

A woman wearing a white dress and a wide-brimmed hat stands in a narrow stone archway, looking out at a vibrant blue sea under a clear sky. The archway is framed by rough-hewn stone on the left and a smooth, reddish-brown wall on the right. The scene is bright and sunny, suggesting a coastal location.

Webjet Limited

# 2022 Company Review.

[www.webjetlimited.com](http://www.webjetlimited.com)

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**Webjet Limited**  
ABN 68 002 013 612

# Reimagining travel.

**Accelerating growth opportunities  
in all our businesses.**

**Webjet Limited**

**WebBeds**



**GoSee** tripninja **farechain.**

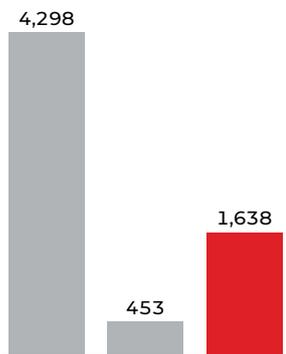
Webjet Limited is a **global travel business**  
that enables travel the world over  
through our **market leading travel brands**  
supported by **travel technology**.



# Chair's Message.

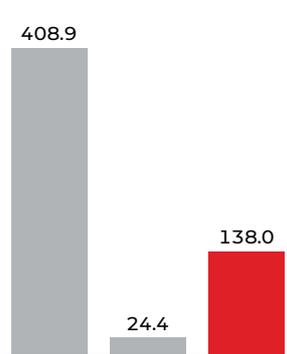


## TTV \$m



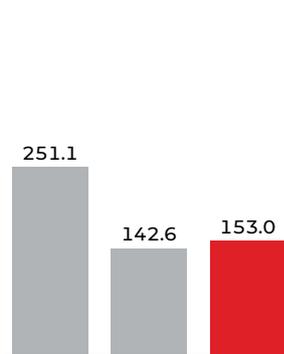
2019<sup>(1)</sup> (Pre-Covid) 2021<sup>(2)</sup> 2022<sup>(3)</sup>

## Revenue \$m



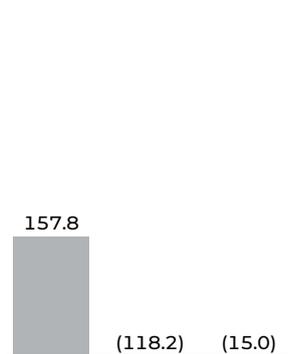
2019<sup>(1)</sup> (Pre-Covid) 2021<sup>(2)</sup> 2022<sup>(3)</sup>

## Expenses \$m



2019<sup>(1)</sup> (Pre-Covid) 2021<sup>(2)</sup> 2022<sup>(3)</sup>

## EBITDA \$m



2019<sup>(1)</sup> (Pre-Covid) 2021<sup>(2)</sup> 2022<sup>(3)</sup>

All financial results are for Underlying Operations.

- (1) 2019 (Pre-Covid) – 12 months ending 31 December 2019.
- (2) 2021 – 12 months ending 31 March 2021 (comparative unaudited period).
- (3) 2022 – 12 months ending 31 March 2022.

## Dear Shareholder

After the pandemic's enormous impact in FY21, Webjet's financial performance started to turn around in FY22. Total Transactional Value (TTV) for the 12 months to 31 March 2022 was \$1,638 million, a 262% increase compared to the 12 months to 31 March 2021 and Revenue was \$138 million, an increase of 466%. Underlying operations reported an EBITDA loss of \$15.0 million reflecting a significant improvement from the \$118.2 million EBITDA loss for the 12 months to 31 March 2021. The full year FY22 result, a statutory loss of \$85.0 million after tax, hides the enormous amount of heavy lifting our team has done in reinventing Webjet.

Our two largest businesses, WebBeds and Webjet OTA, returned to profitability during the year. Webjet OTA was profitable for the full year despite extended lockdowns in the first half and the Omicron outbreak in the second half. WebBeds returned to profitability in the second half, driven largely by the North American and European markets, with momentum picking up again as the Omicron outbreak subsides. We took the opportunity during the year to reposition Online Republic with a more focused, growth-oriented strategy, rebranding the business as GoSee. We are already seeing clear signs of improved performance.

While the pandemic has wreaked havoc on travel companies around the world, we believe this is the time to be brave, and have focused steadfastly on our strategy to emerge stronger than ever. We raised capital early in the pandemic to give ourselves the best opportunity to reimagine our businesses, coming out the other side with higher market shares, improved customer value propositions and healthy profit margins. As travel markets start to return, we are starting to see this strategy deliver.

During the year, opportunities arose to buy and partner with innovative technology stacks that are adjacent or integral to our core businesses and which offered the ability to produce significant value. Buying these businesses at this time of the cycle feels like a once in a 20-year opportunity – so we acted quickly.

## Capital management

While your Company has significant cash reserves, we continue to watch cash, cash flow and debtor risk very closely. We are starting to see strong cash inflows as major travel markets open again, and the Company is now cash flow positive. We paid the deferred FY20 interim dividend during the year however given the uncertain environment, we will determine our future approach to dividends once the recovery pattern is firmly established.

## Governance

We acknowledge the significant shareholder interest in all matters ESG and continue to expand our initiatives and reporting in this important area.

We are proud of our diversity – Webjet is a member of the 30% Club and has committed to having 40% female senior managers by 2030. We continue to expand our Sustainability and Modern Slavery reporting and are working to develop a pathway to carbon neutrality.

We are necessarily balancing our ESG obligations with our primary mission, which is to return to sustainable profitability after a devastating pandemic. Shareholders can expect to see more ESG initiatives and improved reporting once we are sustainably back in the black, but until then, we are doing what we can within our current resources.

## Thanks

I commend our senior management team, the Board and the wider Webjet team for staying the course during an incredibly difficult couple of years. It is a privilege to work with such a talented and committed team.

Finally, on behalf of the Board of Directors I would like to acknowledge our shareholders and thank you for your support. It has been a tough period but we are firmly of the belief that out of adversity comes opportunity. Our best years lie ahead.

Yours sincerely



**Roger Sharp**  
Chair, Webjet Limited





# Managing Director's Review.

## **FY22 was a year of recovery**

After a difficult FY21, FY22 saw the Company returning to profit in the second half of the financial year. Our two largest businesses, WebBeds and Webjet OTA, are now profitable and all the work we've done driving efficiencies across the business are helping costs stay significantly below pre-pandemic levels even as the businesses return to scale.

