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12 November 2018

**Webjet Limited - Retail Entitlement Offer**

Attached are the following documents which will be mailed to eligible shareholders in relation to the retail component of Webjet Limited's accelerated non-renounceable pro-rata 1 for 9 entitlement offer as announced on Monday, 5 November 2018:

- (a) Retail Entitlement Offer Booklet
- (b) Entitlement and Acceptance Form

Also attached is a letter of notification to ineligible retail shareholders.

Yours faithfully

Tony Ristevski  
Company Secretary, Webjet Limited

# Webjet Limited

ACN 002 013 612

## Retail Entitlement Offer

Details of a fully underwritten 1 for 9 accelerated non-renounceable pro-rata entitlement offer of new ordinary shares in Webjet Limited at an offer price of \$11.50 per new share.

This offer closes at 5.00pm (AEDT) on Thursday, 22 November 2018.

This is an important document which is accompanied by an Entitlement and Acceptance Form. Both documents should be read in their entirety.

This document is not a prospectus and does not contain all of the information that an investor may require in order to make an informed investment decision regarding the shares offered under this document.

If you have any questions please contact your broker, solicitor, accountant, financial adviser or other professional adviser or the Webjet Information Line on 1300 556 161 (within Australia) or +61 3 9415 4000 (from outside Australia) from 8.30am to 5.00pm (AEDT) during the retail offer period.

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

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## Important Notice

This Retail Offer Booklet, including the Chairman's letter, ASX Offer Announcement and the Investor Presentation reproduced in it and the Entitlement and Acceptance Form, do not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. In particular, this Retail Offer Booklet and anything contained in it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. None of this Retail Offer Booklet, the Chairman's letter, the ASX Offer Announcement and Investor Presentation reproduced in it nor the Entitlement and Acceptance Form may be distributed to or released in the United States. Neither the Entitlements nor the New Shares (and Additional New Shares) (as defined below) offered in the Entitlement Offer have been, or will be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. The Entitlements may only be offered and taken up by, and the New Shares (and Additional New Shares) may not be offered, sold, or resold to, persons in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable securities laws of any state or other jurisdiction of the United States. The New Shares (and Additional New Shares) may not be deposited in any existing unrestricted American Depository Receipt Facility or such future program with respect to the securities of Webjet that has been or may be established until 40 days following the completion of the Retail Entitlement Offer.

Forward looking statements, opinions and estimates provided in this Retail Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on the interpretations of current market conditions. Forward looking statements including projections, guidance on future revenues, earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

## Summary of the Retail Entitlement Offer

Issue price	\$11.50 per new share ( <b>New Share</b> )
Your entitlement	1 New Share for every 9 existing shares held on the Record Date ( <b>Existing Shares</b> )
Top-up facility (shortfall participation rights)	Eligible retail shareholders will have the opportunity to apply for additional New Shares up to 50% of their Entitlement ( <b>Additional New Shares</b> )

### Key Dates

Announcement of the Entitlement Offer	Monday, 5 November 2018
Record Date for eligibility in the Retail Entitlement Offer	7.00pm (AEDT) Wednesday, 7 November 2018
Retail Entitlement Offer opens	Monday, 12 November 2018
Retail Offer Booklet despatched, including personalised Entitlement and Acceptance Form	Monday, 12 November 2018
Retail Entitlement Offer closes	5.00pm (AEDT), Thursday, 22 November 2018
Announce results of Entitlement Offer	Tuesday, 27 November 2018
Issue of New Shares under the Retail Entitlement Offer	Friday, 30 November 2018
Quotation and normal trading on ASX of New Shares issued under the Retail Entitlement Offer	Monday, 3 December 2018
Dispatch of holding statements	Tuesday, 4 December 2018

\*Dates and times are indicative only and subject to change. The Company reserves the rights to amend any or all of these dates subject to the *Corporations Act 2001* (Cth) (**Corporations Act**), the ASX Listing Rules and other applicable laws. Any extension of the closing date may have a consequential effect on the issue date of New Shares. All times refer to Australian Eastern Daylight Time (AEDT). The commencement of quotation of New Shares is subject to confirmation from ASX.

Webjet, in consultation with UBS AG, Australia Branch and Credit Suisse (Australia) Limited (**Underwriters**), reserves the right to extend or vary these dates without prior notice subject to the Corporations Act, ASX Listing Rules and other applicable laws.

### Enquiries

For any enquiries please call Computershare Investor Services Pty Limited as Share Registry on 1300 556 161 (within Australia) or +61 3 9415 4000 (outside Australia), or contact your stockbroker, accountant or other professional adviser.



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ASX code: WEB

12 November 2018

Dear Shareholder

On behalf of Webjet Limited (**Webjet** or **Company**), I am pleased to invite you to participate in the recently announced 1 for 9 accelerated non-renounceable pro-rata entitlement offer for new Webjet ordinary shares (**New Shares**) at an issue price of \$11.50 per New Share (**Entitlement Offer**).

On 5 November 2018, Webjet announced its intention to raise approximately \$153 million through an Entitlement Offer. The institutional accelerated component of the Entitlement Offer (**Institutional Entitlement Offer**) was successfully completed on 6 November 2018. This information booklet (**Retail Offer Booklet**) relates to the non-accelerated component of the Entitlement Offer (**Retail Entitlement Offer**).

The net proceeds of the Entitlement Offer will be applied principally to the acquisition of DOTW Holdings Limited (**Acquisition**) and transaction costs. More detail is provided in Webjet's Investor Presentation lodged with the Australian Securities Exchange (**ASX**) on 5 November 2018 (and included in this Retail Offer Booklet). The benefits that are expected to flow from the Acquisition for Webjet are also described in that document.

Under the Retail Entitlement Offer, eligible retail shareholders in Australia and New Zealand have the opportunity to subscribe for 1 New Share for every 9 ordinary shares in Webjet held at 7.00pm (AEDT) on 7 November 2018 (**Entitlement**) at the price of \$11.50 per New Share, which is the same price as the institutional investors who participated in the Institutional Entitlement Offer (and as set out in your personalised Entitlement and Acceptance Form that is enclosed with this Retail Offer Booklet).

If you take up your Entitlement in full, you can also apply for additional shares in excess of your Entitlement up to a maximum of 50% of your Entitlement under a 'top-up' facility (refer to section 1 of this Retail Offer Booklet for more information).

The issue price of \$11.50 per New Share represents an approximately 9.9% discount to the theoretical ex-rights price of \$12.77 on 2 November 2018.<sup>1</sup>

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<sup>1</sup> The TERP is a theoretical price at which Webjet shares trade immediately after the ex-date for the Entitlement Offer and prior to the Vendor Share Placement described in the ASX Offer Announcement released to ASX on Monday, 5 November 2018 (a copy of which is included in this Retail Offer Booklet). TERP is calculated by reference to Webjet's closing price of \$12.91 on 2 November 2018.

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The Entitlement Offer is fully underwritten by UBS AG, Australia Branch and Credit Suisse (Australia) Limited (**Underwriters**). Mr John Guscic, Managing Director of the Company, intends to partially sub-underwrite the Retail Entitlement Offer.

The Entitlement Offer is non-renounceable and the Entitlements will not be tradeable on the ASX or otherwise transferable. Shareholders who do not take up their Entitlement in full will not receive any value in respect of those Entitlements they do not take up. I encourage you to consider this offer carefully.

### **Other Information**

This Retail Offer Booklet contains important information, including:

- the Investor Presentation referred to above, which was released to the ASX on 5 November 2018, and provides information on Webjet, including a trading update and information relating to the Acquisition;
- instructions on how to apply, detailing how to participate in the Retail Entitlement Offer if you choose to do so, and a timetable of key dates; and
- instructions on how to take up all or part of your Entitlement.

A personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions contained therein, accompanies this Retail Offer Booklet.

**The Retail Entitlement Offer closes at 5.00pm (AEDT) on Thursday, 22 November 2018.**

Please read in full the details on how to submit your application, which are set out in this Retail Offer Booklet.

You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

On behalf of the Board of Webjet, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely



**Roger Sharp**  
**Chairman**

## 1. THE RETAIL ENTITLEMENT OFFER

Eligible Retail Shareholders (as defined in Important Information (see Section 3 below)) are being offered the opportunity to subscribe for 1 New Share for every 9 ordinary shares in Webjet held at 7.00pm (AEDT) on Wednesday, 7 November 2018 (**Entitlement**), at the issue price of \$11.50 per New Share.

Eligible Retail Shareholders may also apply for New Shares in excess of their Entitlement up to a maximum of 50% of their Entitlement (**Additional New Shares**). Please note that Additional New Shares in excess of Entitlements will only be allocated to an Eligible Retail Shareholder if, and to the extent that, the number of Additional New Shares applied for does not exceed 50% of that shareholder's Entitlement and is otherwise subject to Webjet's absolute discretion having regard to the circumstances at the time of the close of the Retail Entitlement Offer (**Allocation Principles**). Any Additional New Shares will be limited to the extent that there are sufficient New Shares from Eligible Retail Shareholders who do not take up their full Entitlements. Subject to the foregoing, Webjet may apply any scale-back (in its absolute discretion).

By way of example, If your shareholding as at 7.00pm (AEDT) on 7 November 2018 (**Record Date**) is 2,000 Shares, then:

- your Entitlement to subscribe for New Shares under the Retail Entitlement Offer is 223 New Shares; and
- the maximum number of Additional New Shares you may apply for is 112 Additional New Shares.

Accordingly, in this example, if you take up your full Entitlement and apply for the maximum number of Additional New Shares, you could apply for up to 335 New Shares.

The Company has applied for the grant by ASX of official quotation of the New Shares.

The Retail Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow certain rights issues to be made without a prospectus. As a result, it is important for Eligible Retail Shareholders to read and understand the information on Webjet and the Retail Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement or applying for Additional New Shares. In particular, please refer to this Retail Offer Booklet, and Webjet's other periodic and continuous disclosure announcements to the ASX available at [www.asx.com.au](http://www.asx.com.au).

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 9 Existing Shares you held as at the record date of 7.00pm (AEDT) on Wednesday, 7 November 2018 (**Record Date**) rounded up to the nearest whole New Share. If you have more than one holding of Existing Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. New Shares issued pursuant to the Retail Entitlement Offer will be fully paid and rank equally with existing Webjet ordinary shares on issue.

Note: the Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Existing Shares on behalf of a person in the United States.

### ***Nominees and custodians***

The Retail Entitlement Offer is being made to all shareholders on the share register of Webjet at 7:00pm (AEDT) on Wednesday, 7 November 2018 with an address in Australia or New Zealand and who did not participate in the Institutional Entitlement Offer that are not in the United States and are not acting for the account or benefit of a person in the United States. Webjet is not required to determine whether or not any registered holder is acting as a nominee or custodian or the identity or residence of any beneficial owners of Existing Shares. Where any holder is acting as a nominee or custodian for a foreign person, that holder, in dealing with its beneficiary,

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will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. Any person in the United States or any person that is or is acting for the account or benefit of a person in the United States with a holding through a nominee or custodian may not participate in the Retail Entitlement Offer and the nominee or custodian must not take up any Entitlement or send any materials into the United States. Webjet is not able to advise on foreign laws.

## 2. HOW TO APPLY

If you wish to take up all or part of your entitlement, or you wish to apply for Additional New Shares, you can do either of the following:

### Payment by BPAY®

If you wish to pay by BPAY®, please follow the instructions on your personalised Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your application monies; and
- if you do pay for more than your full Entitlement, you are deemed to have applied for as many Additional New Shares as your excess amount will pay for in full (subject to a maximum of 50% of your Entitlement and any scale-back determined by Webjet in its absolute discretion).

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than **5.00pm (AEDT) on Thursday, 22 November 2018**. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Customer Reference Number on the back of your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Customer Reference Number specific to the Entitlement on that form. If you inadvertently use the same Customer Reference Number for more than one of your Entitlements, you will be deemed to have applied only for New Shares (and Additional New Shares) on the Entitlement to which that Customer Reference Number applies.

### Payment by cheque, bank draft or money order

If you wish to pay by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the Form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the application monies, payable to "Webjet Limited" and crossed "Not Negotiable".

Your cheque, bank draft or money order must be:

- for an amount equal to \$11.50 multiplied by the number of New Shares (and if applicable, Additional New Shares) that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution.



Cash payments will not be accepted. Receipts for payment will not be issued.

Shareholders who make payment via cheque, bank draft or money order should mail their completed personalised Entitlement and Acceptance Form together with application monies using the reply paid or self-addressed envelope provided with this Retail Offer Booklet to:

Webjet Limited  
C/- Computershare Investor Services Pty Limited  
GPO Box 2987  
Adelaide SA 5001  
Australia

To participate in the Retail Entitlement Offer, your payment and validly completed Entitlement and Acceptance Form must be received by Computershare Investor Services Pty Limited by 5.00pm (AEDT) on Thursday, 22 November 2018.

You should ensure that sufficient funds are held in relevant account(s) to cover the application monies as your cheque will be processed on the day of receipt. If the amount of your cheque for application monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares (and if applicable, Additional New Shares) you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares (and if applicable, Additional New Shares) as your cleared application monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

#### **Representations, allotment and refunds**

If you take no action, you will not be allocated New Shares and your Entitlement will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable and will not be tradeable or otherwise transferable. Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

By completing and returning your personalised Entitlement and Acceptance Form with application monies or making a payment by BPAY®, you will be deemed to:

(a) represent and warrant that you are an Eligible Retail Shareholder (as defined in Important Information (see Section 3 below));

(b) represent and warrant on your behalf and on behalf of each person on whose account or benefit you are acting that: (i) you are not in the United States and are not acting for the account or benefit of a person in the United States; (ii) you understand and acknowledge that neither the Entitlements nor the New Shares (and any Additional New Shares) have been, or will be, registered under the Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, the Entitlements may not be offered or taken up by, and the New Shares (and any New Additional Shares) may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws; (iii) you understand and acknowledge that the Entitlements and the New Shares (and Additional New Shares) may only be offered, sold and resold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act; (iv) you are taking up your Entitlement and purchasing New Shares (and Additional New Shares) outside the United States in “offshore transactions” (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act; (v) you acknowledge that if you decide to sell or otherwise transfer the New Shares (and Additional New Shares) you will only do so in standard (regular way) brokered transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and (vi) you have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States;

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(c) acknowledge that, if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting an Entitlement and Acceptance Form is not in the United States and is not acting for the account or benefit of any person in the United States;

(d) acknowledge that you have read and understand this Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;

(e) acknowledge that this Retail Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Webjet and is given in the context of Webjet's past and ongoing continuous disclosure announcements to ASX;

(f) acknowledge the statement of risks in the "Risks" section of the Webjet Investor Presentation attached to this Retail Offer Booklet, and that investments in Webjet are subject to risk;

(g) acknowledge that none of Webjet, the Underwriters, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of Webjet, nor do they guarantee the repayment of capital;

(h) acknowledge and agree that determination of eligibility of investors for the purposes of the Institutional Entitlement Offer and the Retail Entitlement Offer was determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Webjet and/or the Underwriters, and each of Webjet and the Underwriters and their respective related bodies corporate and affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise of that discretion to the maximum extent permitted by law;

(i) represent and warrant (for the benefit of Webjet, the Underwriters and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an ineligible retail shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;

(j) represent and warrant that the law of any place does not prohibit you from being given this Retail Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer; and

(k) authorise Webjet, the Underwriters, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form.

