

WebBeds

Webjet Limited

Transformation Strategy Update.

UBS Sydney Investor Session Presentation
18 March 2021



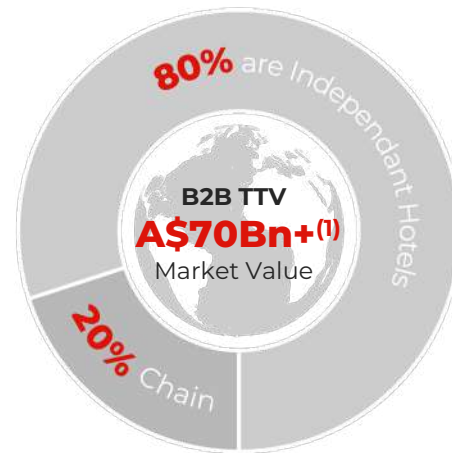
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Pre Covid landscape as at 1H20.

WebBeds pre Covid-19.

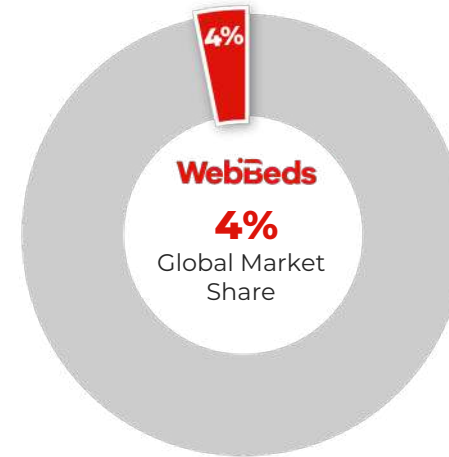
WebBeds - 2nd largest global B2B provider...

Global Accommodation Market.
With a total global value c A\$800Bn+ TTV ⁽¹⁾.



Independent Hotels are **highly suited** to WebBeds distribution model.

WebBeds Market Share.
of global accommodation market.



Our market share represents **a significant growth opportunity.**

WebBeds FY19 Sales.
Sales mix.



Robust hotel portfolio sourced through **30,000+** directly contracted hotels, **55+** leading hotel chains & **70+** third party providers



Tracking ahead of plan to deliver
“8/4/4” (2)

1) Management estimates
2) 8/4/4 profitability target - at scale 8% revenue/TTV and 4% costs/TTV to deliver 4% EBITDA/TTV.

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Covid-19 has provided opportunity to transform our business.

A post Covid-19 world.

- **Bedbanks remain a critical distribution channel** supporting travel industry recovery.
- Our **strategic objective** is now to be the **#1 global B2B provider**.
- Initiatives are currently underway to be **20% more cost efficient** at scale.
- WebBeds is taking advantage of **new revenue and cost reduction opportunities** offered in a post COVID-19 world
 - Expanding into new **Regions**
 - Serving new **Customers**
 - Taking advantage of **changing travel patterns**
 - **Simplifying and refining** technology and processes across the business
 - Targeting **A\$10BN TTV**

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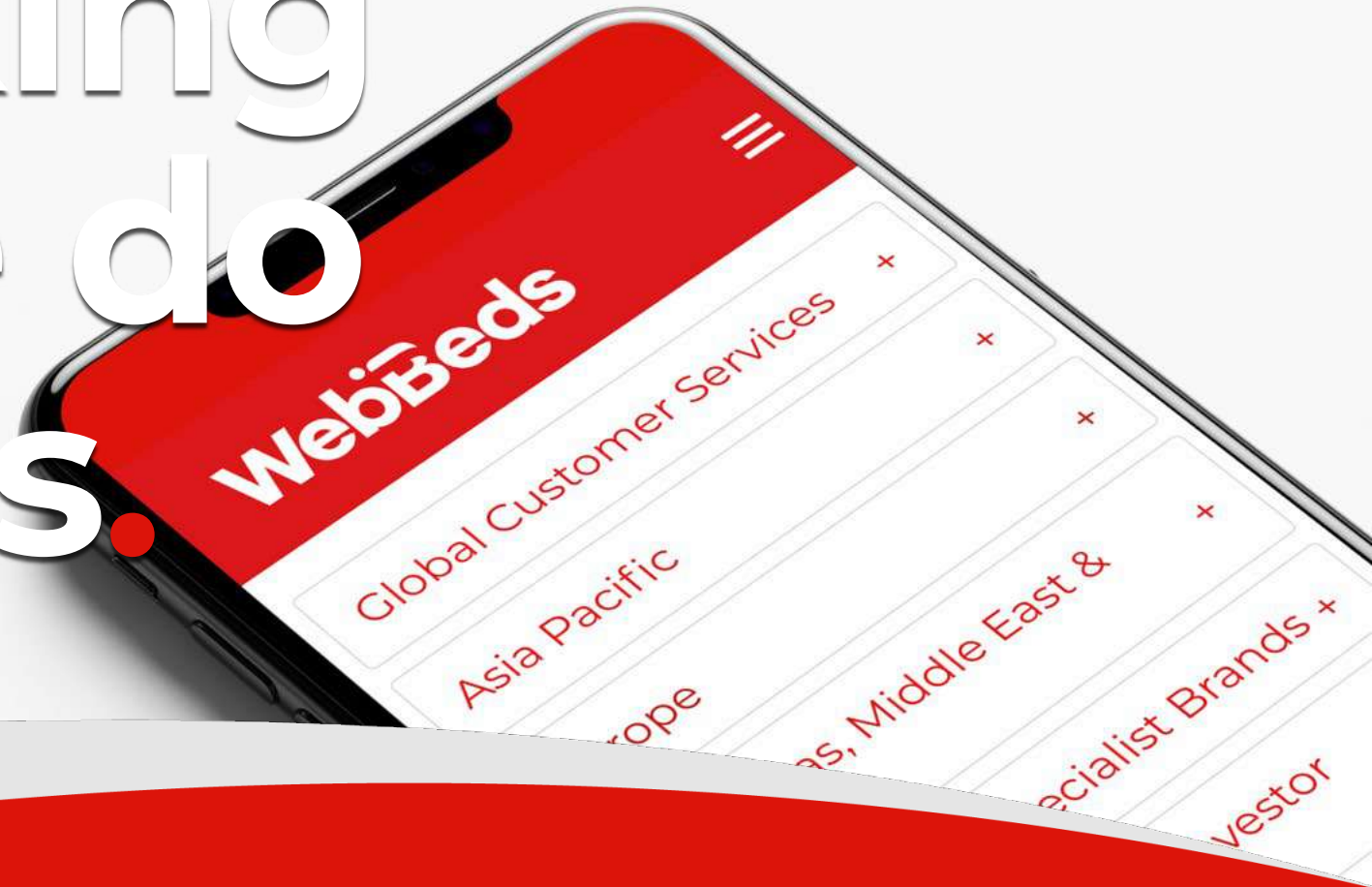
Transformation started April 2020. Strategic objective to be the #1 global B2B provider.

Transformation strategy underway.

Initiatives underway to deliver 20% greater cost efficiencies at scale.

Key Strategic Initiatives.		Opportunity.
Rethinking How We Do Business	Looking at what we sell & how we sell it. Differentiating through innovation.	<ul style="list-style-type: none">• Revenue• Cost reduction
Streamlining Technology	Delivering the most robust, efficient and flexible offering.	<ul style="list-style-type: none">• Cost reduction
Increased Leverage of Data Analytics	A.I, robotics and data driven decision making.	<ul style="list-style-type: none">• Revenue• Cost reduction
Sharpened Focus on Cost Reduction	Simplifying processes across the business.	<ul style="list-style-type: none">• Cost reduction
Refinement of Risk Management Processes	Tightening risk and credit processes.	<ul style="list-style-type: none">• Cost reduction

Rethinking
how we do
business.



Webbeds

Looking at
what we sell
& how we sell it.

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New regional opportunities.

Revenue opportunities in North America.

North America.

- Large wholesale market but **historically underrepresented** by WebBeds
 - 4% market penetration in Europe, 3% in APAC, and **only 1% in Americas.**
- **Largest destination** within WebBeds network
- Focused on **leveraging new opportunities**
 - Targeting new market segments
 - Increasing share of Top 20 clients
 - Expanding directly contracted inventory in key cities
- **New Senior hire** – December 2020

Core North American Market B2B Segments

B2B Loyalty	B2C Loyalty	Online Retail	Air
Loyalty redemption platforms which are typically white labeled for consumer facing brands	Consumer facing platforms enabling customers to earn or burn loyalty points for travel	Agent & consumer facing platform with many direct contracts & 3rd party connections	Major airlines that also sell ancillary travel products
Membership	OTA	Corporate	Search
Member based programs that offer discounted travel & other services in a closed user group environment	Online travel agencies that provide packaged & individual travel products directly to consumers	Major travel management companies & small "disrupters" providing full or limited corporate travel services	Consumer facing booking sites that acquire majority of customers from paid search (SEM)

cA\$20 BN TTV addressable market ⁽¹⁾

New regional opportunities.