With limited travel possible since the pandemic began in March 2020, borders began to reopen around the world during the year, although the path to recovery has not been smooth. While the WebBeds business benefited as European and North American markets opened for the northern hemisphere summer, the Webjet OTA and GoSee were hampered by extended lockdowns in Australia and New Zealand for much of 1H22. We saw Webjet OTA and GoSee bookings return when lockdowns lifted and borders opened, however the arrival of the Omicron variant in November 2021 led many countries to impose new travel restrictions, subduing travel once again in all our businesses.

Fortunately many countries are now reducing entry requirements and we have seen strong bookings growth in all our businesses since February 2022.

## **The opportunity for WebBeds has grown**

WebBeds saw strong recovery on a global basis during the year. The wholesale B2B market has changed considerably since the pandemic and our opportunity has grown as a result. The WebBeds team is intent on becoming the #1 global B2B provider and we have structured the business to maximise its potential. WebBeds now has a dedicated CEO focused on driving growth and efficiencies across the business and we have dramatically enhanced our North American business, which is now more than twice as large as it was pre-pandemic. We also made substantial progress simplifying our multi-platform technology offering and streamlining processes across the business. By the time we get back to pre-pandemic volumes, WebBeds is on track to be 20% more cost efficient. This all gives us confidence we will exceed our pre-pandemic EBITDA in the medium term.

### **Webjet OTA extended its lead as the #1 OTA in the market**

FY22 saw Webjet OTA return to profitability. With more airlines servicing domestic routes and ever-changing flight schedules, our ability to allow customers to “mix and match” airlines has never been more important, and the market share gains made by the Webjet OTA since the pandemic underscores its strength in servicing the domestic leisure market. We are excited by the significant growth opportunities we see in international flights and believe Trip Ninja technology will play a key role in helping increase our share of the international flights market. The pandemic has made rebooking cancelled or changed travel plans more complex. There are new processes, supplier staff shortages and an increasing prevalence of travel credits – with a greater need to be able to change plans quickly when border changes dictate travel plans. We constantly strive to deliver exceptional customer service and are investing significantly in adapting our processes to enhance the customer experience particularly when changing, cancelling or refunding bookings.

### **GoSee – delivering both cars and motorhomes in one easy-to-use website**

GoSee saw bookings return in some markets during the year, however its largest markets of New Zealand and Australia continued to be impacted by the lack of inbound tourism. Previously known as Online Republic, we took the opportunity during the year to rebrand and transform the business to put it in the best position to deliver growth once international travel returns. Now known as GoSee, all cars and motorhome offerings are now available in the one easy-to-use website. Not only is GoSee delivering a better customer experience, there are considerable opportunities to improve efficiencies.

### **Investing in smart technology**

Great ideas are often forged from adversity, and innovations and initiatives in the travel industry are as vibrant, if not more so, than ever before. We have taken advantage of attractive market conditions to acquire 100% of Trip Ninja and 49% of ROOMDEX. Trip Ninja will allow the Webjet OTA to offer highly competitive, complex flight itineraries, while ROOMDEX will be offered through our WebBeds business to further differentiate our offering for our global hotel partners. We believe strategic investments in complementary adjacent businesses that help build out our core capabilities will be an important part of our strategy going forward. Not only can they help increase user satisfaction, they can also help make us even more relevant with our customers and partners.

### **Investing in our People**

Our people truly are our greatest asset. They are what define our brand and drive our success. They have continued to demonstrate immense effort, commitment and dedication and I am hugely grateful for their contributions during these challenging times. The past two years have been incredibly difficult for the travel industry. Mental resilience is at the forefront of our minds and we have implemented a number of mental health programs to support our people across all our businesses. As a digital technology company, we acknowledge the increasingly competitive market for talent and have spent considerable time enhancing benefits for our staff. By offering opportunities to work across a global portfolio of assets, we are intent on being able to attract and retain the best talent in the industry.

### **An exciting future**

There may still be bumps along the road to recovery but our largest businesses are now profitable and our balance sheet remains healthy. We believe there are significant growth opportunities in all our businesses and are excited for what the future holds. I would like to thank our customers and supply partners who have steadfastly stood with us as we navigated our way through the unprecedented events of the last two years. We are grateful for their patience and their partnership and look forward to delivering enhanced experiences as we enter a new year.

Like many people, I'm excited to be able to travel again and it's been wonderful to have seen many of our team in person in recent months. I look forward to seeing many more of the Webjet team, business partners and shareholders in the coming year.



**John Guscic**  
Managing Director, Webjet Limited



# Operating Review.

The Statutory Result includes various non-operating expenses. Underlying Operations exclude these expenses in order to demonstrate the performance of the underlying business.

	Statutory Result		Underlying Operations <sup>(1)</sup>	
	FY22 12 months to March 2022	FY21 9 months to March 2021	FY22 12 months to March 2022	FY21 (9 months to March 2021)
<b>TTV</b>	<b>\$1,638m</b>	<b>\$453m</b>	<b>\$1,638m</b>	<b>\$453m</b>
<b>Revenue<sup>(2)</sup></b>	<b>\$138.0m</b>	<b>\$38.5m</b>	<b>\$138.0m</b>	<b>\$38.5m</b>
<b>Operating expenses</b>	<b>(\$153.0m)</b>	<b>(\$94.8m)</b>	<b>(\$153.0m)</b>	<b>(\$94.8m)</b>
Non-operating expenses	(\$18.2m)	(\$69.0m)	–	–
Share based payment expenses	(\$9.6m)	(\$4.1m)	–	–
<b>EBITDA</b>	<b>(\$42.8m)</b>	<b>(\$129.4m)</b>	<b>(\$15.0m)</b>	<b>(\$56.3m)</b>
Depreciation and amortisation	(\$25.4m)	(\$18.2m)	(\$25.4m)	(\$18.2m)
Acquisition amortisation (AA) <sup>(3)</sup>	(\$18.0m)	(\$15.1m)	–	–
Net interest costs	(\$18.7m)	(\$14.9m)	(\$7.1m)	(\$9.3m)
Income tax benefit	\$19.9m	\$21.0m	\$9.1m	\$16.3m
<b>NPAT (before AA)</b>	<b>(\$67.0m)</b>	<b>(\$141.5m)</b>	n/a	n/a
<b>NPAT</b>	<b>(\$85.0m)</b>	<b>(\$156.6m)</b>	<b>(\$38.4m)</b>	<b>(\$67.5m)</b>
EPS (before AA)	(17.7 cents)	(41.8 cents)	n/a	n/a
EPS	(22.4 cents)	(46.2 cents)	(10.1 cents)	(19.9 cents)
Effective Tax Rate (excluding AA)	22.9%	12.9%	n/a	n/a
Effective Tax Rate	19.0%	11.8%	19.2%	19.5%

## FY22 results reflect the impact of COVID-19 and comparatives

The Group's FY22 results reflect the 12-month period ending 31 March 2022 whilst the FY21 results represent the 9-month period to 31 March 2021 (reflecting the move to a new March year end in the period). It is therefore not useful to provide a comparative discussion of overall Group performance between the two periods.

