

WebBeds

# Strategy Day.

March 2024

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# 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.**



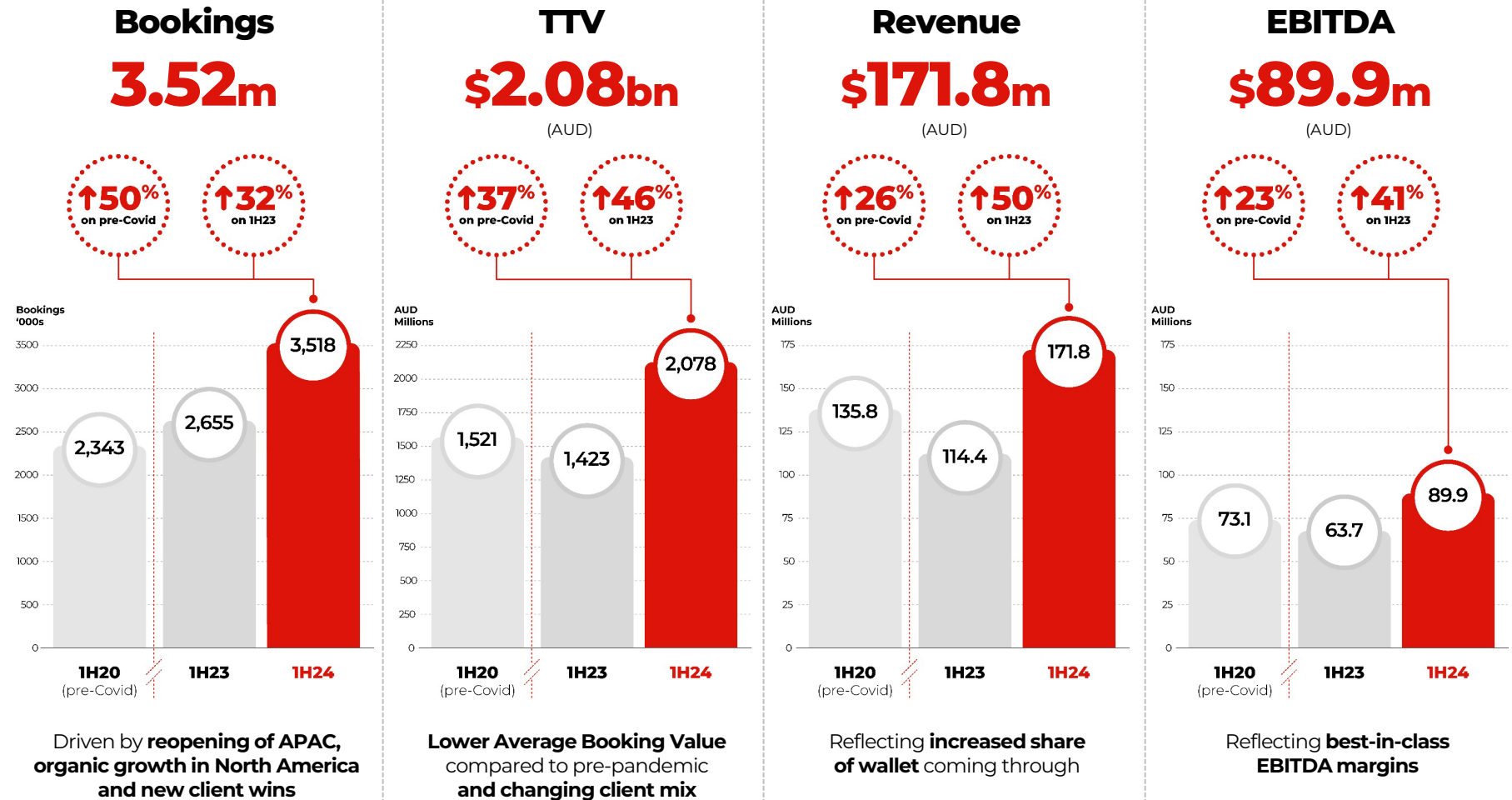
# Our Aspirations.