Expanded revenue opportunities.

Europe	APAC	Middle East & Africa
<ul style="list-style-type: none"> • c. A\$26Bn B2B TTV market opportunity ⁽¹⁾. • Will continue to be an important region given the significant number of independent hotels • Expanding footprint in Eastern Europe 	<ul style="list-style-type: none"> • c. A\$24Bn B2B TTV market opportunity ⁽¹⁾. • Pre Covid-19 – On track to be the largest region by booking volume • Will continue to see highest growth potential post Covid-19 <ul style="list-style-type: none"> • Domestic contracting strategy during Covid-19 will allow the region to grow as domestic travel is 10x larger than international travel pre-Covid. • Gaining entry into domestic opportunities that were once impenetrable. 	<ul style="list-style-type: none"> • c. A\$4Bn TTV market opportunity ⁽¹⁾. • Umrah Holidays International to benefit once travel restrictions lifted in Saudi Arabia • Defending our market leader position by increasing our product range

(1) Management estimates

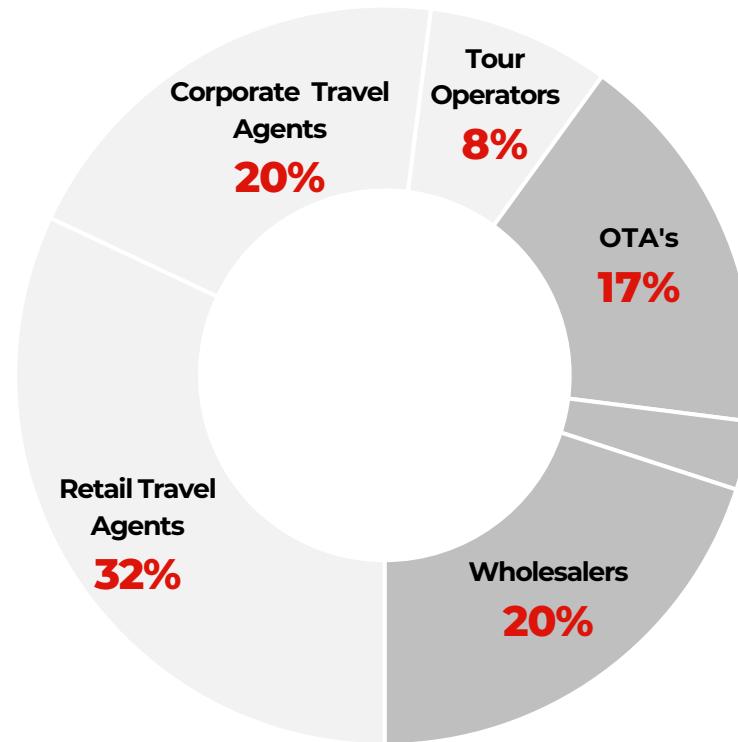
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New customer opportunities.

Expanded market opportunity.

Pre Covid-19 Customer Mix.

Retail Travel Agents, Corporate Travel Agents & Tour Operators will continue to remain relevant



OTA's & Super Apps

- Leveraging shift to online
- Member Only deals
- Last minute bookings
- WebBeds already sells to the Top 5 OTAs globally

Super Apps
3%

Wholesalers

Provide access to all newer distribution models

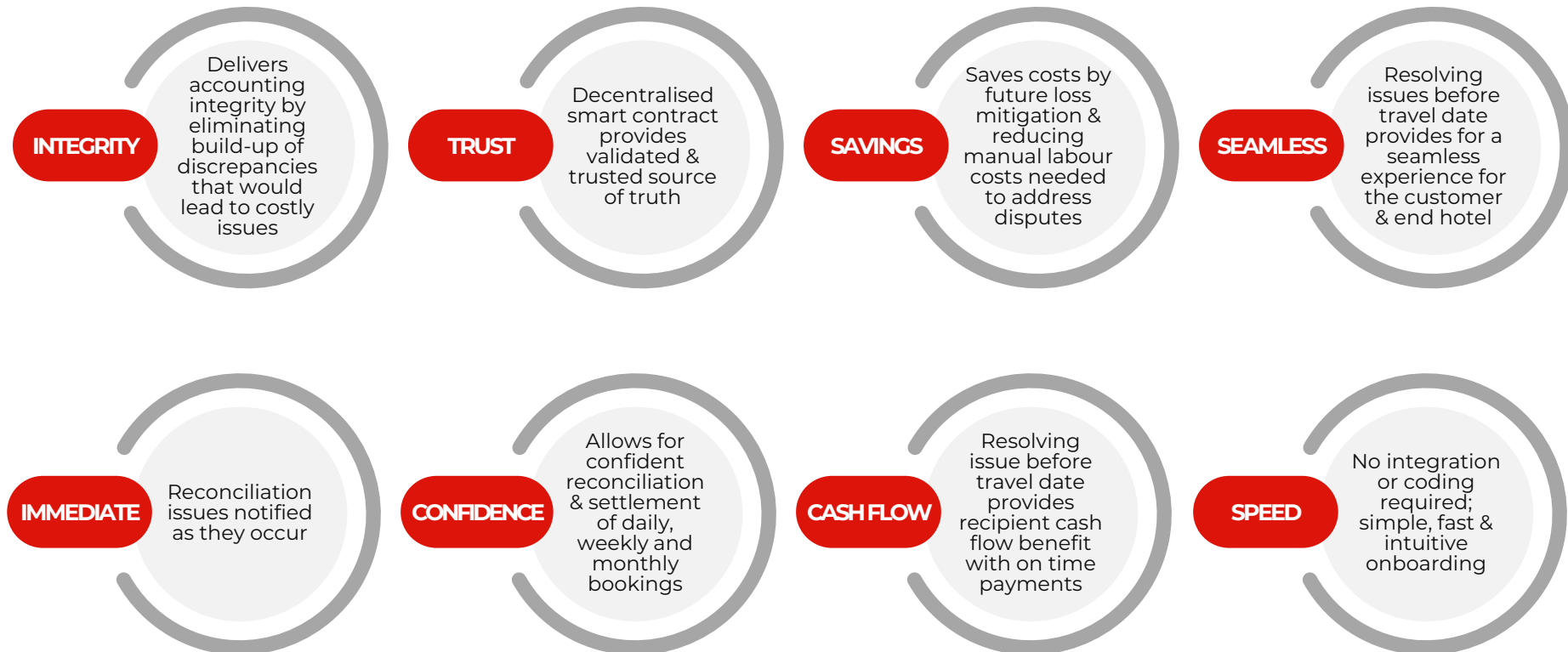
Market opportunity now > \$70BN+ AUD TTV due to B2C channel expansion

**Differentiation
through
innovation.**

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Rezchain provides insurance against future problems.

Rezchain Value Proposition.



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Rezchain delivered significant value during Covid-19.

Covid-19 transformation & focus.