FY22 TTV and Revenue have increased significantly, reflecting recovery in the global travel industry following the COVID-19 pandemic. Underlying FY22 Operating Expenses include resumption of full salaries for Executives and the Board from October 2020 and the Managing Director from January 2021. During FY21, salaries were reduced to reflect the challenging operating environment. (Company-wide four-day working weeks, 20% reduction in salaries for the Executive and Board, and 60% reduction for the Managing Director).

Statutory FY22 Expenses include various non-operating expenses totaling \$18.2 million of which \$14.0 million relates to the write-off of the Online Republic brand, and \$8.8 million for ERP implementation costs.

## Strong capital position

Throughout FY22, Webjet maintained a strong focus on cash conservation and liquidity. Average monthly cash surplus for the 12 months ended 31 March 2022 was approximately \$4 million compared to the average monthly cash burn rate of approximately \$5.5 million per month for the nine months to 31 March 2021. The Company's key focus on cash and liquidity continues to be the active management of debtor risks across the organisation throughout the year.

The Company remains committed to maintaining a prudent capital structure that maximises financial flexibility. As at 31 March 2022, the Company's cash balance was \$434 million, which includes the impact of the \$250 million Convertible Notes (Notes) offering in April 2021 and fully drawn Revolving Credit Facility of \$86 million. Proceeds of the Notes offering were used to repay existing term debt (\$133 million) and the incentive fee to convert the €100 million Convertible Note into equity (\$33 million), with the balance being available to fund potential acquisitions, as well as for capital management and general corporate purposes.

## Dividend

Webjet did not declare a dividend for FY22. The Company deferred payment of the FY20 interim dividend (\$12.2 million) that was due to be paid in April 2021, to 23 December 2021.

Unless otherwise stated all financial results are for Underlying Operations.

(1) Underlying Operations – excludes non-operating expenses, Share Based Payment expenses, Acquisition Amortisation and Convertible Note interest. FY21 comparative restated to exclude the same.

(2) Excludes interest income.

(3) Acquisition Amortisation – includes charges relating to amortisation of intangibles acquired through acquisition.

<b>WebBeds</b>	12 months ending 31 March			12 months ending	
	1H22	2H22	FY22	31 Mar 21 (FY21)	31 Dec 19 (CY19)
<b>Bookings ('000s)</b>	1,086	1,464	2,551	749	4,274
<b>TTV</b>	\$436m	\$665m	\$1,101m	\$207m	\$2,588m
<b>Revenue</b>	\$32.6m	\$53.0m	\$85.6m	\$6.0m	\$226.9m
<b>Expenses</b>	\$43.0m	\$47.2m	\$90.2m	\$96.0m	\$130.6m
<b>EBITDA</b>	(\$10.4m)	\$5.8m	(\$4.6m)	(\$90.0m)	\$96.3m
<b>TTV/Revenue Margin</b>	7.5%	8.0%	7.8%	2.9%	8.8%
<b>EBITDA Margin</b>	n/a	11.0%	n/a	n/a	42.4%

Bookings, TTV and Revenue are increasing as more markets open. 2H22 Bookings were up 35% compared to 1H22, while TTV was up 53% and Revenue was up 63%. FY22 Booking volumes were 60% of pre-Covid levels. FY22 Expenses were down 31% compared to pre-Covid levels and down 6% compared to the previous comparable period despite higher staff costs in FY22. TTV margins continue to improve driven by the increasing contribution from Europe during 2H22. All regions were profitable for 2H22 except Asia-Pacific as several large markets remained closed to international tourism.

<b>Webjet OTA</b>	12 months ending 31 March			12 months ending	
	1H22	2H22	FY22	31 Mar 21 (FY21)	31 Dec 19 (CY19)
<b>Bookings ('000s)</b>	296	366	662	370	1,575
<b>TTV</b>	\$184m	\$245m	\$428m	\$230m	\$1,402m
<b>Revenue</b>	\$18.2m	\$23.7m	\$41.9m	\$15.5m	\$151.1m
<b>Expenses</b>	\$14.5m	\$17.9m	\$32.5m	\$21.9m	\$89.7m
<b>EBITDA</b>	\$3.6m	\$5.8m	\$9.4m	(\$6.3m)	\$61.5m
<b>TTV/Revenue Margin</b>	9.9%	9.7%	9.8%	6.8%	10.8%
<b>EBITDA Margin</b>	20.1%	24.4%	22.5%	n/a	40.7%

FY22 Bookings were up 79% and TTV was up 86% compared to the previous comparable period. FY22 Bookings were 42% of pre-Covid levels – 1H22 was impacted by lockdowns and border closures and 2H22 by the impact of the Omicron outbreak. FY22 TTV margins compared to pre-Covid levels reflect the loss of overrides and commissions payable on international travel. FY22 Expenses were down 64% compared to pre-Covid levels reflecting the highly scalable cost base – approximately 80% of Expenses are variable and able to be scaled in line with demand.

<b>GoSee</b>	12 months ending 31 March			12 months ending	
	1H22	2H22	FY22	31 Mar 21 (FY21)	31 Dec 19 (CY19)
<b>Bookings ('000s)</b>	66	142	208	94	508
<b>TTV</b>	\$43m	\$65m	\$108m	\$16m	\$309m
<b>Revenue</b>	\$4.6m	\$6.0m	\$10.5m	\$2.9m	\$30.8m
<b>Expenses</b>	\$6.2m	\$7.4m	\$13.6m	\$11.4m	\$18.2m
<b>EBITDA</b>	(\$1.6m)	(\$1.4m)	(\$3.0m)	(\$8.4m)	\$12.7m
<b>TTV/Revenue Margin</b>	10.6%	9.1%	9.7%	17.8%	10.0%
<b>EBITDA Margin</b>	n/a	n/a	n/a	n/a	41.1%

FY22 Bookings and TTV were up 121% and 575% respectively compared to the previous comparable period. FY22 Bookings were 41% of pre-Covid levels as State and international border closures were in place for most of the year. Cars saw demand increase as borders opened although Motorhomes continued to be impacted by lack of inbound tourism into its largest markets of Australia and New Zealand. FY22 Expenses were down 25% compared to pre-Covid levels. FY22 costs compared to the previous comparable period reflect higher staff costs including staff returning to full salaries and investing to transform the business.

