

WebBeds

ersonal use only

# Strategy Day.

March 2024

 webjet limited.



# WebBeds

---

**Roadmap to \$10bn**  
**TTV** supported by 3  
major pillars  
of growth.

## Welcome to the 2024 WebBeds Strategy Day.

---

Today we will cover:

- ✓ **Our Aspirations.**
- ✓ **Powering Our Future.**
  - Growing our Existing Portfolio
  - New Customers, Supply & Markets
  - Conversion
- ✓ **Summary.**



ersonal use only

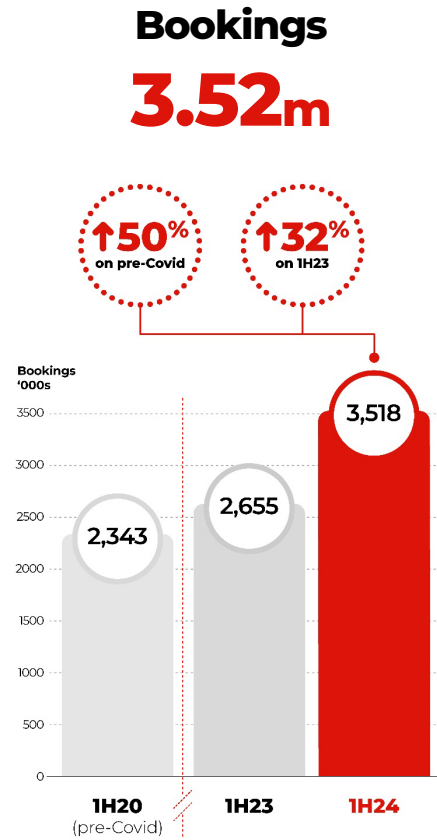
# Our Aspirations.

WebBeds

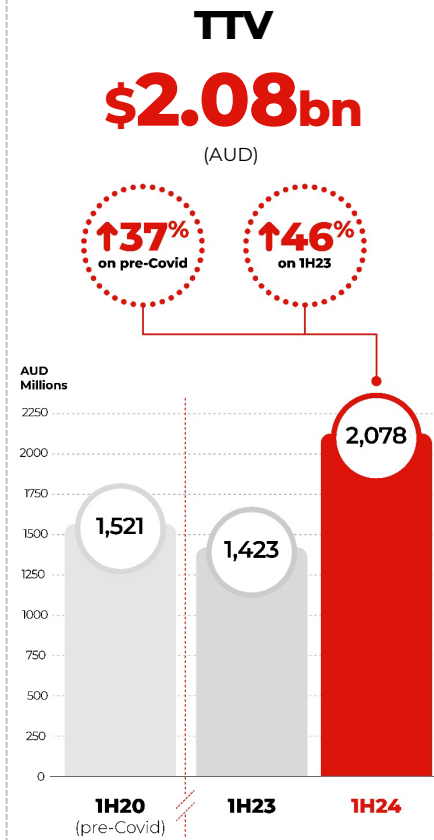
# WebBeds

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

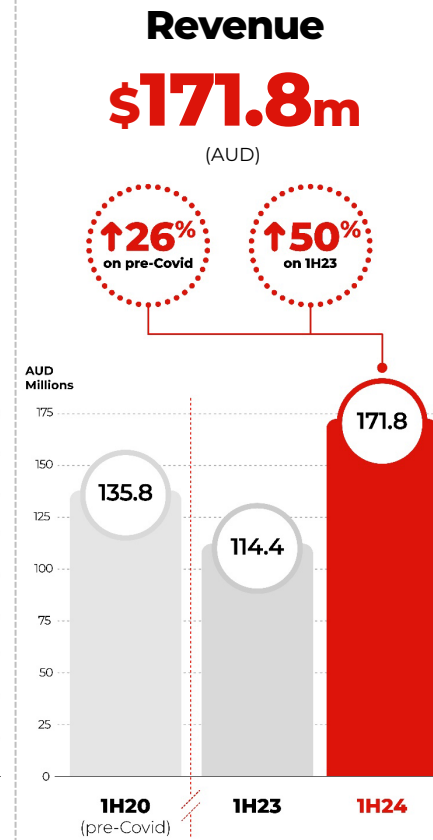
## 1H24 - WebBeds Financial Performance.



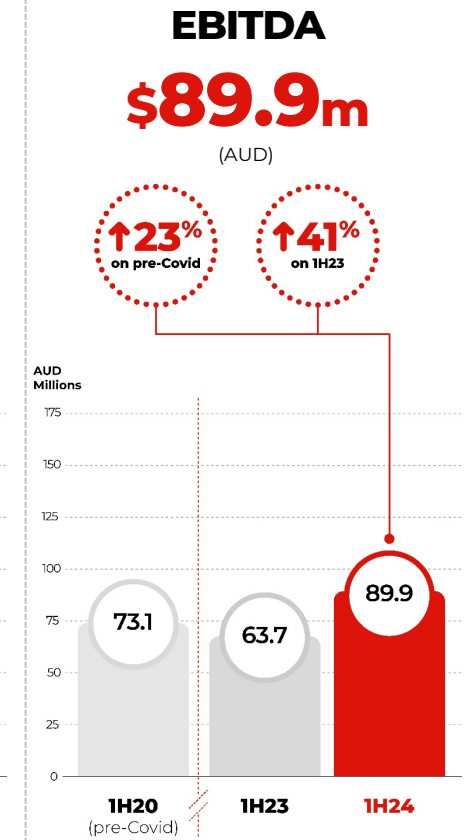
Driven by **reopening of APAC, organic growth in North America and new client wins**



Lower Average Booking Value compared to pre-pandemic and changing client mix



Reflecting **increased share of wallet** coming through



Reflecting **best-in-class EBITDA margins**

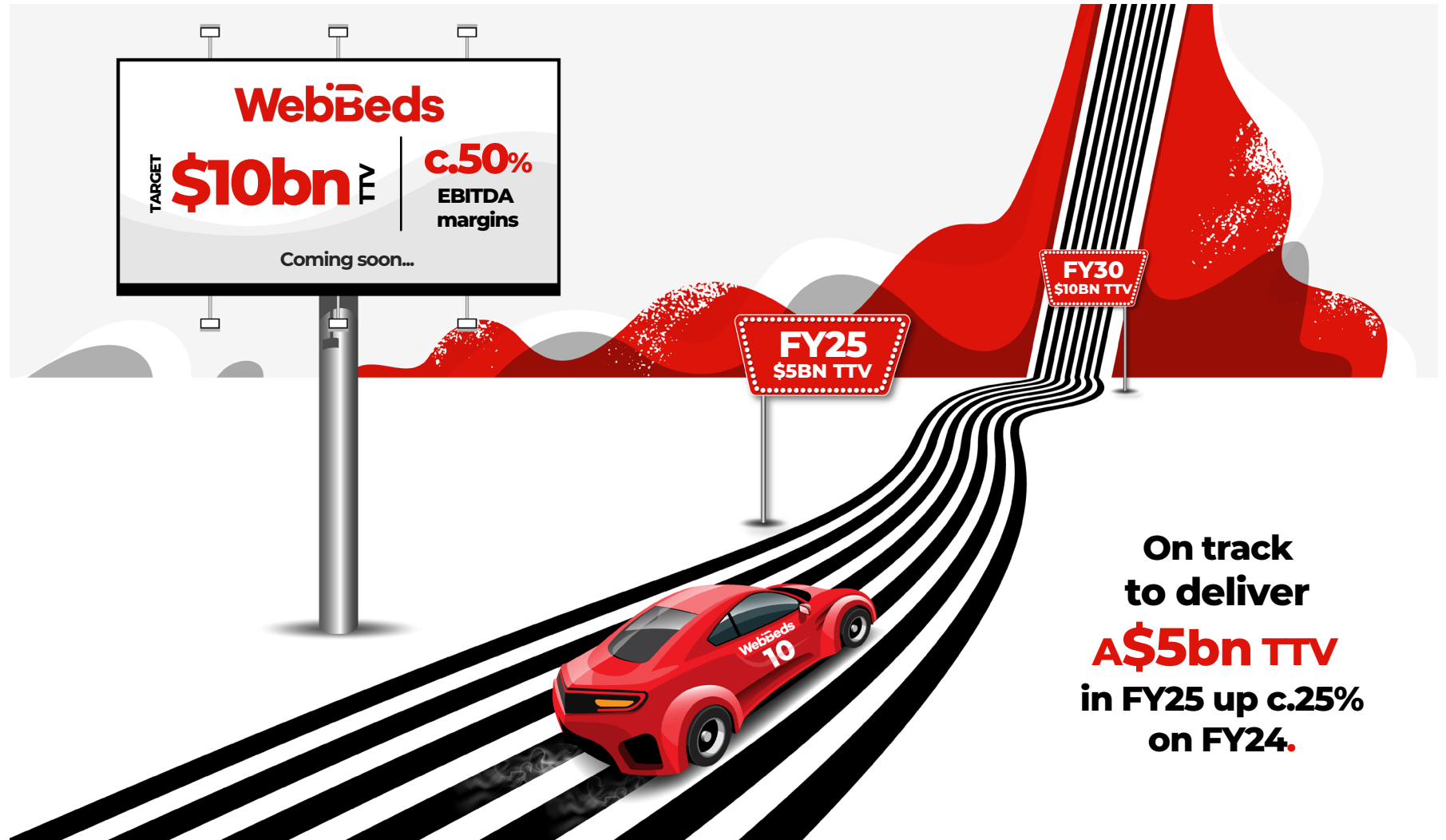
Note: Based on functional currency (EUR) 1H24 TTV was up **31%** on 1H23, Revenue was up 35% and EBITDA was up 26%.



# WebBeds

On our journey towards delivering A\$10bn TTV in FY30.