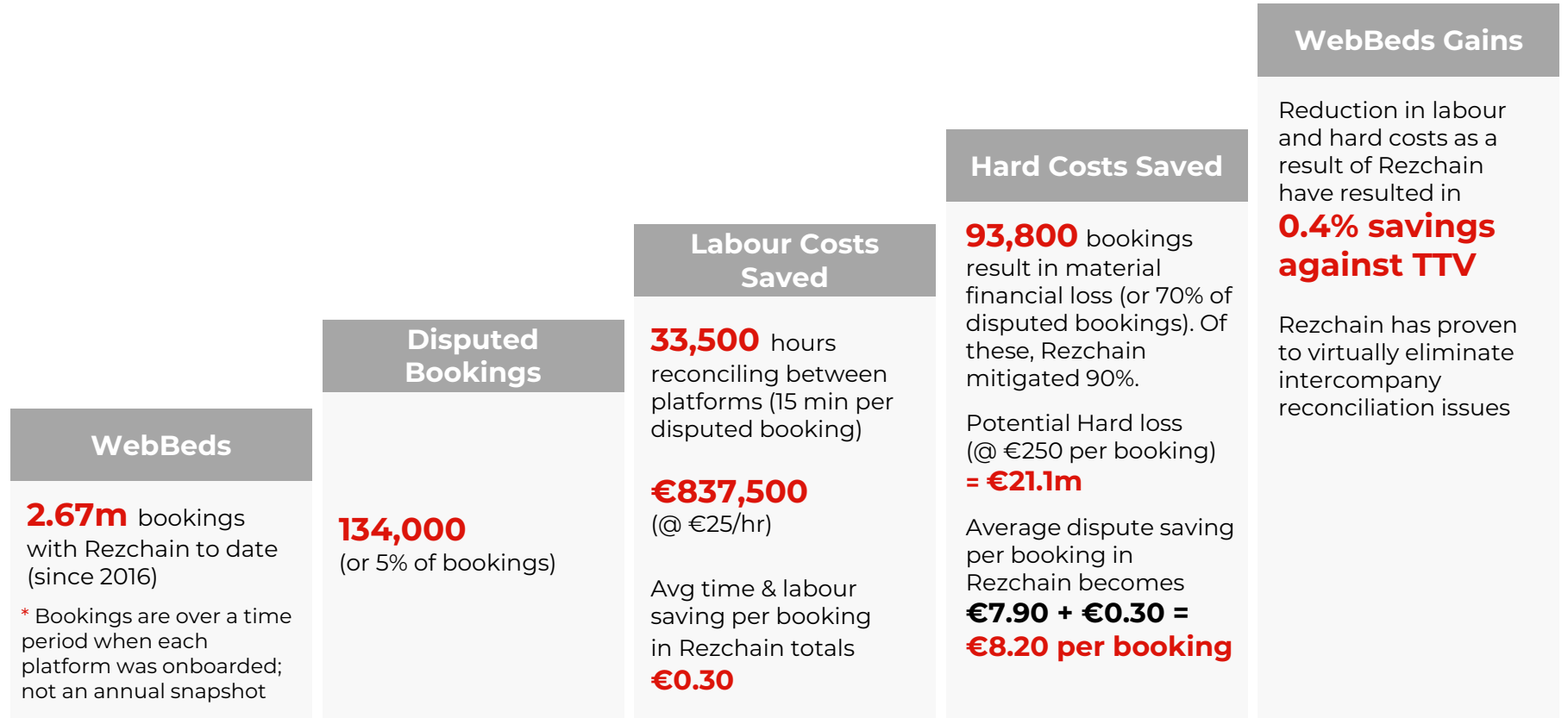


- **Rezchain insured WebBeds against costly errors** in the processing of mass cancellations
- Quickly **alerted WebBeds to any integration issues** as platform enhancements were rolled out
- A greater focus on actioning Rezchain alerts **has seen intercompany reconciliation issues become almost non-existent**
- Enhanced user-driven reporting features released **enabling users to manage their processes more effectively**
- Delivered **real \$\$ savings** - reduced both labour costs and hard financial losses

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5 Years of savings on intercompany bookings.

Rezchain = real \$\$ savings.



Opportunity to target the 85% of non-intercompany bookings

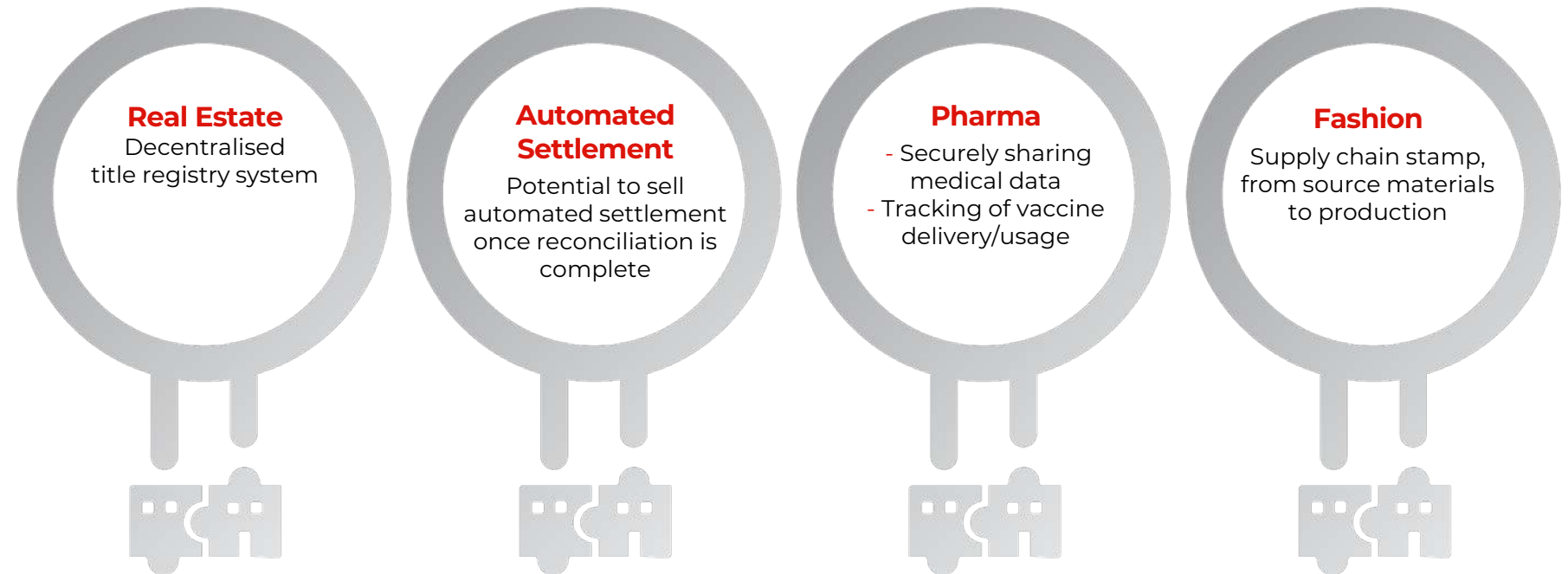
Note: Intercompany bookings account for c.15% of WebBeds bookings

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Opportunity exists across industries for partners who wish to mitigate discrepancy.

Opportunities.

Opportunities for Rezchain beyond the hotel distribution space.



Rezchain, at its core, is a trust engine.

Any two partners that need **smart contracts to mitigate discrepancy** of any sort and thus insure against risk of loss are a commercial opportunity.

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Investment in an Open Source Blockchain.

Investment: LockTrip.

- **Webjet Limited has made an investment of US\$4.1 million** (for new shares representing a 25% stake) in **LockTrip Holdings UK** (LockTrip), with a further option to increase that to 51%.
- LockTrip provides a B2C hotel marketplace, **underpinned by a blockchain economy** powered by a utility token, LOC.
- LockTrip also provides its own decentralised public blockchain, Hydra chain, powered by the **HYDRA** coin.
- LockTrip has developed a blockchain that **enables genuine commercial applications at scale.**
- Webjet Limited's **interest in LockTrip is three-fold:**
 - **Accelerated development** of our blockchain expertise
 - **Integration** of LockTrip into the Webjet OTA for its B2C hotel offering
 - **Potential migration of the Rezchain application** onto the Hydra chain, as Hydra solves many of the issues that prevent the wholesale adoption of blockchain as an underlying platform.



HYDRA

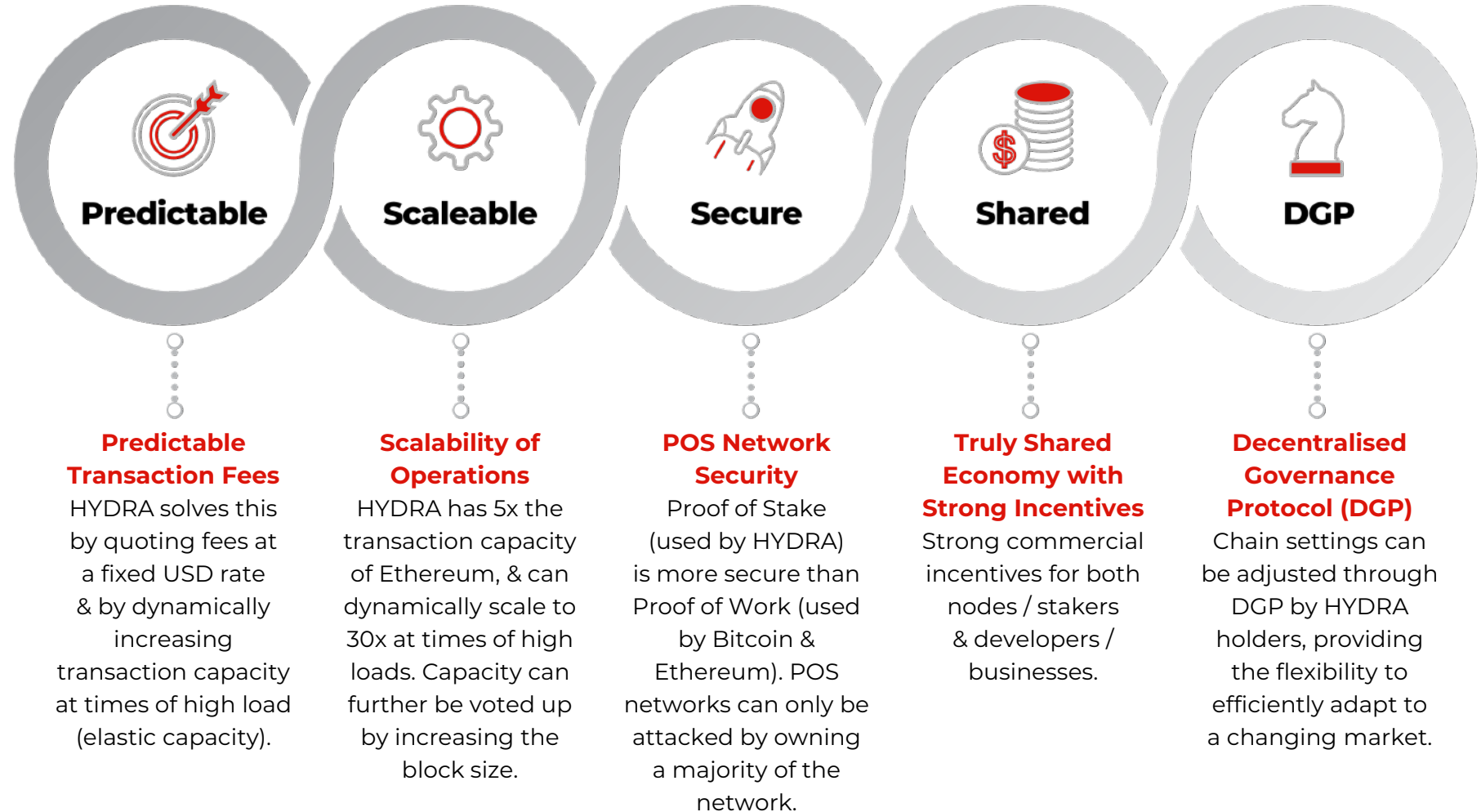
LOCKTrip

Potential Rezchain migration to Hydra to deliver significant benefits.