<b>Corporate</b>	12 months ending 31 March			12 months ending	
	1H22	2H22	FY22	31 Mar 21 (FY21)	31 Dec 19 (CY19)
<b>B2B EBITDA</b>	(\$10.4m)	\$5.8m	(\$4.6m)	(\$90.0m)	\$96.3m
<b>B2C EBITDA<sup>(1)</sup></b>	\$2.0m	\$4.4m	\$6.4m	(\$14.8m)	\$74.1m
<b>Technology investments<sup>(2)</sup></b>	n/a	(\$1.2m)	(\$1.2m)	n/a	n/a
<b>Corporate costs<sup>(3)</sup></b>	(\$7.5m)	(\$8.1m)	(\$15.6m)	(\$13.4m)	(\$12.7m)
<b>Total EBITDA</b>	(\$15.9m)	\$0.9m	(\$15.0m)	(\$118.2m)	\$157.8m

Corporate costs include Key Management Personnel (KMP), Board costs, group functions and overheads (such as Directors and Officers insurance, audit, tax, ASX, share registry etc.). FY22 reflects return to full salaries and increase in Directors & Officers (D&O) insurance premiums. FY21 included 20% salary reduction for Board and KMP/Corporate team and 60% reduction for the Managing Director. Board and KMP /Corporate team returned to 100% salaries in October 2020 and Managing Director in January 2021.

(1) B2C is Webjet OTA and GoSee.

(2) Technology includes Trip Ninja and ROOMDEX.

(3) Comparable periods restated to exclude Share Based Payment expenses.

# Our business



**Our digital travel businesses, spanning both wholesale and retail markets, sell travel all over the world.**

## WebBeds

The **2nd largest B2B travel wholesaler** in the world.<sup>(1)</sup>

WebBeds is a global digital travel wholesaler specialising in hotel room distribution. WebBeds connects travel sellers to hotels, and their room inventory, through innovative market leading technology.

Visit: [www.webbeds.com](http://www.webbeds.com)



[webjet.com.au](http://webjet.com.au)

The **#1 online travel agent** (OTA) in Australia and New Zealand.<sup>(2)</sup>

Webjet OTA leads the way in delivering innovative retail travel solutions allowing customers to compare, combine and book the best domestic and international travel flight deals, hotel accommodation, packages, travel insurance and car hire worldwide.

Visit: [www.webjet.com.au](http://www.webjet.com.au)

## GoSee

A leading **online global motorhome and car rental** website.

GoSee is an online travel retailer specialising in global bookings of rental cars and motorhomes, providing choice and expertise that makes it easier for travellers to compare and save on one easy-to-use website.

Visit: [www.goseetravel.com](http://www.goseetravel.com)

(1) Based on TTV.

(2) Based on percentage share of OTA flights market.

## Supported by smart technology that differentiates our offerings and makes booking and transacting travel better.

### tripninja

Provides **complex travel itinerary automation** technology to digital travel businesses. Trip Ninja technology automates the highly manual process of selling complex multi-stop travel itineraries.

Trip Ninja was acquired in FY22 to enhance the Webjet OTA offering by allowing us to offer unique, highly competitive content to our customers.

Visit: [www.tripninja.io](http://www.tripninja.io)

### rezchain.

Booking Verification Technology

Provides blockchain-based **hotel booking verification technology**. Built in partnership with Microsoft since 2016, Rezchain is the hotel distribution industry's first blockchain-based booking verification solution allowing companies to share booking data to address mismatched information.

Rezchain is implemented across WebBeds and has played a key role in reducing operating costs. Plans are underway to offer Rezchain to the broader travel industry as a data reconciliation tool.

Visit: [www.rezchain.com](http://www.rezchain.com)

### Investments.

**LockTrip.com is a blockchain based B2C travel marketplace.** Locktrip is helping expand Webjet's blockchain expertise and being integrated into the Webjet OTA to enhance its B2C hotel offering. Webjet holds a 25% share, with an option to increase to 51%.

**ROOMDEX automates the process for hotels to provide upsell offers on room upgrades, stay extensions and guest services.** Webjet holds a 49% share with an option to acquire the remaining 51%. Webjet plans to offer ROOMDEX products through the WebBeds business to further differentiate its offering and provide added value to its hotel partners.



# Reimagining travel.

A woman with long dark hair, wearing a white dress and a wide-brimmed hat, is sitting on a swing bed. The swing bed is suspended by ropes and has a white sheet and several pillows. She is looking out over a lush, green tropical forest with palm trees. The scene is bathed in warm, golden light, suggesting a sunrise or sunset.

**Accelerating growth opportunities in all our businesses.**

The Covid-19 pandemic changed the global travel industry. When travel stopped, it forced us to not only think how we survive while borders were closed, it provided the opportunity to think how we successfully compete and thrive when global travel can again restart. **As global travel markets reopen, we believe we can accelerate our growth opportunities** by enhancing our offering in each of our businesses.

**Post pandemic, WebBeds is now more relevant than ever.** Demand for WebBeds services is increasing as retail channels seek greater access to wholesale accommodation content, customers want single source access to significant content through seamless technology connections, and hotels need global reach more than ever in order to fill rooms. At the same time, financial pressures impacting the industry has meant competition is decreasing. As a result, the WebBeds market opportunity is now larger than it was pre-pandemic and **we are focused on taking advantage of opportunities to deliver significant revenue growth and emerge as the #1 global B2B provider.**

**Opportunities for the Webjet OTA are also increasing. Webjet OTA has been the #1 OTA in Australia and New Zealand since 2010 and we see opportunity to expand our domestic and international market share.** Our strength in servicing the domestic leisure market has seen our domestic market share significantly increase since the pandemic and exciting innovations like Trip Ninja will allow us to provide customers the best priced itineraries for complex, multi-stop international itineraries.

**As travel markets reopen, demand for rental cars and motorhomes is also expected to increase and we have taken the opportunity to transform and rebrand the Online Republic business.** Previously operating through two separate platforms, in October 2021 we launched one core **GoSee** brand delivering all cars and motorhomes content on one easy-to-use website. This offers significant potential to deliver efficiencies through increased scalability and centralised investment, improve the customer experience through greater choice and enhanced functionality, as well as target growth opportunities as travel markets reopen.