If you take up and pay for all or part of your Entitlement before the close of the Retail Entitlement Offer at 5.00pm (AEDT) on Thursday, 22 November 2018, you will be allotted your New Shares on Friday, 30 November 2018. If you apply for Additional New Shares then, subject to the application of the Allocation Principles, your application for Additional New Shares (in whole or part) will be issued on Friday, 30 November 2018. Webjet's decision on the number of Additional New Shares to be allocated to you in accordance with the Allocation Principles will be final and binding. Webjet also reserves the right (in its absolute discretion) to reduce the number of New Shares (and if applicable, Additional New Shares) allocated to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders, if their claims prove to be overstated or otherwise incorrect or if they fail to provide information to substantiate their claims.

Cash payments will not be accepted. Receipts for payment will not be issued.

Any application monies received for more than your final allocation of New Shares and Additional New Shares will be refunded to you as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to applicants on any application monies received or refunded.

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Refund amounts, if any, will be paid in Australian dollars by cheque sent by ordinary post to your address as recorded on the share register.

Applicants with queries on how to complete the Entitlement and Acceptance Form should contact Computershare Investor Services Pty Limited as Share Registry on 1300 556 161 (within Australia) or +61 3 9415 4000 (outside Australia).

### 3. IMPORTANT INFORMATION

This Retail Offer Booklet (including the Chairman's letter, Investor Presentation and the ASX Offer Announcement reproduced in it) and accompanying personalised Entitlement and Acceptance Form have been prepared by Webjet. The information in this Retail Offer Booklet is dated Monday, 12 November 2018.

This Retail Offer Booklet should be read in conjunction with Webjet's other periodic and continuous disclosure announcements to the ASX available at [www.asx.com.au](http://www.asx.com.au).

No party other than Webjet has authorised or caused the issue of the information in this Retail Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Retail Offer Booklet.

#### **This information is important and requires your immediate attention.**

You should read the information in this Retail Offer Booklet carefully and in its entirety before deciding whether to invest in New Shares (and Additional New Shares). In particular, you should consider the risk factors outlined in "Risk Factors" section of the Investor Presentation released to ASX on Monday, 5 November 2018 (a copy of which is included in this Retail Offer Booklet), any of which could affect the operating and financial performance of Webjet or the value of an investment in Webjet.

You should consult your stockbroker, accountant, solicitor or other independent professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

The Company disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares (or Additional New Shares) before the New Shares (and Additional New Shares) are quoted on the official list of ASX or receiving their confirmation of issue, whether on the basis of confirmation of the allocation provided by the Company, the Share Registry or the Underwriters (as defined in Section 3.1 below).

#### **3.1 Underwriting**

The Company has entered into the Underwriting Agreement with UBS AG, Australia Branch and Credit Suisse (Australia) Limited (**Underwriters**) who have agreed to manage and fully underwrite the Retail Entitlement Offer.

The Underwriting Agreement contains customary representations, warranties and indemnities in favour of the Underwriters. The Underwriters may terminate the Underwriting Agreement and be released from their obligations on the happening of certain events, including if the S&P/ASX 200 Index closes on:

(a) three consecutive business days before the "Retail Settlement Date" as defined in the Underwriting Agreement (being Thursday, 29 November 2018); or

(b) the day before the "Retail Closing Date" as defined in the Underwriting Agreement (being Thursday, 22 November 2018),

at a level that is 12.5% or more below the level as at the close of trading on 2 November 2018.

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The Underwriters will be remunerated by Webjet for providing these services as set out in the Appendix 3B released to ASX on Monday, 5 November 2018.

The Underwriters also intend to enter into a sub-underwriting arrangement in relation to the Retail Entitlement Offer with Mr John Guscic, Managing Director of the Company. Mr Guscic intends to commit to sub-underwrite \$33 million of the Retail Entitlement Offer on the same terms as other sub-underwriters, except that he will not be paid a fee for his commitment. It is intended that any shortfall shares under the Retail Entitlement Offer allocated to the sub-underwriters will be allocated to them on a pro rata basis.

The Underwriters have notified the Company that the obligations of each sub-underwriter under the sub-underwriting arrangements will terminate if the Underwriters' obligations under the Underwriting Agreement cease or are terminated pursuant to any express termination rights under the sub-underwriting arrangements.

### **3.2 Eligible Retail Shareholders**

The Entitlement Offer in this Retail Offer Booklet contains an offer of New Shares to Eligible Retail Shareholders in Australia or New Zealand and has been prepared in accordance with section 708AA of the Corporations Act as modified by Australian Securities and Investments Commission (**ASIC**) Legislative Instrument 2016/84.

Eligible Retail Shareholders are those holders of Existing Shares who:

- are registered as holders of Existing Shares as at 7.00pm (AEDT) on Wednesday, 7 November 2018;
- have a registered address on the Webjet share register in Australia or New Zealand at that date;
- are not in the United States and are not acting for the account or benefit of a person in the United States;
- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Retail shareholders who do not satisfy the above criteria are ineligible retail shareholders.

### **3.3 Effect of the Entitlement Offer**

If all entitlements are accepted by shareholders to the full extent, then the Entitlement Offer will not result in any material change to the control of Webjet.

If all entitlements under the Entitlement Offer are not accepted to the full extent, then the shareholding interest of non-participating shareholders will be diluted.

The Entitlement Offer is not expected to have a material impact on the control of the Company.<sup>2</sup> Specifically, the Company does not expect any shareholder to hold more than 20% after completion of the Entitlement Offer.

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<sup>2</sup> If Mr John Guscic takes up the full \$33 million of his proposed sub-underwriting commitment described in Section 3.1 of this Retail Offer Booklet, Mr Guscic's relevant interest in Webjet shares will increase by no more than 2.1%. This will have minimal practical impact on the control of Webjet.

### **3.4 Allocation policy and scale-back**

If there are excess oversubscription applications, Webjet reserves the right to scale back applications for Additional New Shares in its absolute discretion.

In the event of a scale-back, the difference between the application monies received, and the number of Additional New Shares allocated to you multiplied by the offer price of \$11.50 will be refunded following allotment. No interest will be paid on any application monies received and returned.

### **3.5 Continuous disclosure**

Webjet is a disclosing entity for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations including an obligation under the ASX Listing Rules (subject to certain exceptions) to disclose to ASX any information of which it is or becomes aware concerning Webjet and which a reasonable person would expect to have a material effect on the price or the value of shares. Webjet is also required to prepare and lodge yearly and half yearly financial statements accompanied by a directors' statement and report and an audit review or report. All such disclosures are available at [www.asx.com.au](http://www.asx.com.au). You have the opportunity to access any information about Webjet which has previously been disclosed to ASX. In particular, please refer to Webjet's Annual Report for the year ended 30 June 2018. You should also have regard to any further announcements which may be made by Webjet to ASX after the date of this Retail Offer Booklet.

### **3.6 No Entitlements trading**

Entitlements are non-renounceable and will not be tradeable on the ASX or otherwise transferable.

### **3.7 Notice to nominees and custodians**

Nominees and custodians which hold Shares as nominees or custodians will have received, or will shortly receive, a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to eligible institutional shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their Entitlements or not) and institutional shareholders who were treated as ineligible institutional shareholders under the Institutional Entitlement Offer.

### **3.8 Taxation**

You should be aware that there may be taxation implications associated with participating in the Retail Entitlement Offer and receiving New Shares (and Additional New Shares).

Webjet does not consider it appropriate to give shareholders advice regarding the taxation consequences of subscribing for New Shares (and Additional New Shares) under the Retail Entitlement Offer. Webjet, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares (and Additional New Shares) under this Retail Offer Booklet.



### **3.9 Rounding of Entitlements**

Where fractions arise in the calculation of Entitlements, they will be rounded up to the nearest whole number of New Shares.

### **3.10 Ranking of New Shares (and Additional New Shares)**

The New Shares (and Additional New Shares) will be issued on a fully paid basis and will rank equally in all respects with Existing Shares. The rights and liabilities attaching to the New Shares (and Additional New Shares) are set out in Webjet's constitution.

### **3.11 Future performance and forward-looking statements**

Neither Webjet nor any other person warrants or guarantees the future performance of the New Shares (and Additional New Shares) or any return on any investment made pursuant to the Entitlement Offer. This Retail Offer Booklet contains certain "forward-looking statements". Forward-looking words such as, "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target" and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Retail Offer Booklet, including statements about Webjet's expectations about the performance of its businesses and the Acquisition, are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements including forecasts, projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward-looking statements only speak as to the date of this Retail Offer Booklet and Webjet assumes no obligation to update such information. They are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of Webjet and its Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by any forward-looking statements in this Retail Offer Booklet.

You should also refer to the "Risk Factors" section of the Investor Presentation released to ASX on 5 November 2018 a copy of which is included in this Retail Offer Booklet.

### **3.12 Past performance**

Investors should note that the past share price performance of Webjet's shares provides no guidance as to future share price performance. For further information, please see past announcements released to the ASX.

### **3.13 No cooling off rights**

Cooling off rights do not apply to an investment in New Shares (and Additional New Shares). You cannot withdraw your application once it has been accepted.

### **3.14 Not investment or financial product advice**

This Retail Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares (and Additional New Shares) offered in the booklet. The Retail Offer Booklet has been prepared in accordance with section 708AA of the Corporations Act (as notionally modified by ASIC Legislative Instrument 2016/84). In general terms, section 708AA permits certain companies to undertake pro-rata rights issues without being required to use or provide shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in

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this booklet is significantly less than the level of disclosure required in a prospectus. Eligible Retail Shareholders should rely on their knowledge of the Company, refer to disclosures made by the Company to ASX and consult their professional advisers before deciding to apply under the Retail Entitlement Offer.

The Retail Offer Booklet is also not financial product advice or investment advice nor a recommendation to acquire New Shares (and Additional New Shares). It has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Webjet is not licensed to provide financial product advice in respect of the New Shares (and any Additional New Shares).

The Retail Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares (and Additional New Shares).

Before deciding whether to apply for New Shares (and any Additional New Shares), you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Information, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant, solicitor or other independent professional adviser.

### **3.15 Optionholders**

Existing optionholders will not be entitled to participate in the Entitlement Offer unless they:

- (a) have become entitled to exercise their existing options under the terms of their issue and do so, so that they are registered as holders of shares prior to 7.00pm (AEDT) on 7 November 2018; and
- (b) participate in the Entitlement Offer as a result of being a holder of Existing Shares registered on the register of Webjet at 7.00pm (AEDT) on 7 November 2018.

### **3.16 Foreign jurisdictions**

#### *New Zealand*

This Retail Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

The New Shares (and any Additional New Shares) are not being offered or sold to the public within New Zealand other than to existing shareholders with registered addresses in New Zealand to whom the offer of New Shares (and Additional New Shares) is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand). This Retail Offer Booklet has not been registered, filed or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand). This Retail Offer Booklet is not a product disclosure statement under New Zealand law, and may not contain all the information that a product disclosure statement under New Zealand law is required to contain.

The offer of the New Shares (and Additional New Shares) will comply with the laws of Australia applicable to the offer of the New Shares (and Additional New Shares).

The taxation treatment of Australian securities is not the same as for New Zealand securities. The offer of the New Shares (and Additional New Shares) may involve a currency exchange risk as they will be quoted on the ASX in Australian dollars.

#### *Other foreign jurisdictions*

This Retail Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares (and

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Additional New Shares), or otherwise permit the public offering of the New Shares (and Additional New Shares), in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand is restricted by law. If you come into possession of this Information, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

This Retail Offer Booklet may not be released or distributed in the United States. This Retail Offer Booklet does not constitute an offer to sell, or the solicitation of any offer to buy, any securities in the United States. The Entitlements and the New Shares (and Additional New Shares) have not been, nor will be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be offered or taken up, and the New Shares (and Additional New Shares) may not be offered, sold or resold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Shares (nor the Additional New Shares) may be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. The Entitlements and the New Shares (and Additional New Shares) to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act.

Please refer to the "Foreign selling restrictions" section of the Investor Presentation, a copy which is included in this Retail Offer Booklet, for more information.

### **3.17 Disclaimer of representations**

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Retail Offer Booklet.

Any information or representation that is not in this Retail Offer Booklet may not be relied on as having been authorised by Webjet, or its related bodies corporate in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, none of Webjet, or any other person, warrants or guarantees the future performance of Webjet or any return on any investment made pursuant to this Retail Offer Booklet.

### **3.18 Information availability**

Eligible Retail Shareholders in Australia and New Zealand can obtain a further copy of this Retail Offer Booklet during the period of the Entitlement Offer by contacting the Share Registry on the numbers listed in the Corporate Directory in this Retail Offer Booklet.

Persons accessing the electronic version of this Retail Offer Booklet should ensure that they download and read the entire Retail Offer Booklet. The electronic version of this Retail Offer Booklet on the Company's website will not include an Entitlement and Acceptance Form. A replacement Entitlement and Acceptance Form can be requested by calling the Company's Share Registry on 1300 556 161 (if within Australia) or +61 3 9415 4000 (if outside Australia) between 8.30am to 5.00pm (AEDT) Monday to Friday.

### **3.19 Underwriters' disclaimers**

The Underwriters, together with each of their respective related bodies corporates, shareholders or affiliates and each of their respective officers, directors, employees, affiliates, agents or advisers (each a **Limited Party**) have not authorised permitted or caused the issue, lodgement, submission, dispatch or provision of this Retail Offer Booklet and do not make or purport to make any statement in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement by a Limited Party. No Limited Party makes any recommendation as to whether any retail shareholder should participate in the Retail

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Entitlement Offer and makes no warranties concerning the Retail Entitlement Offer or the Institutional Entitlement Offer.

Further, no Limited Party accepts any fiduciary obligations owed to or relationship with any investor or potential investor in connection with the Retail Entitlement Offer or otherwise, and by accepting this Retail Offer Booklet each recipient expressly disclaims any fiduciary relationship and agrees that it is responsible for making its own independent judgements with respect to the Retail Entitlement Offer, and any other transaction or other matter arising in connection with this Retail Offer Booklet. The Underwriters or other Limited Parties may have interests in the shares of Webjet, including being directors of, or providing investment banking services to, Webjet. Further, they may act as market maker or buy or sell those securities or associated derivatives as principal or agent.

### **3.20 Privacy**

Chapter 2C of the Corporations Act requires information about you as a shareholder (including your name, address and details of your shares) to be included in the public register of the Company. Information is collected to administer your shares. Your personal information may be disclosed to the Company. You can obtain access to your personal information by contacting the Share Registry at the address or telephone number listed in the corporate directory.