WebBeds

# WebBeds

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

## 1H24 - WebBeds Financial Performance.



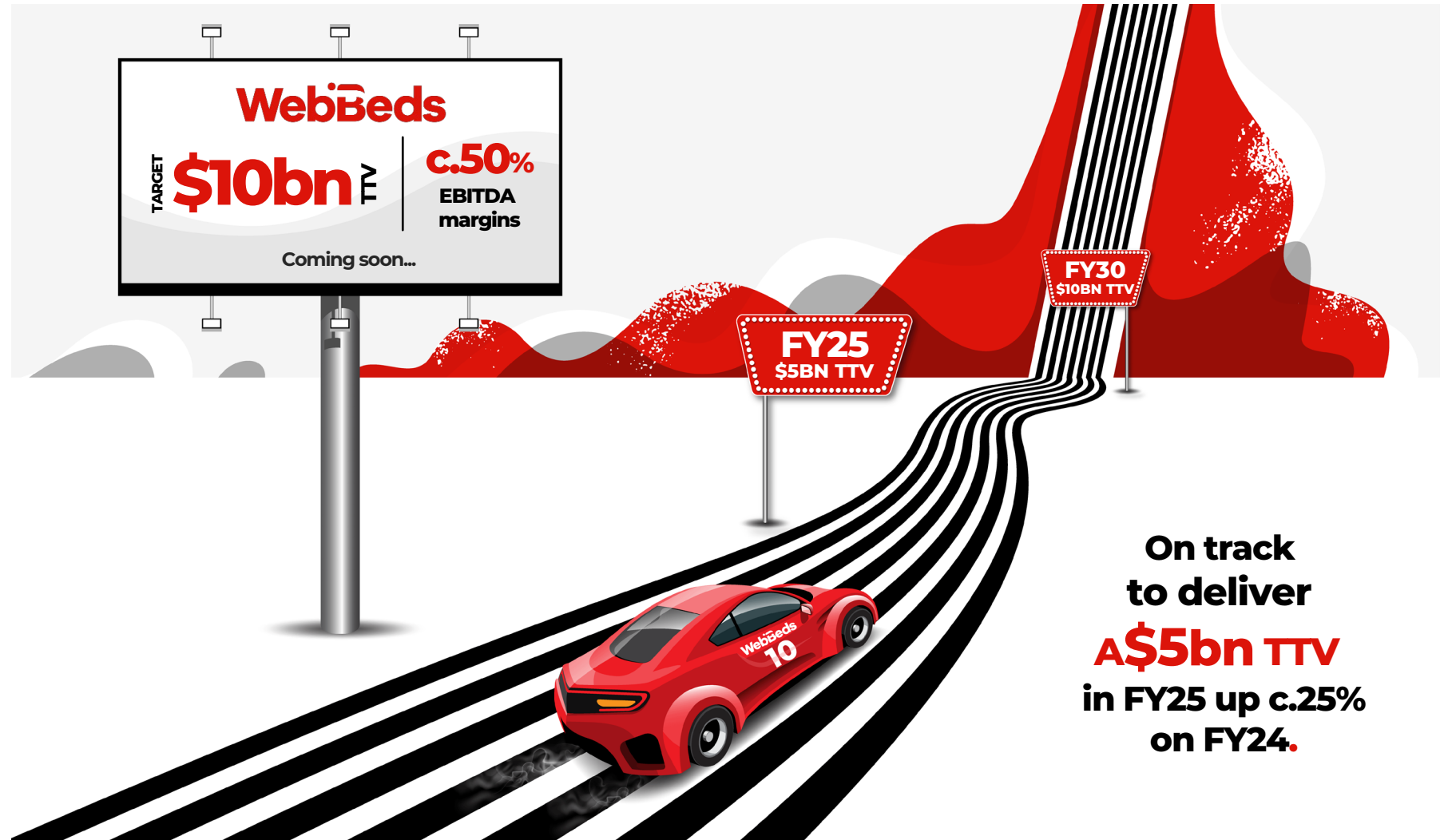
Note: Based on functional currency (EUR) 1H24 TTV was up 31% on 1H23, Revenue was up 35% and EBITDA was up 26%.



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

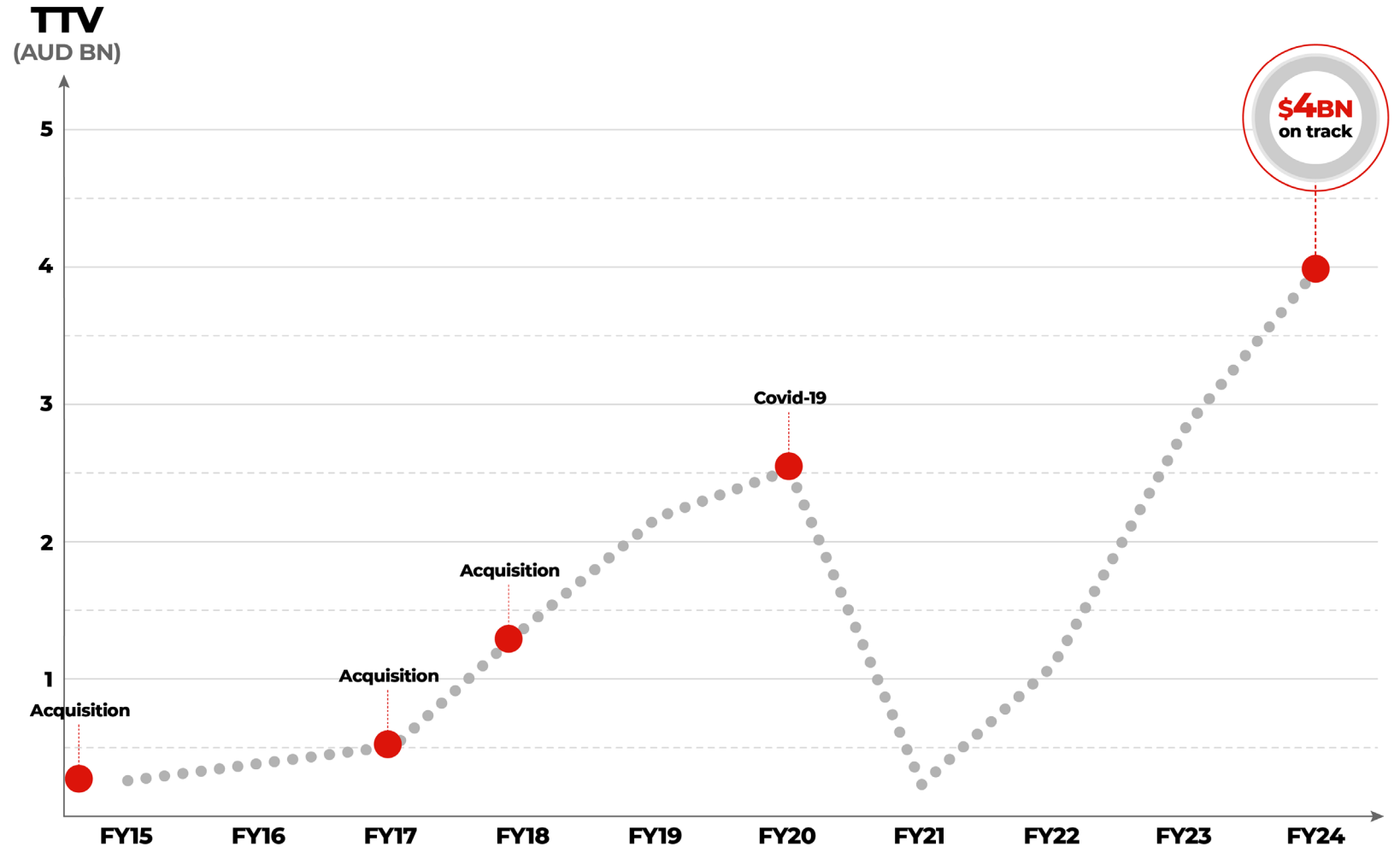
We are on the way...