Why Hydra is a superior blockchain platform.



HYDRA



Streamlining technology

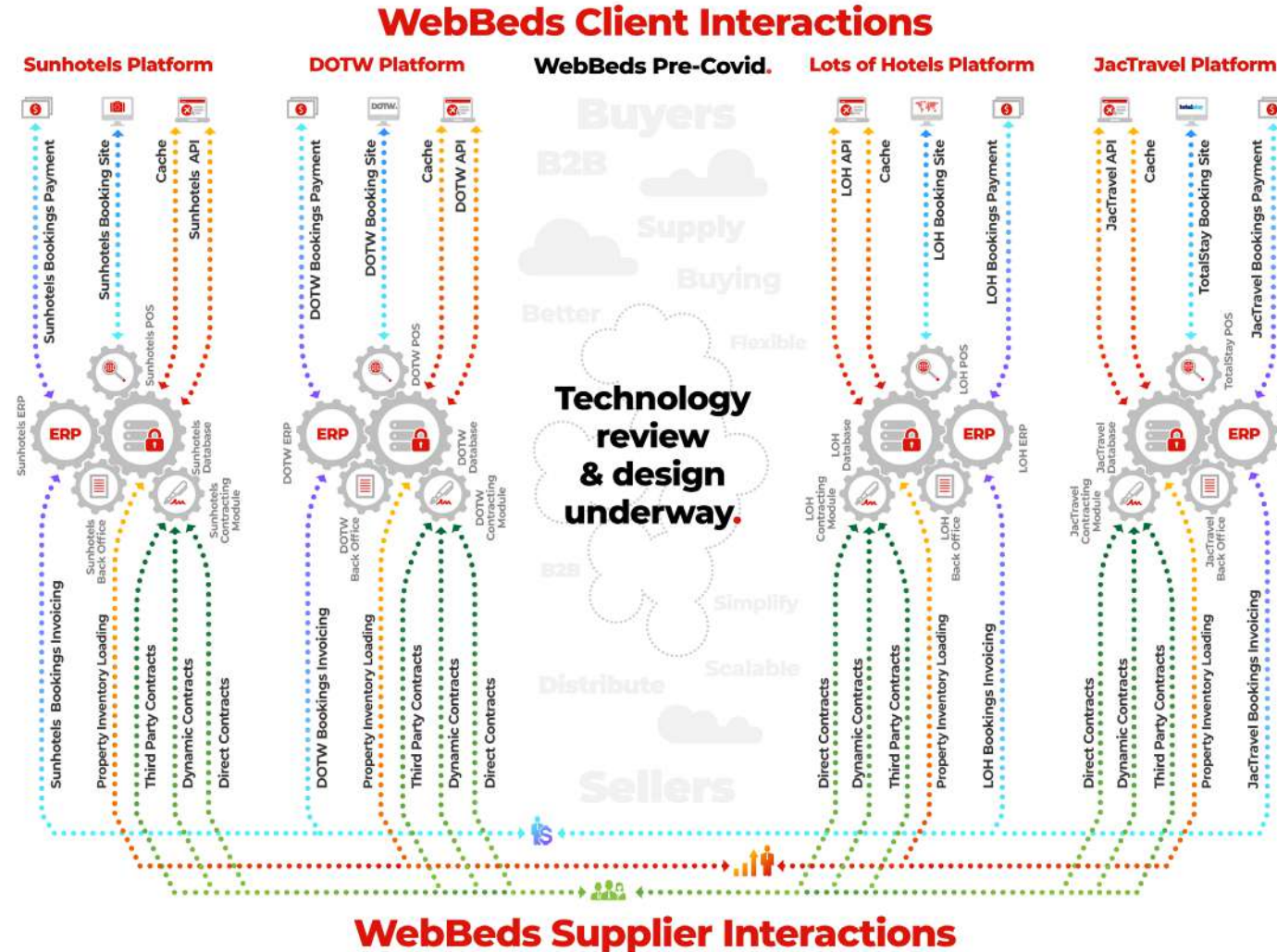


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Pre Covid-19 our complex technology ecosystem was a reflection of our acquisition strategy.

Pre Covid-19: Complex technology ecosystem.



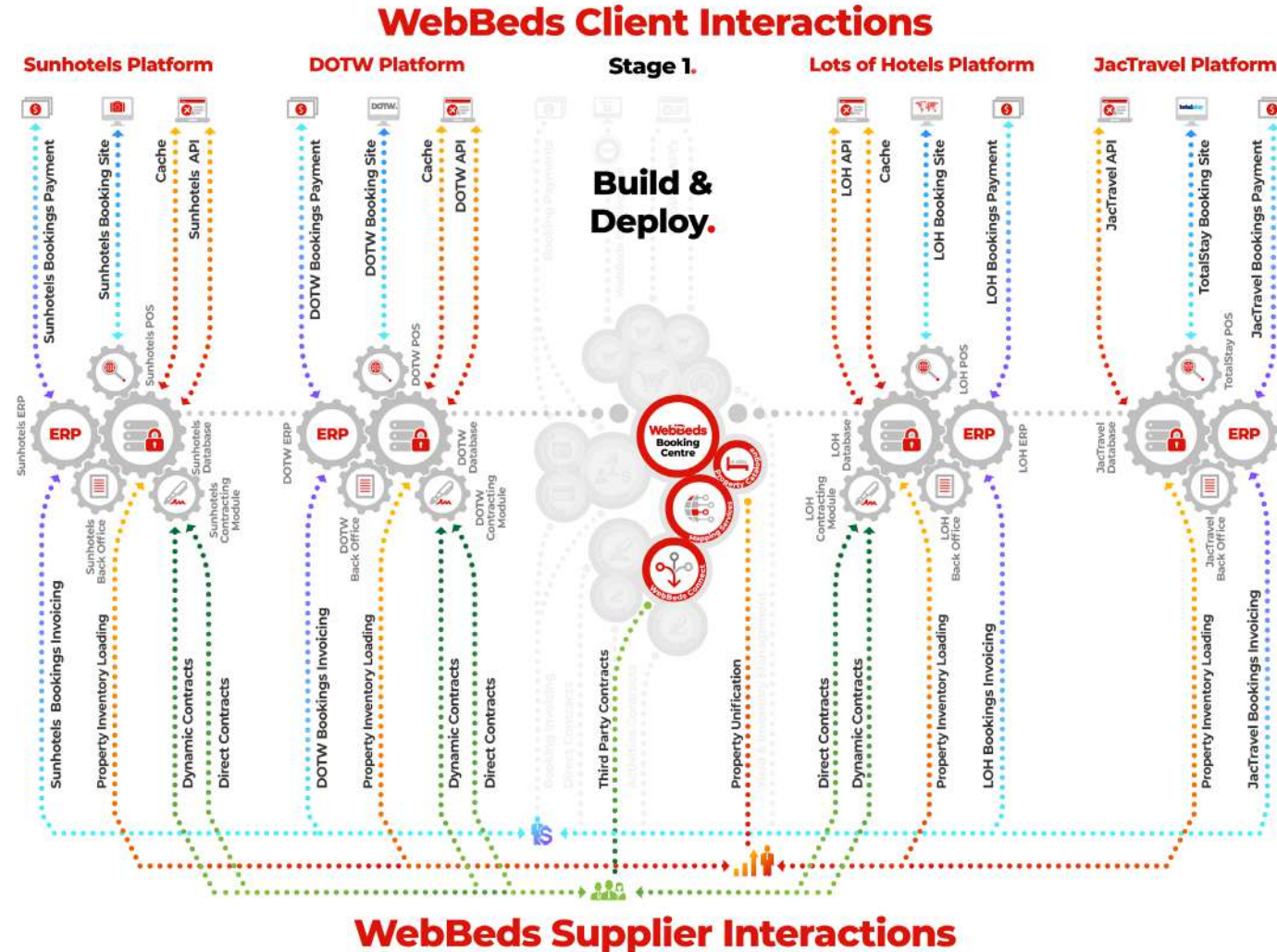
Multiple touch-points, several ways to do the same thing & maintenance overhead running all platforms ensuring WebBeds product is available across the marketplace.

