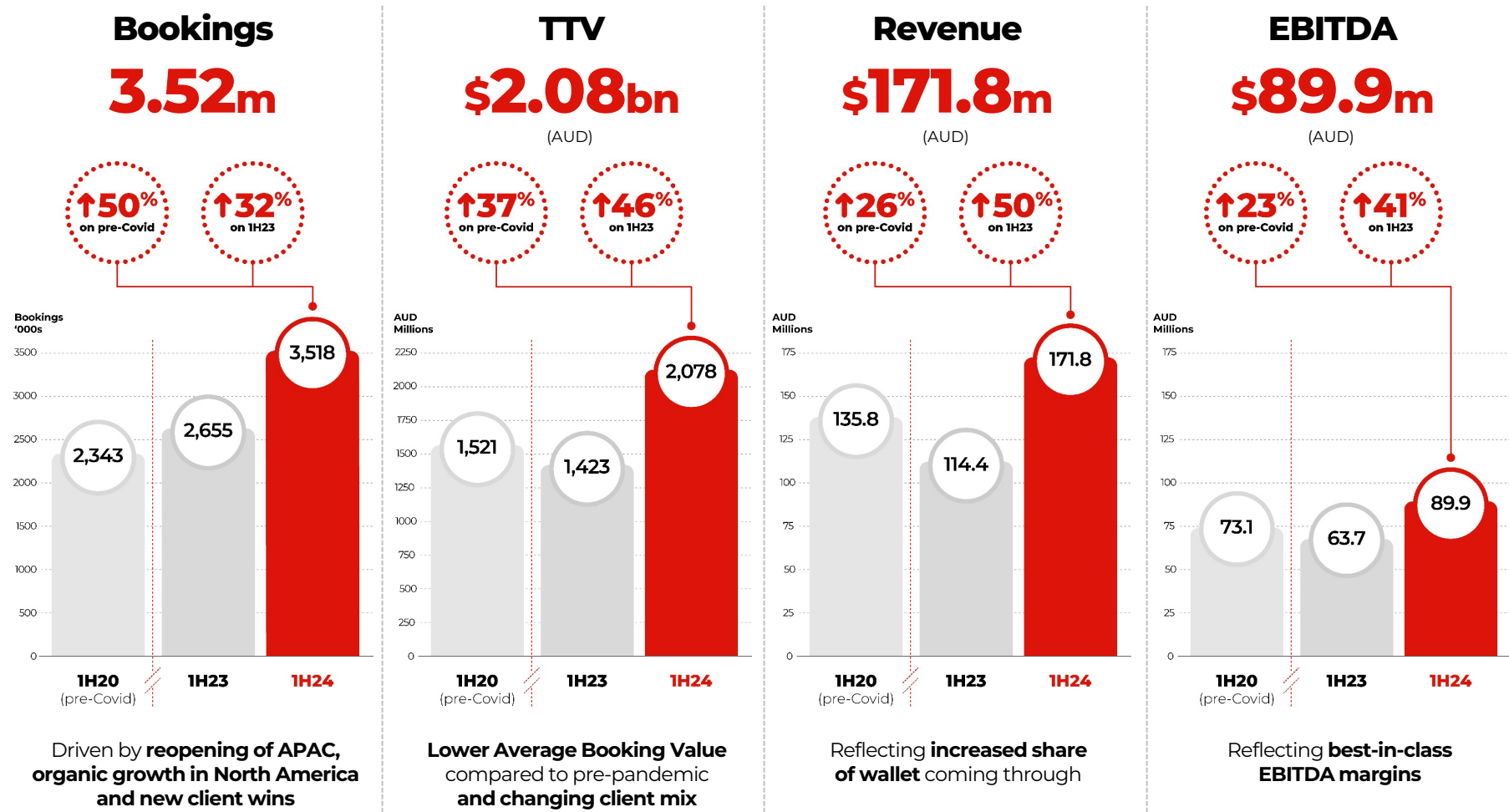
50+
countries

WebBeds

All metrics significantly ahead of both 1H23 and pre-pandemic levels.

Note: Based on functional currency (EUR) 1H24 TTV was up 31% on 1H23, Revenue was up 35% and EBITDA was up 26%.

1H24 - WebBeds.



WebBeds

EBITDA 23% higher than pre-pandemic levels, EBITDA margins above 52%.

1H24 - WebBeds.

WebBeds	1H24	vs 1H23	Change	vs 1H20 (pre-Covid)	Change
Bookings ('000s)	3,518	2,655	↑ 32%	2,343	↑ 50%
Average Booking Value	\$591	\$536	↑ 10%	\$649	↓ 9%
TTV	\$2,078m	\$1,423m	↑ 46%	\$1,521m	↑ 37%
Revenue	\$171.8m	\$114.4m	↑ 50%	\$135.8m	↑ 26%
Expenses	\$81.9m	\$50.7m	↑ 61%	\$62.7m	↑ 31%
EBITDA	\$89.9m	\$63.7m	↑ 41%	\$73.1m	↑ 23%
Revenue / TTV Margin	8.3%	8.0%	↑ 23bps	8.9%	↓ 67bps
EBITDA / TTV Margin	4.3%	4.5%	↓ 15bps	4.8%	↓ 48bps
EBITDA Margin	52.3%	55.7%	↓ 338bps	53.8%	↓ 151bps

- **Booking volumes 50% higher than pre-pandemic** driven by outperformance in APAC, North America and Europe. MEA bookings declined due to tighter credit policies. Lower Average Booking Value compared to pre-pandemic reflects changing business mix.
- **Business transformation investment ahead of demand to effectively scale going forward.** 1H24 Expenses reflect annualised 2H23 headcount increases and significant increase in booking volumes. Expenses expected to remain flat for rest of FY24.
- **Scalability continues to improve** - now over **60% more efficient on Booking/FTE basis ⁽¹⁾** (1H23: 35%; FY23: 50%). With 2H24 headcount remaining flat, scalability expected to improve further as trading volumes increase.
- **EBITDA 41% ahead of 1H23 - EBITDA margin above 52%.**