# 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.

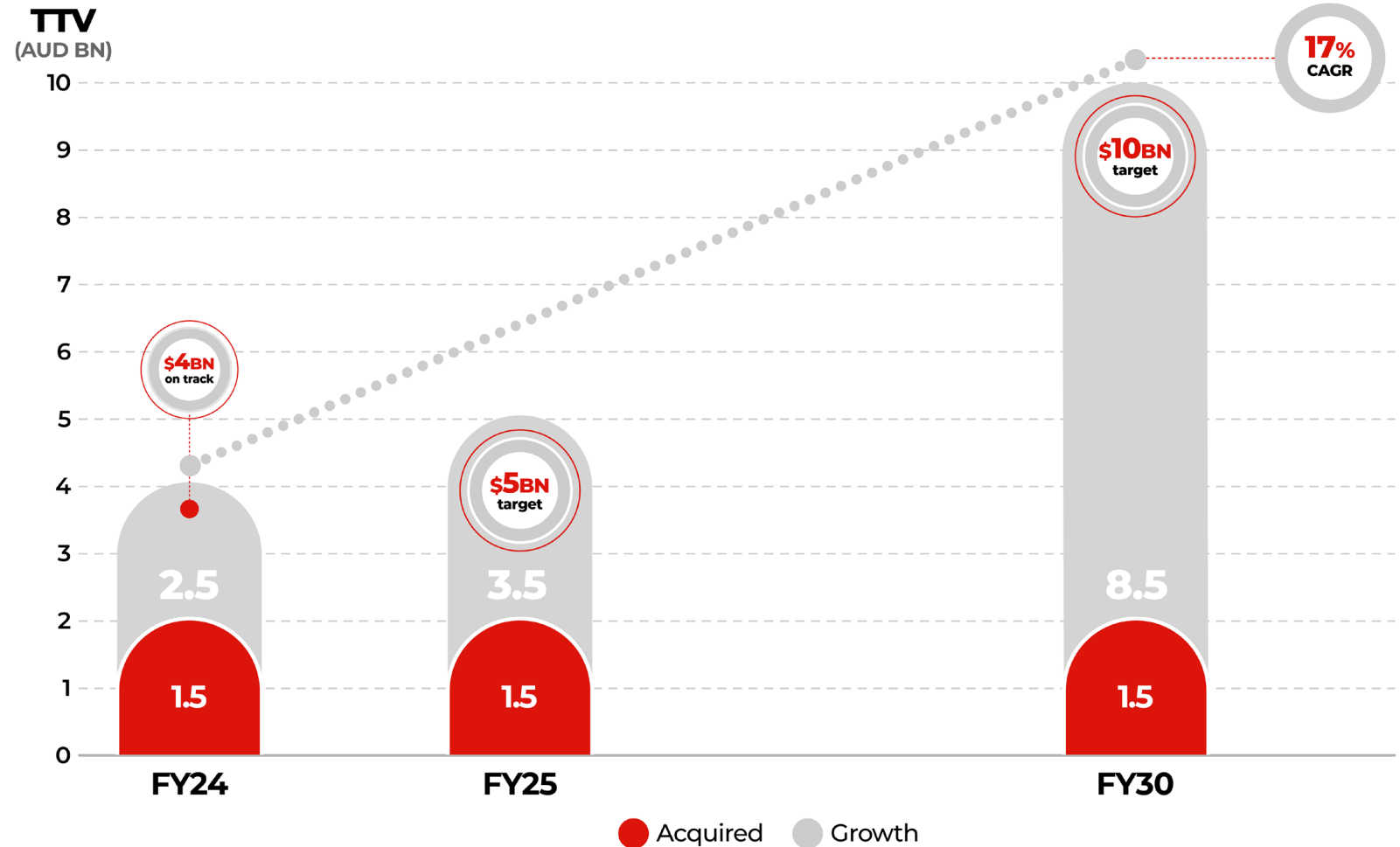
We are on the way...



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

## Organic growth path.



<sup>1</sup>) 7.7% expected market growth. See slide 13.