Webjet has always focused on offering customers the greatest convenience and choice in online travel and constantly seeks to differentiate through innovation. **During the year we continued to take advantage of market conditions to invest in complementary adjacent businesses to further build out our core capabilities.**

In November 2021 we acquired **Trip Ninja**, a company that has developed transformational technology to automate the highly manual process of selling complex multi-stop itineraries. We believe Trip Ninja technology will help increase Webjet OTA's share of the international flights market by allowing us to offer unique, highly competitive content to our customers.

We also made a strategic investment in **ROOMDEX**, a company that automates the process for hotels to provide upsell offers on room upgrades, stay extensions and guest services. Traditionally a highly manual process, ROOMDEX's technology relieves hoteliers of the labour time required from other upselling solutions while delivering high margin revenue and a substantial return on investment. We plan to offer ROOMDEX products through our WebBeds business to further differentiate our offering and provide added value to our hotel partners.

**Our post-pandemic strategies are focused on accelerating growth opportunities and delivering market leadership in all our businesses.**



# Our strategies.



Webjet is pursuing strategies to accelerate growth opportunities and deliver market leadership in all our businesses.

## WebBeds

Throughout the pandemic, WebBeds has focused on retaining its existing global footprint, hotel supply relationships and global customer network to ensure we are best placed to compete once international travel markets fully reopen. Severe financial pressure on smaller providers and the industry has seen competition decrease, providing significant opportunities for global B2B providers with strong balance sheets and superior technology. **WebBeds is taking advantage of the changing market dynamics to transform our business and emerge as the #1 global B2B provider.**

- **Targeting new market opportunities**  
Expanding into new markets and targeting new organic business – all while staying close to our existing customers and hotel partners.
- **Rethinking how we do business**  
Continuing to look for ways to differentiate our offering and add value to our hotel partners and global customer network.
- **Driving operational efficiencies**  
Looking for ways to further streamline and simplify processes across the business to deliver a step change in our cost structure.



[webjet.com.au](http://webjet.com.au)

**Webjet OTA continues to leverage its strong brand, scalability and superior technology to increase its market leadership as the #1 OTA in Australia and New Zealand**

and we see opportunity to expand both our domestic and international market shares.

- **Brand strength as the #1 OTA**

Continuing to improve our value proposition for our customers and increase organic traffic to our website.

- **Scalability**

Our highly variable cost base allows us to effectively manage costs through demand fluctuations and increased automation is further reducing costs while also enhancing the customer experience.

- **Superior technology**

Innovation and technology improvements are making it easier for our customers to book, change and cancel their bookings.



**GoSee operates a leading online global motorhome and car rental site.**

GoSee is targeting growth by improving underlying performance, enhancing the customer experience and building strong partner relationships.

- **Improving underlying performance**

Providing all car and motorhome content on the one website provides greater efficiencies and growth opportunities.

- **World class customer experience**

Underpinned by a “customer first” mission, GoSee is focused on delivering unparalleled customer choice and customer care.

- **Thriving partner relationships**

GoSee aims to be a business partner of choice and has strategies in place to deliver frictionless service and create value for its partners.

**We believe there are significant growth opportunities in all our businesses as markets reopen.**

**WebBeds.**



**WebBeds is targeting new market opportunities, rethinking how it does business and driving operational efficiencies to emerge as the #1 global B2B provider.**

### **Driving operational efficiencies.**

#### **Robotics program underway**

- 7 automation processes deployed
- Improving conversions
- Delivering cost savings
- Business wide automation capabilities

#### **ERP unification program launched**

- First stage of ERP implementation went live in 2H22; second stage scheduled for early 2023
- Efficiencies in core payables and receivables functions starting to come through as volumes increase

#### **Streamlined technology platform nearing completion**

- Transitioning to a single contracting platform
- Single modules to manage distribution restrictions and pricing
- 100% cloud enabled to support future growth

Our simplified technology offering will be dynamic and scalable to support the demands of the global marketplace.



**On track to be 20% more cost efficient at scale.**

## Targeting new market opportunities.

### Expanded domestic offerings in all markets

- Recognising domestic markets would be first to open up, we **pivoted to domestic travel** while waiting for international markets to open
- Domestic sales as % of total sales have grown significantly – and as **international volume starts to return, domestic volumes continue to grow**

#### Domestic sales

As % of total WebBeds sales



CY19 (Pre-Covid)

FY22

### Targeting new organic business

- All regions have **targeted new business** including:
  - New clients
  - Existing clients booking to new destinations
  - New direct contracts for the domestic market
- The regions have also **increased their directly contracted hotel inventory**, reflecting the importance of WebBeds as a distribution channel supporting travel industry recovery

### Increased penetration of North American market

North American bookings and TTV are already higher than pre-pandemic levels and **we see significant growth potential from this large wholesale market.**

#### Key initiatives

- Dedicated President to drive expansion
- Expanded domestic market offering
- Optimisation of customer connectivity
- Developing strong new business pipeline
- New business payments system launched to expand addressable market

## Continuing to differentiate our offering.

### ROOMDEX<sup>1</sup>

In February 2022, Webjet Limited acquired a 49% stake in ROOMDEX, with an option to acquire the remaining 51%. ROOMDEX is a US based leader in automated hotel upselling solutions and automates the process for hotels to provide upsell offers on room upgrades, stay extensions and guest services. ROOMDEX's flagship product, Upgrade Optimizer, intelligently calculates True Availability<sup>SM</sup> (ensuring upgrade offers can be fulfilled) and the optimal price for hotels to provide upsell offers. By automating the often time-consuming upsell process, Upgrade Optimizer delivers hotels high margin revenue and substantial return on investment. Other technology currently under development by ROOMDEX will enable hotels to further increase revenue from bespoke upselling.

**WebBeds plans to offer ROOMDEX products to further differentiate its offering to hotel partners by providing them the opportunity to maximise revenue from every room sold.**

When international markets fully reopen, in addition to our existing global footprint, hotel supply relationships and customer networks; our transformation strategy is delivering:

- **new** domestic hotels,
- **new** domestic customers,
- **new** OTA customers,
- a significantly **expanded North American presence**,
- a **streamlined technology** offering
- a significantly **lower cost base**

**Webjet OTA.**

**Mix & Match  
airlines for the  
best value.**



**Webjet OTA.**

**Webjet OTA is leveraging its strong brand, scaleability and superior technology to increase its market share leadership.**

## **Award winning OTA.**

**2021 World Travel Awards  
Australia's Leading OTA**

**2021 World Travel Awards  
Oceania's Leading OTA**

## **2021 Australian Business Awards**

### **Business Innovation Award**

For a new automated cancellation feature that allows customers to process flight cancellation and refunds themselves, providing an instant outcome for customers while also allowing Customer Service to focus on the more complex changes during peak contact periods.