1. Total Bookings divided by FTEs comparing 1H24 to 1H20 (pre-Covid)

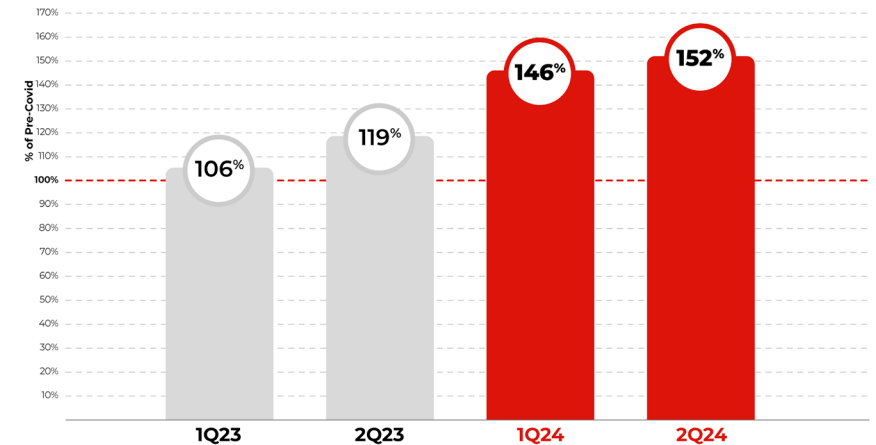
WebBeds

Continued outperformance APAC surges.

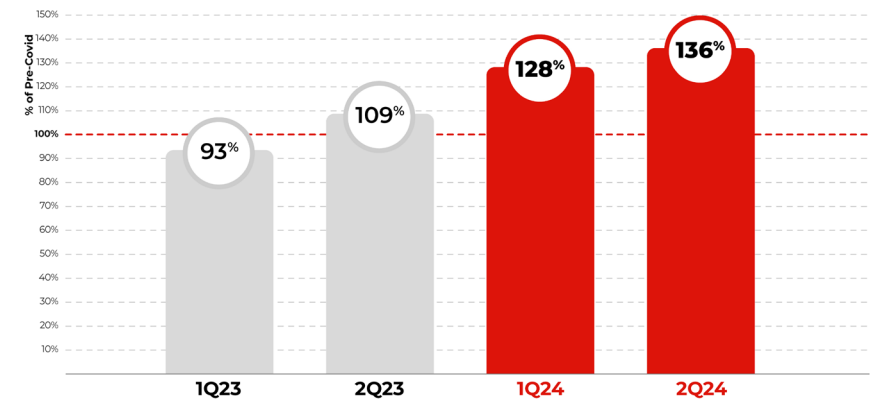
1H24 Trading.

- **Growth continues to increase.** Significant organic growth and new client wins
 - **APAC:** region now fully reopened and momentum picking up quickly; largest opportunity
 - **Europe:** largest region by TTV; remains an important region by size
 - **North America:** fastest growing region with significant growth potential
 - **MEA:** lower volumes reflecting tighter credit policies
- **Significantly outperforming the market since May-22**
 - As at Sep-23, IATA calculates the **global air passenger market was at 97.3% of pre-pandemic levels** (ie 2019)
 - In contrast, **WebBeds bookings have been ahead of pre-pandemic levels since May-22** and were 152% of pre-pandemic levels in 2Q24

Bookings - % of Pre-Covid ⁽¹⁾



TTV - % of Pre-Covid ⁽¹⁾



1) Shows Bookings and TTV (based on EURO functional currency) as % of comparable period in 2019 – ie 1Q24 shows April 2023 to June 2023 vs April 2019 to June 2019. Bookings and TTV exclude UHI.

2) Source: <https://www.iata.org/en/iata-repository/publications/economic-reports/air-passenger-market-analysis---september-2023/>

WebBeds

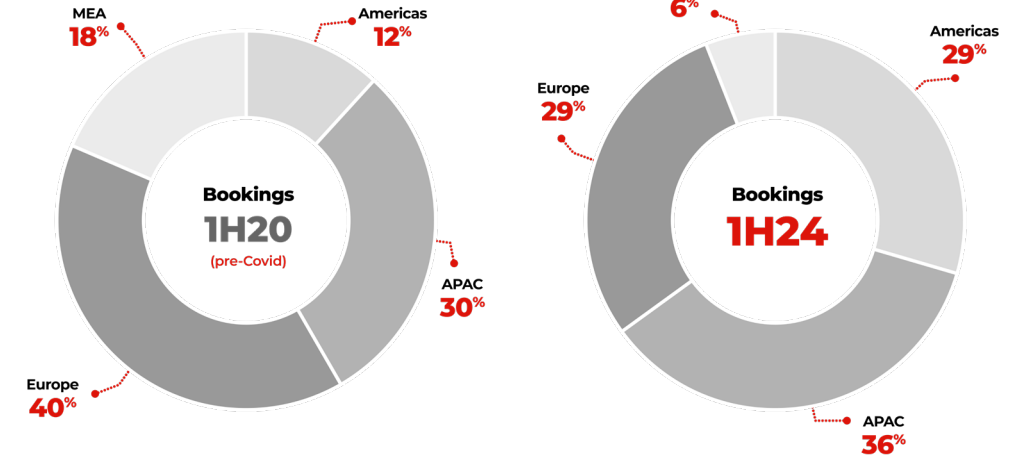
Global
diversification
delivers
high-quality
balanced portfolio.

WebBeds is now a truly global business.