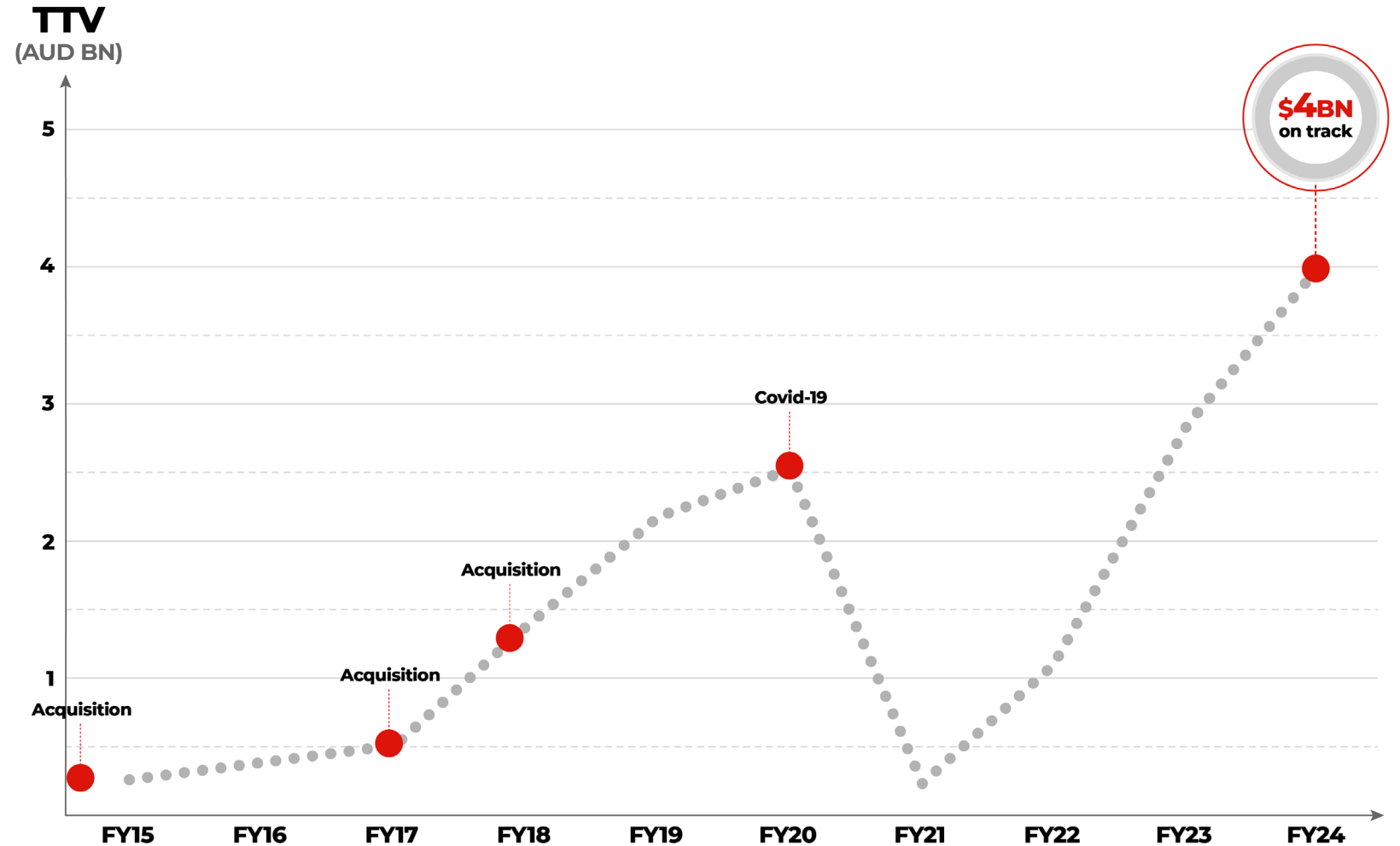
We are on the way...



# WebBeds

Through acquisitions between 2014 -2018, plus c.\$2.5bn organic TTV growth, we are on track to deliver to deliver c.\$4bn TTV this year.

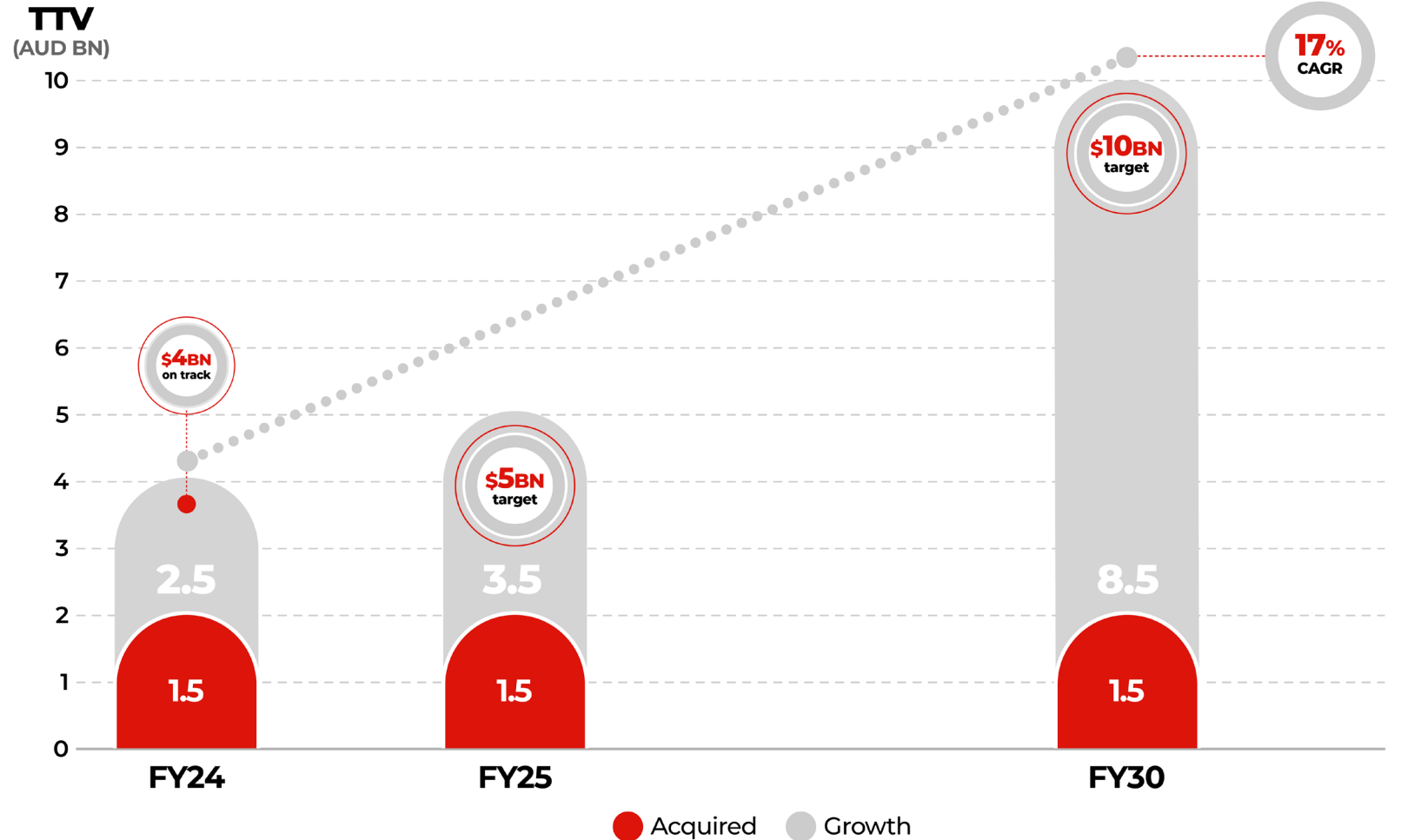
## We are on the way...



# WebBeds

To deliver the \$10bn TTV, we plan to grow at least 2x market growth.<sup>1</sup>

## Organic growth path.



1) 7.7% expected market growth. See slide 13.



# WebBeds

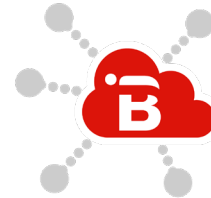
**Organic growth factors in winning share, post acquisitions.**

## How **did** we win share pre-Covid?



### **People.**

Building out a world class management team with strong relationships in the markets.



### **Geographic expansion.**

Market leadership position in MEA, fortifying our presence in Europe & organic startup in APAC.



### **Channel expansion.**

Going beyond Retail & Tour Operators into Wholesale, OTA, Super Apps & Corporate.



### **Network effect.**

Increasing relevance for both travel buyers & hotel suppliers as we scaled.

# WebBeds

Organic growth factors in winning share; building upon previously outlined strategies.

## How **will** we win share post-Covid?



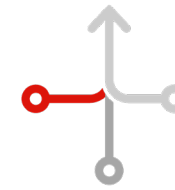
### Investing in technology.

We invested in technology during Covid delivering a stronger value proposition to both supply & buying partners.



### Distribution consolidation.

With a shift towards distribution consolidation across both supply & buyer channels, we are a structural winner.



### Changed landscape.

Our **global #2 position** of scale to benefit us, as we have seen a reduction in smaller competitors.



### Geographic expansion.

Following success of Americas, continue to execute geographic specific strategies.

ersonal use only

**Powering  
our future.**

**WebBeds**



# WebBeds

Three areas  
of focus to ensure  
continued growth  
towards FY30.

## Our Pillars of Growth.



### 1. Growing Our Existing Portfolio.

- Nurturing & growing our existing portfolio of travel buyers, hotel partners & suppliers

**c.8%\***



### 2. New Customers, Supply & Markets.

- New customer pipeline
- New hotel pipeline
- New markets

**c.14%\***



### 3. Conversion.

- Continue current efforts.
- Driving more volume from efficiency improvements
- Selling more of what we have to everyone

**c.9%\***

\*TTV growth based on functional currency (EUR)  
1H24 vs 1H23

# 1. Growing our existing portfolio.

# WebBeds

Wholesale market forecast to grow 7.7% CAGR over the next 5 years.

Despite market uncertainties broadly, travel is expected to grow & prioritised over other discretionary spending.

## Recap from Euromonitor's research.

### Global Hotels Industry - Euromonitor.



### Growth Drivers

#### 1. External Factors

- Growing disposable income
- Reopening of China

#### 2. Service Improvement

- Proprietary technology to ensure Rate Parity
- System optimisation to improve business efficiency
- Automation

#### 3. Segment Expansion

- Emerging customers
- Acquisition & consolidation
- Powering intermediary partners

#### 4. Product Extension

- Transformation into a one-stop travel service provider



# WebBeds

We are in all major markets worldwide.

## Facts & Figures: Our global presence & performance.

### WebBeds Global Presence & Team.

WebBeds supports our global distribution network through:



# WebBeds

Worldwide hotels, accommodation including global chains and independently managed & contracted properties.

## Facts & Figures: Our product.

### Hotel Product.

Worldwide hotels including global chains & independently managed and contracted properties.



**430,000+**  
hotels

**16,000+**  
destinations

**190+**  
countries

**31,000+**  
directly contracted  
independent hotels

**62,000+**  
directly contracted  
chain properties

**70+**  
integrated 3rd-party  
wholesalers

### Ground Service Product

We provide destination services such as transfers, entertainment, attractions & more...