#### **Privacy Notice**

The personal information you provide on the Entitlement and Acceptance Form is collected by Computershare Investor Services Pty Limited (**Computershare**) as Share Registry for the Company, for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the Company may authorise Computershare on its behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting Computershare using the details provided above or emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au).

Computershare may be required to collect your personal information under the Corporations Act and ASX Settlement Operating Rules. Computershare may disclose your personal information to its related bodies corporate and to other individuals or companies who assist Computershare in supplying its services or who perform functions on its behalf, to the Company for whom it maintains securities registers or to third parties upon direction by the Company where related to the Company's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on Computershare's privacy complaints handling procedure, please contact Computershare's Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see Computershare's privacy policy at <http://www.computershare.com/au>.

### **3.21 Governing law**

This Information, the Retail Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Victoria, Australia. Each applicant for New Shares (and Additional New Shares) submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

## **CORPORATE DIRECTORY**

### **Registered Office**

Level 2, 509 St Kilda Road  
Melbourne, Victoria 3004

### **Directors**

Mr Roger Sharp Non-Executive Chairman  
Mr Don Clarke Deputy Chairman  
Mr John Gusic Managing Director  
Mr Brad John Holman Non-Executive Director  
Mr Rajiv Ramanathan Non-Executive Director  
Ms Shelley Roberts Non-Executive Director  
Ms Toni Korsanos Non-Executive Director

### **Company Secretary**

Mr Tony Ristevski

### **Legal Adviser**

DLA Piper  
140 William Street  
MELBOURNE VIC 3000

### **Underwriters**

UBS AG, Australia Branch  
Level 16, Chifley Tower, 2 Chifley Square  
Sydney, NSW 2000

Credit Suisse (Australia) Limited  
Level 31, Gateway, 1 Macquarie Place,  
Sydney NSW 2000

### **Registry**

Computershare Investor Services Pty Limited  
GPO Box 1903  
Adelaide SA 5001 Australia  
Shareholder enquiries:  
Telephone: 1300 556 161 (within Australia) or + 61 3 9415 4000 (outside Australia)  
Website: [www.computershare.com](http://www.computershare.com)



5 November 2018

## WEBJET ANNOUNCES ACQUISITION OF DESTINATIONS OF THE WORLD AND CAPITAL RAISING

### Key highlights

- Acquisition of Destinations of the World ("**DOTW**"), a market leading B2B travel business that operates across the Middle East, Europe, Asia Pacific and the Americas, with c.US\$529 million in total transaction value ("**TTV**")
- Represents a substantial increase in WebBeds' scale and consolidates WebBeds' position as the #2 global B2B player
- Increases WebBeds' directly contracted hotel relationships from c.23,000<sup>1</sup> to c.28,500<sup>1</sup>
- Attractive earnings growth profile of combined group, to be further enhanced via cost synergies and revenue opportunities to leverage DOTW and WebBeds inventory offerings across each other's distribution networks. Total anticipated synergies across revenue and costs estimated at US\$10 million (A\$14 million) per annum, once fully realised from FY20
- Headline acquisition price of US\$173 million (A\$240 million) represents 10.5x FY18 EBITDA<sup>2</sup> pre-synergies and before any earn-out payment; and 7.5x FY18 EBITDA post run-rate synergies<sup>3</sup> and assuming any earn-out is paid in full
- Performance based earn-out of up to US\$25 million (A\$35 million) payable in 2HFY20<sup>4</sup>
- Estimated to be mid-single digits EPS accretive in FY19 on a pro-forma basis, before synergies and in excess of 20% EPS accretive in FY19 on a pro-forma basis post run-rate synergies<sup>3</sup>
- Strong senior management team, with existing CEO electing to receive Webjet shares as part of his sales proceeds and agreeing to 18 months of escrow

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effect of rounding.

<sup>1</sup> As at 31 August 2018, DOTW had c.12,300 directly contracted hotels, of which c.5,600 are unique and c.6,700 overlap with WebBeds's existing directly contracted hotels (c.23,000 as at 30 September 2018).

<sup>2</sup> Based on EBITDA for the 12 months to 30 June 2018 as set out in DOTW's unaudited management accounts, adjusted by Webjet management based on its due diligence and to exclude non-recurring items and align to Australian Accounting Standards.

<sup>3</sup> An estimated US\$10 million (A\$14 million) of combined cost and revenue synergies are included, excluding one-off costs to achieve. Webjet expects the DOTW effective tax rate to remain in line with historical rates, as disclosed in the ASX investor presentation.

<sup>4</sup> Earn-out payable above agreed adjusted EBITDA thresholds associated with achievement of enlarged WebBeds B2B EBITDA (including DOTW contribution) for 12 month period ending 31 December 2019.

## Acquisition

Webjet Limited ("**Webjet**") today announced it has entered into a binding agreement to acquire DOTW ("**Acquisition**") for an enterprise value of US\$173 million (A\$240 million). The Acquisition will be funded by a fully underwritten accelerated pro rata non-renounceable entitlement offer ("**Entitlement Offer**"), debt funding and an issue of new Webjet shares to continuing management shareholders and DOTW's existing private equity shareholders, Gulf Capital ("**Vendor Share Placement**").

DOTW is a pure-play B2B accommodation wholesale platform, headquartered in Dubai. The company operates throughout the Middle East, Europe, Asia Pacific and the Americas, connecting highly fragmented suppliers (hoteliers) with travel retailers (travel agents, online travel agents, tour operators and third-party wholesalers).

Webjet's Managing Director, John Guscic said:

*"The acquisition of DOTW continues to consolidate WebBeds' position as the clear #2 player in the global B2B market.*

*DOTW is highly complementary to WebBeds' existing portfolio and significantly enhances WebBeds' existing Asia Pacific and Americas businesses, while further expanding its presence in Europe and the Middle East and Africa regions. In addition to providing 5,600 unique new contracts, the overlap in existing directly contracted hotels will deliver increased depth to our global inventory offering.*

*The addition of DOTW follows our successful transformational acquisition of JacTravel in 2017, with integration now largely complete and sales of JacTravel inventory continuing to drive growth."*

For the 12 months ended 30 June 2018, DOTW generated TTV of US\$529 million (c.A\$734 million) and EBITDA of US\$16.4 million (A\$22.7 million). The Acquisition purchase price is US\$173 million (A\$240 million) to be paid in cash and new Webjet shares. The purchase price represents 10.5x FY18 EBITDA pre-synergies and before any earn-out payment; and 7.5x FY18 EBITDA post US\$10 million (A\$14 million) of combined revenue and cost synergies and assuming any earn-out is paid in full.

The Acquisition is estimated to be mid-single digits EPS accretive in FY19 on a pro-forma basis, before synergies; and in excess of 20% EPS accretive in FY19 on a pro-forma basis post US\$10 million (A\$14 million) of estimated run-rate synergies.

The cash consideration for the Acquisition will be funded by the proceeds of the Entitlement Offer and A\$102 million of debt funding, including a new acquisition debt facility. In addition, approximately US\$20 million (A\$28 million) of new Webjet shares will be issued to continuing management shareholders and the private equity vendor of DOTW at an issue price of A\$12.77 per share. The shares issued under the Vendor Share Placement will represent approximately 1.6% of Webjet's issued capital after completion of the Entitlement Offer. They will be subject to escrow for a period of 18 months for continuing management and up to 12 months for Gulf Capital. Following the acquisition, Pro-forma Net Debt / FY18 EBITDA, before synergies, will be less than 0.8x, which ensures continued balance sheet strength and capacity to pursue further growth opportunities.

The acquisition is expected to complete on Thursday, 22 November 2018.

## Entitlement Offer

The Entitlement Offer is a fully underwritten accelerated pro rata non-renounceable entitlement offer, to raise approximately A\$153 million.

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Under the Entitlement Offer, eligible shareholders are invited to subscribe for 1 new Webjet share for every 9 existing Webjet shares ("**Entitlement**") held as at 7:00pm (Sydney time) on Wednesday 7 November 2018 ("**Record Date**").

The offer price of A\$11.50 per new share represents a 9.9% discount to the theoretical ex-rights price of A\$12.77 on 2 November 2018<sup>5</sup>.

Approximately 13.3 million new Webjet shares will be issued under the Entitlement Offer. New shares will rank equally with existing shares.

### *Institutional Entitlement Offer*

Eligible institutional shareholders will be invited to participate in the Entitlement Offer for institutional shareholders ("**Institutional Entitlement Offer**") which is being conducted today, Monday, 5 November 2018 and tomorrow, Tuesday, 6 November 2018.

Eligible institutional shareholders can choose to take up all, part or none of their Entitlement. Institutional Entitlements cannot be traded on market or transferred.

Institutional Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and institutional Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered to new and existing institutional investors concurrently with the Institutional Entitlement Offer.

Webjet's shares will remain in a trading halt pending completion of the Institutional Entitlement Offer.

### *Retail Entitlement Offer*

Eligible retail shareholders in Australia and New Zealand will be invited to participate in the Entitlement Offer for retail shareholders ("**Retail Entitlement Offer**") at the same offer price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open on Monday 12 November 2018 and close at 5.00pm on Thursday 22 November 2018. Eligible retail shareholders who take up their entitlement in full can also apply for additional shares in excess of their entitlement, up to a maximum of 50% of their entitlement, under a 'top-up' facility.

Further details about the Retail Entitlement Offer will be set out in the retail offer booklet, which Webjet expects to lodge with the ASX and despatch on Monday 12 November 2018.

Entitlements cannot be traded on the ASX or transferred. Eligible shareholders who do not take up their Entitlement under the Entitlement Offer in full or in part, will not receive any value in respect to those Entitlements not taken up.

### **Key dates\***

Trading halt and announcement of Offer	Monday, 5 November 2018
Institutional Entitlement Offer and Institutional Bookbuild opens	Monday, 5 November 2018
Institutional Entitlement Offer and Bookbuild closes	Tuesday, 6 November 2018
Trading halt lifted and announcement of results of Institutional Entitlement Offer	Wednesday, 7 November 2018
Record date for determining Entitlements to subscribe for new shares under the Entitlement Offer	7.00pm, Wednesday, 7 November 2018
Retail offer booklet despatched and Retail Entitlement Offer opens	Monday, 12 November 2018

<sup>5</sup> The TERP is a theoretical price at which Webjet shares trade immediately after the ex-date for the Entitlement Offer and prior to the Vendor Share Placement. TERP is calculated by reference to Webjet's closing price of A\$12.91 on 2 November 2018.



Settlement of Institutional Entitlement Offer	Wednesday, 14 November 2018
Allotment and normal trading of new shares under the Institutional Entitlement Offer	Thursday, 15 November 2018
Retail Entitlement Offer closes	5.00pm, Thursday 22 November 2018
Issue of shares under Vendor Share Placement	Thursday, 22 November 2018
Allotment of new shares under the Retail Entitlement Offer	Friday, 30 November 2018
Retail Trading Date	Monday, 3 December 2018

\* All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to Australian Eastern Daylight Time (AEDT). Webjet reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Webjet reserves the right to extend the closing date for the Retail Entitlement Offer and to accept late applications under the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the allotment date for new shares under the Retail Entitlement Offer. Any changes to the timetable will be posted on Webjet's website at [www.webjetlimited.com](http://www.webjetlimited.com)

#### Webjet Director participation in Entitlement Offer

Managing Director, John Guscic, intends to take up his entitlement under the Entitlement Offer to the maximum extent possible under the already disclosed structured option and financing agreement in place with UBS AG. Mr Guscic also intends to commit to sub-underwrite A\$33 million of the Retail Entitlement Offer on the same terms as other sub-underwriters, except that he will not be paid a fee for his commitment. Arrangements are in place between Mr Guscic and UBS AG whereby Mr Guscic may, at his option, fund part of his sub-underwriting obligation by way of a limited recourse loan facility from UBS AG. It is intended that any shortfall shares under the Retail Entitlement Offer allocated to the sub-underwriters will be allocated to them on a pro rata basis.

All other Webjet directors intend to take up their entitlements in full.

#### FY19 Outlook and Guidance Statement

Webjet today announced guidance for FY19 saying it is on track to deliver at least A\$110 million underlying EBITDA for the existing businesses for the year to 30 June 2019. This compares to EBITDA of A\$87.4 million for the same businesses (continuing operations) reported in FY18.

Commenting on the current trading environment, John Guscic said:

*"We continue to see growth in Webjet OTA and WebBeds business units.*

*In particular, we are seeing both TTV and booking growth in Webjet OTA and all regions of our WebBeds division – Europe, AMEA, and Asia Pacific.*

*In line with our expectations, Online Republic bookings and TTV are flat"*

In addition, based on the current AUD/USD exchange rate, Webjet expects pro-forma EBITDA for the DOTW business for the year to 30 June 2019 to be at least A\$23 million. Assuming an acquisition close of 22 November 2018 and having regard to seasonality in that business reflecting timing of the Northern Hemisphere summer holiday period and corresponding weighting of bookings to 1H19, Webjet expects DOTW to contribute incremental EBITDA of at least A\$10 million for the year to June 2019, pre-synergies.

Webjet therefore expects total FY19 EBITDA to be at least A\$120 million, comprising EBITDA from

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the existing businesses as well as the 7-month contribution from DOTW, pre-synergies.

Webjet anticipates the acquisition of DOTW will generate incremental cost and revenue synergies. These include anticipated cost synergies of US\$3 million (A\$4 million) per annum (excluding associated one-off costs) and revenue synergies primarily relating to the distribution of WebBeds' and DOTW's unique directly contract hotel inventory through the various WebBeds platforms of US\$7 million per annum (A\$10 million) (excluding associated one-off costs). Webjet expects these synergies to be realised progressively over FY19 and recognised in full in FY20.

### Additional details

Further details of the Acquisition, Entitlement Offer and Vendor Share Placement are set out in the Investor Presentation pack provided to the ASX today. The pack contains important information including key risks and foreign selling restrictions with respect to the Entitlement Offer.

Evercore acted as lead financial adviser to Webjet, while Credit Suisse and UBS acted as Webjet's joint financial advisers, joint lead managers and underwriters to the Entitlement Offer. DLA Piper acted as Webjet's legal adviser.

For more information, please contact:

### Webjet:

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### Important notices

This notice may not be released or distributed in the United States. This notice does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Entitlements and the new shares to be offered and sold in the Entitlement Offer have not been, and will not be, registered under the US Securities Act of 1933 (the "US Securities Act") or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States unless they are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

This announcement contains certain forward looking statements and comments about future events, including Webjet's expectations about the financial and operating performance of its businesses, the acquisition of DOTW, the timetable and outcome of the Entitlement Offer and the use of proceeds thereof. Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Forward looking statements involve inherent risks and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward looking statements will not be achieved. A number of important factors could cause Webjet's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements and many of these factors are beyond Webjet's control. Refer to the various risks factors in Appendix D under "Key Risks" of the investor presentation entitled "Acquisition of DOTW and Capital Raising" released to the ASX today. Forward looking statements are provided as a general guide only, and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainty and other factors, many of which are outside the control of Webjet. As such, undue reliance should not be placed on any forward looking statement. Past performance information given in this announcement is given for illustrative purposes only and is not necessarily a guide to future performance and no representation

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or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward looking statements, forecast financial information or other forecast. Nothing contained in this announcement is to be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Webjet.