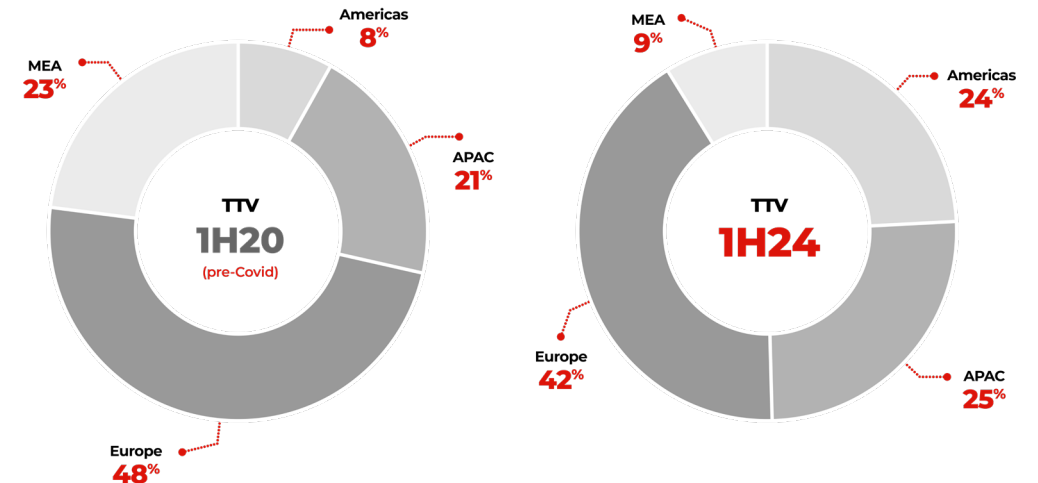
WebBeds is fundamentally
different to what it was
pre-pandemic:

- Now a true global B2B business and **no longer European-centric**
- **APAC** continues to be the largest opportunity
- **Americas** is now a material contributor to the business
- **MEA** materially lower in line with new trading policies

Bookings



TTV



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**Fly away on one
airline, return home
on another.**



Travel Brands Update

Webjet OTA.

Australia & New Zealand





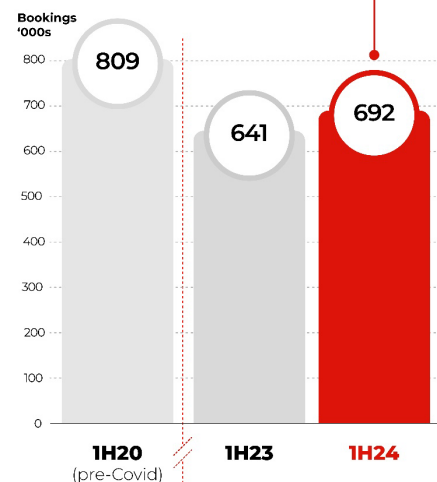
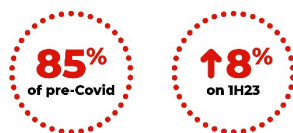
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**Strong growth
over 1H23 as
international
capacity returns.**

1H24 - Webjet OTA.

Bookings

692k

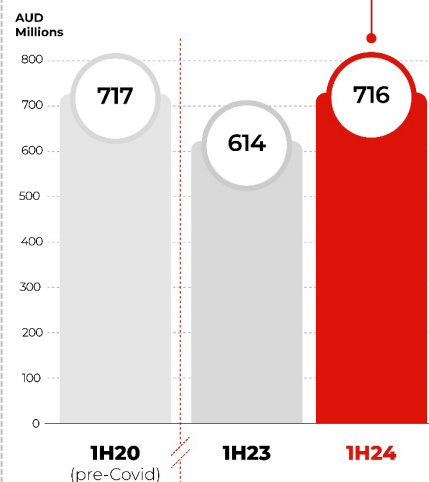
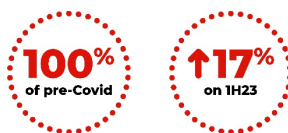


Strong rebound in international
although capacity constraints
continue to subdue
overall bookings

TTV

\$716m

(AUD)

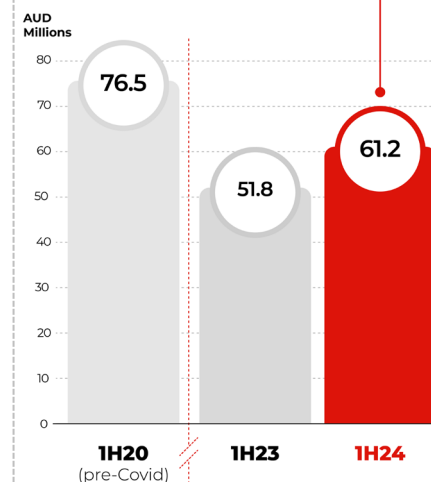


Higher Average Booking Values
driven by international
and limited supply

Revenue

\$61.2m

(AUD)

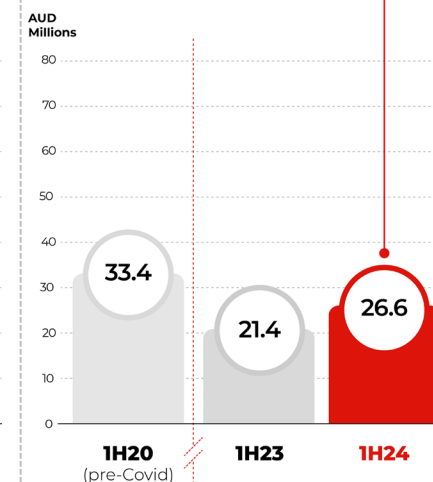


**Focus on higher margin revenue
opportunities** helping offset lower
commission on international

EBITDA

\$26.6m

(AUD)



**Reflecting world class
OTA margins**



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**1H24 EBITDA
up 24% over 1H23.
EBITDA margins
back to
pre-pandemic
levels.**

1H24 - Webjet OTA.

Webjet OTA	1H24	1H23	Change	vs 1H20 (pre-Covid)	Change
Bookings ('000s)	692	641	↑ 8%	809	↓ 15%
Average Booking Value	\$1,035	\$957	↑ 8%	\$886	↑ 17%
TTV	\$716m	\$614m	↑ 17%	\$717m	↓ 0%
Revenue	\$61.2m	\$51.8m	↑ 18%	\$76.5m	↓ 20%
Expenses	\$34.6m	\$30.4m	↑ 14%	\$43.1m	↓ 20%
EBITDA	\$26.6m	\$21.4m	↑ 24%	\$33.4m	↓ 21%
Revenue / TTV Margin	8.5%	8.4%	↑ 11bps	10.7%	↓ 212bps
EBITDA / TTV Margin	3.7%	3.5%	↑ 21bps	4.7%	↓ 95bps
EBITDA Margin	43.4%	41.3%	↑ 209bps	43.6%	↓ 28bps