# WebBeds

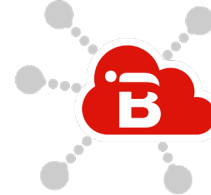
**Organic growth factors in winning share, post acquisitions.**

## 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.

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

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



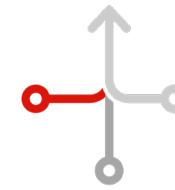
### **Investing in technology.**

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.

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# Powering our future.

**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.

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# 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



**We are in all  
major markets  
worldwide.**

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

### WebBeds Global Presence & Team.

WebBeds supports our global distribution network through:



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**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.



### Ground Service Product

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



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

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

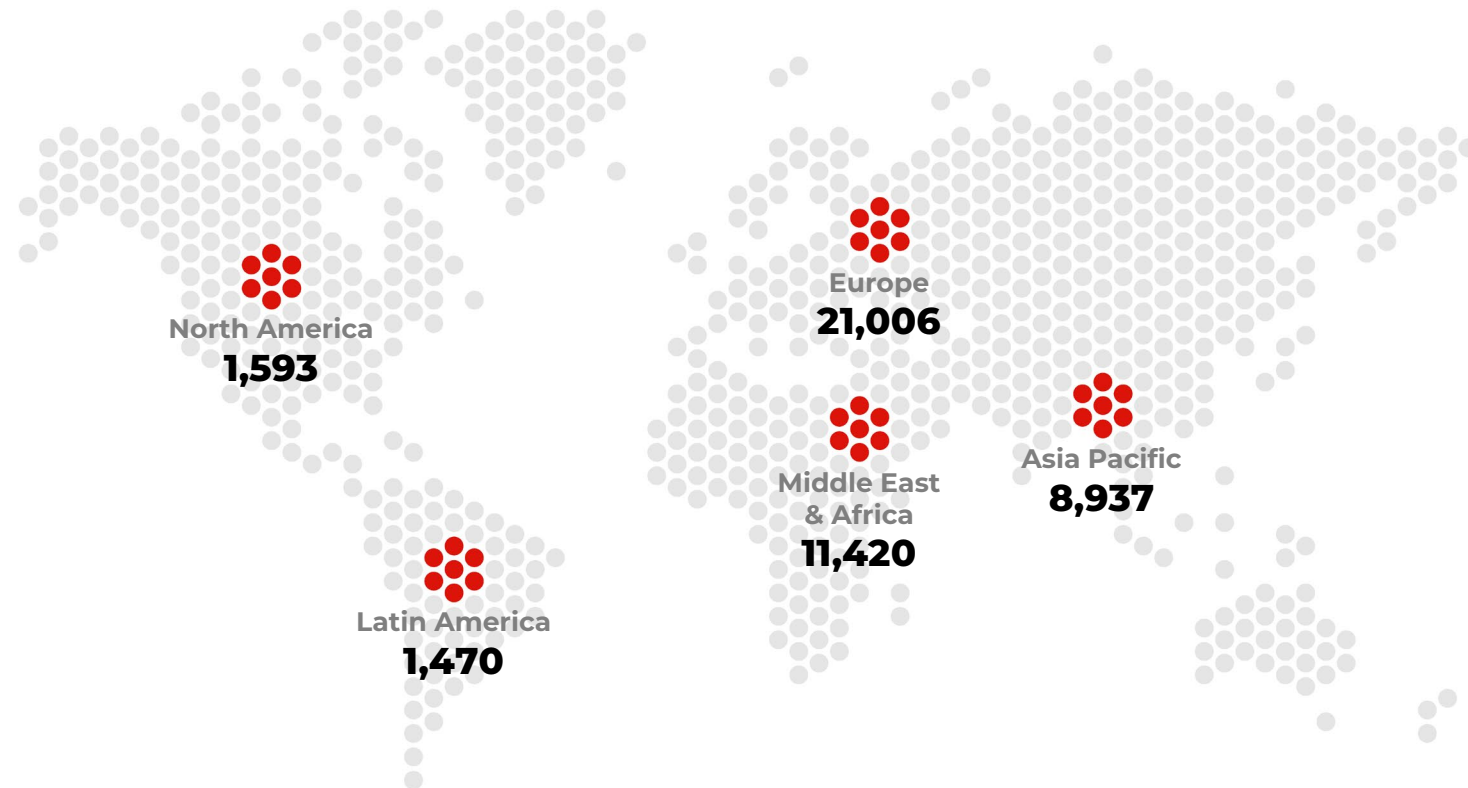
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**Our global network of travel buyers booked 16m+ room nights for the 12 months ending September 2023.**