The information contained in this announcement does not constitute investment or financial product advice (nor taxation, accounting or legal advice), is not a recommendation to acquire Webjet shares and is not intended to be used or relied upon as the basis for making an investment decision. This announcement has been prepared without taking into account the investment objectives, financial position or needs of any individuals. Before making any investment decisions, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and should seek legal, accounting and taxation advice appropriate to their jurisdiction. Webjet is not licensed to provide investment or financial product advice in respect of Webjet shares. Cooling off rights do not apply to the acquisition of Webjet shares pursuant to the Entitlement Offer.

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# WEBJET LIMITED ACQUISITION OF DESTINATIONS OF THE WORLD AND CAPITAL RAISING

JOHN GUSCIC, Managing Director  
TONY RISTEVSKI, Chief Financial Officer

5 November 2018

## B2C TRAVEL



## B2B HOTELS



## Important Notice and Disclaimer

This presentation has been prepared by Webjet Limited ACN 002 013 612 ("Webjet") in relation to the proposed acquisition by Webjet of DOTW Holdings Limited ("DOTW") ("Acquisition") and a fully underwritten accelerated non-remunerable pro rata entitlement offer of new ordinary fully paid shares in Webjet ("New Shares") to fund (in part) the Acquisition, to be made to:

- Eligible institutional shareholders of Webjet ("Institutional Entitlement Offer"); and
- Eligible retail shareholders of Webjet ("Retail Entitlement Offer").

under section 708AA of the *Corporations Act 2001* (Cth) ("Corporations Act"), as notionally modified by the Australian Securities and Investments Commission ("ASIC") Legislative Instrument 2016/84 (together, the "Entitlement Offer").

### Summary information

This presentation contains summary information about Webjet and its associated entities and their activities current as at the date of this presentation. The information contained in this presentation is for information purposes only.

The information contained in this presentation is of a general background nature and does not purport to be complete, nor include or summarise all information that an investor should consider when making an investment decision. It should be read in conjunction with Webjet's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange ("ASX"), which are available at [www.asx.com.au](http://www.asx.com.au).

This presentation is not and does not contain all of the information which would be required to be disclosed in a prospectus, product disclosure statement or any other offering document under Australian law or any other law (and will not be lodged with ASIC or any foreign regulator).

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Page 3



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### Financial data

All dollar values are in Australian dollars (\$) or AUD unless stated otherwise. All Webjet references starting with "FY" refer to the financial year for Webjet, ending 30 June. For example, for Webjet, "FY18" refers to the financial year ending 30 June 2018. DOTW prepares audited financial information for the financial year ending 31 December. Investors should note that this presentation includes unaudited financial information for DOTW that has been prepared by DOTW management (for the historical period ending 30 June 2018 unless otherwise stated) and Webjet does not take any responsibility for it. This presentation also includes pro forma financial information. Pro-forma adjustments have been made in order to exclude one-off transaction costs associated with the Entitlement Offer and Acquisition. Investors should note that this information has not been audited and is based on management estimates and not on financial statements prepared in accordance with applicable statutory requirements. Accordingly, investors should treat this information with appropriate caution. Such financial information does not purport to comply with Article 3-05 of Regulation S-X of the rules and regulations of the US Securities and Exchange Commission. In addition, the pro-forma financial information for Webjet following the acquisition of DOTW is provided for illustrative purposes only, is not represented as being indicative of Webjet's, a Limited Party's or anyone else's views on it, future financial position and/or performance, and does not purport to comply with Article 11 of Regulation S-X.

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Page 4



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## Agenda

1. Key Highlights
2. Transaction Overview
3. Overview of DOTW
4. Strategic Rationale
5. Financial Impact and Funding
6. Trading Update
7. Conclusion



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# 1. Key Highlights



## Key Highlights

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding

- (1) Earn-out payable above agreed adjusted EBITDA thresholds associated with achievement of combined WebBeds B2B EBITDA (including DOTW contribution) for 12 month period ending 31 December 2019
- (2) Based on the 12 months to 30 June 2018 unaudited management accounts for DOTW
- (3) As at 31 August 2018, DOTW had c.12,300 directly contracted hotels, of which c.5,600 are unique and c.6,700 overlap with WebBeds' existing directly contracted hotels (c.23,000 as at 30 September 2018). Note: Figures are rounded to the nearest 100
- (4) On a pro-forma basis. Calculation before amortisation of acquisition intangibles and one-off transaction costs. Webjet diluted EPS for the year ending 30 June 2019 has been adjusted to reflect the bonus element in the Entitlement Offer
- (5) On a pro-forma basis post estimated US\$10 million (A\$14 million) of combined cost and revenue synergies (excluding one-off costs to achieve)
- (6) 50% of Gulf Capital and founder share consideration is locked up for 6 months and 50% locked up for 12 months. Management locked up for 18 months

<b>1</b>	Acquisition of Destinations of the World ("DOTW"), a leading B2B travel business, for US\$173 million (A\$240 million) with additional performance based earn-out up to US\$25 million (A\$35 million) <sup>(1)</sup>
<b>2</b>	Represents a substantial increase in WebBeds' scale, with incremental TTV from DOTW of US\$529 million (A\$734 million) <sup>(2)</sup> and directly contracted hotel relationships increasing from c.23,000 <sup>(3)</sup> to c.28,500 <sup>(3)</sup>
<b>3</b>	Complementary geographical footprint, significantly enhances WebBeds' existing APAC and Americas businesses and further expands its presence in Europe and MEA
<b>4</b>	Estimated US\$10 million (A\$14 million) of potential cost and revenue synergies
<b>5</b>	Mid-single digit EPS accretive in FY19 <sup>(4)</sup> before synergies and in excess of 20% EPS accretive in FY19 <sup>(4)(5)</sup> including synergies (excluding one-off costs to achieve)
<b>6</b>	Vendor confidence in the combination, with DOTW's private equity backer, Gulf Capital, founder and management to take US\$20 million (A\$28 million) of consideration in Webjet shares <sup>(6)</sup>



# 2. Transaction Overview

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## Transaction Overview

- Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding
- (1) Based on EBITDA for the 12 months to 30 June 2018 as set out in DOTW's unaudited management accounts, adjusted by Webjet management based on its due diligence and to exclude non-recurring items
  - (2) Earn-out payable above agreed adjusted EBITDA thresholds associated with achievement of combined WebBeds B2B EBITDA (including DOTW contribution) for 12 month period ending 31 December 2019
  - (3) As at 31 August 2018, DOTW had c.12,300 directly contracted hotels, of which c.5,600 are unique and c.6,700 overlap with WebBeds' existing directly contracted hotels (c.23,000 as at 30 September 2018). Note: Figures are rounded to the nearest 100

Page 9

### Acquisition Terms

- Webjet has entered into a binding agreement to acquire DOTW for an enterprise value of US\$173 million (A\$240 million), representing:
  - 10.5x FY18 EBITDA<sup>(1)</sup> pre synergies and before any earn-out payment
  - 7.5x FY18 EBITDA<sup>(1)</sup> post estimated synergies of US\$10 million (A\$14 million) (excluding one-off costs to achieve) and assuming earn-out is paid in full
- Performance based earn-out of up to US\$25 million (A\$35 million) payable in 2H FY20<sup>(2)</sup>
- Customary post completion adjustments

### About DOTW

- DOTW is a market leading B2B travel business, headquartered in Dubai
- Generated an annual TTV of US\$529 million (A\$734 million) and EBITDA of US\$16.4 million<sup>(1)</sup> (A\$22.7 million)
- c.12,300 directly contracted hotels and significant global hotel chain connectivity

### Strategic Rationale for Acquisition

- Increases scale and consolidates WebBeds' position as the clear #2 global B2B provider
- Highly complementary operating footprint in terms of geography, product and end markets
- Increases WebBeds' directly contracted hotels by c.24% to c.28,500 across all geographic destinations<sup>(3)</sup>

### Synergies

- Anticipated cost synergies of US\$3 million (A\$4 million) per annum (excluding one-off costs to achieve), commencing in FY19, with full year impact in FY20
- Anticipated revenue synergies of US\$7 million (A\$10 million) per annum (excluding one-off costs to achieve), expected to be achieved in full in FY20



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## Transaction Overview (cont'd)

- Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding
- (1) 50% of Gulf Capital and founder share consideration is locked up for 6 months and 50% locked up for 12 months. Management locked up for 18 months
  - (2) Based on the 12 months to 30 June 2019 unaudited management forecasts for Webjet and DOTW. Calculation before amortisation of acquisition intangibles and one-off transaction costs. Webjet diluted EPS for the year ending 30 June 2019 has been adjusted to reflect the bonus element in the Entitlement Offer
  - (3) Based on the 12 months to June 2018 as set out in DOTW's unaudited management accounts
  - (4) Includes post balance sheet adjustment for Webjet's A\$53 million adjustment to trade creditors. Assumes full payment of A\$35 million earn-out

Page 10

### Financing

- US\$20 million (A\$28 million) of new Webjet shares issued to vendors demonstrating confidence in the combination and alignment of interests
  - US\$19.5 million (A\$27.1 million) of new Webjet shares issued to existing private equity owner and founder<sup>(1)</sup>
  - US\$0.5 million (A\$0.7 million) of new Webjet shares issued to continuing management shareholders<sup>(1)</sup>
- Cash component to be funded through:
  - US\$111 million (A\$153 million) accelerated non-renounceable entitlement offer
  - US\$73 million (A\$102 million) of cash, funded through a new debt facility and existing debt facility

### Expected Financial Impact

- Estimated to be mid-single digit EPS accretive in FY19<sup>(2)</sup> on a pro-forma basis, before synergies and in excess of 20% EPS accretive in FY19<sup>(2)</sup> on a pro-forma basis post estimated US\$10 million (A\$14 million) of combined cost and revenue synergies (excluding one-off costs to achieve)
- Pro-forma FY18 net debt / pro-forma FY18 EBITDA<sup>(3)(4)</sup>, before synergies, is expected to be less than 0.8x post acquisition to ensure continued balance sheet strength and capacity to pursue further growth opportunities

### Timing

- Acquisition is expected to complete on Thursday, 22 November 2018



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# Recap of the B2B Market Opportunity: JacTravel Case Study

## Highlights of JacTravel Acquisition



Deal closed in September 2017. Integration largely complete

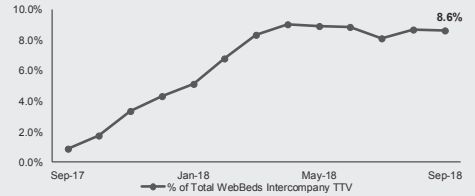


Direct contracts are a key component of WebBeds' global distribution network



TTV from JacTravel inventory sold to WebBeds clients, and WebBeds inventory sold to JacTravel clients as a % of total WebBeds TTV has grown from 0.9% (pre-acquisition) to 8.6% as at September 2018 – significant revenue synergies extracted

## Increasing Relevance of JacTravel Inventory



## Direct Contracts Delivering Higher Margin

	FY17	FY18	
WebBeds TTV	A\$482 million	A\$1,354 million	
Directly contracted hotels	10,000	21,000	2x
TTV from direct contracts as % of total TTV	30%	50%	
TTV from higher margin direct contracts	A\$145 million	A\$677 million	4.5x

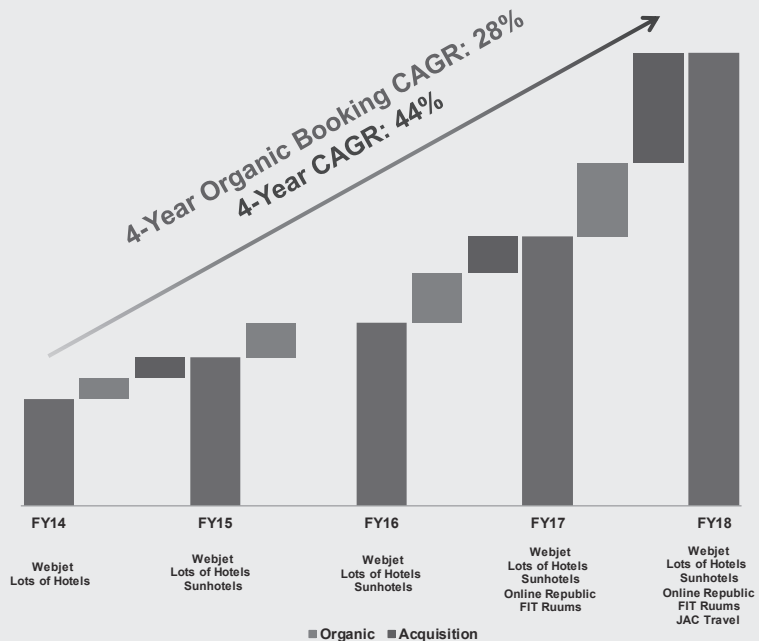
Note: Based on the financial year ending 30 June. Numbers are subject to the effects of rounding



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# Organic Bookings Growth Continues to Increase

- Total Booking Growth:
- B2C 4 yr CAGR = 21%
  - B2B 4 yr CAGR = 147%
  - B2C+B2B = 44%





# 3. Overview of DOTW

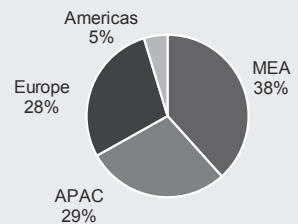


## DOTW is a Leading Independent B2B Player of Scale

### Business Overview

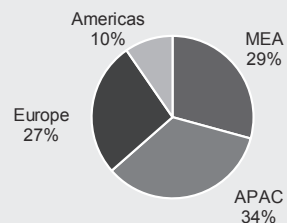
- Pure-play B2B accommodation wholesale platform connecting hoteliers with OTAs, corporate travel agents, retail travel agents, wholesalers and tour operators
- A leading independent B2B player of scale with regional expertise across geographically diversified source and destination markets
- Founded in 1994 and headquartered in Dubai with offices in MEA, APAC, Europe and the Americas
- c.800 employees including c.400 staff located in a shared services centre in Manila that opened in June 2016
- Successful scalable and responsive, cloud-based technology platform
- Three different supply channels for room night purchases: direct contracts, dynamic international hotel chain agreements and 3rd party providers