- **Strong improvement over 1H23 across all key metrics.**
- **Bookings increased 8% over 1H23 driven by international**, although international capacity remains below pre-pandemic levels. Domestic bookings continue to be muted with ongoing challenges from widespread flight cancellations. Bookings data does not include bookings made using flight credits (estimated to be a further 10-15% of bookings).
- **Focus on higher margin products and new revenue sources is helping offset lower commission on international fares** - Trip Ninja delivering unique content and driving c.\$2 million EBITDA improvement in 1H24.
- **Hotel bookings up c.50% on pre-pandemic levels.**
- **Continued focus on cost efficiencies** – brand strength enabling more targeted marketing campaigns (marketing costs as % of TTV - 1H24 1.5%; 1H20 2%)
- **1H24 EBITDA up 24% over 1H23 - EBITDA margins back to pre-pandemic levels**



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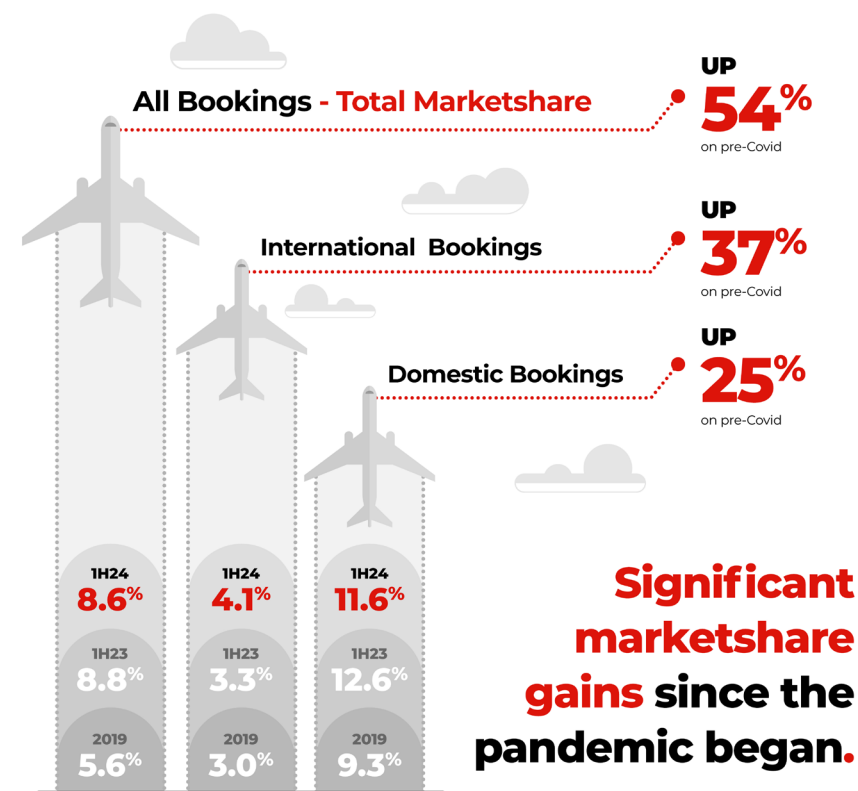
Total market share up 54% since the pandemic began.

Significant market share gains.

- **International share 37% higher than pre-pandemic**
 - International share increased 24% over 1H23 reflecting capacity returning to market and focus on promoting international flights
- **Trip Ninja helping drive international performance**
 - Trip Ninja technology is now applied across all international and domestic multi-stop trips
 - Delivering to business case and supporting above market recovery in international
- **Domestic share 25% higher than pre-pandemic**
 - Domestic share down 8% compared to 1H23 reflecting low cost carriers' (LCC) growth not being included in GDS data⁽¹⁾
- **Cementing our position as the #1 OTA**
 - Awarded *Leading Online Travel Agency* in Australia, New Zealand and Oceania at World Travel Awards 2023

Webjet OTA Average Market Share

Across GDS Bookings – Australia Travel Agency Offline & Online⁽¹⁾



Significant marketshare gains since the pandemic began.

Note: 1H24 based on GDS bookings from 1 April 2023 to 30 September 2023. 2019 based on GDS bookings from 1 January 2019 to 31 December 2019.