Four commercial trading platforms leveraging a rich content base & wide reaching client distribution to create the initial global marketplace

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Identify the WebBeds components to enable seamless global distribution & platform consolidation.

Deploy & begin acceleration.



WebBeds Connect 2.0.

Consolidate connectivity, improving speed to market across all WebBeds trading platforms and reducing complexity.

WebBeds Booking Centre.

A single point where bookings from any trading platform will be managed by WebBeds, our clients & supply partners. This simplifies operations & provides a single platform for automation & machine learning.

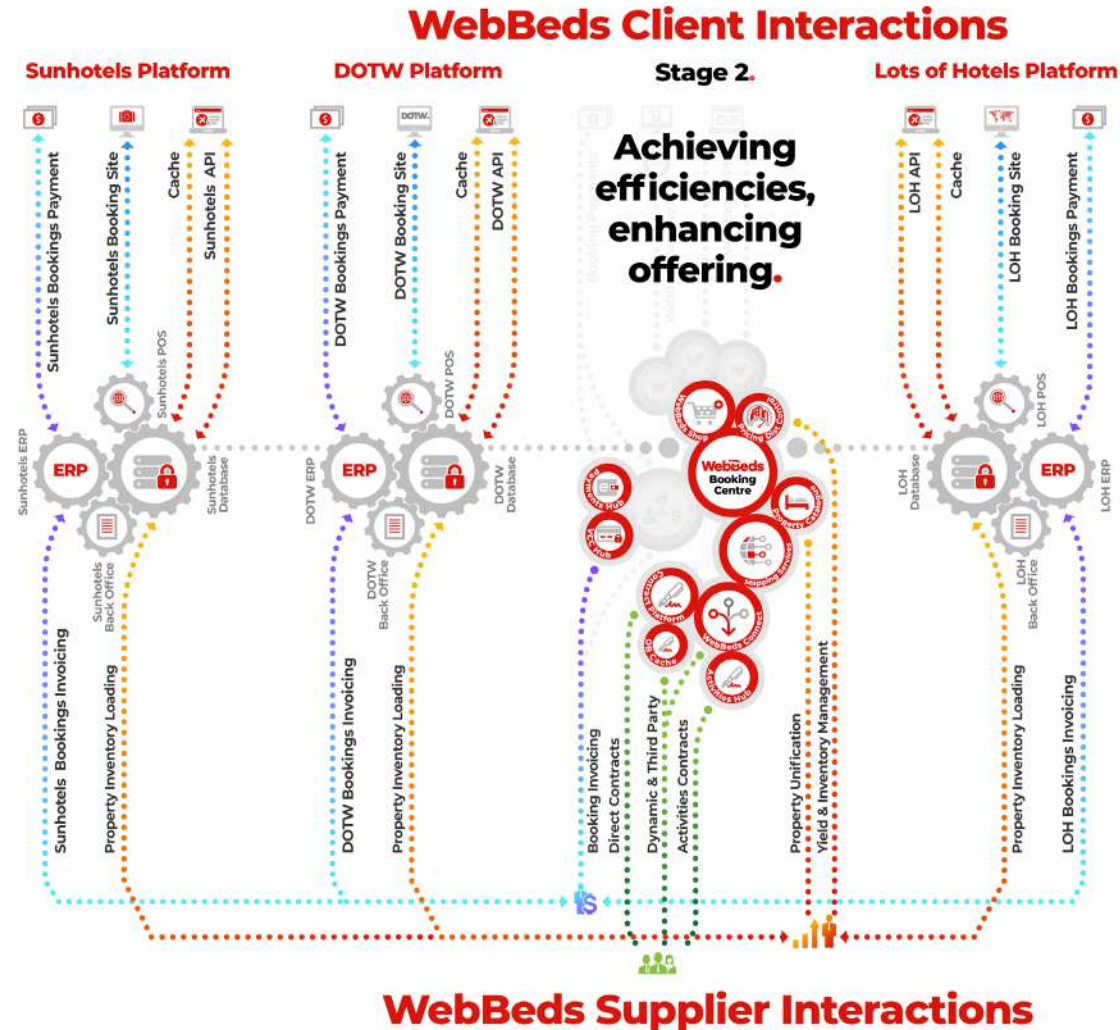
WebBeds Property Catalogue.

Unify & align properties across all WebBeds platforms under a WebBeds property ID. Simplify creation & management of basic property details from a central service

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Reduce the platform complexity & continue to build additional components.

Now: Where we are today.



WebBeds Contracting.

Unifying contracts into a single platform for all WebBeds distribution platforms. Providing tailored interfaces & APIs to seamlessly fit into the hotel's distribution.

Webbeds Price & Distribution Hub.

Delivers a single revenue management platform. Contracts are delivered to all clients via **WebBeds Shop**, our new core distribution engine.

WebBeds Payment Aggregation Hubs.

Singular point to integrate new VCC Suppliers & support payment methods worldwide with minimal effort

WebBeds Mapping Services.

A unified catalogues of properties, room types, clients, suppliers.

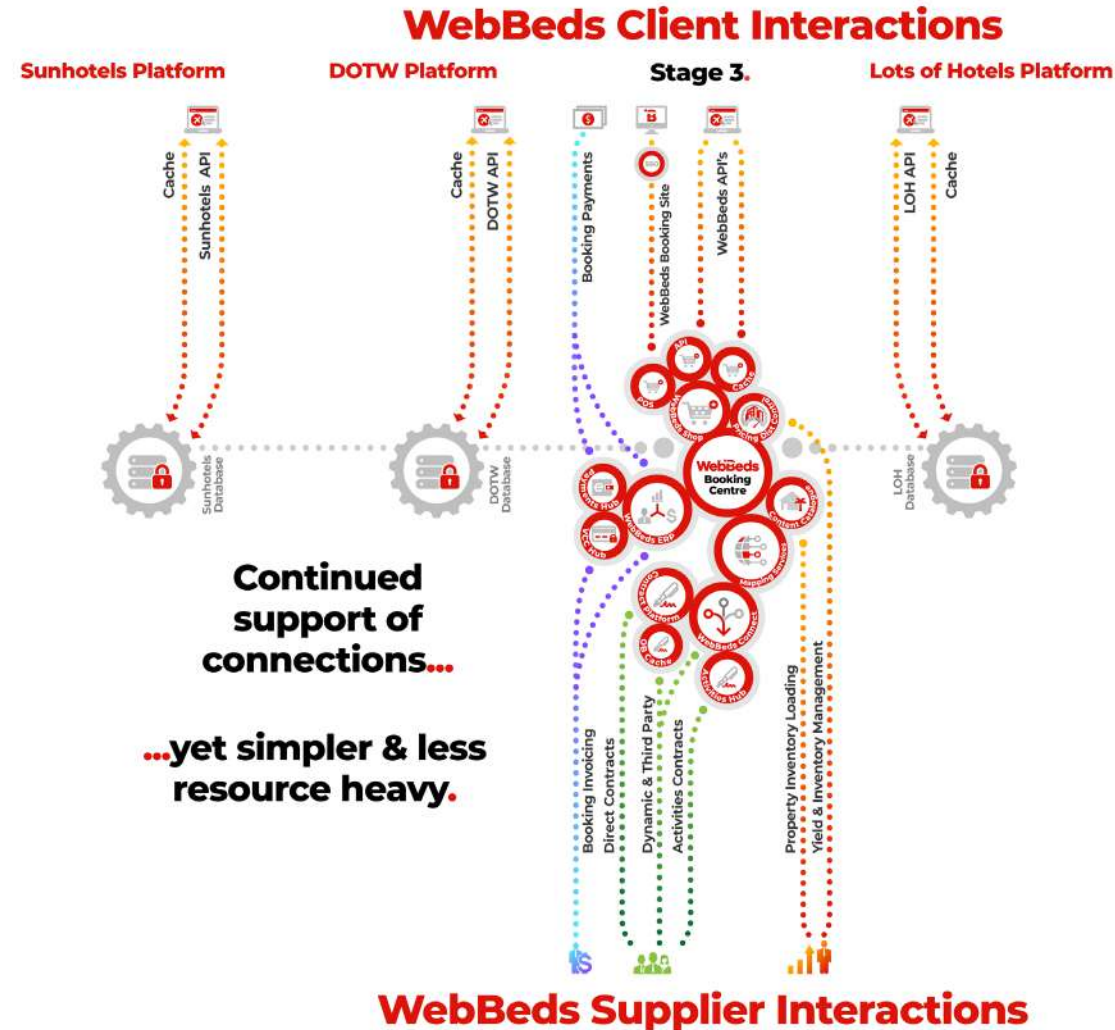
WebBeds Supply Connectivity.