## 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



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

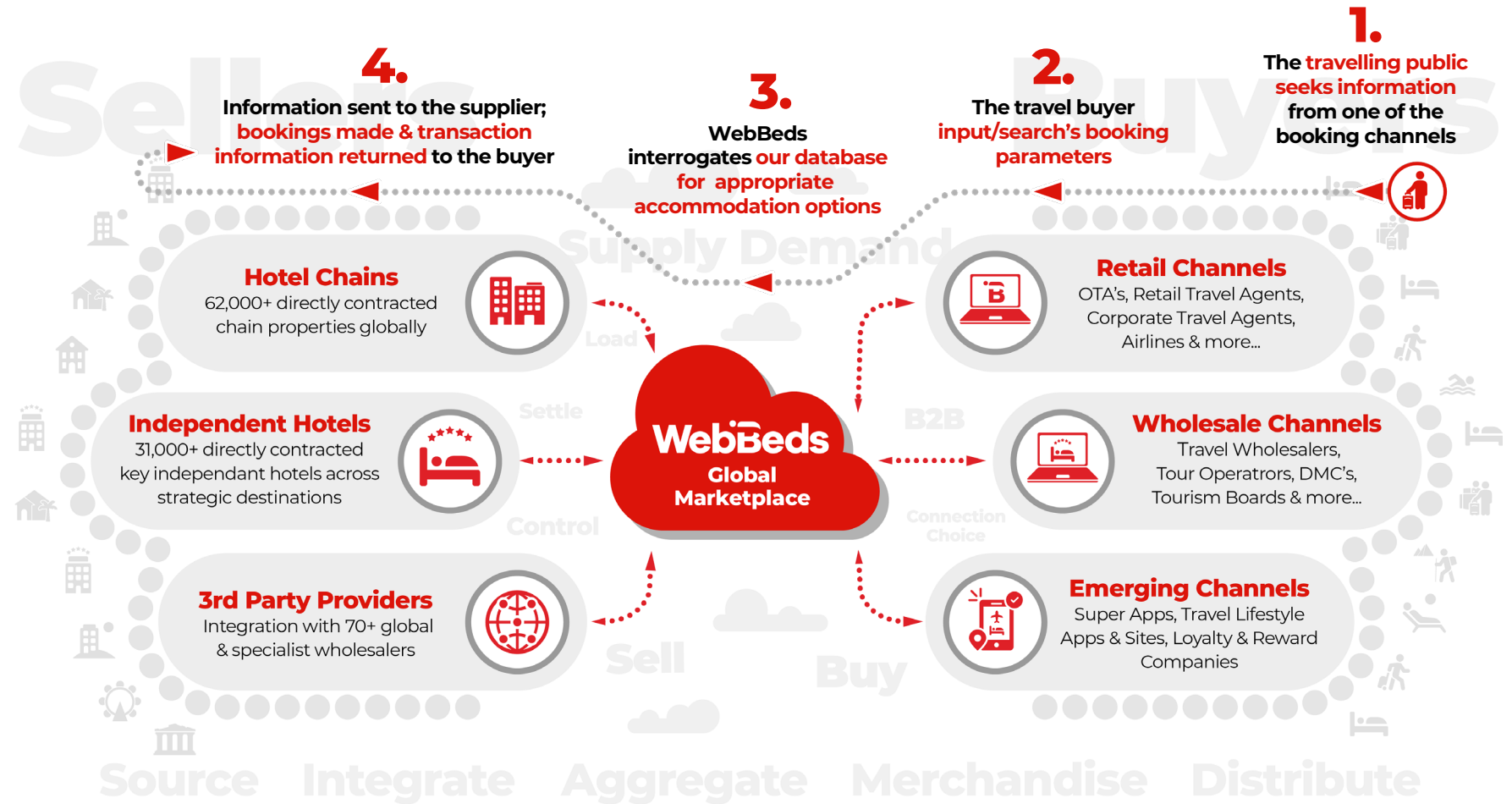
## What we do...



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

## A simplified overview of a booking journey.



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**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 Calendar year 2019.

# 2. New Customers, Supply & Markets.



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**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 Calendar 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
Total USD BN	\$55.03

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

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

# WebBeds

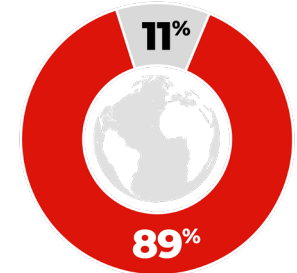
Independent hotels<sup>1</sup> place higher value on distribution partners, like WebBeds, who can act on their behalf & lower the cost of guest acquisition.