1. GDS bookings do not include low cost carriers. (LCC)

2. Market share data does not include bookings made using flight credits.

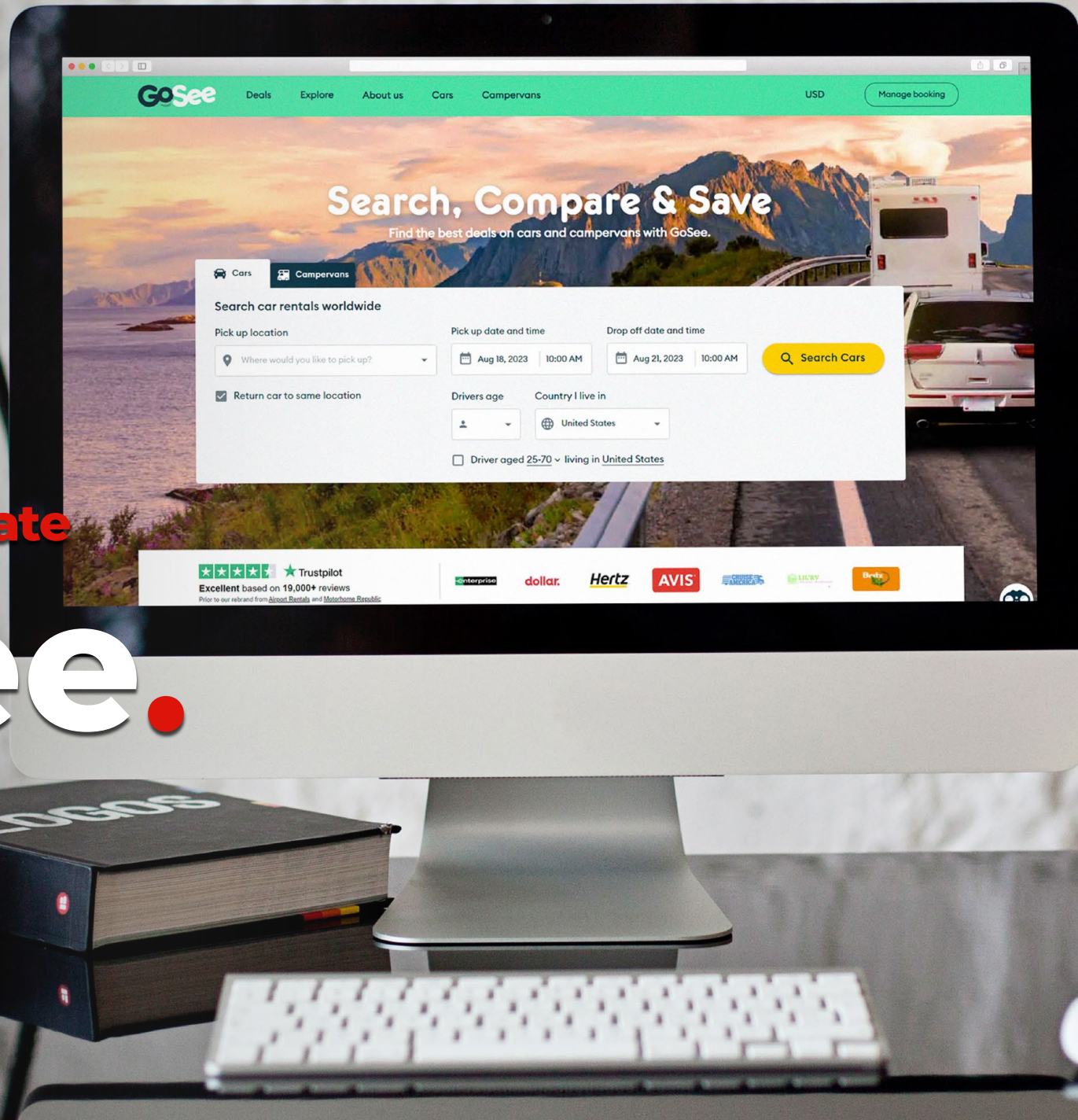
Note: flight credit transactions are not included in market share data⁽²⁾

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Travel Brands Update

GoSee.

GoSee





Strong improvement over 1H23 but inbound tourism and supply chain challenges continue.

1H24 - GoSee.

GoSee	1H24	vs 1H23	Change	vs 1H20 (pre-Covid)	Change
Bookings ('000s)	156	136	↑ 15%	255	↓ 39%
Average Booking Value	\$668	\$776	↓ 14%	\$591	↑ 13%
TTV	\$104m	\$105m	↓ 1%	\$151m	↓ 31%
Revenue	\$11.1m	\$9.5m	↑ 17%	\$15.3m	↓ 27%
Expenses	\$10.0m	\$8.9m	↑ 12%	\$8.9m	↑ 13%
EBITDA	\$1.1m	\$0.6m	↑ 83%	\$6.4m	↓ 83%
Revenue / TTV Margin	10.7%	9.0%	↑ 169bps	10.2%	↑ 52bps
EBITDA / TTV Margin	1.0%	0.6%	↑ 44bps	4.3%	↓ 323bps
EBITDA Margin	9.9%	6.3%	↑ 331bps	41.9%	nm

- **1H24 Bookings up 15% over 1H23 as inbound tourism improves and supplier stock increases, particularly for Cars.** However international capacity into New Zealand remains constrained and Motorhome supply continues to be very depressed, with high prices impacting conversion.
- **1H24 Expenses reflect annualised 2H23 headcount increases and inflationary pressures.** Expenses expected to remain flat for 2H24.
- **1H24 EBITDA up 83% over 1H23** but below pre-pandemic levels – profitability is highly linked to inbound tourism and airline capacity into Australia and New Zealand remains constrained.
- **Current focus on acquisition strategy to improve site traffic** in light of capacity and pricing constraints.



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Investments

Technology innovation.

ROOMDEX now
integrated into
WebBeds.

Acquisition of remaining assets in ROOMDEX.

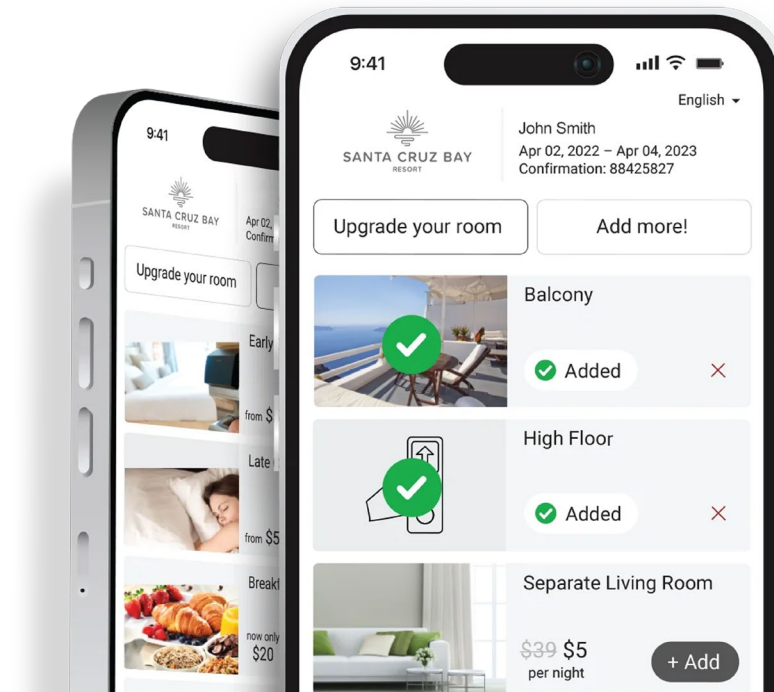
Acquisition of 49% in February 2022

- Webjet Limited made a **strategic investment in ROOMDEX in February 2022**, acquiring 49% for US\$10 million.
- The strategic intent was for WebBeds to promote the product with hotels and hand off leads to the ROOMDEX sales teams. **ROOMDEX operated as an independent business.**
- Over the course of our investment, ROOMDEX had been losing money.
- The acquired goodwill on the initial 49% investment was written off during 1H24 (A\$11 million).