### TTV by Source Market<sup>(1)</sup>



TTV = A\$734m; 117 source countries

### TTV by Destination Market<sup>(1)</sup>



TTV = A\$734m; 206 destination countries



DESTINATIONS OF THE WORLD

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding

(1) As at 30 June 2018

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# 4. Strategic Rationale



## Strategic Rationale for Acquisition

- |          |   |
|----------|---|
| <b>1</b> | <p><b>Increases <u>scale</u> and consolidates WebBeds' position as the clear #2 global B2B provider</b></p> <ul style="list-style-type: none"> <li>• The Acquisition increases WebBeds' FY18 TTV by A\$734 million (US\$529 million)<sup>(1)</sup> with a combined FY18 TTV of A\$2,088 million (US\$1,505 million) on a pro-forma basis</li> </ul>   |
| <b>2</b> | <p><b>Highly complementary operating <u>footprint</u> in terms of geography, product and customer base</b></p> <ul style="list-style-type: none"> <li>• Diversifies the global footprint creating a more balanced portfolio</li> <li>• Opportunities to leverage inventory across respective distribution platforms</li> </ul>  |
| <b>3</b> | <p><b>Increases the <u>breadth and depth</u> of WebBeds' inventory offering</b></p> <ul style="list-style-type: none"> <li>• Increases WebBeds' directly contracted hotel inventory from c.23,000 to c.28,500<sup>(2)</sup>, a 24% increase</li> <li>• Deepens WebBeds' offering across c.6,700 overlapping hotels increasing room night allotments and availability</li> <li>• Significantly enhances WebBeds' existing APAC and Americas businesses and further expands its presence in Europe and MEA</li> </ul>   |
| <b>4</b> | <p><b>Expected cost and revenue <u>synergies</u></b></p> <ul style="list-style-type: none"> <li>• Anticipated cost synergy benefits of US\$3 million (A\$4 million) per annum, commencing in FY19 (excluding one-off costs to achieve), primarily through a combination of focused headcount reductions, office rationalisation and reduced travel expenses, with full year impact in FY20</li> <li>• Increase in direct contracts expected to drive TTV synergies through additional intercompany volumes</li> <li>• Anticipated revenue synergies of US\$7 million (A\$10 million) per annum (excluding one-off costs to achieve), expected to be achieved in full in FY20</li> </ul> |

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3678

(1) Based on the 12 months to 30 June 2018 unaudited management accounts for DOTW

(2) As at 31 August 2018, DOTW had c.12,300 directly contracted hotels, of which c.5,600 are unique and c.6,700 overlap with WebBeds' existing directly contracted hotels (c.23,000 as at 30 September 2018). Note: Figures are rounded to the nearest 100

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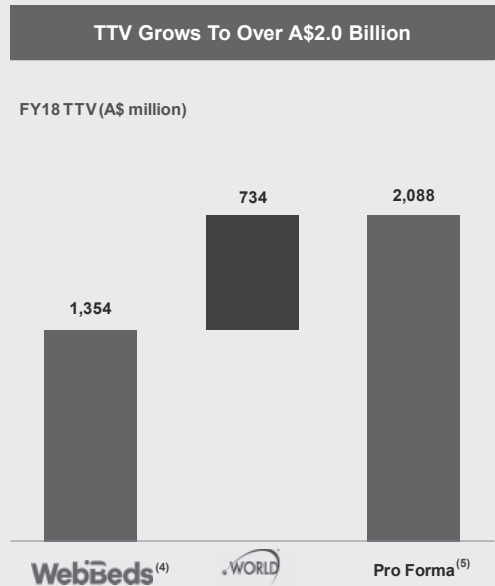


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# 1. Scale

## Consolidates WebBeds' Position as the Clear #2 Global B2B Provider

DOTW at a Glance	
c.5,000 Customers	c.12,300 Directly contracted hotels <sup>(1)</sup>
c.165,000 Aggregated hotels	c.1.75 million Booking creations
A\$734 million TTV in FY18 <sup>(2)</sup>	A\$23 million EBITDA in FY18 <sup>(3)</sup>



Note: FX conversion assumes 1 November 2018 USD:AUD of 1.3878. Numbers are subject to the effects of rounding

(1) As at 31 August 2018, DOTW had c.12,300 directly contracted hotels, of which c.5,600 are unique and c.6,700 overlap with WebBeds' existing directly contracted hotels (c.23,000 as at 30 September 2018). Note: Figures are rounded to the nearest 100

(2) Based on the 12 months to 30 June 2018 unaudited management accounts for DOTW

(3) Based on EBITDA for the 12 months to 30 June 2018 as set out in DOTW's unaudited management accounts, adjusted by Webjet management based on its due diligence and to exclude non-recurring items

(4) Webjet FY18 as reported, includes 10 months of JacTravel

(5) Before synergies

Page 17

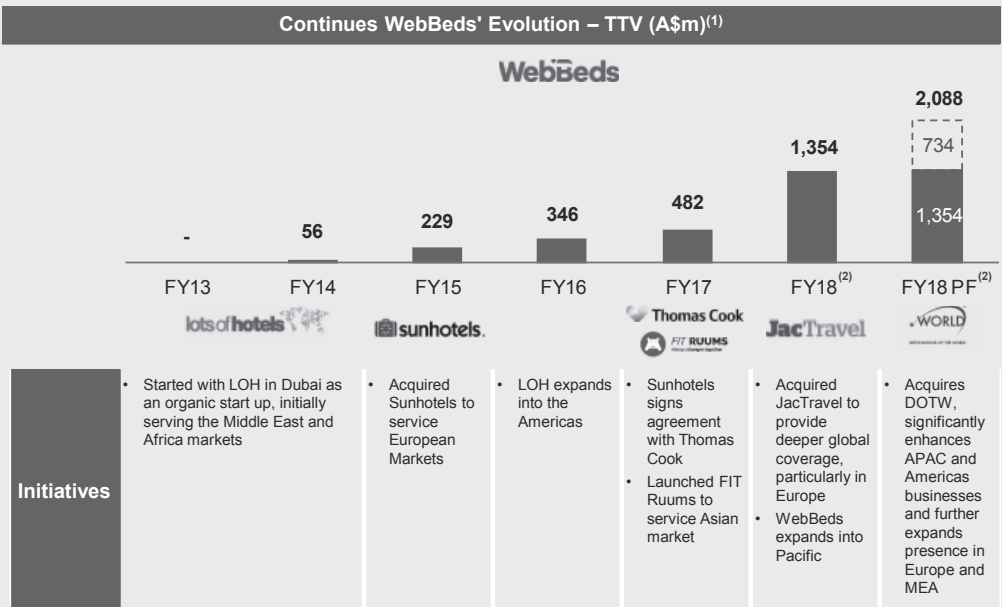
Market share now 3+% - with significant headroom for growth



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# 1. Scale

## Significantly Enhances WebBeds' Scale



Initiatives	Started with LOH in Dubai as an organic start up, initially serving the Middle East and Africa markets	Acquired Sunhotels to service European Markets	LOH expands into the Americas	Sunhotels signs agreement with Thomas Cook	Launched FIT Ruums to service Asian market	Acquired JacTravel to provide deeper global coverage, particularly in Europe	WebBeds expands into Pacific	Acquires DOTW, significantly enhances APAC and Americas businesses and further expands presence in Europe and MEA
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Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding

(1) Based on the 12 months to 30 June 2018 unaudited management accounts for DOTW

(2) Webjet FY18 as reported, includes 10 months of JacTravel

Page 18

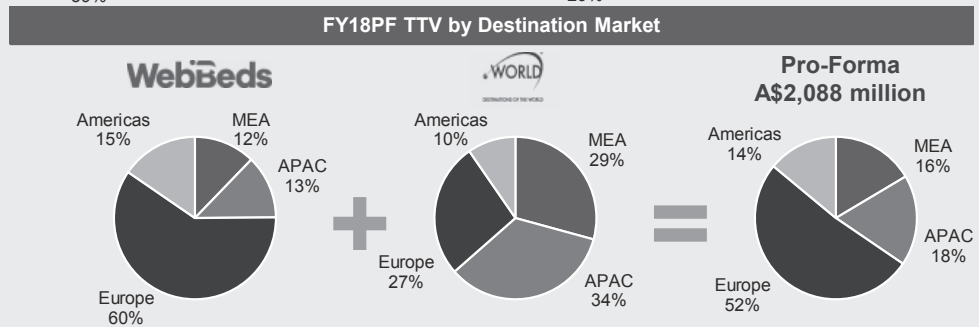
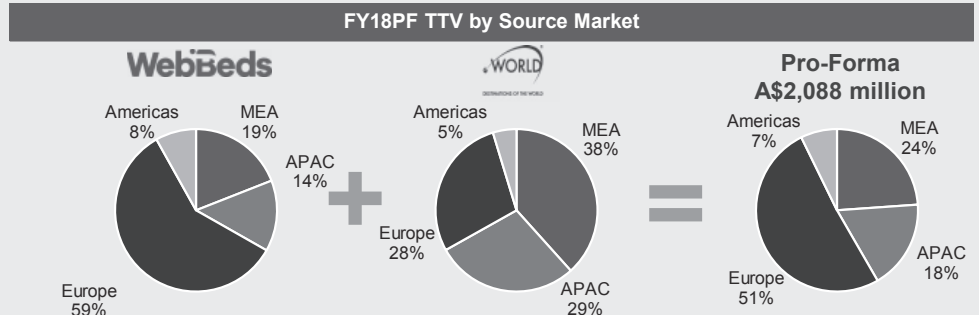
Strengthens WebBed's market position in all key geographies



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## 2. Footprint

### Diversification of Global Footprint



Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3378; EUR:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.5844. Numbers are subject to the effects of rounding

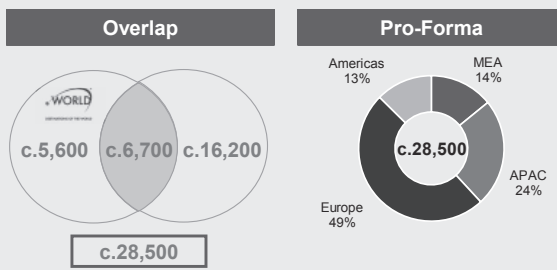
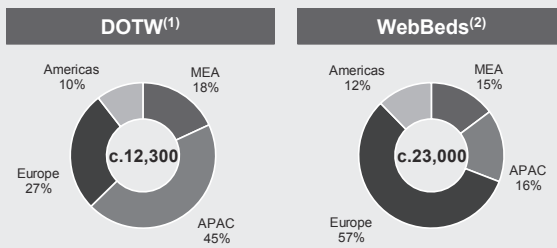


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## 3. Breadth and Depth

### Significant Addition of Directly Contracted Inventory

**Additional Directly Contracted Inventory a Key Competitive Driver, Providing Significant Benefits Across Allotment, Availability and Rates**



- Direct contracts are a key competitive driver in B2B wholesale distribution offering higher yields and reduced reliance on third party providers
- DOTW provides c.5,600 incremental directly contracted inventory to WebBeds split:
  - APAC: 56%
  - Europe: 18%
  - Americas: 14%
  - MEA: 12%
- Depth of inventory is also a key competitive driver. WebBeds' and DOTW have c.6,700 overlapping directly contracted hotels increasing allotment and availability across more competitive rates
- Achieves scale in Europe and MEAs markets
- Meaningfully enhances relevance in APAC and Americas region

Note: Figures are rounded to the nearest 100  
 (1) As at 31 August 2018  
 (2) As at 30 September 2018

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DOTW will be integrated into the WebBeds Regional Geographic Structure  
 DOTW will remain a product platform, along with the Lots of Hotels, Sunhotels, FIT Rooms and JacTravel platforms

## 4. Synergies

### Tangible Revenue and Cost Synergies

Cost Benefits	US\$3 million <sup>(1)</sup> (A\$4 million)	✓ Focused reduction in overlapping headcount and filling of vacant positions	Further cost benefits possible over the medium term
		✓ Immediate integration of sales and contracting into WebBeds existing regions	
		✓ Office rationalisation, reduced travel and miscellaneous costs	
Revenue Benefits	US\$7 million <sup>(2)</sup> (A\$10 million)	✓ c.5,600 increase in number of directly contracted hotels, bringing WebBeds closer to its direct contract target of 35,000	Represents a conservative estimate when compared to what has been achieved within 12 months of JacTravel ownership
		✓ Increase in intercompany TTV volume provides an opportunity to replace third party inventory with higher margin direct contract inventory as experienced in the JacTravel acquisition	
		✓ Increased breadth and depth of room availability and allotments which are key strategic B2B drivers	
		✓ Increased buying power will help deliver most competitive pricing	

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding

(1) Anticipated cost synergies excluding one-off costs to achieve, commencing in FY19, with full year impact in FY20

(2) Anticipated revenue synergies excluding one-off costs to achieve, expected to be achieved in full in FY20

Highly synergistic transaction delivering value for shareholders



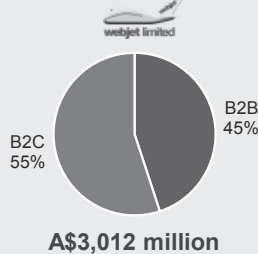
## 5. Financial Impact and Funding



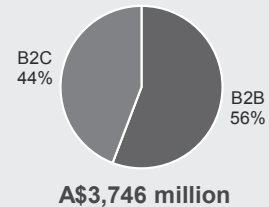
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**DOTW will Meaningfully Enhance Webjet's B2B business**

**FY18 TTV**



**Pro-Forma TTV<sup>(1)</sup>**



- Meaningfully increases Webjet's B2B business
  - Acquisition increases FY18 B2B TTV contribution to c.56% on a pro-forma basis
  - Resulting in B2B (the fastest growing business of Webjet) being the largest TTV contributor
- Estimated to be mid-single digit EPS accretive in FY19<sup>(2)</sup> on a pro-forma basis, before synergies and in excess of 20% EPS accretive in FY19 on a pro-forma basis post anticipated US\$10 million (A\$14 million) of combined cost and revenue synergies (excluding one-off costs to achieve)
- Pro-forma FY18 net debt / pro-forma FY18 EBITDA<sup>(1)(3)</sup>, before synergies, is expected to be less than 0.8x post acquisition to ensure continued balance sheet strength and capacity to pursue further growth opportunities

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding

(1) Based on the 12 months to June 2018 as set out in DOTW's unaudited management accounts

(2) On a pro-forma basis. Calculation before amortisation of acquisition intangibles and one-off transaction costs. Webjet diluted EPS for the year ending 30 June 2019 has been adjusted to reflect the bonus element in the Entitlement Offer

(3) Includes post balance sheet adjustment for Webjet's A\$53 million adjustment to trade creditors. Assumes full payment of A\$35 million earn-out