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

## 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.



# 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>

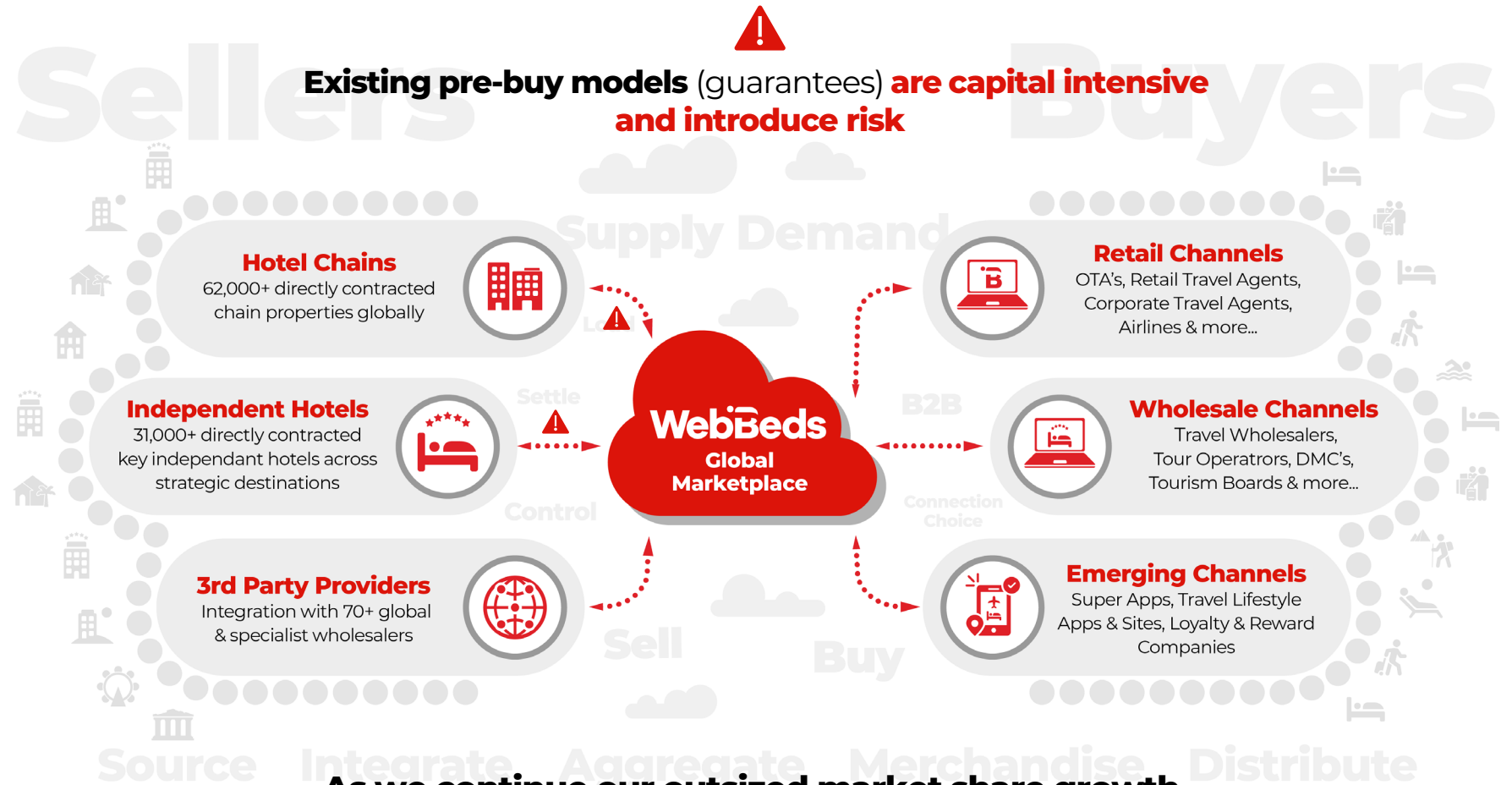
**Pre-buy is not part of our strategy.**

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**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.



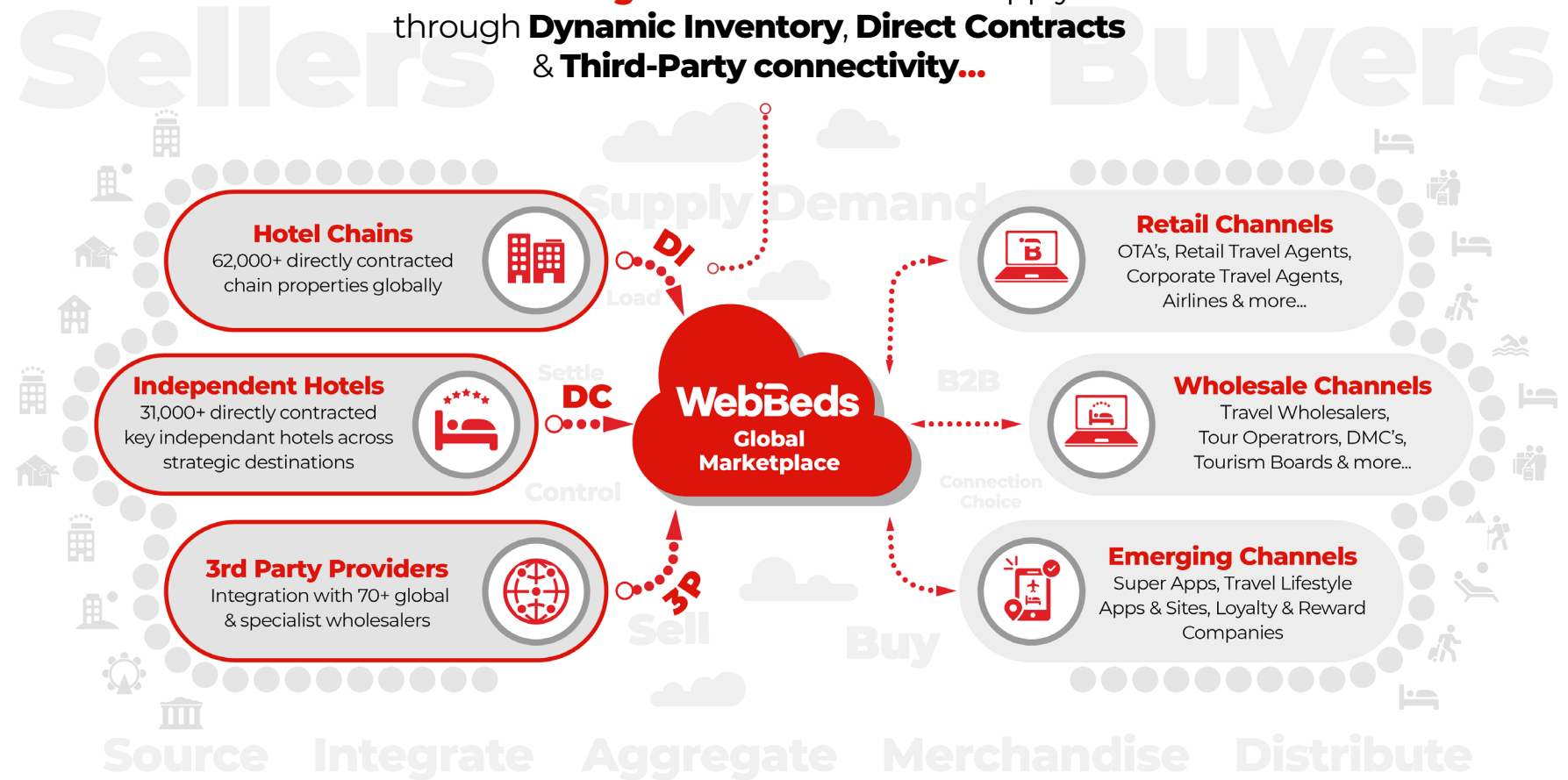
**As we continue our outsized market share growth, we focus on building out our preferred model.**