Acquisition of all of the assets in October 2023

- **In October 2023, Webjet Limited acquired all of the assets for a nominal amount.**
- Since acquisition, **ROOMDEX has been integrated into the WebBeds business and restructured, and is now marginally profitable.**
- Going forward **ROOMDEX will be a product offering within WebBeds** and we are confident in the value it will provide our hotel supply partners.

ROOMDEX

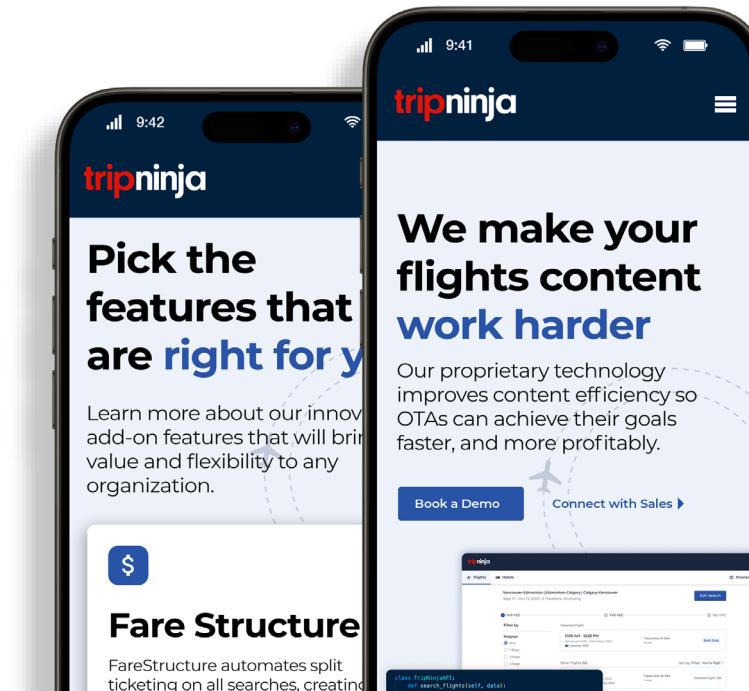


Trip Ninja delivering ahead of acquisition case.

Technology performing & strong opportunity pipeline.

- In November 2021, Webjet Limited **acquired 100% of Canadian travel technology company Trip Ninja**
- Trip Ninja develops products to automate the highly manual process of selling complex international itineraries (FareStructure, FlexTrip, Dynamic Packaging, and Virtual Interlining)
- **FareStructure** – the tool that mixes and matches fares for multi-destination itineraries using machine learning and automation – is **now fully implemented on Webjet OTA**
- Webjet OTA used FareStructure to generate **better fares than the GDS in 67% of trips**, and delivered **fares that were on average 30% lower** than traditional pricing methodology via the GDS⁽¹⁾. This provided both a revenue management opportunity and an increase in conversion, **contributing c.\$2 million EBITDA in 1H24**.
- All components of Trip Ninja technology are now **being sold to other industry participants, with a strong implementation and sales pipeline**.

tripninja



1. For three segment searches on Webjet OTA

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Group update

1H24 Financial Summary.

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WebBeds



GoSee

tripninja

Underlying NPAT up 120%.

1. Underlying Operations – excludes non-operating expenses (refer to slide 21 for detail), Share Based Payment expenses, Acquisition Amortisation and Convertible Notes interest.
2. Excludes interest income
3. Includes share of net loss from associates
4. Acquisition Amortisation - includes charges relating to amortisation of intangibles acquired through acquisition and impairment charge on an associate
5. Diluted EPS includes the impact of employee share grants and the convertible bond.

1H24 - Financial Summary.

Webjet Limited Group	Statutory Result		Underlying Operations ⁽¹⁾	
	1H24	1H23	1H24	1H23
Revenue ⁽²⁾	\$244.5m	\$175.8m	\$244.5m	\$175.8m
Operating expenses ⁽³⁾	(\$142.4m)	(\$103.2m)	(\$142.4m)	(\$103.2m)
Non-operating expenses	(\$0.6m)	(\$5.4m)	-	-
Share based payment expenses	(\$3.0m)	(\$4.2m)	-	-
EBITDA	\$98.5m	\$63.0m	\$102.1m	\$72.6m
Depreciation and amortisation	(\$13.8m)	(\$32.6m)	(\$13.8m)	(\$32.6m)
Acquisition amortisation (AA) ⁽⁴⁾	(\$19.0m)	(\$16.5m)	-	-
Net interest costs	(\$12.2m)	(\$9.7m)	(\$5.8m)	(\$3.6m)
Profit Before Tax	\$53.5m	\$4.2m	\$82.5m	\$36.4m
Income tax expense	(\$6.2m)	(\$0.2m)	(\$11.8m)	(\$4.3m)
NPAT	\$47.3m	\$4.0m	\$70.7m	\$32.1m
NPAT (before AA)	\$66.3m	\$20.5m	\$70.7m	\$32.1m
EPS	12.3 cents	1.1 cents	18.4 cents	8.4 cents
EPS (before AA)	17.3 cents	5.4 cents	18.4 cents	8.4 cents
Diluted EPS ⁽⁵⁾	12.2 cents	1.0 cents	18.2 cents	8.3 cents
Effective Tax Rate	11.6%	4.8%	14.3%	11.8%
Effective Tax Rate (before AA)	8.6%	1.0%	14.3%	11.8%

• Depreciation and Amortisation (D&A)

- A revision of useful lives on technology platforms and acceleration of D&A on legacy platforms in 1H23 driving material decrease in 1H24
- Acceleration of goodwill amortisation for ROOMDEX driving higher AA in 1H24; AA expected to normalise in 2H24 to c.\$8 million
- FY24 D&A expected to be c.\$28 million

Generated
\$144 million cash.

1H24 - Cash position.