### **Business Sustainability Award**

For the **Webjet Sustainable Traveller program** – the first carbon offset program to be offered by an Australian OTA. Customers booking flights are able to take direct action on climate change by offsetting carbon emissions and 100% of customer contributions are used to source carbon offsets from premium projects around the world.

## Webjet OTA has extended its lead as the #1 OTA.

### Unique “mix and match” offering

Enabling customers to select the best airline for each flight sector has never been more important given the reduced number of airline services and constantly changing schedules.

### Broadest range of payment options for OTAs in Australia

Allows customers to choose the payment type that best suits their needs.

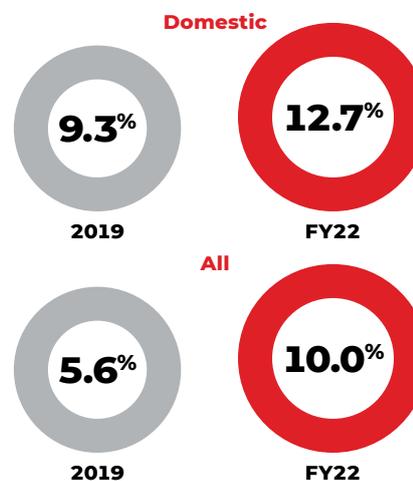
### Strong focus on servicing the leisure market

We offer the broadest range of airlines including regional, intra-state and interstate routes, as well as international.

### Superior technology offering

Ongoing innovations, increased use of robotics, faster processing times and improved self servicing capabilities all help deliver the greatest convenience and choice to our customers when booking travel.

Webjet average market share across GDS bookings – Australia Travel Agency Offline and Online<sup>(1)</sup>



**Webjet OTA market share has grown since the pandemic began**

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

## Investing in international opportunities.



We see significant growth opportunities as international travel starts to return and believe **Trip Ninja** technology will help drive additional international sales.

Trip Ninja has developed several key products to automate the highly manual process of selling complex international itineraries. Traditionally, in a multi-stop trip, we were only able to combine airfares from carriers with codeshare agreements. Trip Ninja technology now allows us to create complex itineraries combining non-aligned carriers in order to provide our customers the best price.

**Pricing comparisons using Trip Ninja technology have shown material price reductions compared to existing pricing and will provide genuine price advantage for customers.**

Acquired in November 2021, Trip Ninja technology is being integrated into the Webjet OTA and is expected to be available in the first half of FY23.

**Trip Ninja will be exclusively available in Australia and New Zealand through the Webjet OTA, and we intend to sell Trip Ninja products to other travel industry participants globally.**

### Trip Ninja Technology

**FareStructure** automates the combining of fares from carriers that do not have a cooperation or codeshare agreement in order to give customers the best priced itinerary. Traditionally a highly manual process, Trip Ninja is able to produce results in seconds.

**FlexTrip** automatically re-orders a multi-stop itinerary to deliver a better price by changing the order of the destinations.

Used in combination, FareStructure and FlexTrip will allow us to show customers pricing options that could only ever be surfaced manually by a very experienced travel agent.

Other products under development further automate fare search tasks that are currently done manually – **Virtual Interlining** (combining non-aligned carriers in a point-to-point fare), and **Multi-stop dynamic packaging** (combining air and hotels for multi-destination holidays).

**GoSee.**



## **GoSee is bringing a more focussed, growth oriented strategy.**

As travel markets reopen, demand for hire cars and motorhomes is expected to increase. By bringing a modern user-friendly platform and building strong partner relationships, we believe there are significant growth opportunities in Australia and New Zealand, and well as in key international markets.

### **Rebrand launched in October 2021.**

Previously operating motorhomes and car rentals as two separate websites, in October 2021 we launched one core GoSee brand delivering all cars and motorhomes content on one easy-to-use website.

One core brand provides opportunity to improve underlying performance by enabling more scalable website investment, improve return on advertising spend by centralising marketing investment, and improve organic search rankings by reducing reliance on generic pay-per-click. Having all content available on one website also improves the customer experience by providing greater choice and functionality.

## Transforming the business to deliver on its strategic objectives.

GoSee is focused on improving organisational effectiveness, becoming more customer obsessed and continually looking for ways to create value.



### Improve underlying performance

- Targeted growth opportunities
- Scalable website development
- Centralised marketing investment
- Improved organic search rankings



### World class customer experience

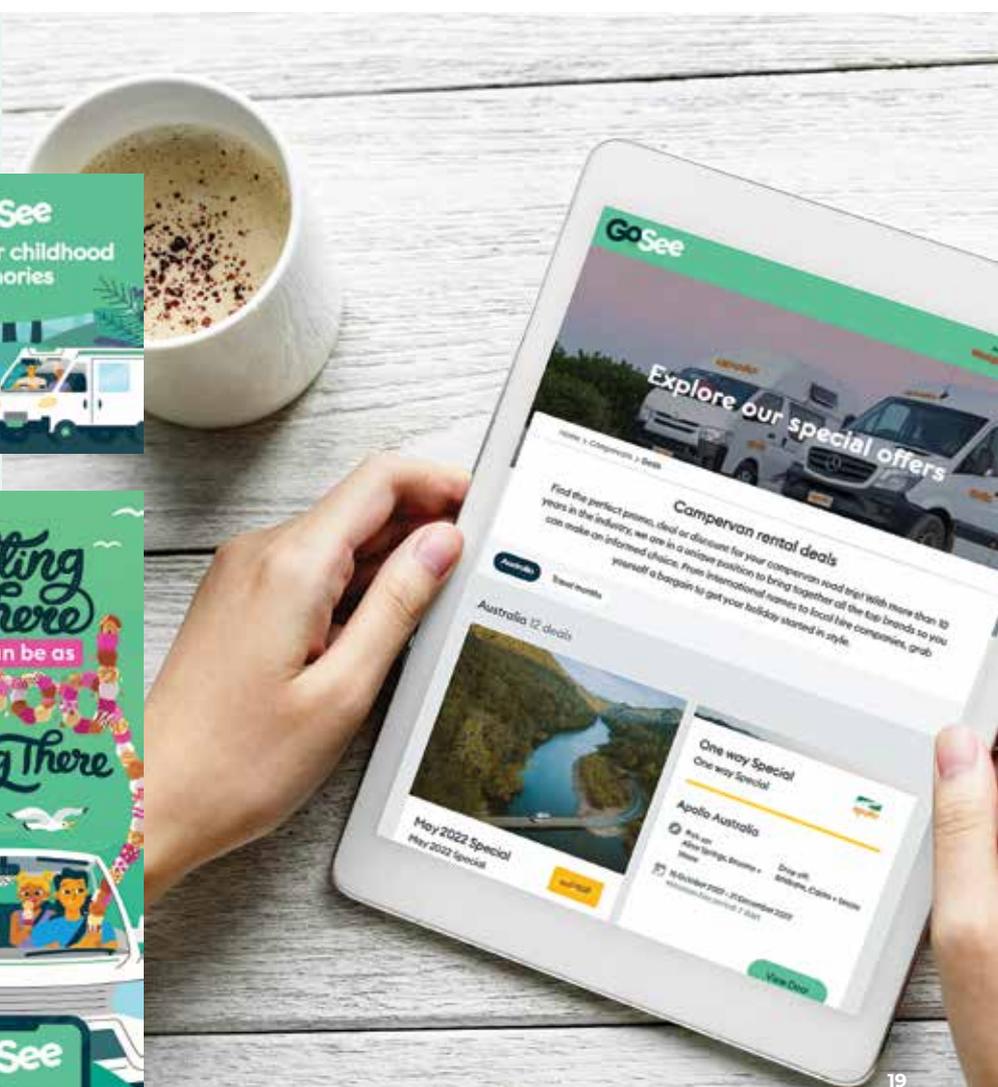
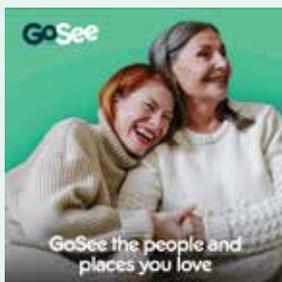
- Create intuitive user experiences
- Maximise customer value
- Provide exceptional customer care
- Deliver unrivalled customer choice