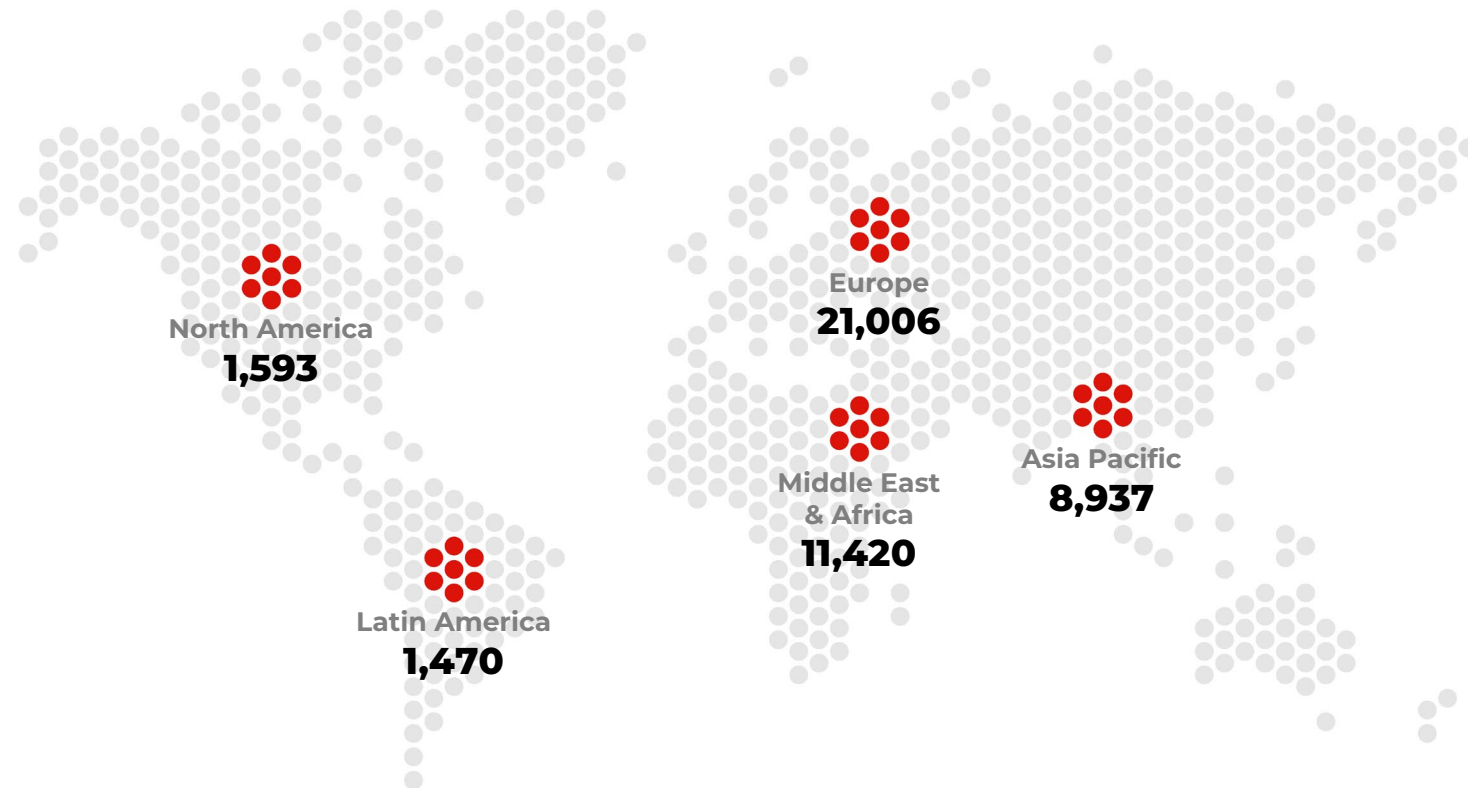
# WebBeds

**Our global network of travel buyers** booked **16m+** room nights for the 12 months ending September 2023.

## Facts & Figures: Our network & reach.

### Network & Reach.

We distribute our products through a global network of travel buyers.



**44,000+**  
travel buyers

**139+**  
source markets

**Generating <sup>(1)</sup>**

**6.7 million+**  
Bookings

**1.4 million+**  
room nights per month

**558,000+**  
bookings per month

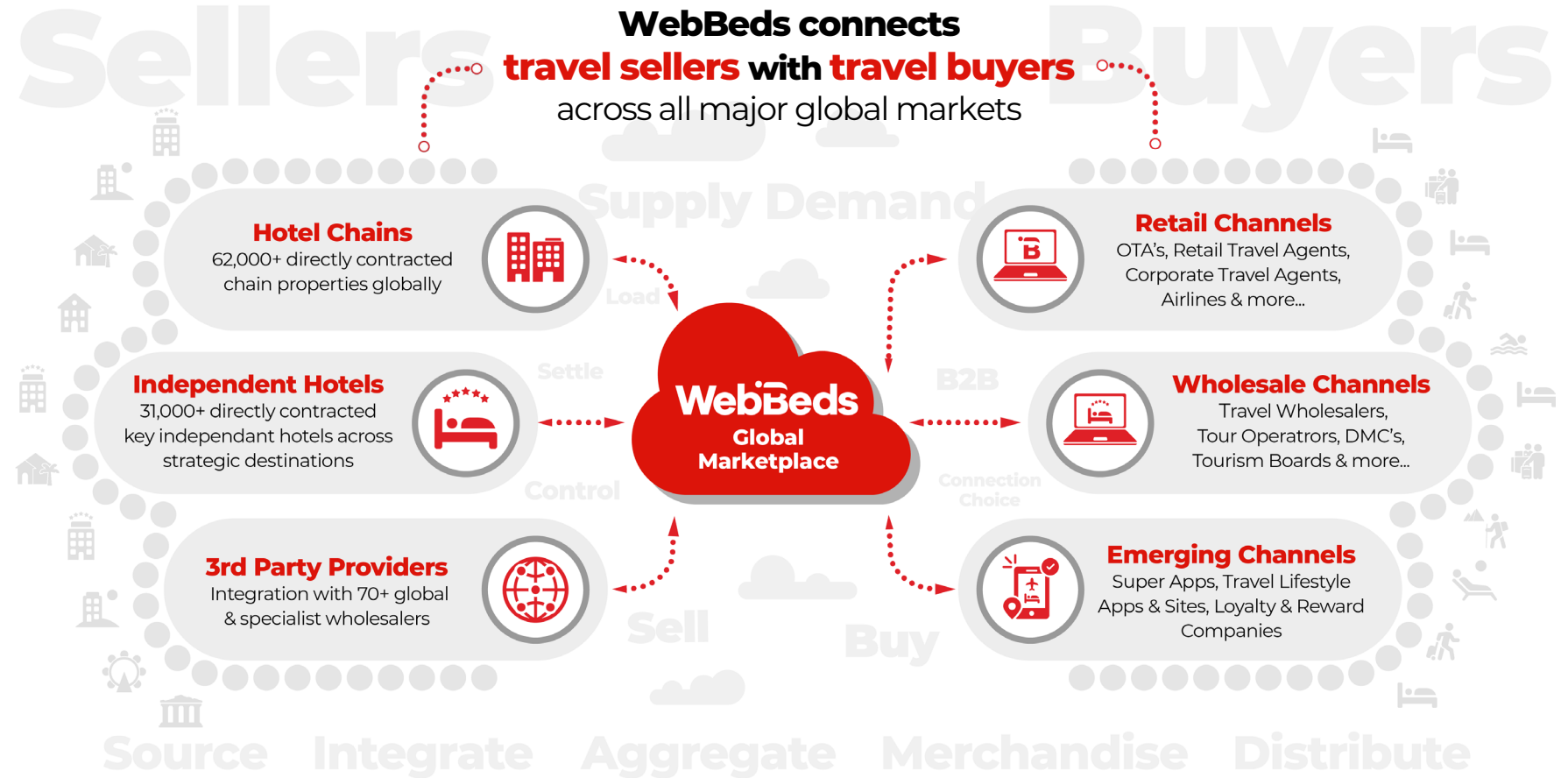
**4.7secs**  
average time a new booking is made

<sup>1)</sup> Sales metrics indicated are for last 12mths to Sep 2023

# WebBeds

We provide a valuable marketplace solution for our partners, connecting hotels looking to fill rooms & buyers trying to find rooms for travellers.

## What we do...

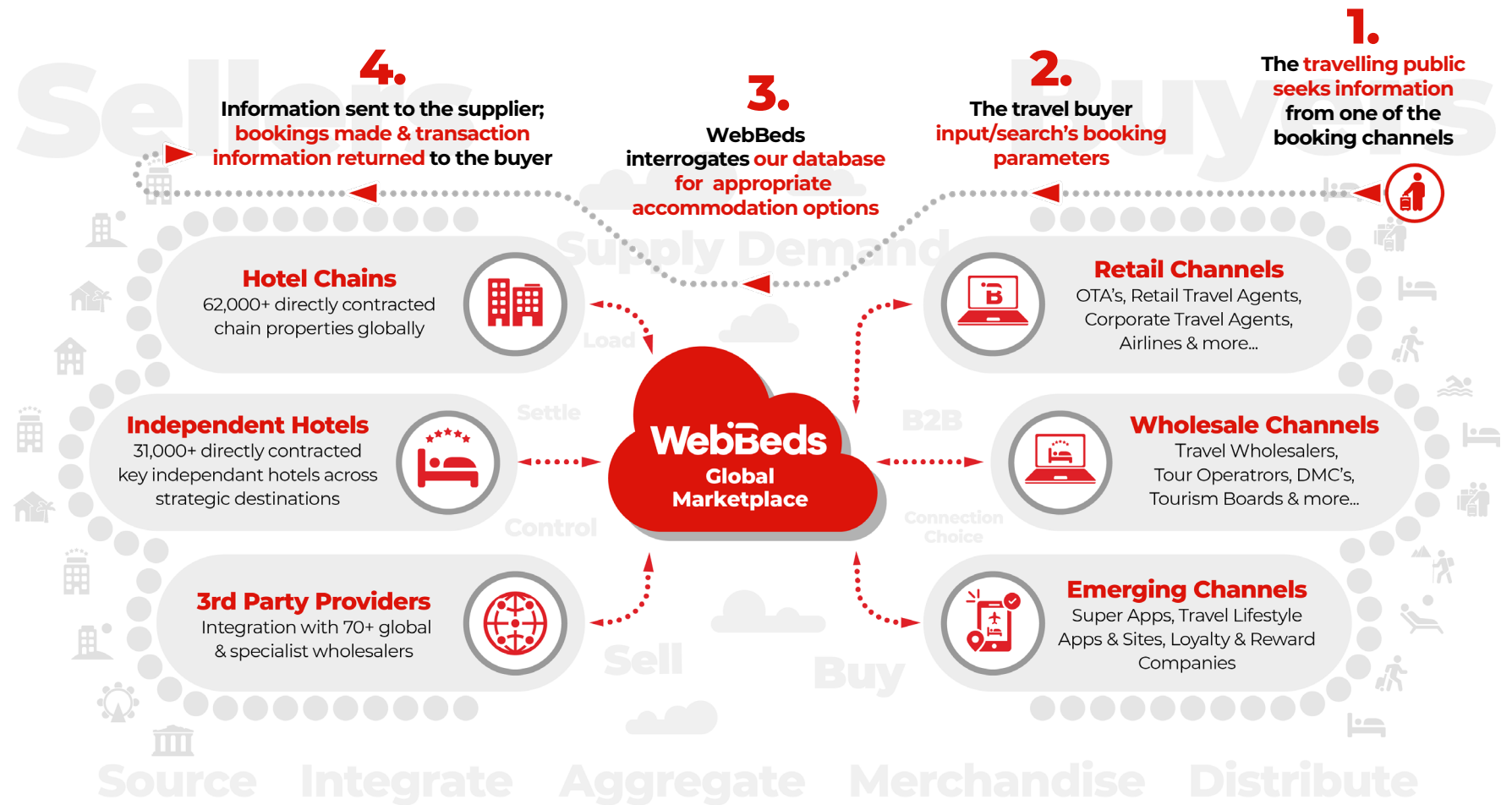




# WebBeds

We connect supply & demand, through our platform, to create a frictionless marketplace.