1H24

Positive average
monthly cash flow

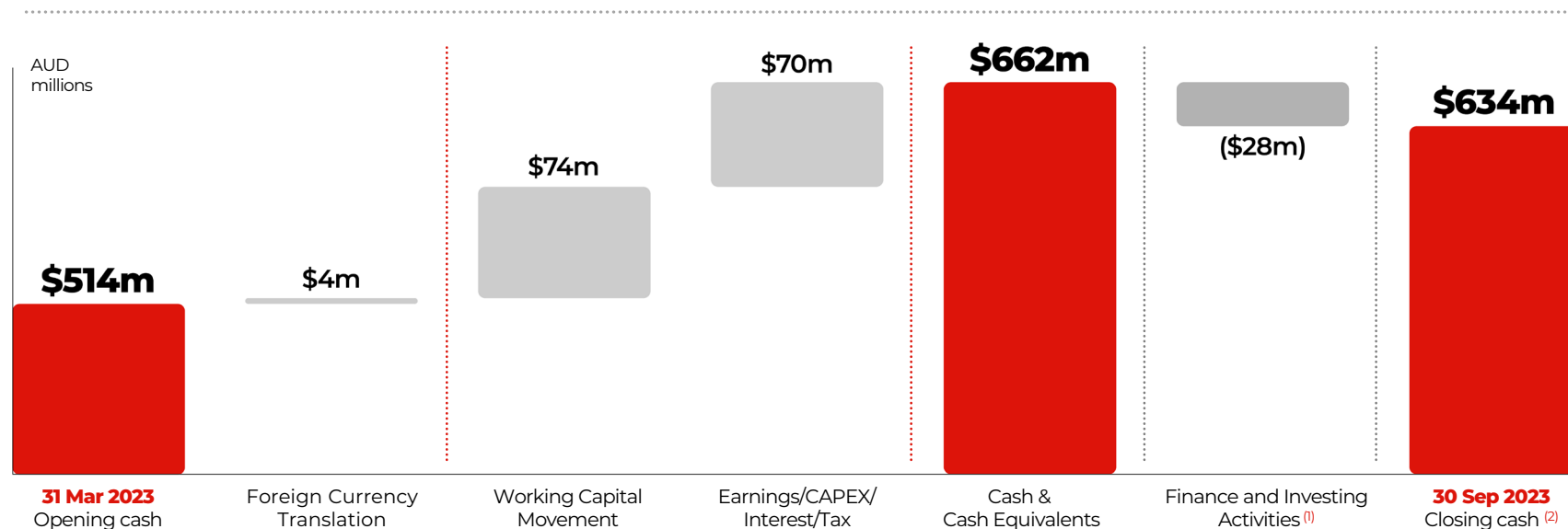
\$24m

Average cash surplus
per month

⬇️ **\$27m** ⬆️ **\$120m**

Capital
management
initiatives

Cash up on
March 2023



1. Finance and investing activities represent capital management initiatives, deferred consideration for the acquisition of Trip Ninja and the proceeds from the issue of share capital (refer slide 23).
2. Closing cash position as per the balance sheet (refer slide 22)
3. Contingency should the Convertible Note be put in April 2024

- **Strong cash contribution from trading profit coupled with positive working capital delivering cash surplus of \$24 million/month**
- **Capital Management initiatives in the period resulted in \$33 million of equity derivatives purchased** (exposure to 4.9 million shares) with **\$27 million settled** in 1H24
- **Revolving credit facility extended from April 2024 to April 2026 and resized from \$50 million to \$100 million⁽³⁾**

1H24 reflects increased recovery in Group activity as well as inflationary pressures and increased compliance costs.

1H24 - Corporate costs & non-operating expenses.

Corporate	1H24	1H23	Change	1H20	Change
B2B EBITDA	\$89.9m	\$63.7m	↑ 41%	\$73.1m	↑ 23%
B2C EBITDA ⁽¹⁾	\$27.7m	\$22.1m	↑ 25%	\$39.8m	↓ 30%
Technology Investments ⁽²⁾	(\$2.2m)	(\$2.5m)	↓ 12%	na	nm
Corporate costs	(\$13.3m)	(\$10.7m)	↑ 24%	(\$8.3m)	↑ 60%
Total EBITDA	\$102.1m	\$72.6m	↑ 41%	\$104.7m	↓ 2%

Non-Operating Expenses

Capital management initiatives	\$0.6m	-
ERP system implementation costs	-	\$5.4m
Total non-operating expenses included in Statutory EBITDA	\$0.6m	\$5.4m

- **Corporate costs reflect recovery in group activity and inflationary pressures**
 - 1H24 increase reflects wage inflation and market-based adjustments for key personnel.
 - Increased tax requirements and compliance has materially increased compliance costs post pandemic.
 - FY24 costs expected to be c. \$26 million. Going forward expected to grow at CPI.
 - Technology investments to reduce loss to \$1m in 2H24.
- **Capital Management Initiatives**
 - Costs represent nominal mark to market adjustment of \$0.2 million and \$0.4 million of advisory and transaction costs.

1. B2C is Webjet OTA and GoSee combined

2. Technology investments shows consolidation of P&L performance of Trip Ninja and investment in ROOMDEX.

Continued focus on strengthening the Balance Sheet as growth accelerates.

1H24 - Balance Sheet.

A\$m	Sep-23	Mar-23
Cash & cash equivalents ⁽¹⁾	633.8	513.9
Trade receivables & Other assets	290.2	205.0
Non-current assets	894.1	869.3
Total Assets	1,818.1	1,588.2
Trade & Other payables	591.6	433.7
Other current liabilities	48.5	67.2
Borrowings	242.4	235.5
Other non-current liabilities	30.7	17.6
Total Liabilities	913.2	754.0
Total Equity	904.9	834.2
Net debt ⁽²⁾	(352.1)	(239.1)
Current ratio (excluding borrowings) ⁽⁵⁾	1.4	1.4
ROE ⁽³⁾	13%	9%
ROIC ⁽⁴⁾	22%	13%

1. Includes \$39.3m of restricted cash

2. Excludes restricted cash

3. Return on Equity (ROE) = $\frac{\text{Underlying NPAT}}{\text{Average Equity}}$

4. Return on Invested Capital (ROIC) = $\frac{\text{Underlying NPAT (before Interest)}}{\text{Average (Net debt + Equity)}}$

5. Assumes non-exercise of the put option in April 2024

Cash and Cash Equivalents

- Cash continues to increase from trading profit and working capital benefit while also undertaking \$27 million of capital management initiatives