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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



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

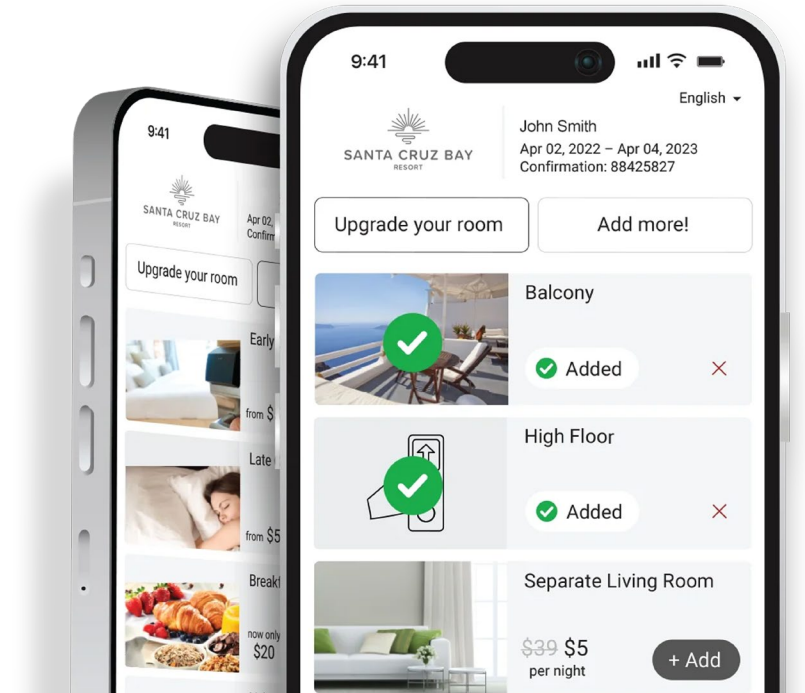
## Strengthening Partner Relationships.

### 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.**

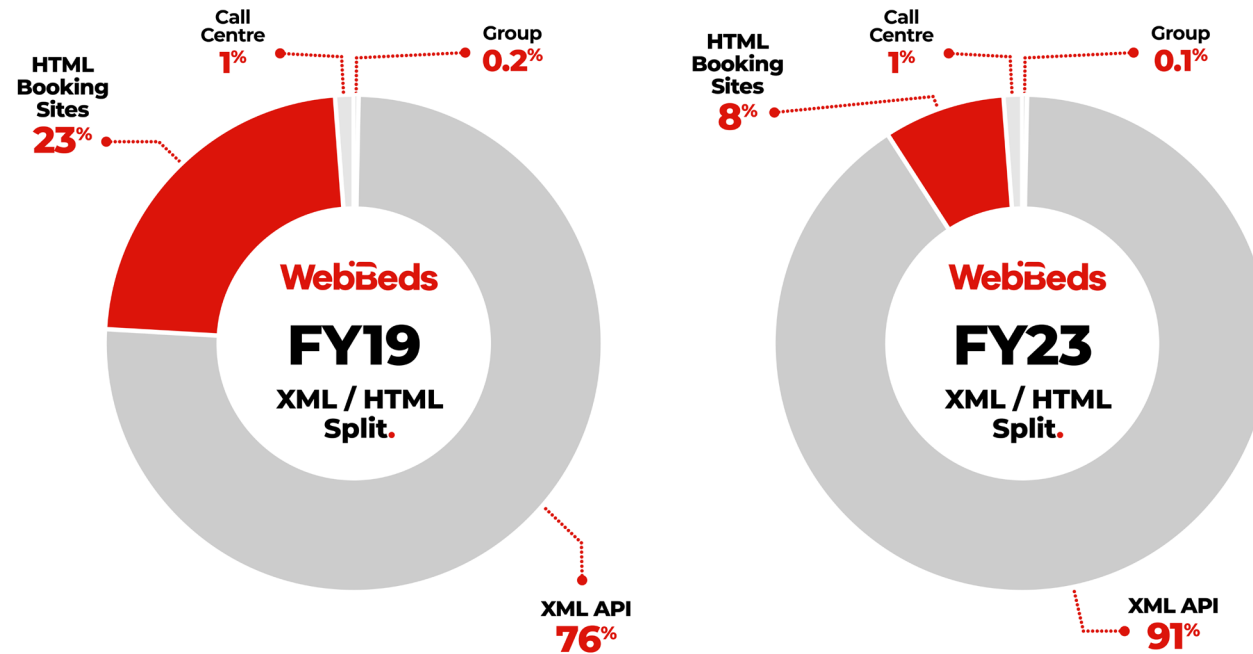
**Search, compare & book hotels online**

**WebBeds**

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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.