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**Funding the Acquisition**

	Entitlement Offer	Debt / Cash Consideration	Vendor Share Placement
<b>Structure and Size</b>	<ul style="list-style-type: none"> <li>• Entitlement Offer to raise A\$153 million</li> <li>• Comprises Institutional Entitlement Offer and Retail Entitlement Offer</li> <li>• Fully underwritten 1 for 9 accelerated non-renounceable</li> <li>• Eligible retail shareholders who take up their entitlement in full can also apply for additional shares in excess of their entitlement up to a maximum of 50% of their entitlement under a 'top-up' facility</li> </ul>	<ul style="list-style-type: none"> <li>• A\$102 million (US\$73 million) of cash, funded through a new debt facility and existing debt facility</li> </ul>	<ul style="list-style-type: none"> <li>• A\$28 million share placement to Gulf Capital, founder and management</li> <li>• Representing approximately 2.2 million new shares</li> <li>• 50% of locked up for 6 months and 50% locked up for 12 months for Gulf Capital and founder</li> <li>• Management shares escrowed for 18 months</li> </ul>
<b>Offer Price</b>	<ul style="list-style-type: none"> <li>• Entitlement Offer issue price of A\$11.50 per new share</li> <li>– 9.9% discount to the TERP of A\$12.77 on 2 November 2018</li> </ul>		<ul style="list-style-type: none"> <li>• Issued at the TERP of A\$12.77 on 2 November 2018</li> </ul>
<b>Ranking</b>	<ul style="list-style-type: none"> <li>• New shares will rank equally with existing Webjet shares</li> </ul>		
<b>Director Participation</b>	<ul style="list-style-type: none"> <li>• Managing Director, John Guscic, intends to take up his entitlement under the Entitlement Offer to the maximum extent possible under the already disclosed structured option and financing agreement in place with UBS AG. Mr Guscic also intends to commit to sub-underwrite A\$33 million of the Retail Entitlement Offer on the same terms as other sub-underwriters, except that he will not be paid a fee for his commitment. Arrangements are in place between Mr Guscic and UBS AG whereby Mr Guscic may, at his option, fund part of his sub-underwriting obligation by way of a limited recourse loan facility from UBS AG. It is intended that any shortfall shares under the Retail Entitlement Offer allocated to the sub-underwriters will be allocated to them on a pro rata basis</li> <li>• All other Webjet directors intend to take up their entitlements in full</li> </ul>		

Sources of funds	A\$ million <sup>(1)(2)(4)</sup>	Uses of funds	A\$ million <sup>(1)(2)(4)</sup>
Entitlement Offer	153	Acquisition of DOTW <sup>(3)</sup>	240
New Acquisition Debt Facility and Existing Debt Facility	102	Earn-out	35
Vendor Share Placement	28	Transaction Costs	8
<b>Total Sources</b>	<b>283</b>	<b>Total Uses</b>	<b>283</b>

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding

(1) Retail shareholders should read the Retail Information Booklet which contains full information on the Retail Entitlement Offer and Application Process

(2) The TERP is a theoretical price at which WEB shares trade immediately after the ex-date for the Entitlement Offer and prior to the Vendor Share Placement. TERP is calculated by reference to WEB's closing price of A\$12.91 on 2 November 2018

(3) The purchase price is subject to post completion adjustment for working capital and net debt

(4) Numbers in the sources and uses table are subject to the effects of rounding

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## Entitlement Offer Timetable

Dates and times are subject to change without notice	Date
Trading halt and announcement of acquisition and capital raise	Monday, 05 November 2018
Institutional Entitlement Offer and Institutional Bookbuild opens	Monday, 05 November 2018
Institutional Entitlement Offer and Institutional Bookbuild closes	Tuesday, 06 November 2018
Trading Halt lifted and announcement of results of Institutional Entitlement Offer	Wednesday, 07 November 2018
Record date under the Entitlement Offer	7:00PM, Wednesday, 07 November 2018
Retail offer booklet despatched and Retail Entitlement Offer opens	Monday, 12 November 2018
Institutional Settlement Date	Wednesday, 14 November 2018
Institutional Allotment and Trading Date	Thursday, 15 November 2018
Retail Entitlement Offer closes	5:00PM, Thursday, 22 November 2018
Issue of shares under Vendor Share Placement	Thursday, 22 November 2018
Retail Allotment Date	Friday, 30 November 2018
Retail Trading Date	Monday, 3 December 2018

Page 25



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## 6. Trading Update

Page 26



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## FY19 Trading Update

<b>Webjet</b>	<ul style="list-style-type: none"> <li>On track to deliver at least A\$110 million underlying EBITDA for the existing Webjet businesses for FY19</li> </ul>
<b>DOTW</b>	<ul style="list-style-type: none"> <li>Assuming the acquisition of DOTW closes on 22 November 2018, Webjet expects DOTW to contribute incremental EBITDA of at least A\$10 million in FY19 reflecting timing of the Northern Hemisphere summer holiday period and weighting of bookings to 1H FY19</li> <li>Webjet expects pro-forma full year FY19 EBITDA for the DOTW business to be at least A\$23 million<sup>(1)</sup></li> </ul>
<b>Pro-Forma</b>	<ul style="list-style-type: none"> <li>Total expected FY19 EBITDA for the existing Webjet business and the 7 month contribution from DOTW is at least A\$120 million, pre-synergies</li> <li>Expected pro-forma full year FY19 EBITDA<sup>(1)</sup> of at least A\$133 million, pre-synergies, assuming 12 months ownership of DOTW</li> </ul>
<b>Synergies</b>	<ul style="list-style-type: none"> <li>Anticipated cost synergies of US\$3 million (A\$4 million) per annum (excluding one-off costs to achieve), commencing in FY19, with full year impact in FY20</li> <li>Anticipated revenue synergies of US\$7 million (A\$10 million) per annum (excluding one-off costs to achieve), expected to be achieved in full in FY20</li> </ul>

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding

(1) For the 12 months ending 30 June 2019

Page 27

***"We continue to see growth in Webjet and WebBeds business units. In particular, we are seeing both TTV and booking growth in Webjet and all regions of our WebBeds division – Europe, AMEA, and Asia Pacific. In line with our expectations, Online Republic Bookings and TTV are flat."***



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# 7. Conclusion

Page 28

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## Conclusion

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding

- (1) Earn-out payable above agreed adjusted EBITDA thresholds associated with achievement of combined WebBeds B2B EBITDA (including DOTW contribution) for 12 month period ending 31 December 2019
- (2) Based on the 12 months to 30 June 2018 unaudited management accounts for DOTW
- (3) As at 31 August 2018, DOTW had c.12,300 directly contracted hotels, of which c.5,600 are unique and c.6,700 overlap with WebBeds' existing directly contracted hotels (c.23,000 as at 30 September 2018). Note: Figures are rounded to the nearest 100
- (4) On a pro-forma basis. Calculation before amortisation of acquisition intangibles and one-off transaction costs. Webjet diluted EPS for the year ending 30 June 2019 has been adjusted to reflect the bonus element in the Entitlement Offer
- (5) On a pro-forma basis post estimated US\$10 million (A\$14 million) of combined cost and revenue synergies (excluding one-off costs to achieve)
- (6) 50% of Gulf Capital and founder share consideration is locked up for 6 months and 50% locked up for 12 months. Management locked up for 18 months

<b>1</b>	Acquisition of DOTW, a leading B2B travel business, for US\$173 million (A\$240 million) with additional performance based earn-out up to US\$25 million (A\$35 million) <sup>(1)</sup>
<b>2</b>	Represents a substantial increase in WebBeds' scale, with incremental TTV from DOTW of US\$529 million (A\$734 million) <sup>(2)</sup> and directly contracted hotel relationships increasing from c.23,000 <sup>(3)</sup> to c.28,500 <sup>(3)</sup>
<b>3</b>	Complementary geographical footprint, significantly enhances WebBeds' existing APAC and Americas businesses and further expands its presence in Europe and MEA
<b>4</b>	Estimated US\$10 million (A\$14 million) of potential cost and revenue synergies
<b>5</b>	Mid-single digit EPS accretive in FY19 <sup>(4)</sup> before synergies and in excess of 20% EPS accretive in FY19 <sup>(4)(5)</sup> including synergies (excluding one-off costs to achieve)
<b>6</b>	Vendor confidence in the combination, with DOTW's private equity backer, Gulf Capital, founder and management to take US\$20 million (A\$28 million) of consideration in Webjet shares <sup>(6)</sup>

Page 29



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## APPENDIX A: Additional Financial Information

**B2C TRAVEL**



**B2B HOTELS**

**WebBeds**



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## DOTW Historic Income Statement

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding

- (1) Based on EBITDA for the 12 months to 30 June as set out in DOTW's unaudited management accounts, adjusted by Webjet management based on its due diligence and to exclude non-recurring items  
 (2) Webjet expects the DOTW effective tax rate to remain in line with historical rates



DESTINATIONS OF THE WORLD

Page 31

A\$ million	Jun-17	Jun-18
TTV	684	734
Net Revenue	60.1	65.1
Expenses	(36.5)	(42.3)
Adjusted EBITDA <sup>(1)</sup>	23.6	22.7
Adjusted EBIT <sup>(1)</sup>	19.2	15.4
Effective Tax Rate <sup>(2)</sup>	3%	6%



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## Pro-forma Balance Sheet

Note: USD:AUD FX conversion assumes a spot rate at 1 November 2018 of 1.3878. Numbers are subject to the effects of rounding

- (1) As stated in the Webjet 2018 Annual Report  
 (2) As at 30 June 2018 unaudited management accounts for DOTW  
 (3) Assumes 100% of the earnout will be payable in the future  
 (4) Includes post balance sheet adjustment for Webjet's AS\$3 million adjustment to trade creditors  
 (5) The purchase price accounting for the acquisition has been shown on an illustrative basis by allocating the difference between the purchase consideration and the carrying value of assets and liabilities in the 30 June 2018 balance sheet of DOTW to intangibles. The pro forma adjustments to reflect the estimated financial effect of the accounting for the business combination are illustrative only. Australian Accounting Standards require an allocation of fair value of assets and liabilities acquired. Webjet will undertake a formal allocation of its acquisition subsequent to the date when the transaction completes. Accordingly, that allocation may give rise to material differences in values allocated to the above balance sheet line items and may also give rise to fair value being allocated to other balance sheet items.

Page 32

A\$ million	Webjet (30 June 2018) <sup>(1)(4)</sup>	DOTW (30 June 2018) <sup>(2)</sup>	Adjustments for Acquisition of DOTW and Capital Raising	Pro-Forma Webjet Group <sup>(3)</sup>
Cash	138	0	49	186
Receivables and other	286	91	(1)	376
Fixed assets	24	27	0	51
Intangible assets <sup>(5)</sup>	583	61	221	866
Total assets	1,031	179	269	1,479
Payable and other liabilities	465	125	49	639
Borrowings	123	0	102	225
Total liabilities	588	125	150	864
Net assets	443	53	119	615
Net cash / (debt)	15	0	(53)	(38)



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# APPENDIX B: DOTW Management

## B2C TRAVEL



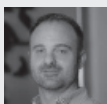
## B2B HOTELS



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## DOTW – Key Management

### Chief Executive Officer



**James Burdett**

- 10 years of industry experience
- 10 years with DOTW



### Chief Operating Officer



**Alaa Saleh**

- 4 years of industry experience
- 3 years with DOTW

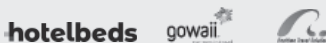


### Chief Commercial Officer



**Bartomeu Gili**

- 20 years of industry experience
- 1 years with DOTW





## APPENDIX C: Foreign Selling Restrictions and Risk Factors

### B2C TRAVEL



### B2B HOTELS

**WebBeds**



## Foreign Selling Restrictions

### Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of the Laws of Hong Kong (the "CO"), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under the SFO) or in other circumstances which do not result in this document being a "prospectus" as defined in the CO or which do not constitute an offer to the public within the meaning of the CO or the Companies Ordinance (Cap. 622) of the Laws of Hong Kong.

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" (as defined in the SFO and any rules made under the SFO). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

### Germany

This communication does not constitute a prospectus (*Wertpapierprospekt*) for the purpose of the German Securities Prospectus Act (*Wertpapierprospektgesetz* - "WpPG") and has not been filed with, reviewed or approved by the German Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*). This communication is not being distributed to, and must not be passed on to, the general public in the Federal Republic of Germany ("Germany"). It does not constitute an offer to the public of any securities in Germany, and the New Shares are not being offered or sold and will not be offered or sold to the public in Germany save in circumstances where it is lawful to do so without an approved prospectus. This announcement is made to and is directed only at legal entities and persons in Germany who are "qualified investors" within the meaning of Article 2(1)(e) of the European Prospectus Directive (Directive 2003/71/EC), as amended (the "Prospectus Directive"), and Section 2 no. 6 of the WpPG ("Qualified Investors"). This communication and the securities referred to herein are, and will be made, available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, such Qualified Investors. No other person should rely or act upon it. This communication is not intended for distribution to and must not be passed on to any retail investors in Germany. Each recipient of this communication in Germany will be deemed to have represented, warranted and agreed to and with Webjet that it is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive and Section 2 no. 6 of the German Securities Prospectus Act.

### Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007. The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and, including non-professional clients having met the criteria for being deemed to be professional in accordance with section 10-4 and 10-5 of the Regulation).

### New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 ("FMC Act"). The New Shares are not being offered to the public within New Zealand other than to existing shareholders of Webjet with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 ("Incidental Offers Exemption"). Other than the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.



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## Foreign Selling Restrictions (cont'd)

### Singapore

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Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. Investors should note there are certain on-sale restrictions (set out in, among others, Section 257 and Section 276 of the SFA) applicable to investors who acquire the New Shares pursuant to the exemptions in Sections 273(1)(ce), 274 and/or 275 of the SFA (as may be applicable). As such, investors are advised to acquaint themselves with the SFA provisions relating to on-sale restrictions in Singapore or to consult their own professional advisers as to such on-sale restrictions, and to comply accordingly.

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### United Kingdom

This document does not constitute a prospectus for the purpose of the prospectus rules issued by the Financial Conduct Authority of the United Kingdom ("FCA") pursuant to section 84 of the Financial Services and Markets Act 2000 (as amended) ("FSMA") and has not been approved by or filed with the FCA.

The information contained in this document is only being made, supplied or directed at persons in the United Kingdom who are qualified investors within the meaning of section 86(7) of FSMA, and the New Shares are not being offered or sold and will not be offered or sold to the public in the United Kingdom (within the meaning of section 102B of the FSMA), save in circumstances where it is lawful to do so without an approved prospectus (within the meaning of section 85 of FSMA) being made available to the public before the offer is made.

In addition, in the United Kingdom no person may communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received by it in connection with the issue or sale of any New Shares except in circumstances in which section 21(1) of FSMA does not apply to Webjet and this document is made, supplied or directed at qualified investors in the United Kingdom who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (as amended) (the "FPO"); or (ii) fall within article 49(2)(a) to (d) of the FPO (high net worth companies, unincorporated associations etc); or (iii) members or creditors of the Group as described in article 43 of the FPO; or (iv) persons who fall within another exemption to the FPO (all such persons being "Relevant Persons"). Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. By accepting receipt of this document, each United Kingdom recipient is deemed to confirm, represent and warrant to Webjet that they are a Relevant Person.