Trade Receivables and Other Assets

- Continued strong B2B trading driving increase in trade receivables. These are managed in-line with enhanced credit policy with debtor days materially lower than pandemic (down 30%)
- Investment in financial assets of \$33.1 million (equity derivative)

Trade and Other Payables

- Increase in line with B2B TTV growth. Payment terms consistent with pre-pandemic
- Trade payables \$547 million with \$44.6 million accrued expenses and other payables

Other Current Liabilities

- Increase driven primarily from new property leases

Borrowings

- The convertible note has been reclassified to current at the half year as the year 3 investor put option (i.e. request repayment) is in April 2024
- It is not expected the put option will be exercised and therefore the convertible note will fall due April 2026, being the end of the 5 year term, and reclassified back to non-current at year end

Capital Efficiency

- Organic growth driving material increase in ROE/ROIC

Significant cash generation driven by earnings growth and working capital benefit.

1H24 - Cash Flow.

A\$m	1H24	1H23
Statutory EBITDA ⁽¹⁾	98.5	63.0
Change in working capital & non-cash items	77.8	108.0
Income tax paid	(2.2)	-
Net interest paid	(5.4)	(3.0)
Cash Flow from Operating Activities	168.7	168.0
Capital expenditure	(23.1)	(14.0)
Purchase of financial assets	(27.0)	-
(Acquisitions) / disposals	(2.2)	-
Dividends received	0.1	0.1
Cash Flow from Investing Activities	(52.2)	(13.9)
New Equity / (raising costs paid)	1.1	-
Net proceeds / (repayment) of borrowings	-	(86.0)
Lease principal repayments	(1.7)	(2.0)
Cash Flow from Financing Activities	(0.6)	(88.0)
FX movement on cash balances	4.0	4.1
Net Increase / (Decrease) in Cash	119.9	70.2

Cash from Operations

- Earnings growth the key driver of cash generation
- Continued growth in B2B TTV driving positive working capital benefit in 1H24
- Continued discipline on collections

Investing

- CAPEX investment combination of development and property expansion to support growth
- Purchase of \$27 million of equity derivatives in relation to capital management initiatives
- Acquisitions represent deferred consideration for Trip Ninja

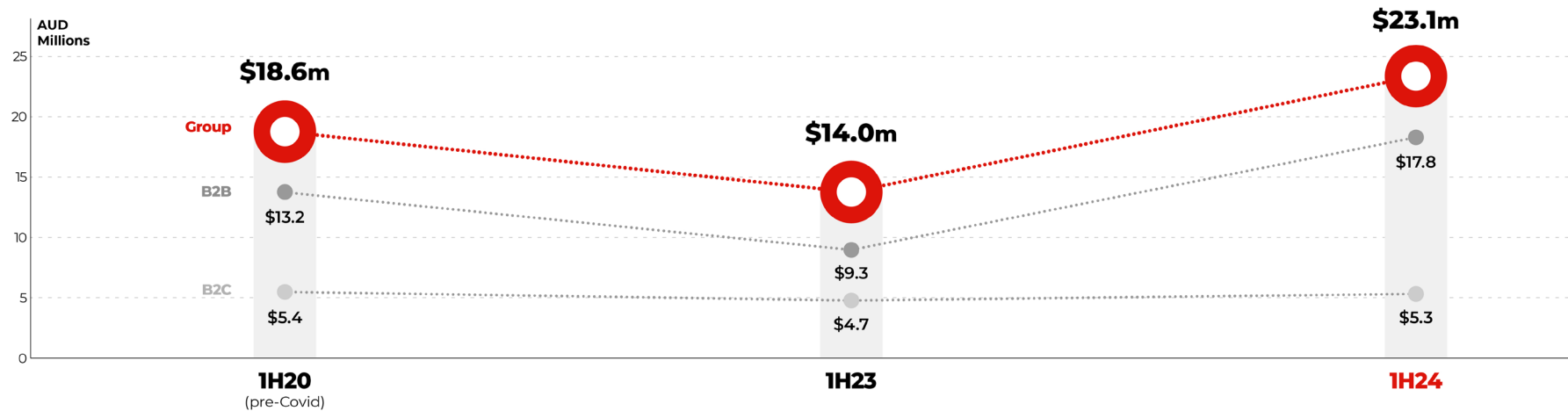
Financing / Dividends

- No dividend declared for 1H24
- Decision on dividend outlook to follow at the FY24 results in May 2024 (post the year 3 put option of the Convertible Note in April 2024)

1. Includes share of net loss from associates

Continued investment in technology and property providing foundations for growth.

1H24 - CAPEX Summary.



1H24 CAPEX

- **B2B** continues to invest in operational and technology improvements
 - 1H24 investment skewed by property costs (approx \$2.7m) which do not repeat in 2H24
- **B2C** is investing in enhancements to support increased customer engagement, payment options and product innovations
- **B2B and B2C** will continue to invest in digitalisation to support scalable growth

FY24 CAPEX

- Expected to be c.\$40 million - c.\$37 million excluding property (CY19 (pre-Covid): \$35.3 million)



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Group update

FY24 Outlook.

WebBeds



GoSee

tripninja

Global travel
demand is
resilient.

FY24 Outlook - Record Result Expected.

FY24 EBITDA expected to be between **\$180 to \$190 million**

WebBeds

2H24 EBITDA

Continued record performance



2H24 EBITDA

expected to be consistent
with 1H24

GoSee

2H24 EBITDA

expected to be consistent
with 1H24



FY24 results will be announced on 22nd May 2024.

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Thank you.

WebBeds



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Glossary & abbreviations.

CY19	12 months ending 31 December 2019 (i.e. pre-pandemic) - unaudited
1H20	6 months ending 30 September 2019 (i.e. pre-pandemic) - unaudited
1H23	6 months ending 30 September 2022
1H24	6 months ending 30 September 2023
FY24	12 months ending 31 March 2024

APAC	Asia Pacific
B2B	Business to Business
B2C	Business to Consumer
MEA	Middle East & Africa
OTA	Online Travel Agency
TTV	Total Transaction Value