## A simplified overview of a booking journey.



# WebBeds

We have become more significant to our pre-Covid partners.

## Buying and selling more.

### Top 30 Destinations.

Positive trajectory for our top 30 destinations, up in both TTV & booking volumes.

### Top 30 Destinations.

**TTV**  
Oct 22-Sep 23  
↑ **43%**  
on pre-Covid<sup>1</sup>

&

**Bookings**  
Oct 22-Sep 23  
↑ **50%**  
on pre-Covid<sup>1</sup>

### Customers we traded with in both 2019 & 2023.

Selling more to our existing travel buyers, becoming key to our partners for growth.

### Same store sales.

**TTV**  
Oct 22-Sep 23  
↑ **53%**  
on pre-Covid<sup>1</sup>

&

**Bookings**  
Oct 22-Sep 23  
↑ **57%**  
on pre-Covid<sup>1</sup>

<sup>1</sup> Pre-Covid data is Calander year 2019.

# 2. New Customers, Supply & Markets.



# WebBeds

**New hotels delivering greater range, & new customers delivering greater scope.**

## Selling more hotels via more customers in our portfolio.

### Hotels Bookings in the last 12 months to Sep 2023.

Strong growth in number of hotels & resorts with at least one booking.

**Growth of hotels in our portfolio with at least one booking.**

**↑ 31%**  
on pre-Covid levels <sup>1</sup>

### New customers share of performance in the last 12 months to Sep 2023.

Healthy contribution of TTV & Bookings from new travel buyers.

**New travel buyers share of overall performance.**

**TTV**  
**↑ 14%**  
on pre-Covid levels <sup>1</sup>

**&**

**Bookings**  
**↑ 16%**  
on pre-Covid levels <sup>1</sup>

<sup>1</sup>) Pre-Covid data is Calander year 2019.



## **2.1** Securing Supply.

Chains are an important & significant supply type.

## Global hotel chain insights.

Top 10 global hotel chains share of global hotel revenue.

The largest chains account for about 11% of the total market.

**Top 10 hotel chains revenue in 2022**

**\$55.0bn**<sup>1</sup>  
USD

**Global hotel booking revenue in 2022**

**\$503.7bn**<sup>2</sup>  
USD

**Top 10 hotel chains share of global booking revenue**

**11%**  
Approx Share

**Share of WebBeds' volume from chains**

**15%**  
Oct 22 to Sep 23

Top 10 Chains	2022 Revenue <sup>1</sup>
1 Chain A	\$20.77
2 Chain B	\$8.77
3 Chain C	\$5.89
4 Chain D	\$5.30
5 Chain E	\$4.58
6 Chain F	\$3.89
7 Chain G	\$1.53
8 Chain H	\$1.50
9 Chain I	\$1.40
10 Chain J	\$1.40
<b>Total USD BN</b>	<b>\$55.03</b>

<sup>1</sup> Companies' financial reports

<sup>2</sup> Euromonitor data ([see Euromonitor slide](#))

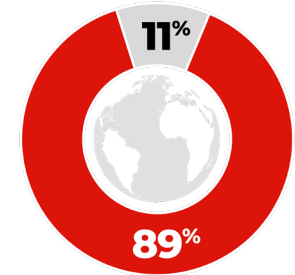
# WebBeds

Independent hotels<sup>1</sup> place higher value on distribution partners, like WebBeds, who can act on their behalf & lower the cost of guest acquisition.

## Independent hotels are the largest segment.

Outside the top 10 global chains, there are a lot of other hotels.

Often fragmented, with limited sales & marketing resources and far less access to global audience reach than large chains.



We provide independent hotels a **highly valued service** as a sales, marketing & distribution partner, **lowering the cost** of guest acquisition.

### Multiplied sources of demand.

A single contract gives access to a diverse global network of travel buyers, complementing any direct sales strategies.

### Connection flexibility.

We offer a dynamic range of connection capabilities into our marketplace where we support billions of searches every day.

### Rate Control.

We provide the real-time oversight and flexibility over rates and inventory, important to independent hotels.

### External Marketing Partner.

We deliver BAU and bespoke marketing and sales activations to a qualified audience of travel buyers globally.

### Market Intelligence.

We share quality data, market trends and AI forecasting to make more informed choices and support decision making.

<sup>1</sup> 'Independent hotels' are inclusive of all hotels, regional and local chains outside of the top 10 global chains

# WebBeds

Pre-buys is the practice of securing a 'pre-paid allotment' of supply to sell in an agreed period, an operating model originating in the 1970's to meet the needs of tour operators.

## About (& Types) of Pre-Buys.<sup>1</sup>

Occupancy Guarantee.	Invoice Guarantee.	'Buyout' or 'Full' Guarantee.	Deposit.
<p>A contract with or without pre-payment</p> <ul style="list-style-type: none"><li>• <b>What:</b> Guarantees a certain amount of room nights</li><li>• <b>Period:</b> Annually, semi-annual, quarterly or daily;</li><li>• <b>Mandatory:</b> Rate protection &amp; allocation</li><li>• <b>Ideal:</b> Exclusive conditions</li><li>• <b>Penalties:</b> If commitment not reached, pay the difference or rollover (renegotiation)</li></ul>	<p>A contract with or without pre-payment</p> <ul style="list-style-type: none"><li>• <b>What:</b> Guarantees a certain amount of TTV</li><li>• <b>Period:</b> Annually, semi-annual, quarterly or daily</li><li>• <b>Mandatory:</b> Rate protection and allocation</li><li>• <b>Ideal:</b> Exclusive conditions</li><li>• <b>Penalties:</b> If commitment not reached, pay the difference or rollover (renegotiation)</li></ul>	<p>A contract with mandatory pre-payment (yearly, quarterly, monthly etc.)</p> <ul style="list-style-type: none"><li>• <b>What:</b> The Bedbank "rents" the hotel and completely manage the distribution of the rates and rooms</li><li>• <b>Period:</b> Annual</li></ul>	<p>Payment method that can be applied to any type of guarantee.</p> <ul style="list-style-type: none"><li>• <b>What:</b> Prepays a certain amount of money</li><li>• <b>Period:</b> Annually, semi-annual, quarterly or daily</li><li>• <b>Mandatory:</b> Rate protection and allocation</li><li>• <b>Ideal:</b> Exclusive conditions</li><li>• <b>Penalties:</b> No</li></ul>

**Pre-buy is not part of our strategy.**

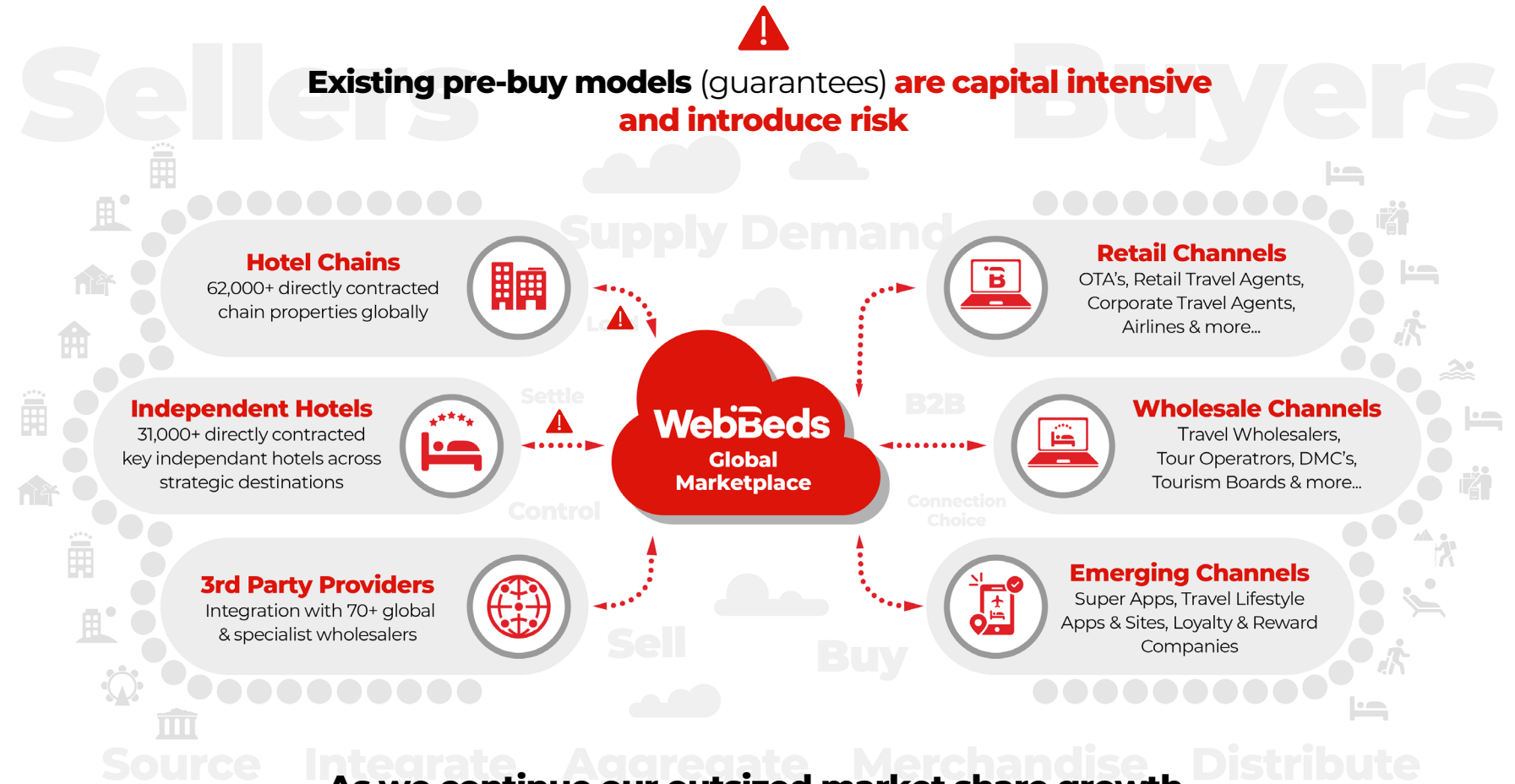


# WebBeds

Traditional pre-buy models were developed in a pre-digital world and a lot has changed.

We achieve our goal of securing supply our way...