New 'hubs' to access in-demand content & provide partners with innovative ways to connect to the WebBeds global marketplace providing global & domestic accommodation offers & activities.

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Opening our new sales channels, API, Retail Website and Cache to the WebBeds Global Marketplace.

Tomorrow: End of CY2021.



WebBeds API.

A flexible, fast & reliable client API offering the WebBeds suite of products (hotels, vacation rentals, transfer & activities)

WebBeds Cache.

Ability for API clients to access an up-to-date WebBeds portfolio for packaging & onward distribution.

WebBeds Retail Booking Website.

Our showroom to empower travel agents with flexible search and browsing options, informative content & shopping basket to efficiently design safe & exciting holidays.

WebBeds Content Catalogue.

Detailed, high quality and up-to-date hotel & room information to give the client correct expectations on what they book.

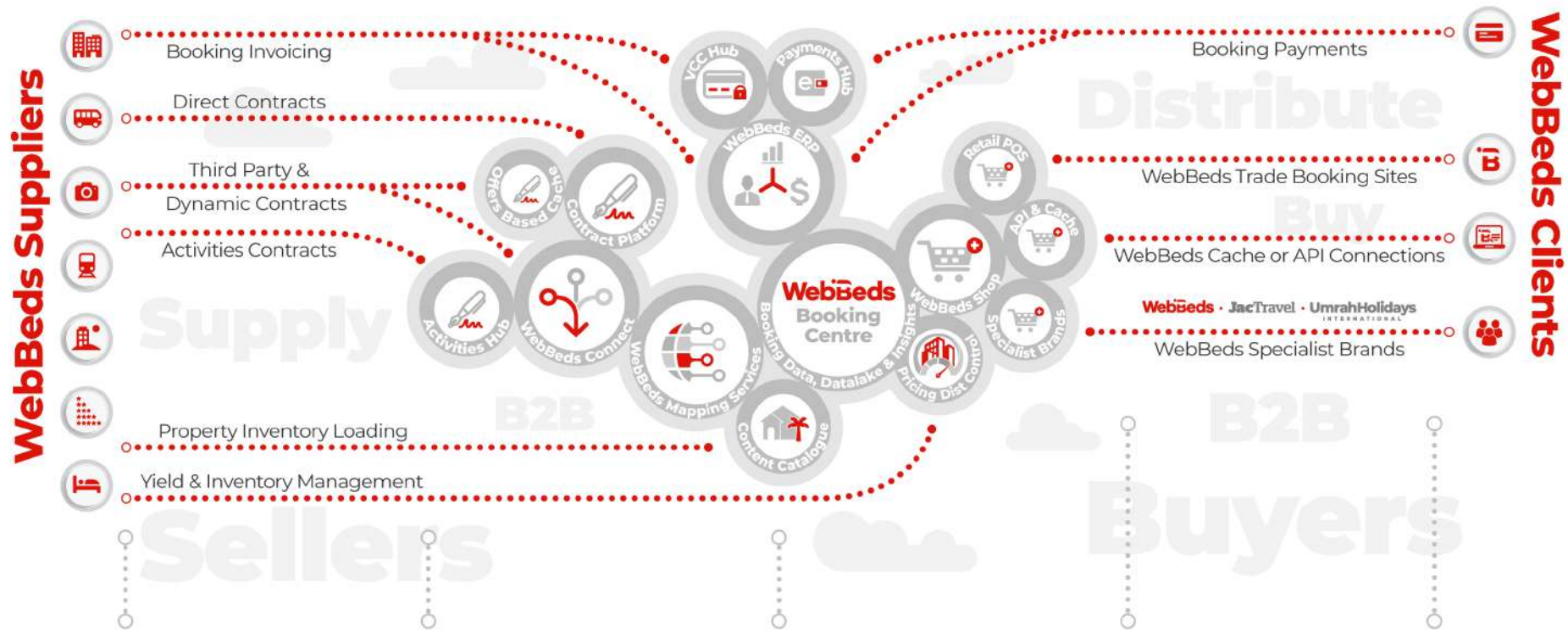
WebBeds ERP.

Simplifying & automating our billing & payment processes, unifying our distribution platforms in one ERP platform.

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A scalable, efficient & dynamic technology ecosystem to support the evolving & diverse demands of the global marketplace.

Technology Ecosystem 2022 & Beyond WebBeds Global Marketplace.



Our Suppliers



383,000+
Products
& Services

Our suppliers include:
Apartments, Resorts,
Independent Hotels,
Global Hotel Chains,
Attractions, Motorhomes,
Transfers, Sightseeing.

Connection



Supply Load & Manage
Flexibility & control over
inventory management

Once product is sourced
& contracted, **inventory is**
connected to our marketplace
via WebBeds Connect, Offers
Based Cache, Content
Catalogue or Activities Hub.

WebBeds Marketplace



WebBeds Platform
connecting sellers & buyers
in our global marketplace

The combined ecosystem of
our technology & services that
interconnect to create **the**
WebBeds Marketplace, where
clients & suppliers seamlessly
meet to buy & sell content.

Connection



Flexible
API or HTML
connectivity

Buyers choose the connection
method to our Marketplace
that suits their business;
WebBeds API, Cache,
WebBeds Booking Sites
or our Specialist Brands.

Our Clients



44,000+
travel
companies

Our clients include:
OTA's, Super Apps,
Wholesalers, Retail &
Corporate Travel Agents,
Tour Operators, DMC's,
Group Providers, Airlines.

A hand holding a glowing data globe against a sunset cityscape with a network overlay.

Increased use of Data Analytics.

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WebBeds

From
quantitative data
to qualitative
insight.

Data mining of the future.

Leveraging meaningful insights.

As a global wholesaler, **WebBeds has a wealth of raw booking data ready to be mined.**

Different sets of data can be mined to support different partners.

- **Hotels:** Gain a deeper understanding of where their business was coming from look to book ratio, and even how their competitors in the same area are doing.
- **Hotel Chains:** Mining data to determine which of their brands is most suitable for the area/city, especially if they are venturing into a new destination.
- **Travel Agents/OTAs:** Understanding which alternative hotel to recommend based on historical data to increase their conversion rate.



Changing travel patterns provide unique opportunities.

Helping WebBeds target opportunities.

Example: Top destinations post Covid-19 will likely differ from those pre Covid-19

What could be the top APAC destinations post Covid-19

Pre-Covid		During Covid		Post Covid	
Top metros, popular tourist destinations Mix of business, leisure destinations		More Domestic secondary cities More leisure destinations		Even mix of top metros, domestic, secondary cities	
Rank	City	Rank	City	Rank	City
1	Singapore	1	Jeju	1	Singapore
2	Bangkok	2	Seoul	2	Phuket
3	Hong Kong	3	Singapore	3	Pattaya
4	Phuket	4	Hong Kong	4	Bangkok
5	Tokyo	5	Shanghai	5	Hong Kong
6	Bali	6	Pattaya	6	Tokyo
7	Kuala Lumpur	7	Busan	7	Jeju
8	Seoul	8	Hua Hin	8	Hua Hin
9	Pattaya	9	Kuala Lumpur	9	Penang
10	Shanghai	10	Bangkok	10	Koh Samui
11	Osaka	11	Chiang Mai	11	Seoul
12	Langkawi	12	Beijing	12	Bali
13	Manila	13	Phuket	13	Krabi
14	Koh Samui	14	Cameron Highlands	14	Kuala Lumpur
15	Krabi	15	Penang	15	Osaka
16	Penang	16	Jeongseon	16	Kyoto
17	Jakarta	17	Redang	17	Chiang Mai
18	Beijing	18	Guangzhou	18	Danang
19	Taipei	19	Bali	19	Shenzhen
20	Sydney	20	Jakarta	20	Guangzhou

An overhead view of a business meeting around a wooden table. Five people are seated around the table, working on laptops and reviewing documents. The table is cluttered with various items including laptops, tablets, smartphones, coffee cups, pens, and several sheets of paper featuring charts and graphs. The scene is brightly lit, suggesting a modern office environment.

Cost reduction opportunities.