### Switzerland

This document does not constitute an issuance prospectus within the meaning of Articles 652a and 1156 of the Swiss Code of Obligations ("CO") or a listing prospectus according to Article 27 et seq. of the Listing Rules of the SIX Swiss Exchange and may not comply with the information standards required thereunder. The shares may not be publicly offered, distributed or redistributed in or from Switzerland, and neither this document nor any other solicitation for investments in the shares may be communicated or distributed in Switzerland in any way that could constitute a public offering within the meaning of Articles 652a or 1156 CO. This document may not be copied, reproduced, distributed or passed on to others without Webjet's prior written consent. Webjet will not apply for a listing of the shares on any Swiss stock exchange.

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Page 37



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## Risk Factors

### 1. Operational risks

This section discusses some of the risks associated with an investment in Webjet. Webjet's business is subject to a number of risk factors both specific to its business and of a general nature which may impact on its future performance and forecasts. Before subscribing for Webjet shares, prospective investors should carefully consider and evaluate Webjet and its business and whether the shares are suitable to acquire having regard to their own investment objectives and financial circumstances and taking into consideration the material risk factors, as set out below. The risk factors set out below are not exhaustive. Prospective investors should consider publicly available information on Webjet, examine the full content of this presentation and consult their financial or other advisers before making an investment decision.

#### Competition

Given Webjet operates in a predominately online environment, it is facing significantly increased competition from existing and/or new sites and business models and the introduction of further new mobile booking apps is considered to be a risk to Webjet's market share. The fast release nature of new online technologies and development of apps could impact Webjet.

Competition has also grown through internet-based travel providers and metasearch businesses, including the rise of "home stay" OTAs such as Airbnb, Homeaway, and Tripping. In the B2B space there could be increased competition from OTAs in any of these forms. The "home stay" OTAs may also impact the market for hotel rooms (as they offer an alternative to a hotel room), or increase competition by offering hotel rooms in addition to homes on their websites. The competition may adversely impact Webjet's financial performance and its ability to execute its growth strategy, including in respect of DOTW.

If the actions of competitors or potential competitors become more effective, or if new competitors enter the market and Webjet is unable to appropriately respond to or counter these actions, Webjet's financial performance or operating margins could be adversely affected or Webjet may be unable to compete successfully.

#### Market risk and consumer preferences

Webjet is exposed to changes within the specific travel markets in which Webjet operates, whether as a result of changes in or to key markets, changes in product availability or methods of distribution and/or payment, as well as changes in consumer sentiment towards Webjet itself, travel in general and across key markets. Consequently, a failure by Webjet to predict or respond to any such changes could adversely impact Webjet's future financial performance.

#### Technology risk

Webjet and the DOTW business that it is acquiring rely heavily on information technology systems. Key systems are operated under licences and the Company's costs may increase. Licences may be terminated or not renewed. The suppliers may be subject to events, such as insolvency or technical failures, leading to temporary or permanent loss of services and systems. Webjet makes a significant time and cost investment in its information technology and sales systems to deliver cost savings in its processes and operations to achieve increases in efficiencies. The information systems are not proprietary systems. Should these IT systems not be further developed and implemented or upgraded by suppliers when anticipated, it may negatively impact the Company's performance potential and competitive position.

An interruption, loss of or delay of the Company's internet or communication facilities or transaction processing facilities, loss or corruption of data, failure of backup and restoration procedures (including as a result of a cyber attack, malicious damage to Webjet's IT systems or fraudulent use of Webjet's data or information or breach of privacy of consumer data) or failure of back up and disaster recovery systems and plans may impact the Company's short term financial position and may have a longer term impact on client and supplier satisfaction. In addition, any pricing ticketing errors may result in Webjet making additional payments to suppliers under Webjet's seat price guarantee.

Technology of competitors, suppliers and customers also present risks to the Webjet and DOTW businesses. There is the potential for new technology to change the way people book and supply travel, which could reduce revenue streams of Webjet and DOTW.

#### People risk

If not managed effectively, Webjet's ability to attract and retain key talent in its management and operational staff could have a negative effect on its reputation and performance.

Page 38



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## Risk Factors (cont'd)

Webjet is substantially dependent on the continuing service of its Managing Director as well as other key executives. There is no guarantee Webjet will be able to retain the services of such persons

### Online booking market

Webjet and DOTW are exposed to the significant influence of Google in both search results and as a key element in the online marketing space. Notwithstanding Webjet's significant brand awareness and depth of product, it continues to bid aggressively for key search terms in Google in order to defend its current positions. Changes to any element in the online booking market, including changes imposed by Google, may cause Webjet's marketing costs to materially increase, which could adversely impact financial performance and position.

### Foreign exchange risk

A shift in the value of the Australian dollar, particularly against the US dollar, GBP or Euro can impact domestic consumer spending and in turn, impact the Australian market for domestic and international travel. Despite Webjet's strong position in online flights and accommodation, Webjet is unable to accurately predict the lead-in time or flow-on effect of any movement in the Australian dollar and impact on consumer spending.

As such, fluctuations in a number of exchange rates, including the Australian dollar / US dollar exchange rate, Australian dollar / GBP exchange rate and Australian dollar / Euro exchange rate may adversely have a negative effect upon the financial performance and position of Webjet and DOTW. Webjet's increased business outside of Australia following the Acquisition also has the potential to increase the impact of currency movements to its business.

### Security

As with all e-commerce businesses, Webjet is heavily reliant on the security of its websites and associated payment systems to ensure that customers are confident of transactions online. Breaches of security could impact customer satisfaction and confidence in Webjet and could impact the operations and financial performance of Webjet and/or its share price.

### Maintenance of professional reputation and brand name

The success of Webjet is heavily reliant on its reputation and branding. Unforeseen issues or events which place Webjet's reputation at risk may impact on its future growth and profitability, its ability to compete successfully and result in adverse effects on its future business plans.

### Supplier relationships

A key element of the business model of Webjet and DOTW is the strength of the relationships that each business has established with its suppliers. The retention of these existing suppliers and the sourcing of new suppliers is a key factor that underpins Webjet's business model. The flight-centric nature of the B2C businesses makes the relationships with key airlines of particular importance. In addition, a key selling point for consumers is Webjet's ability to provide consumers with tickets for all major airlines on its search and booking engine. Loss of any major airline as a supplier may significantly diminish the attractiveness of Webjet's search and booking engine to consumers and thereby reduce Webjet's sales.

The hotel supply rights of Webjet's B2B business, including the DOTW business, are also very important. Loss of material suppliers, or a change in how suppliers transact with Webjet or with Webjet's customers, may diminish the attractiveness of Webjet's B2B offering and impact on growth and profitability.

In many cases the suppliers of Webjet and DOTW (including airlines and hotels) are also direct competitors to Webjet's and DOTW's business. These suppliers may develop ways to direct consumer traffic to their websites and other sales points. A change in the relationship with Webjet's suppliers may adversely impact on the financial performance and position of Webjet.

Any change in commission rates payable could significantly impact margins. The quantum, compositions and proportion of commissions and incentives from airlines, hotel providers and other suppliers may change over time, impacting Webjet's business model and profitability, if it is unable to adapt.

### Diminution of customer satisfaction and loyalty

The businesses of Webjet and DOTW are customer service businesses and they are therefore dependent on customer satisfaction and loyalty. Any diminution in customer satisfaction may have an adverse impact on the financial performance and position of Webjet.

Page 39



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## Risk Factors (cont'd)

### Hostilities, terrorism and other external events

Webjet may be adversely impacted by international hostilities or war, acts of terrorism, epidemics or outbreaks of disease, political or social instability, natural disasters and weather effects. DOTW has a particular focus on the Middle East and Asian market. Events in these areas may impact upon travel to specific locations or be of generalised effect. These events may also impact airline, accommodation and other travel sales, which may have an adverse impact on Webjet's and DOTW's operating and financial performance and more immediate impact upon its share price.

### Government policies and regulation

Unfavourable changes to government regulation or legislation, regulatory requirements or policies/procedures including relating to consumer credit laws, the registration, operations and licensing of travel agents, consumer financing, banking policy in relation to credit cards, regulation of trade practices, competition, general consumer laws and taxation may adversely affect Webjet's business model and profitability. Webjet is also subject to the regulatory requirements of the Corporations Act, the ASX Listing Rules, ASIC and the Australian Competition and Consumer Commission and Reserve Bank of Australia policies and to similar regulation internationally. Changes to any such legislation, rules and regulatory requirements, or to other policies and procedures of government or other regulatory authorities, may affect Webjet, its business operations and/or its financial performance or have other unforeseen implications.

### Intellectual property

Webjet's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property and any improvements to it. Intellectual property that is important to Webjet includes, but is not limited to, trademarks, domain names, its website, business names and logos. Such intellectual property may not be capable of being legally protected. It may be the subject of unauthorised disclosure or unlawfully infringed, or Webjet may incur substantial costs in asserting or defending its intellectual property rights.

### Tourism industry

Webjet's operating and financial performance is dependent on the health of the tourism industry generally. A decline in the domestic and international tourism industry, whether as a result of a particular event (such as a terrorist attack, outbreak of disease or a natural disaster, such as earthquakes and volcanic ash clouds) or economic conditions (such as a decrease in consumer and business demand), could have a material adverse effect on Webjet's operating and financial performance.

## 2. Acquisition risks

### Funding risk

The Acquisition is subject to the settlement of the Institutional Entitlement Offer or the Underwriters' obligation with respect to settlement of the Institutional Offer becoming unconditional. If it is not completed Webjet is liable to pay a break fee of US\$2.5m. The acquisition is being funded by a combination of the fully underwritten pro-rata accelerated non-renounceable entitlement offer of New Shares documented in this presentation, a placement of 2.2 million new shares in Webjet to management and private equity vendors of DOTW, an additional A\$102 million debt facility extension and the remainder from Webjet's existing cash. The Underwriting Agreement is subject to customary termination events and if the Underwriting Agreement was to be terminated, there is a risk that Webjet may not raise sufficient funds from the capital raising to complete the acquisition. The new debt facility and draw down by Webjet on it is subject to customary conditions precedent which could limit Webjet's ability to fund the acquisition with debt if not satisfied. If the Underwriting Agreement were to be terminated or debt not available, Webjet would consider other funding options or may otherwise be required to terminate the Acquisition agreement. Webjet may seek to obtain funding by issuing additional shares or borrowing money. Any additional equity financing may be dilutive to shareholders and any debt financing, if available, may involve restrictive covenants, which may limit Webjet's operations and business strategy.

### Analysis of acquisition opportunities

Webjet has undertaken financial, tax, legal and commercial analysis on DOTW and had the benefit of vendor due diligence, in order to determine the attractiveness of DOTW to Webjet and whether to acquire it. It is possible that despite such analysis and the best estimate assumptions made by Webjet, the conclusions drawn are inaccurate or are not realised. To the extent that the actual results achieved by the Acquisition are different to those indicated by Webjet's analysis, there is a risk that the profitability and future earnings of the operations of Webjet may be materially different from the profitability and earnings expected as reflected in this presentation.

### Reliance on information provided

Webjet has prepared (and made assumptions in the preparation of) the financial information relating to the Acquisition included in this presentation in reliance on financial and tax information and other information provided by DOTW. If any of the data or information relied upon by Webjet in its due diligence process and its preparation of this presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Webjet may be materially different to the financial position and performance expected by Webjet. Investors should also note that there is no assurance that the due diligence conducted by Webjet and its advisors on DOTW was conclusive and that all material issues and risks in respect of the acquisition have been identified. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material impact on Webjet.

Page 40



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## Risk Factors (cont'd)

### Integration risk

The Acquisition involves the integration of DOTW's business, which has previously operated independently to Webjet. There is a risk that the integration may be more complex than currently anticipated, encounter unexpected challenges or issues (including maintaining the current culture of the DOTW business), take longer than expected, divert management attention or not deliver the expected benefits. As well, while Webjet has negotiated a normalised amount of working capital to be available in the business at completion of the acquisition, this is a negative amount (due largely to the fact that a business like DOTW has a large amount of forward booked sales) and there is a risk that this may be inadequate and require further working capital support from Webjet. The Acquisition may also trigger acceleration, review or termination events relating to material contracts of DOTW because of its change of control. These circumstances could all impact on Webjet's operating and financial performance.

### Uncovered warranty and indemnity breaches

Webjet may suffer a loss as a result of conduct of the sellers of DOTW for which the representations, warranties and indemnities negotiated by Webjet in its agreement to acquire DOTW turn out to be inadequate in the circumstances. This could include Webjet becoming liable for unknown liabilities or for known contingent liabilities which are not able to be covered by the warranty and indemnity package negotiated with the sellers. The warranties and indemnity protection that Webjet has negotiated with the sellers of DOTW are limited by the fact that the majority seller is a private equity fund, and it is customary practice in Europe, the Middle East and Africa, for private equity sellers to only provide limited warranty and indemnity protection. Webjet has put in place warranty and indemnity insurance to support the warranties and indemnities received from sellers of DOTW, however, that policy will not respond on all matters and is subject to a maximum liability cap, and therefore may provide no coverage on a particular liability for Webjet. Such uncovered liability may adversely affect the financial performance or position of Webjet post Acquisition.

### 3. General risks

#### Share price fluctuations

As with any entity with ordinary shares listed on the ASX, the market price of Webjet shares will fluctuate due to various factors, many of which are non-specific to Webjet, including recommendations by brokers and analysts, Australia and international general economic conditions, inflation rates, interest rates, changes in government, fiscal, monetary and regulatory policies, global geo-political events and hostilities and acts of terrorism, and investor perceptions. Fluctuations such as these may adversely affect the market price of Webjet.

#### Economic Risks

Webjet is exposed to economic factors in the ordinary course of business. Factors such as changes in fiscal, monetary and regulatory policies can adversely impact Webjet's earnings. Businesses such as Webjet that borrow money are potentially exposed to adverse interest rate movements that may affect the cost of borrowing, which in turn would impact on earnings and increase the financial risk inherent in those businesses.

#### Financial information and forecasts

The forward looking statements, opinion and estimates provided in this presentation, rely on various contingencies and assumptions. Various factors and risks, both known and unknown, many of which are outside the control of Webjet, may impact upon the performance of Webjet and cause actual performance to vary significantly from expected results. There can be no guarantee that Webjet will achieve its stated objectives or that forward looking statements or forecasts will prove to be accurate.

#### Taxation

Future changes in Australian and international taxation laws, including changes in interpretation or application of the law by the courts or taxation authorities in jurisdictions in which Webjet operates, may affect taxation treatment of an investment in Webjet shares, or the holding and disposal of those shares. Further, changes in tax law, or changes in the way tax law is expected to be interpreted, in the various jurisdictions in which Webjet operates, may impact the future tax liabilities of Webjet.

#### Dividends

The payment of any future dividends will be at the discretion of the Board and will depend, amongst other things, on the performance and financial circumstances of Webjet at the relevant time. There can be no guarantee as to the likelihood, timing, franking or quantum of future dividends from Webjet.

#### Change in accounting policy

Webjet is subject to the usual business risk that there may be changes in accounting policies which impact Webjet.