## About (& Types) of Pre-Buys.



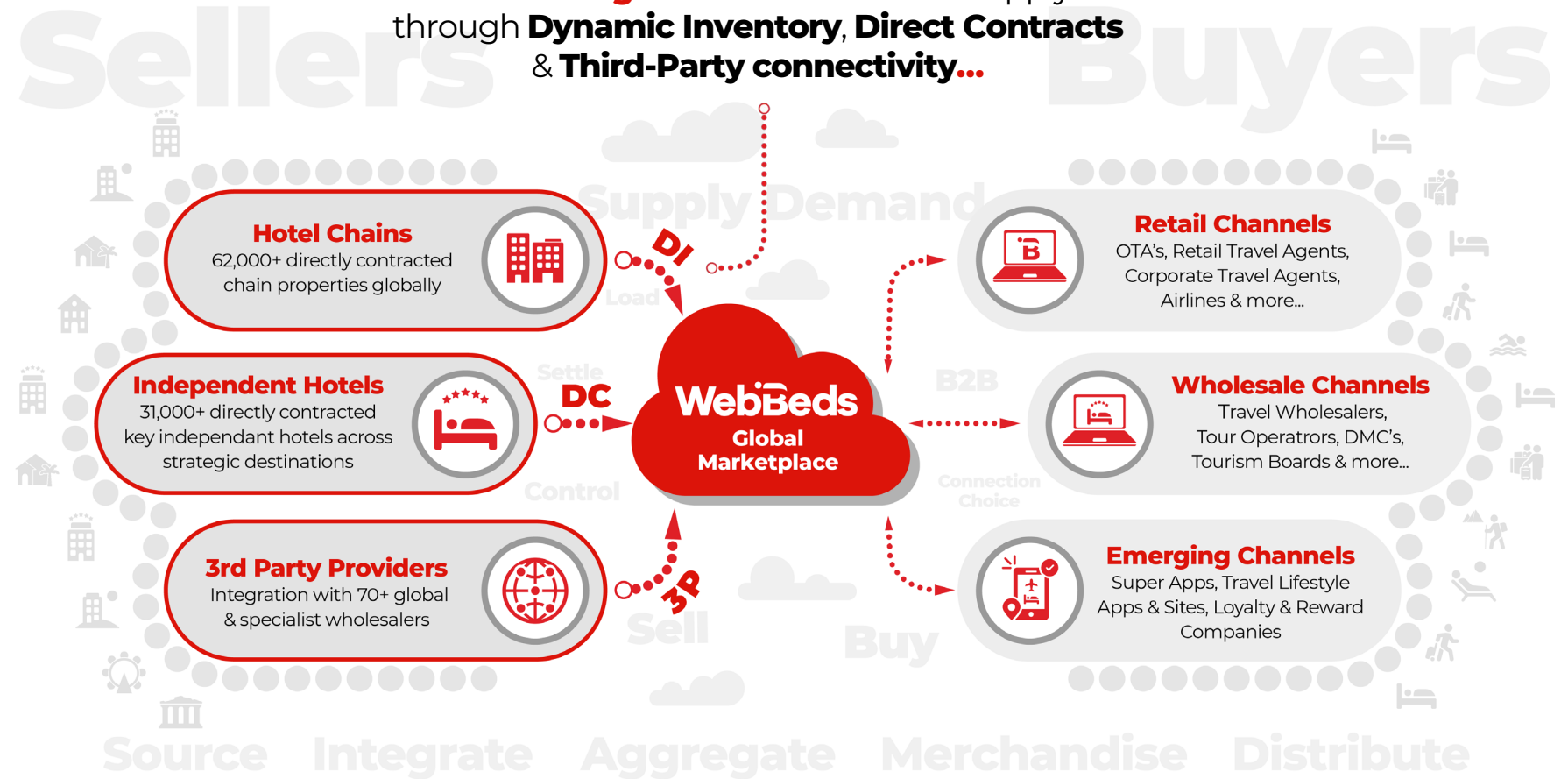
As we continue our outsized market share growth, we focus on building out our preferred model.

# WebBeds

We continue to achieve our goal of securing supply our way; managing our inventory connectivity...

## Our Way: Partnerships models.

We manage our access to hotel supply through **Dynamic Inventory, Direct Contracts & Third-Party connectivity...**

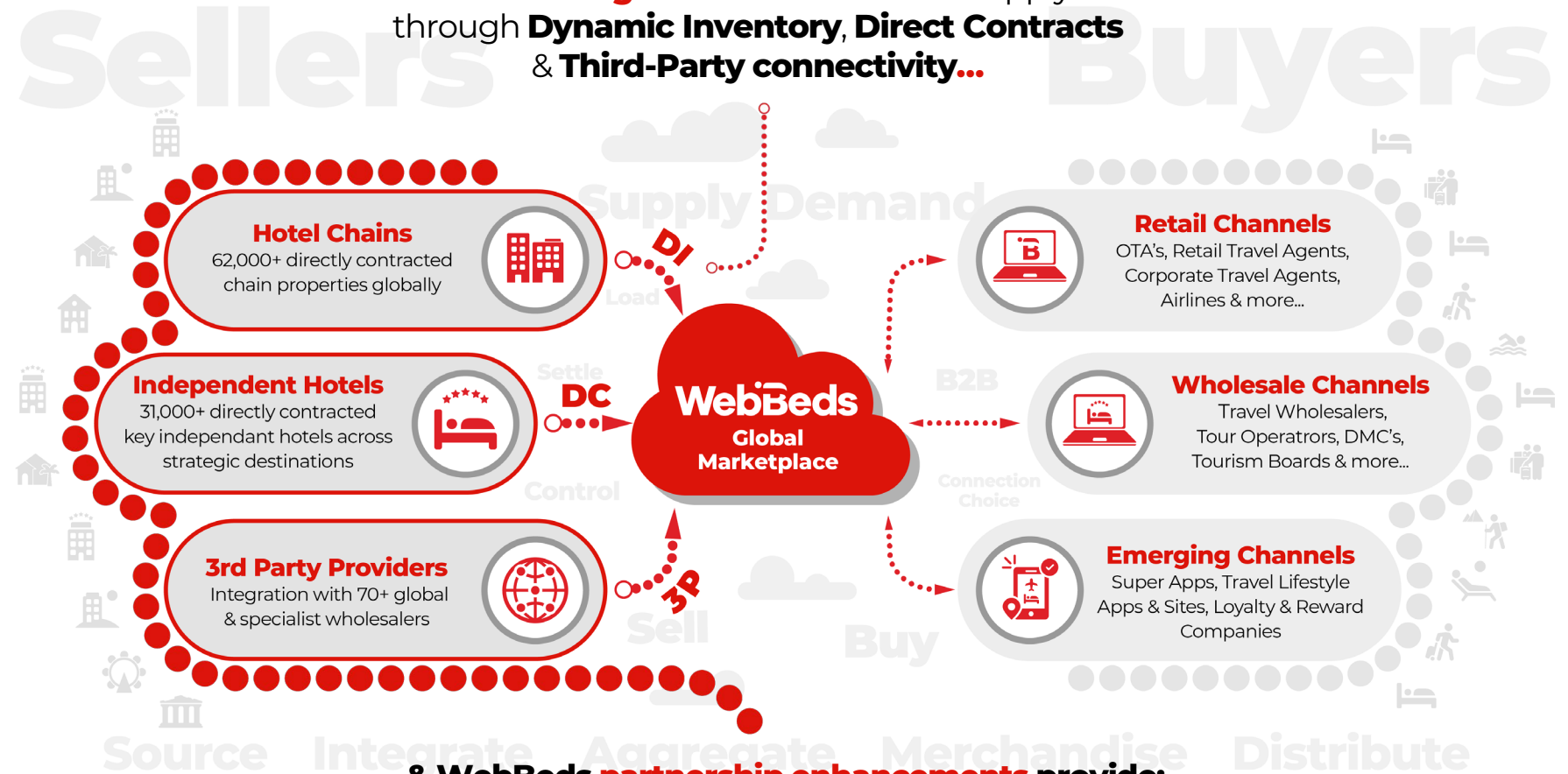


# WebBeds

We continue to achieve our goal of securing supply our way; managing our inventory connectivity & working with hotels to distribute inventory, where they want, in the right channels, at the agreed price.

## Our Way: Partnerships models.

We manage our access to hotel supply through **Dynamic Inventory, Direct Contracts & Third-Party connectivity...**



**& WebBeds partnership enhancements provide;**

1. Proactive team engagement
2. Committed goals
3. Leveraging data & AI forecasting to guide better decision making
4. Maximise room occupancy

# WebBeds

**Sophisticated technology is the catalyst for improved revenue per room and will be a game changer for hotel revenue management.**

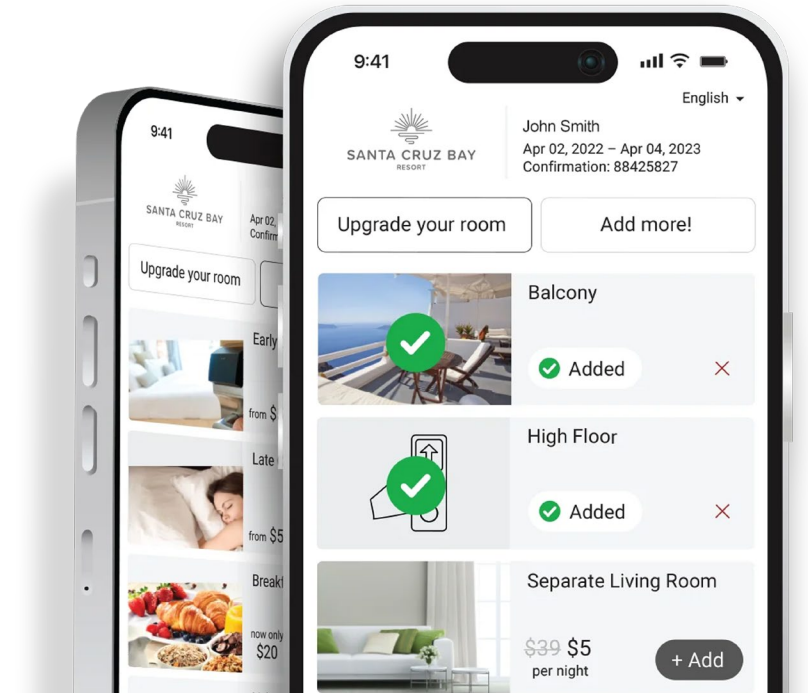
## Strengthening Partner Relationships.

### Other ways by which we strengthen our relationship with our hotel partners...

In October 2023, Webjet Limited acquired 100% of ROOMDEX, which has now been integrated into WebBeds.

**ROOMDEX** is now being used to **strengthen our supplier offering** as a data proven upselling solution.

ROOMDEX delivers the most technologically intelligent room inventory merchandising and upgrade solution on the market.