### Thriving partner relationships

- Provide frictionless service
- Create supplier value
- Enable affiliate performance
- Demonstrate commercial leadership

## Introducing the new GoSee brand.





## Recognising our people.

Our people have always been our greatest asset. Their dedication and embodiment of our corporate values help ensure the ongoing sustainability of Webjet.

Webjet continued to face many challenges during the year with the pandemic's ongoing impact on global travel. Time and again our people displayed flexibility, resilience, passion and a commitment to our business, our customers and to each other.

## Customer service.

Our customer service teams managed an enormous volume of customer interactions during the year. Ongoing lockdowns, border closures and natural disasters significantly impacted travel during the year and our teams worked tirelessly to assist customers whose travel plans were impacted. Our teams displayed creativity to find solutions in an effort to provide outstanding customer experiences during times of great change.

- **Webjet OTA** – managed over 715,000 customer interactions, nearly 10 times pre-pandemic volumes; processed more than 378,000 involuntary flight schedule changes initiated by airlines; and processed refunds on behalf of customers for more than 93,000 flight tickets worth more than \$44 million.
- **GoSee** – managed over 670,000 customer interactions, including processing more than 65,000 supplier invoices and credits.
- **WebBeds** – managed over 1.5 million customer service tickets globally.

### Awards

- **Webjet OTA** – *Business Innovation Award* for a new automated cancellation feature (Australian Business Award, 2021)
- **GoSee** – *Industry Award for Online Support Services* (2021 Contact Centre CRM Awards)

## Investing in our people.

We are focused on attracting and retaining global talent and invested significantly in our people during the year.

### Improved benefits

- New **Parental Leave** Policies
- **Additional leave** including new Purchased Additional Annual Leave for Webjet OTA and GoSee and mental health day for WebBeds
- New Return-to-work Hybrid **flexible working policies** for Webjet OTA and GoSee

### A strong focus on wellbeing

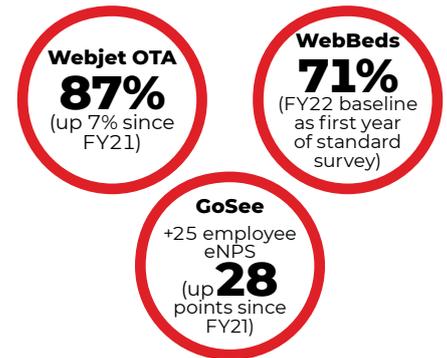
- **Employee Assistance Program**
- Workshops and sessions on **mental health and wellbeing**
- Virtual exercise classes and external wellbeing sessions covering topics such as advice on sleep, nutrition and how to set up an ergonomic desk at office and home

### A strong focus on attracting and retaining talent

- New **Senior People functions** appointed for WebBeds and Webjet OTA
- Increased our **Employee Referral Bonus** for Webjet OTA and GoSee
- Webjet OTA enrolled its first group into the **Women Rising Program** supported by Microsoft
- Following restructure of the WebBeds business to have a dedicated CEO and four regions, WebBeds made a number of **internal promotions to retain key talent within the Company**

### Maintaining a highly engaged workforce

Engagement surveys showed an increase in employee engagement.\*



\* Results show % employees who agree or strongly agree with the statement "would you recommend Webjet as a great place to work". Results show comparisons between May-21 and Apr-22. Note: WebBeds did not have a standard survey across all regions in FY21.

## Teams reuniting.

Most of our staff continued to work from home for the majority of the year. As restrictions start to ease around the world, many of our teams have had the opportunity to start meeting again in person.



# Sustainability.



**Webjet is committed** to creating sustainable earnings and capital growth for our shareholders, and to support all our stakeholders, including employees, suppliers, customers, and the communities that we serve.

Webjet accepts that, as part of doing business in both Australia and internationally our customers, shareholders, employees and the community expect that we will operate our businesses in an environmentally responsible and socially sustainable manner.

We understand the importance of delivering environmental and social value to our stakeholders and conducting our business with good ethics and corporate governance principles.

**Our sustainability framework centres around three principles**



Further details of Webjet's approach to sustainability and our key initiatives during the year are set out in our FY22 **Sustainability Report**.