Page 41



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# APPENDIX D: Summary of Underwriting Agreement

**B2C TRAVEL**



**B2B HOTELS**

**WebBeds**



## Summary of Underwriting Agreement

Webjet has entered into an underwriting agreement with the Joint Lead Managers (**Underwriters**) dated 5 November 2018 (**Underwriting Agreement**). The Underwriters have agreed to underwrite the Entitlement Offer on the terms and conditions set out in the Underwriting Agreement. The obligations of the Underwriters are subject to the satisfaction of certain conditions precedent documented in the Underwriting Agreement. Furthermore, in accordance with the Underwriting Agreement, as is customary with these types of underwriting agreements:

- Webjet and the Underwriters have provided various representations, warranties and undertakings in connection with (amongst other things) the conduct of the Entitlement Offer;
- subject to certain exceptions, Webjet has agreed to indemnify each Underwriter, its affiliates and related bodies corporate, and their respective directors, officers, employees, partners, agents and advisers, (each an Indemnified Party) from and against all losses directly or indirectly suffered, or claims made against, an Indemnified Party as a result of or in any way connected with the Entitlement Offer or the appointment of the Underwriters under the Underwriting Agreement;
- the Underwriters may terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events. Some (but not all) of those events are described below in summary form only:
  - a statement contained in the Offer Documents is or becomes misleading or deceptive (including by omission) or likely to mislead or deceive, or a required matter is omitted from the Offer Documents;
  - Webjet ceases to be admitted to the official list of ASX or its shares are suspended from trading on, or cease to be quoted on, ASX;
  - Webjet or a related body corporate becomes insolvent or there is an act or omission which may result in Webjet or a related body corporate becoming insolvent;
  - there are certain delays in the timetable for the Entitlement Offer without the Underwriters' consent;
  - there is, in the reasonable opinion of the Underwriters, a material adverse change in the assets, liabilities, financial position or performance, profits, losses or prospects of Webjet and its related bodies corporate;
  - the S&P/ASX 200 Index closes: (a) on three consecutive business days before the "Retail Settlement Date" as defined in the Underwriting Agreement (being Thursday, 29 November 2018), or (b) the day before the "Retail Closing Date" as defined in the Underwriting Agreement (being Thursday, 22 November 2018), at a level that is 12.5% or more below the level as at the close of trading on 2 November 2018;
  - the agreements documenting the Acquisition (including any debt commitment letter or debt facility) entitle a party to terminate, are in fact terminated, rescinded or amended in a material respect without the consent of the Underwriters, become void or voidable or a condition precedent (in the reasonable opinion of an Underwriter) becomes incapable of being satisfied and is not waived;
- An Underwriter may also terminate the Underwriting Agreement and be released from its obligations under it on the occurrence of certain events where (in the reasonable opinion of the Underwriter) their occurrence has, or is likely to have, a material adverse effect on, amongst other things, the success of the Entitlement Offer or will lead, or likely to lead, to a reasonable probability of the Underwriter contravening or being exposed to a liability under the law. Some (but not all) of those events are described below in summary form only:
  - a general moratorium on commercial banking activities in Australia, the United States or the United Kingdom is declared, or a material disruption in commercial banking or security settlement or clearance services in any of those countries;
  - trading in all securities quoted or listed on ASX, the London Stock Exchange, the New York Stock Exchange or the Hong Kong Stock Exchange is suspended or limited in a material respect;
  - an adverse change or adverse disruption (or prospective adverse change) to the financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, the United States, Japan, Hong Kong or the United Kingdom;
  - hostilities not existing at 5 November 2018 commence or a major escalation in existing hostilities occurs involving any one or more of Australia, the United States, the United Kingdom, Japan, North Korea, South Korea or the People's Republic of China, or a national emergency is declared by any of those countries, or a significant terrorist act is perpetrated anywhere in the world;
  - Webjet fails to perform or observe any of its obligations under the Underwriting Agreement;
  - there is a change (or announcement of a prospective change) in relevant law or policy in Australia; and
  - there is a change (or announcement of a prospective change) in senior management or Directors.

Each Underwriter will receive the following total fees under the Underwriting Agreement (in their respective proportion):

- under the Institutional Entitlement Offer, a management and arranging fee of 0.65% and an underwriting fee of 1.30% of the Institutional Entitlement Offer proceeds; and
- under the Retail Entitlement Offer, a management and arranging fee of 0.65% and an underwriting fee of 1.30% of the Retail Entitlement Offer proceeds.

The Company must also pay to the Underwriters their reasonable expenses including legal costs (including GST) up to a maximum of \$35,000 (excluding GST) and out-of-pocket expenses incurred by the Underwriters in relation to the Entitlement Offer.

The Company may also pay, in its sole and absolute discretion, an incentive fee of up to 0.2% of the Entitlement Offer proceeds to the Underwriters.

### Sub-underwriting Agreement

The Underwriters also intend to enter into a sub-underwriting arrangement in relation to the Retail Entitlement Offer with Mr John Gusic, the Managing Director of the Company. Mr Gusic intends to commit to sub-underwrite A\$33 million of the Retail Entitlement Offer on the same terms as other sub-underwriters, except that he will not be paid a fee for his commitment. It is intended that any shortfall shares under the Retail Entitlement Offer allocated to the sub-underwriters will be allocated to them on a pro rata basis.

The Underwriters have notified the Company that the obligations of each sub-underwriter under the sub-underwriting arrangements will terminate if the Underwriters' obligations under the Underwriting Agreement cease or are terminated or are terminated pursuant to any express termination rights under the sub-underwriting arrangements.

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7 November 2018

## WEBJET SUCCESSFULLY COMPLETES INSTITUTIONAL ENTITLEMENT OFFER

### Key highlights

- High take-up rate of 97% by eligible institutional shareholders
- Approximately A\$92 million raised in the Institutional Entitlement Offer
- Retail Entitlement Offer opens on Monday, 12 November 2018

Webjet Limited ("**Webjet**") today announced the successful completion of the institutional component of its fully underwritten 1 for 9 accelerated non-renounceable entitlement offer ("**Entitlement Offer**").

The institutional component of the Entitlement Offer ("**Institutional Entitlement Offer**") raised approximately A\$92 million from the subscriptions for new fully paid ordinary shares in Webjet ("**New Shares**") at a price of A\$11.50 per New Share ("**Offer Price**"). The Institutional Entitlement Offer had very strong support from institutional shareholders with a take-up rate from eligible institutional shareholders of 97%. There was also a very high level of demand for the small amount of shortfall stock from new and existing investors.

New Shares subscribed for under the Institutional Entitlement Offer (including as part of the institutional shortfall bookbuild) are expected to be issued on Thursday, 15 November 2018 and commence trading on the ASX on the same day.

Webjet expects its trading halt to be lifted and its ordinary shares to recommence trading on an ex-entitlements basis from market open today.

### Retail Entitlement Offer

The retail component of the Entitlement Offer ("**Retail Entitlement Offer**") will be open on Monday, 12 November 2018 and close at 5:00pm (AEDT) on Thursday, 22 November 2018.

Eligible retail shareholders with a registered address in Australia or New Zealand will be able to



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subscribe for 1 New Share for every 9 fully paid ordinary shares held in Webjet as at 7:00pm (AEDT) on the record date of Wednesday, 7 November 2018, at the same Offer Price of A\$11.50 per New Share as the Institutional Entitlement Offer.

Eligible retail shareholders will be allotted New Shares on Friday, 30 November 2018. New Shares issued as part of the Retail Entitlement Offer are expected to commence trading on the ASX on Monday, 3 December 2018.

Further details about the Retail Entitlement Offer will be set out in a booklet ("**Retail Offer Booklet**"), which Webjet expects to dispatch (along with personalised entitlement and acceptance forms) to eligible retail shareholders no later than Monday, 12 November 2018, and eligible retail shareholders are encouraged to carefully read the Retail Offer Booklet.

It is important to note that the Retail Entitlement Offer is non-renounceable, and there will be no trading of entitlements. Copies of the Retail Offer Booklet will be made available on the ASX website and Webjet's website ([www.webjetlimited.com](http://www.webjetlimited.com)). Please note that the contents of Webjet's website does not form part of the offer documents for the Entitlement Offer.

Under the Retail Entitlement Offer, eligible retail shareholders who take up their entitlement in full may apply for additional New Shares in excess of their entitlement up to a maximum of 50% of their entitlement under the top-up facility ("**Top-up Facility**"). Additional New Shares will only be available under the Top-up Facility to the extent that there are entitlements under the Retail Entitlement Offer that are not taken up by eligible retail shareholders. The allocation of additional New Shares under the Top-up Facility will be subject to the terms set out in the Retail Offer Booklet.

### Important notices

This notice may not be released or distributed in the United States. This notice does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Entitlements and the new shares to be offered and sold in the Entitlement Offer have not been, and will not be, registered under the US Securities Act of 1933 (the "US Securities Act") or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States unless they are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

This announcement contains certain forward looking statements and comments about future events, including Webjet's expectations about the financial and operating performance of its businesses, the acquisition of DOTW, the timetable and outcome of the Entitlement Offer and the use of proceeds thereof. Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Forward looking statements involve inherent risks and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward looking statements will not be achieved. A number of important factors could cause Webjet's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements and many of these factors are beyond Webjet's control. Refer to the various risks factors in Appendix C under "Risk Factors" of the investor presentation entitled "Acquisition of Destinations of the World and Capital Raising" released to the ASX on 5 November 2018. Forward looking statements are provided as a general guide only, and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainty and other factors, many of which are outside the control of Webjet. As such, undue reliance should not be placed on any forward looking statement. Past performance information given in this announcement is given for illustrative purposes only and is not necessarily a guide to

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future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward looking statements, forecast financial information or other forecast. Nothing contained in this announcement is to be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Webjet.

The information contained in this announcement does not constitute investment or financial product advice (nor taxation, accounting or legal advice), is not a recommendation to acquire Webjet shares and is not intended to be used or relied upon as the basis for making an investment decision. This announcement has been prepared without taking into account the investment objectives, financial position or needs of any individuals. Before making any investment decisions, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and should seek legal, accounting and taxation advice appropriate to their jurisdiction. Webjet is not licensed to provide investment or financial product advice in respect of Webjet shares. Cooling off rights do not apply to the acquisition of Webjet shares pursuant to the Entitlement Offer.

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**webjet limited**

ABN 68 002 013 612

**For all enquiries:**

**Phone:**

(within Australia) 1300 556 161

(outside Australia) 61 3 9415 4000

**Web:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

**Make your payment:**



See overleaf for details of the Offer and how to make your payment

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## Non-Renounceable Entitlement Offer — Entitlement and Acceptance Form

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 **Your payment must be received by 5:00pm (AEDT) Thursday 22 November 2018**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser. Capitalised terms used and not otherwise defined in this Entitlement and Acceptance Form have the meanings given to them in the Retail Offer Booklet dated 12 November 2018.

**Important notice**

This Entitlement and Acceptance Form may not be released or distributed in the United States. This Entitlement and Acceptance Form does not constitute an offer to sell, or the solicitation of any offer to buy, any securities in the United States. The Entitlements and the New Shares (and Additional New Shares) have not been, nor will be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Shares (and Additional New Shares) to be offered and sold in the Retail Entitlement Offer to which this Entitlement and Acceptance Form relate may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act.

**Step 2: Make Your Payment**

You can apply to accept either all or part of your Entitlement. If you accept your full Entitlement, you can also apply for Additional New Shares. Enter the number of New Shares you wish to apply for and the amount of payment for those New Shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Retail Offer Booklet dated 12 November 2018, and you will be deemed to have made the representations, warranties and agreements set out in Section 2 thereof.

Choose one of the payment methods shown below.

**BPAY®:** See overleaf. Do not return the payment slip with BPAY payment.

**By Mail:** Complete the reverse side of the payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Webjet Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

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**Step 1: Registration Name & Offer Details**

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

**Turn over for details of the Offer →**

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Webjet Limited Non-Renounceable Entitlement Offer  
Payment must be received by 5:00pm (AEDT) Thursday 22 November 2018

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ASX code: WEB

## Not for release or distribution in the United States

12 November 2018

Dear Sir/Madam

### Accelerated non-renounceable pro-rata entitlement offer - Notification to ineligible shareholders

On 5 November 2018, Webjet Limited ACN 002 013 612 (“**Company**” or “**Webjet**”) announced that it was conducting a 1 for 9 accelerated non-renounceable pro-rata entitlement offer of new fully paid ordinary shares (“**New Shares**”) to existing shareholders to raise up to approximately A\$153 million, at an issue price of A\$11.50 per share (“**Entitlement Offer**”). The Entitlement Offer is fully underwritten by Credit Suisse (Australia) Limited and UBS AG, Australia Branch.

The net proceeds of the Entitlement Offer will be used to fund the cash component of the Destinations of the World acquisition (“**Acquisition**”) and pay transaction costs. More detail is provided in Webjet’s Investor Presentation lodged with the Australian Securities Exchange (“**ASX**”) on 5 November 2018.

The Entitlement Offer consists of an institutional and a retail component (“**Institutional Entitlement Offer**” and “**Retail Entitlement Offer**” respectively). The Institutional Entitlement Offer was underwritten and raised approximately A\$92 million and the Retail Entitlement Offer which is also underwritten will raise approximately A\$61 million.

The Retail Entitlement Offer is only available to Eligible Shareholders (as defined below). **Eligible Shareholders** are those persons who:

- are registered as holders of existing shares as at 7.00pm (AEDT) on 7 November 2018;
- have a registered addresses on the Webjet share register in Australia or New Zealand at that date;
- are not in the United States and are not acting for the account or benefit of a person in the United States;
- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

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As you do not satisfy the criteria above, you are deemed not to be an Eligible Shareholder for the purposes of the Retail Entitlement Offer. Webjet considers it generally unreasonable on this occasion to extend the Entitlement Offer to shareholders with a registered address outside of Australia or New Zealand having regard to the small number of those shareholders and the costs of complying with legal and regulatory requirements in each of those jurisdictions. Accordingly, the Company is unfortunately unable to extend to you the opportunity to participate in the Retail Entitlement Offer. Under the terms of the Retail Entitlement Offer, you are not eligible to apply for new shares and you will not be sent a copy of the offering materials relating to the Retail Entitlement Offer.

**You are not required to do anything in response to this letter.** This letter is to inform you about the Retail Entitlement Offer and is not an offer to issue new shares to you, nor an invitation for you to apply for new shares. Entitlements in respect of new shares you would have been entitled to if you were an Eligible Shareholder will lapse. As the Retail Entitlement Offer is non-renounceable, you will not receive any value for these entitlements.

Thank you for your continued support of Webjet and I trust you understand the Company's position on this matter.

If you have any queries regarding the Retail Entitlement Offer, please contact your professional adviser or the Webjet Information Line on 1300 556 161 (within Australia) or +61 3 9415 4000 (from outside Australia) from 8.30am to 5.00pm (AEDT) during the Retail Entitlement Offer period. For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

Yours sincerely



**Roger Sharp**

**Chairman**

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