## **2.2** WebBeds Booking Site.

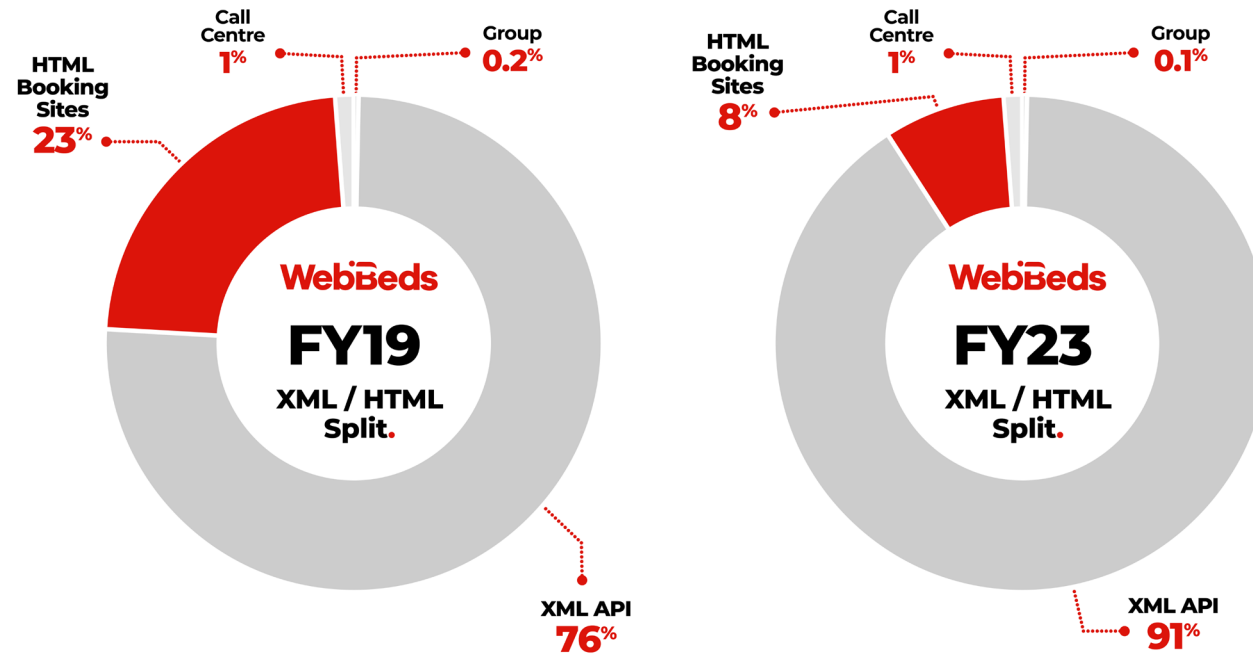
**Search, compare & book hotels online**

**WebBeds**

# WebBeds

Research indicates that global hotel bookings via intermediaries, both online and offline, are forecast to increase 9.1% CAGR from 2023-2027.<sup>1</sup>

## Potential of the Retail (non-API) Segment.



Growth Potential  
↑ 9.1%  
CAGR<sup>1</sup>

WebBeds new trade site seeks to **expand our presence** in this important segment.

<sup>1</sup>) Source: "Global outlook on travel and deep dive into hotel wholesale industry"  
Euromonitor International November 2023  
Euromonitor International - [Use Disclaimer](#)

# WebBeds

A refreshed booking site will deliver greater penetration of the Retail Channel.

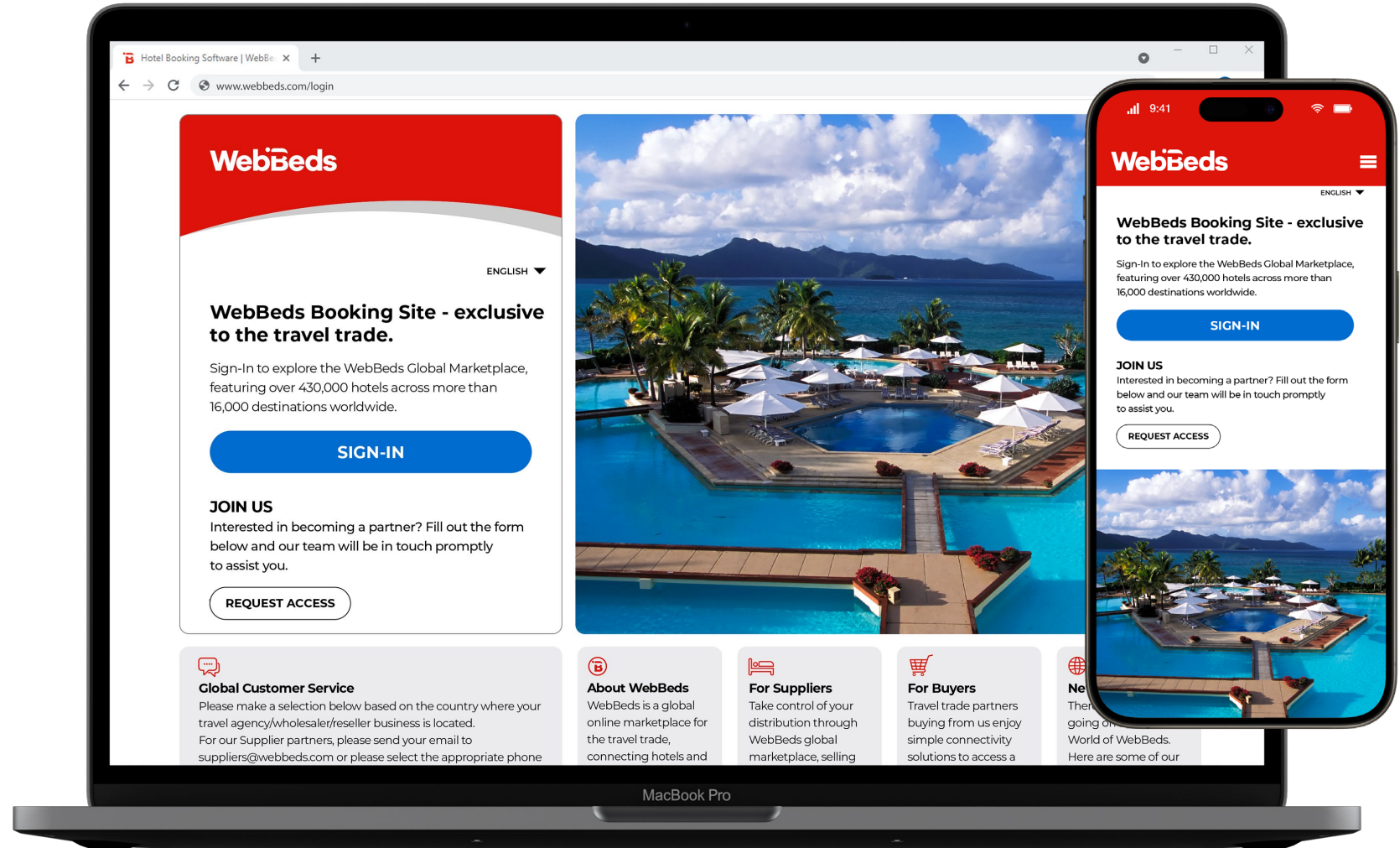
## New WebBeds Trade Booking Site.



# WebBeds

Our upgraded Marketplace booking site will provide improved marketing capabilities, enhanced shopping features & empower travel buyers.

## New WebBeds Trade Booking Site.

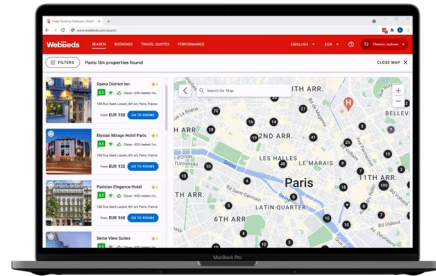


# WebBeds

Our upgraded Marketplace booking site will provide improved marketing capabilities, enhanced shopping features & empower travel buyers.

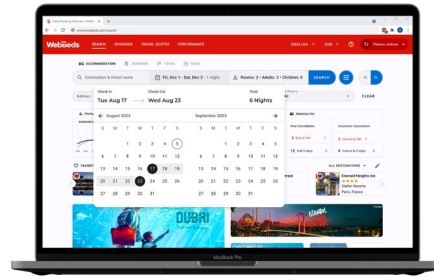
## New WebBeds Trade Booking Site.

Our new booking site will deliver...



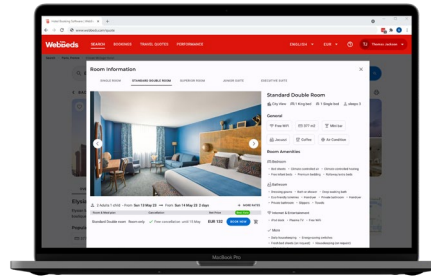
### Better UX.

An enhanced User Experience delivered using a modern tech stack & a responsive User Interface.



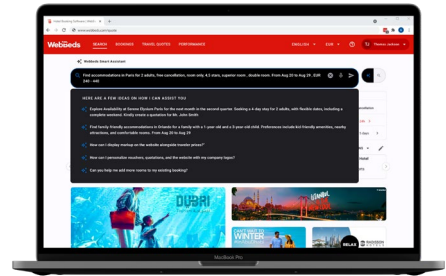
### Better Search.

A much more robust search engine to deliver results at industry-leading performance levels.



### Better Content.

Improved hotel content, including room types, descriptions & images.



### AI Travel Advisor.

Built-in AI-powered travel advisor to deliver an interactive, personable interaction for the buyer.