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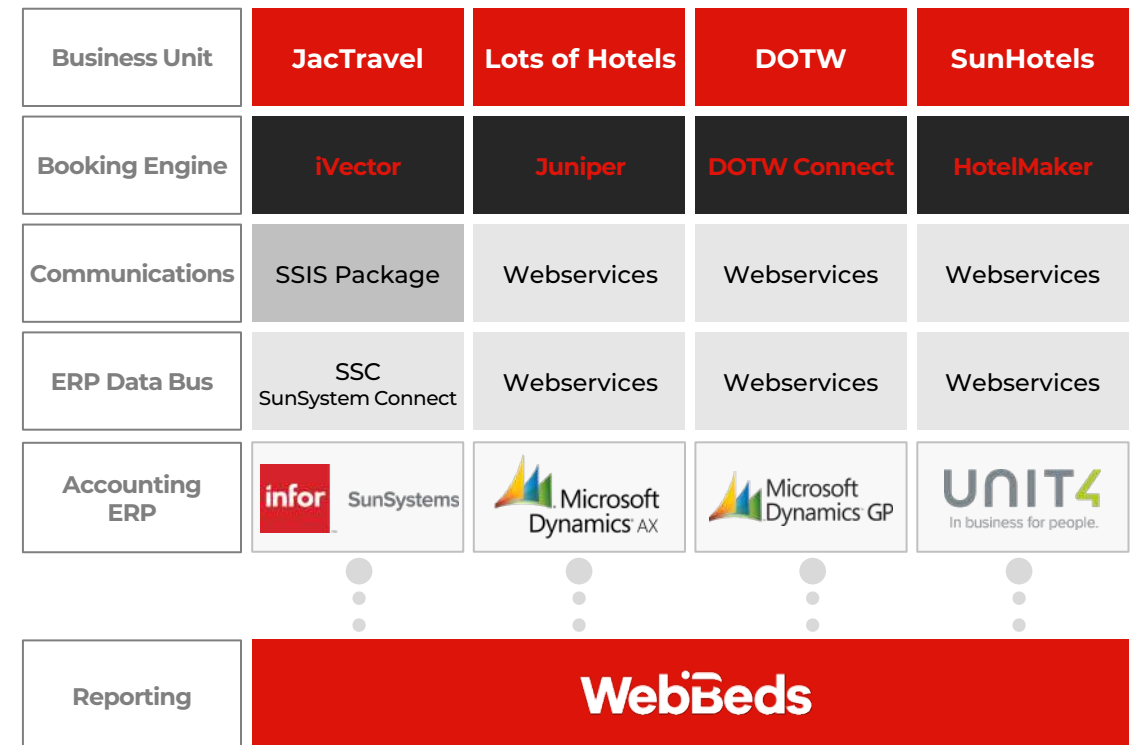
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Multiplatform management is complex & resource heavy.

Finance Backoffice – Where we are today.

Risks & Challenges.

- **Four x ERPs**
System complexities, multiple gateways
- **Four x booking engines**
Mapping risk
- **Scalability issues**
Volume increases risks
- **Master Data challenges**
Scattered across platforms
- **Complexity inefficiencies**
Multiplatform challenges
- **Finance Reporting**
Manual intervention, Excel consolidation
- **Benefits labour intensive**
Payables & Receivables manual



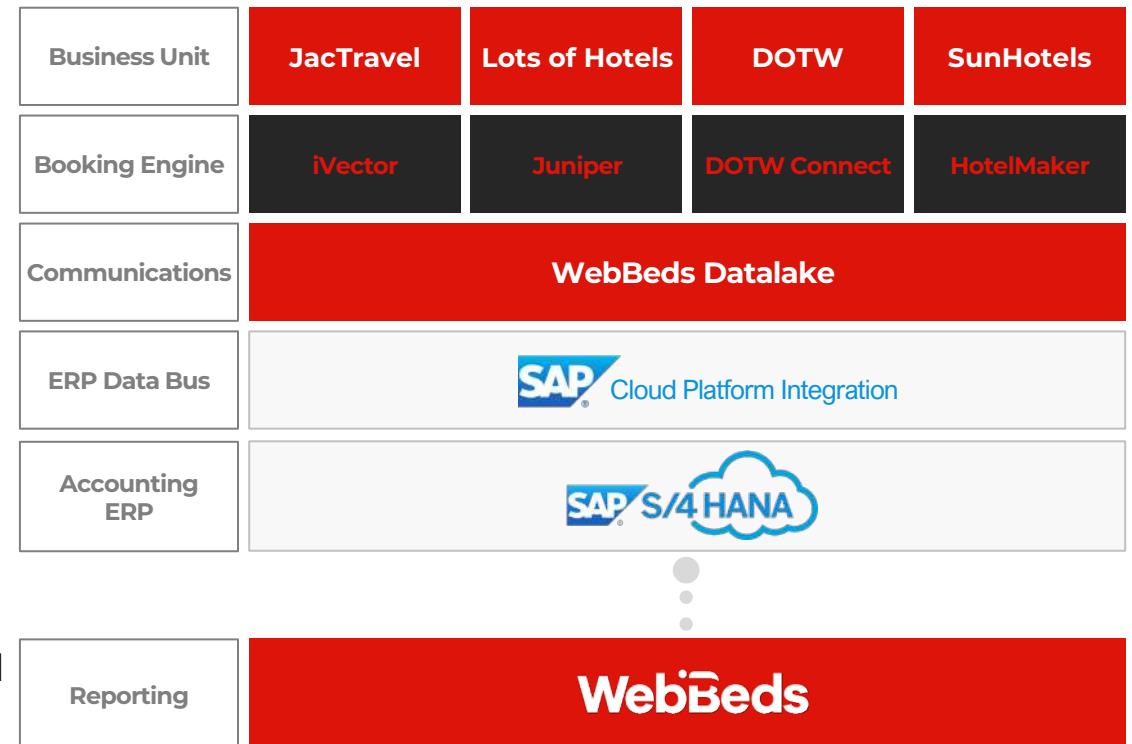
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ERP unification
delivers scalability
& drives
efficiencies across
the business.

Finance Backoffice – Where we are going.

On target to deliver.

- ✓ **One ERP**
System integration
- ✓ **One Booking engine**
Darwin program delivery
- ✓ **Enhanced Scalability**
Highly scalable solutions
- ✓ **Better Master Data**
MD Management unified
- ✓ **Multiple Efficiencies**
Centralisation, unification
- ✓ **Improved Reporting**
Cloud enabled, Excel minimised
- ✓ **Improved Benefits**
Exception reductions
& increased automation



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**Simplifying
processes** across
the business.

Other initiatives to improve efficiency.

- **Automation projects** are underway to streamline processes, **reduce manpower costs and improve revenue.**
 - Pre-empting the needs of clients and hotels and automating requests.
 - Generates revenue which might otherwise be overlooked.
- **Improved Quality Assurance**
 - Virtual Observer to record, transcribe and analyse all emails and calls to **improve standard of service and reduce disputes.**
- **Reviewing over 40 processes** to **assess potential opportunities.**
 - Working with Robiquity to deep dive into various departments such as Data Entry, Contract loading, Mapping, Contracting, Reporting and Security.



Outlook.

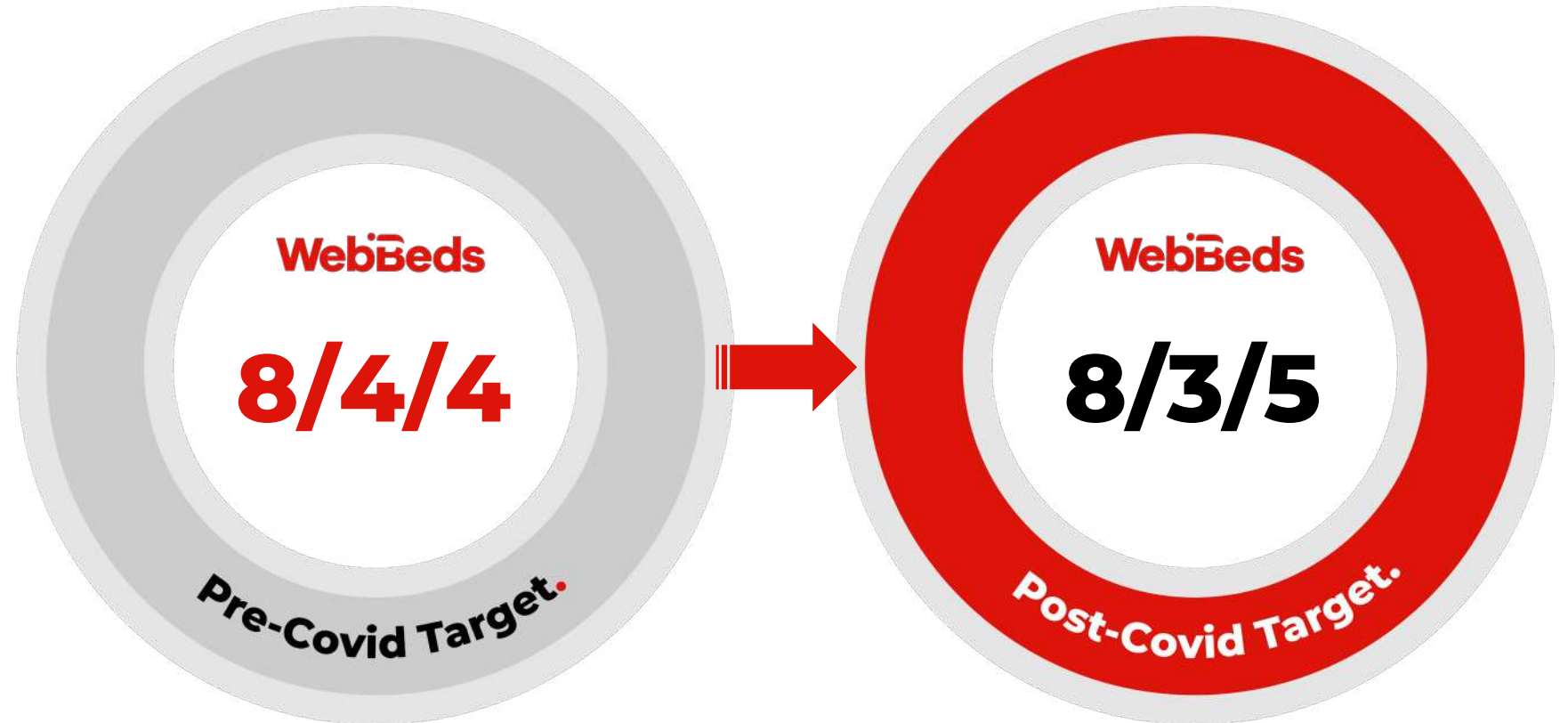
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1H21 costs
down 42%
over 1H20.