## FY22 Sustainability highlights.

### Social



- **25% women in Senior Management**; committed to increasing this to 40% by 2030



- **New employment benefits** introduced in each business
- **Employee engagement improved** over FY21
- Strong **focus on wellbeing**, with particular emphasis on mental health



- **Customer Service awards**

### Environment



- Audit underway to measure carbon emissions with a **view to becoming carbon neutral**



- **Energy, water and waste efficiency initiatives** in place across the Company



- Webjet OTA's **Sustainable Traveller program** offsetting an average of 1,780 tonnes of carbon per month

### Governance



- Board comprises **33% women and 100% independent non-executive directors**



- Improved **modern slavery risk identification** and assessment processes to include our global supply chain



- **No reportable data privacy or data security breaches** under any relevant legislation
- Initiated work to achieve **ISO 27001 certification**



## Corporate directory.

### Directors

- Roger Sharp, Chair  
Independent Non-Executive Director
- John Guscic  
Managing Director
- Don Clarke, Deputy Chair  
Independent Non-Executive Director
- Brad Holman  
Independent Non-Executive Director
- Denise McComish  
Independent Non-Executive Director
- Shelley Roberts  
Independent Non-Executive Director

### Company Secretaries

- Tony Ristevski
- Ella Zhao

### Registered office

Level 2, 509 St Kilda Road  
Melbourne Victoria 3004 Australia

Phone: +61 3 9828 9500

Email: [webjet@webjet.com.au](mailto:webjet@webjet.com.au)

Website: [www.webjetlimited.com](http://www.webjetlimited.com)

### Share Registry

Computershare Investor Services Pty Ltd  
GPO Box 2975

Melbourne VIC 3001 Australia

Telephone within Australia: 1300 556 161

International Callers: +61 3 9415 4000

### Auditor

Deloitte Touche Tohmatsu

477 Collins Street

Melbourne Victoria 3000 Australia

### Stock Exchange Listings

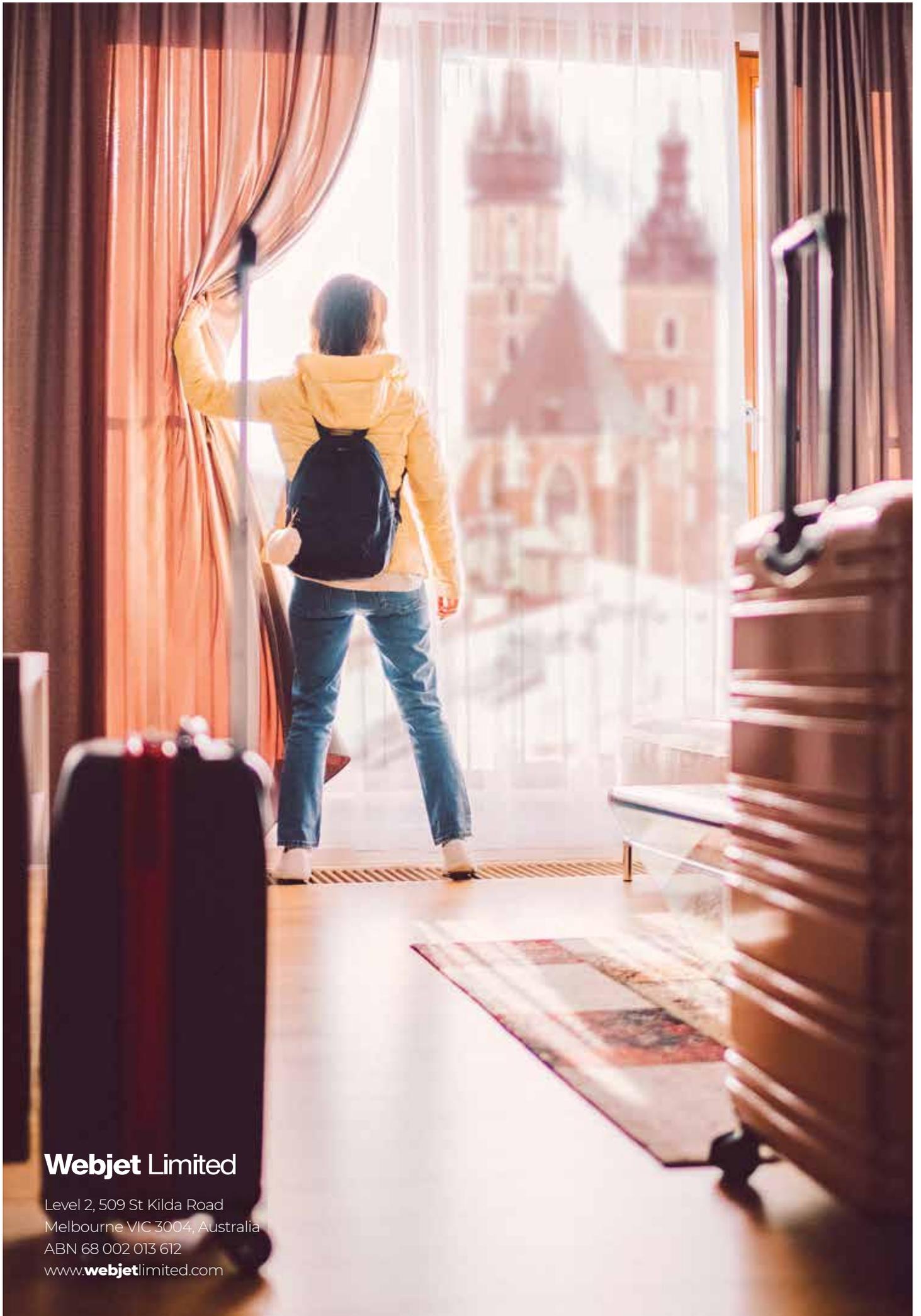
Webjet Limited's shares are listed on the  
Australian Securities Exchange (ASX:WEB).

Webjet Limited's \$250 million  
unsecured convertible notes are listed  
on the Singapore Exchange.

## Glossary

- |                         |   |
|-------------------------|---|
| • APAC                  | Asia Pacific  |
| • B2B                   | Business to Business  |
| • B2C                   | Business to Consumer  |
| • CAGR                  | Compound Annual Growth Rates  |
| • Company               | Webjet Limited  |
| • EBITDA                | Earnings before interest depreciation and amortisation  |
| • ERP                   | Enterprise Resource Planning system   |
| • FAR                   | Fixed Annual Remuneration   |
| • GDS                   | Global Distribution System  |
| • Group                 | Webjet Limited and its consolidated entities  |
| • KMP                   | Key Management Personnel  |
| • LTI                   | Long-term Incentive   |
| • MEA                   | Middle East & Africa  |
| • NPAT                  | Net Profit After Tax  |
| • OTA                   | Online Travel Agent   |
| • STI                   | Short-term Incentive  |
| • TTV                   | Total Transaction Value   |
| • Underlying Operations | excludes non-operating expenses, share based payment expenses, Acquisition Amortisation and Convertible Note interest |
| • VWAP                  | Volume-weighted average price   |
| • Webjet                | Webjet Limited  |

All references in this Annual Report to \$ are for Australian dollars unless otherwise noted.



## Webjet Limited

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[www.webjetlimited.com](http://www.webjetlimited.com)