### Agile.

The ability to deliver enhancements & new features to market more quickly



ersonal use only

# 3. Conversion.

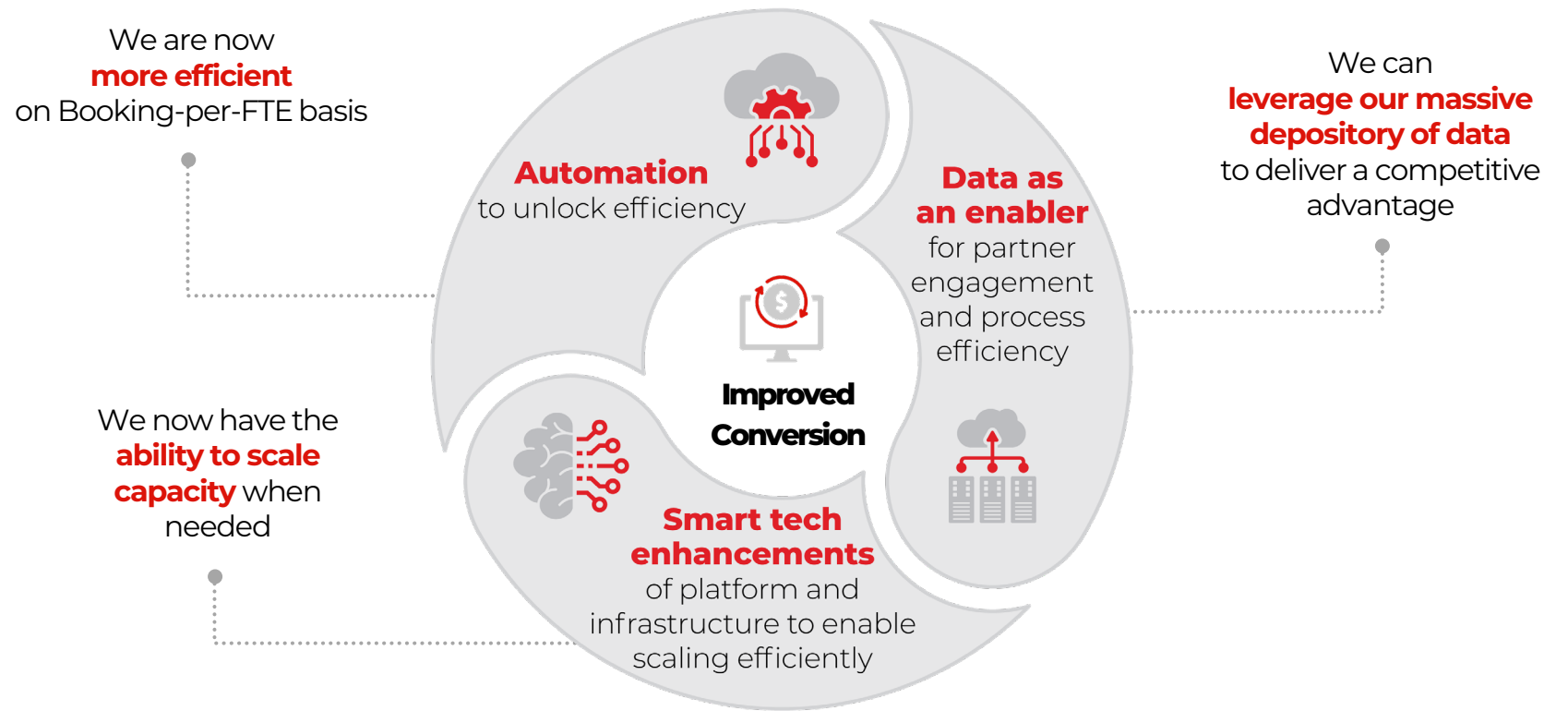
WebBeds

# WebBeds

**Key drivers**  
that have  
helped us drive  
conversion.

## Improved Conversion - 2022 to 2023.

How did we improve Conversion?



Enhanced data analytic tools



100% cloud enabled



Single contracting platform

# WebBeds

We have a long-term commitment to continuously improve our conversion rate, that will continue into 2030.

## Levers to improve conversion.

Using Machine learning & AI, we have improved conversion - additional levers are:



### Price.

Competitiveness vs the market.

### Technology.

Improving our response time, look to book ratios.

### Mapping.

Improving the quality and relevance of our content.

### Rate Plans.

Allowing for more options by reflecting appropriate rates and conditions.

### Accuracy.

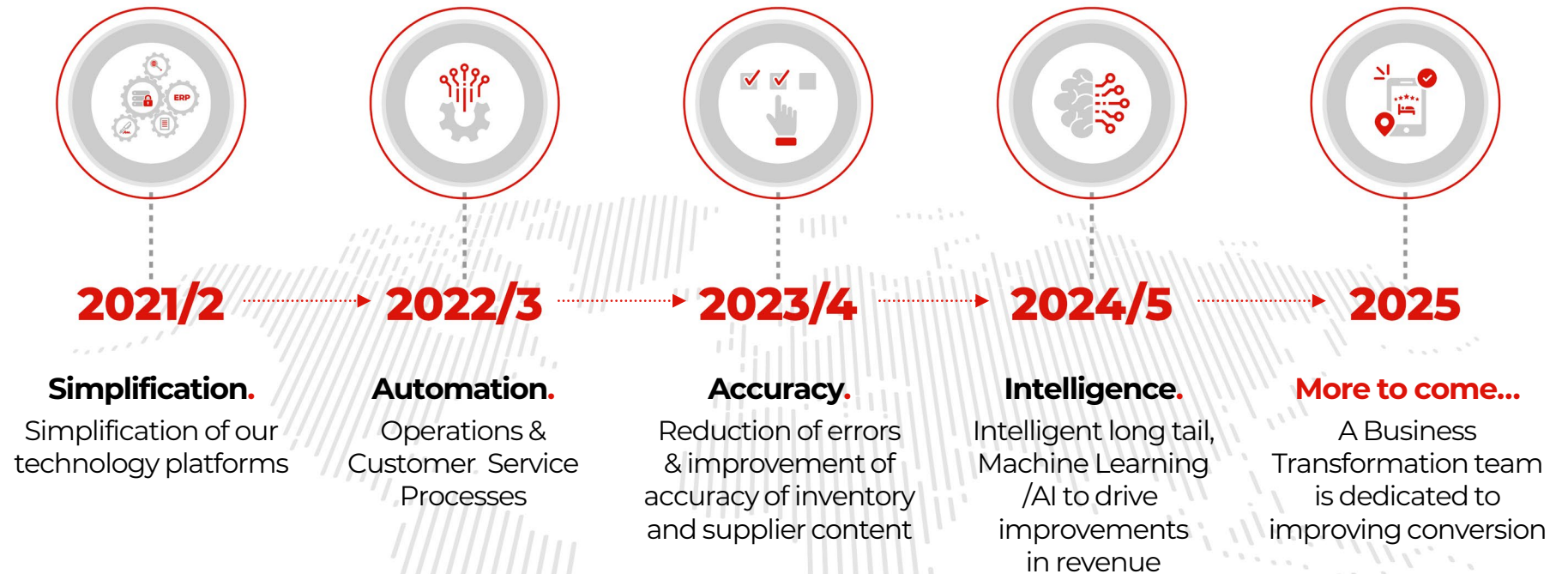
Overall effort to reduce errors.

# WebBeds

**Our commitment to continuously improve our conversion rate.**

## WebBeds' journey to improve conversion.

Our journey of improvement - projects delivering value to our business.





ersonal use only

# Summary.

WebBeds



# WebBeds

Three areas of focus to ensure continued growth towards FY30.

## Our Pillars of Growth.



### 1. Growing Our Existing Portfolio.

- Nurturing & growing our existing portfolio of travel buyers, hotel partners & suppliers

**c.8%\***



### 2. New Customers, Supply & Markets.

- New customer pipeline
- New hotel pipeline
- New markets

**c.14%\***



### 3. Conversion.

- Continue current efforts.
- Driving more volume from efficiency improvements
- Selling more of what we have to everyone

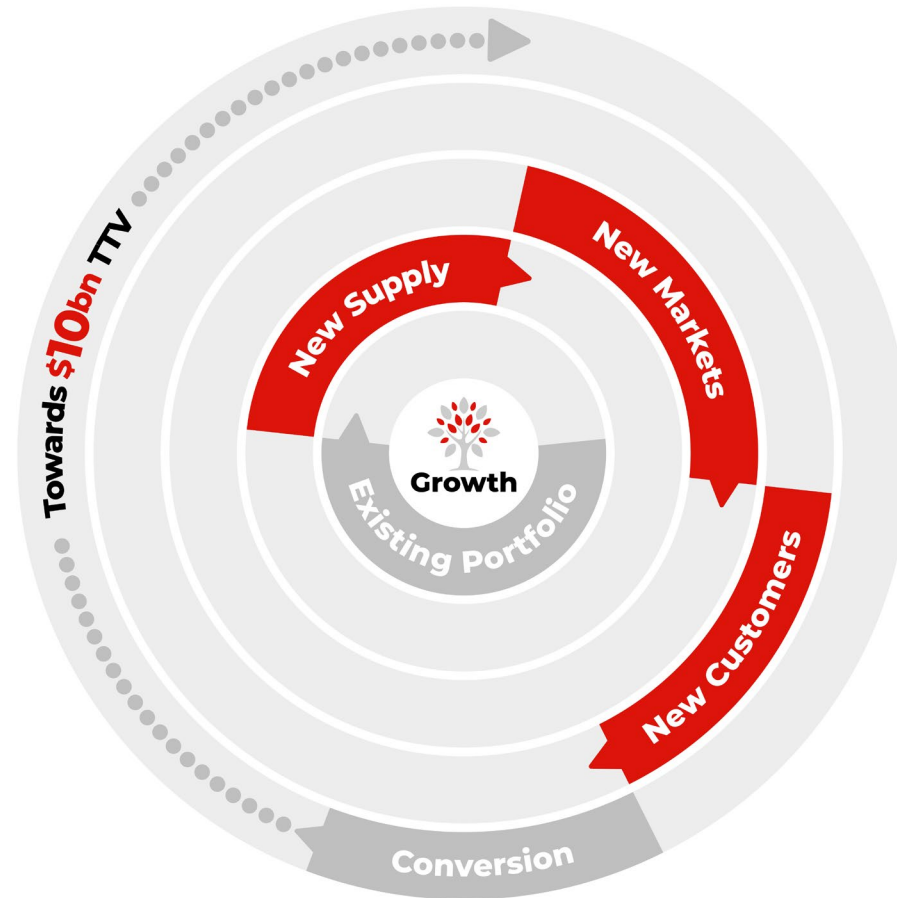
**c.9%\***

\* Split over the last 12 months

# WebBeds

The flywheel effect expands our existing portfolio with new customers, new markets & new supply.

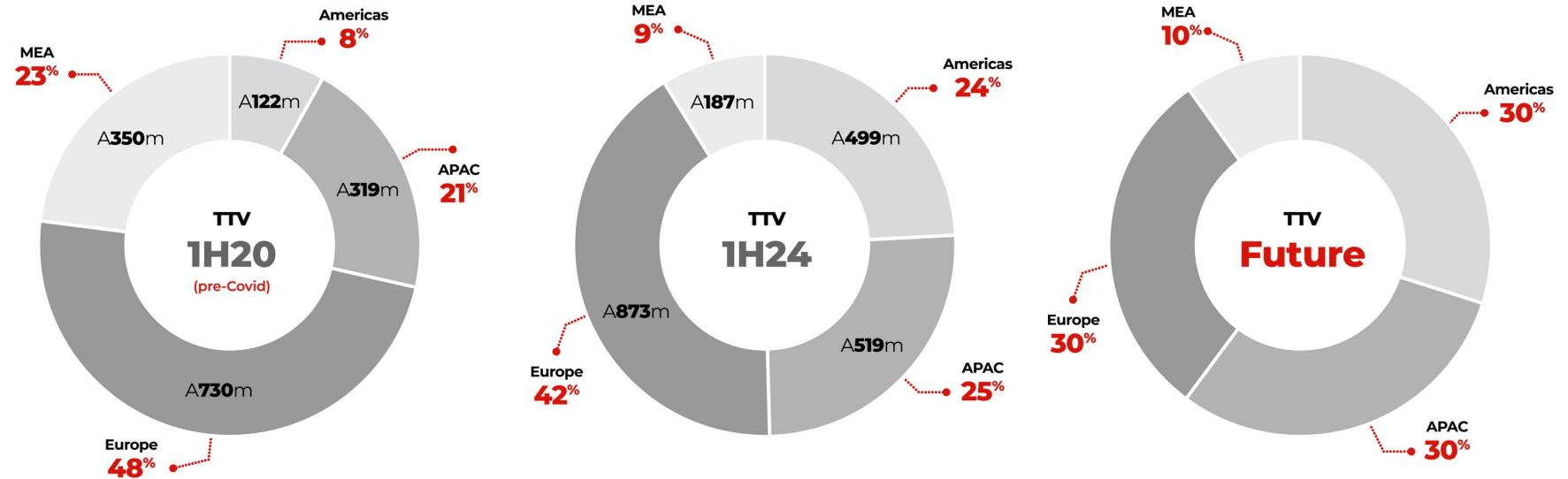
## WebBeds ability to generate demand.