Cost efficiencies delivery on track.

Initiatives are on track to deliver at least 20% greater cost efficiencies at scale.



Note:

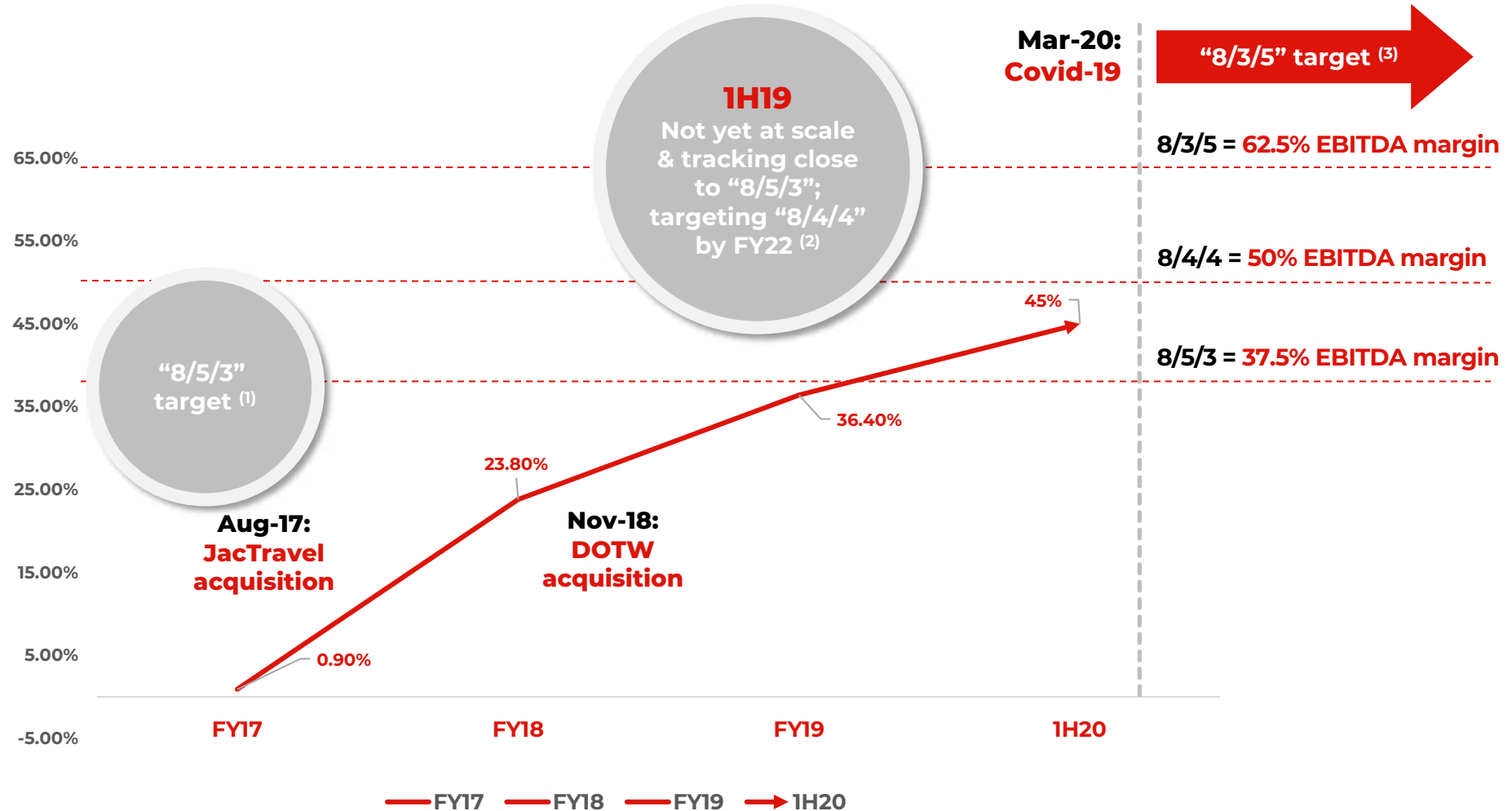
8/4/4 = at scale 8% revenue/TTV and 4% costs/TTV to drive 4% EBITDA/TTV

8/3/5 = at scale 8% revenue/TTV and 3% costs/TTV to drive 5% EBITDA/TTV

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A track record of improving EBITDA margins over time.

Profitability target keeps improving.



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

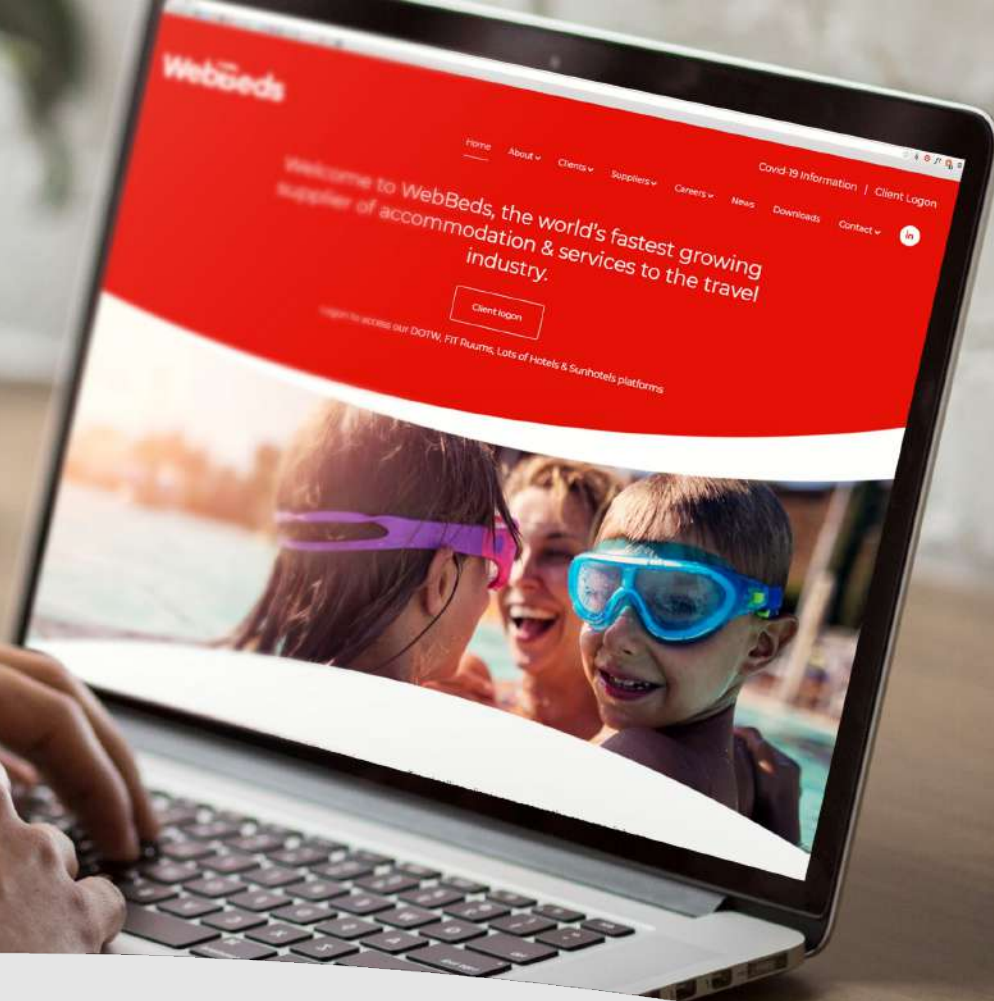
2) 8/4/4 = at scale 8% revenue/TTV and 4% costs/TTV to drive 4% EBITDA/TTV

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

Powered for travel recovery.



Thank you.



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