# WebBeds

All regions expected to grow although CAGR will be higher in APAC & Americas.

## Towards a balanced global portfolio.

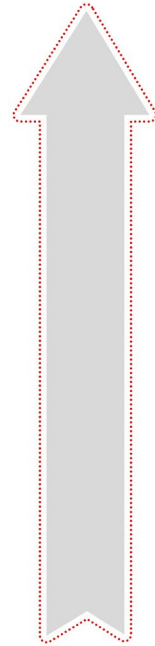


Business split is expected to evolve towards equal share from our Top 3 regions.

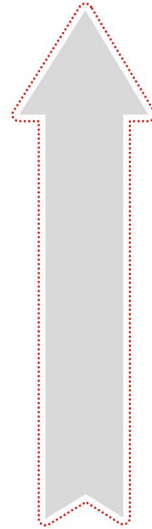
# WebBeds

Higher growth rates in TTV and Revenue over Expenses and Capex will drive c.50% EBITDA margins.

## Metrics of the future – Year on Year growth expectations.



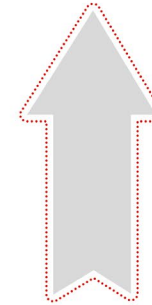
**TTV %**



**Revenue %**



**Expenses %**



**CAPEX %**

### Margin Shifts.

Revenue/TTV margins to decline due to mix change.  
Expected to settle in the short term at c.mid-7%

### Strong Balance Sheet.

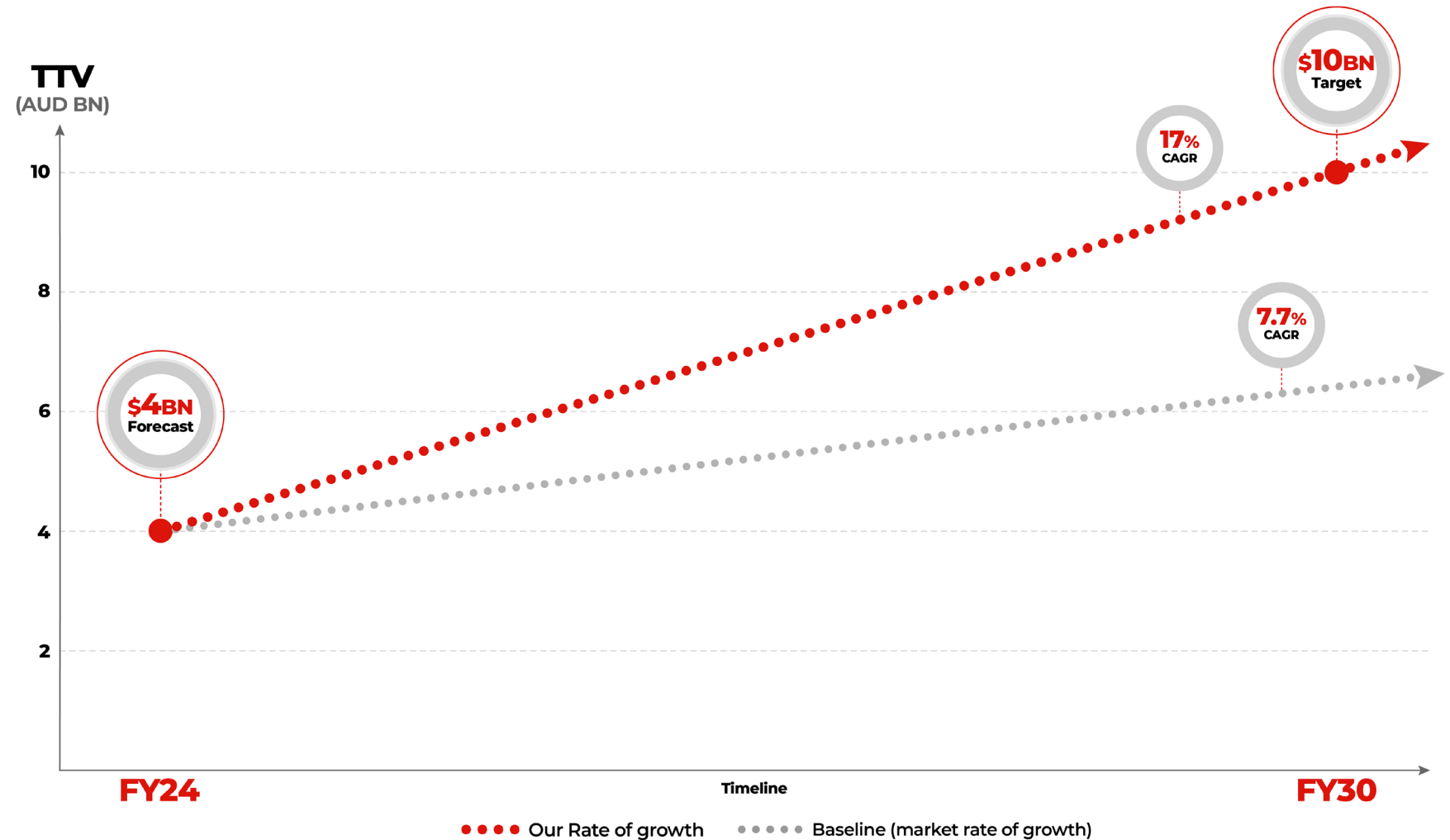
A strong balance sheet delivers  
optionality for M&A.

We expect to deliver **EBITDA margins at c.50%** and **90-110% cash conversion.**

# WebBeds

The foundation has been laid, and the roadmap is clear to deliver \$10bn TTV in FY30.

## Our path to \$10 billion TTV.



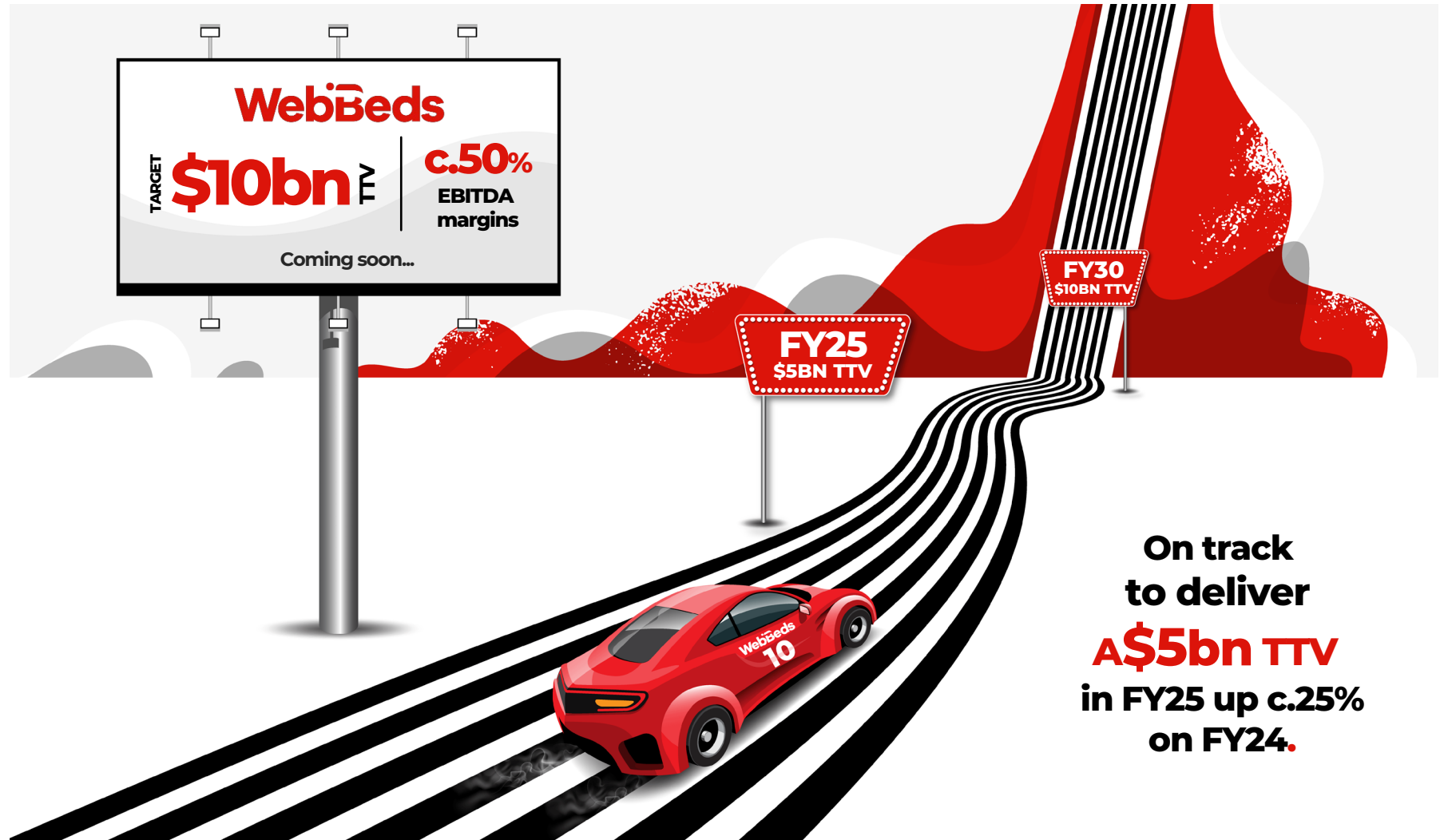
1) Assumes AUD to EURO 0.60cents



# WebBeds

On our journey towards delivering A\$10bn TTV in FY30.

We are on the way...



**WebBeds**

**Thank  
you.**

 **webjet limited.**

ersonal use only



ersonal use only

# Appendix.

WebBeds

## Use Disclaimer - Euromonitor International.

---



This PowerPoint presentation includes **proprietary information from Euromonitor International** and **cannot be used or stored with the intent of republishing, reprinting, repurposing or redistributing** in any form without explicit consent from Euromonitor International.

For usage requests and permission, please contact Euromonitor - [Click Here](#)

The data included in this report is accurate, according to Euromonitor International's market research database, at time of publication: November 2023