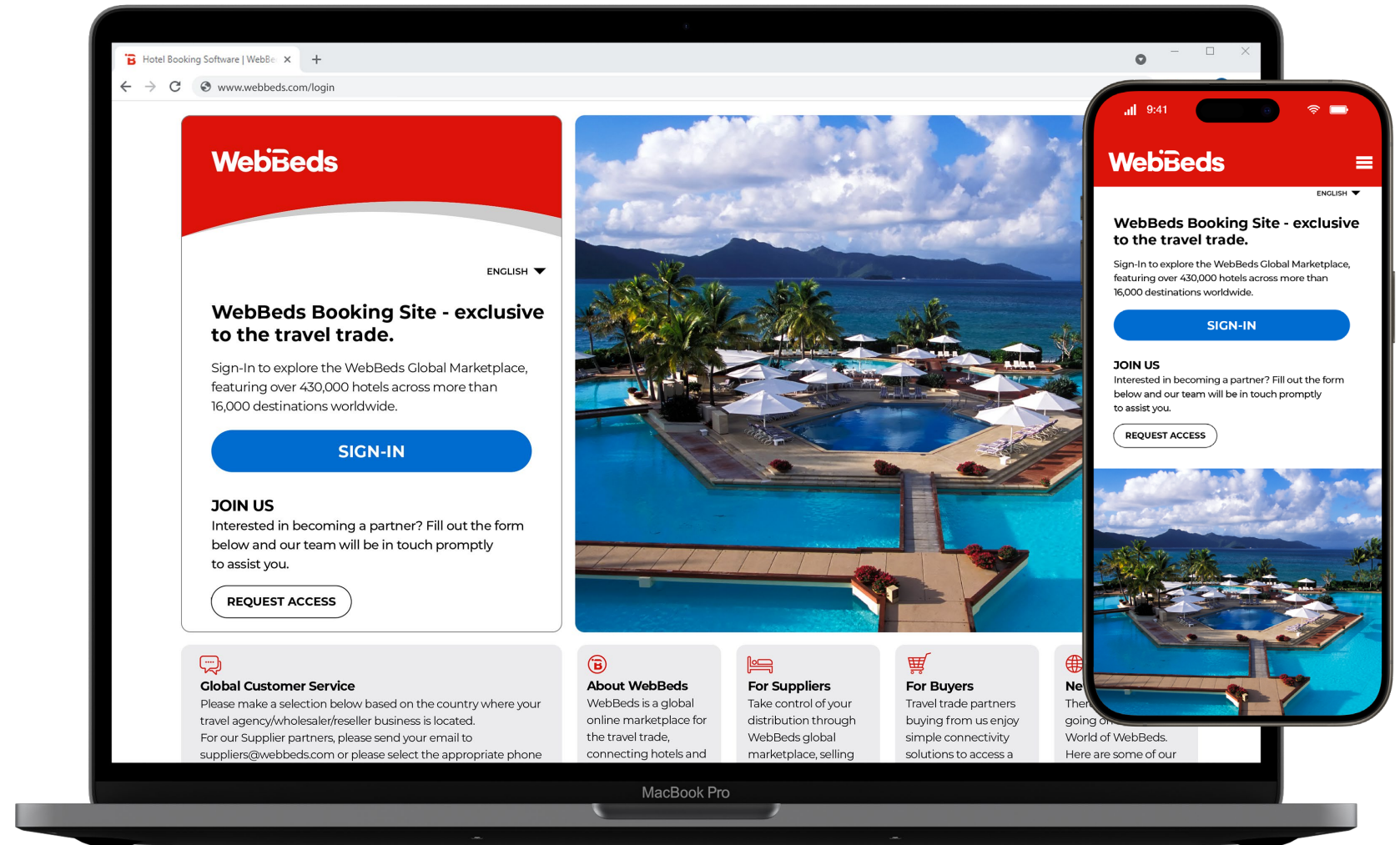




# WebBeds

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

## New WebBeds Trade Booking Site.

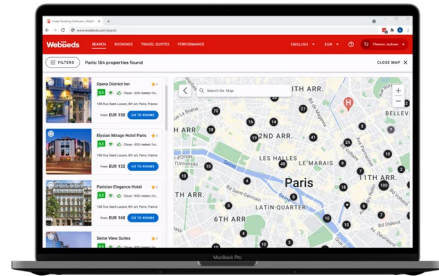


# WebBeds

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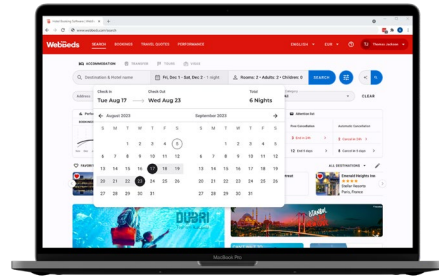
## New WebBeds Trade Booking Site.

Our new booking site will deliver...



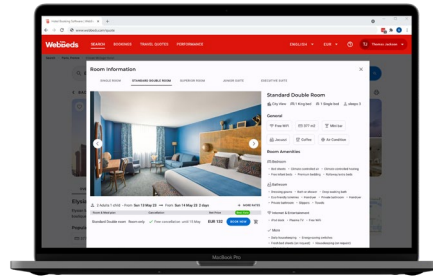
### Better UX.

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



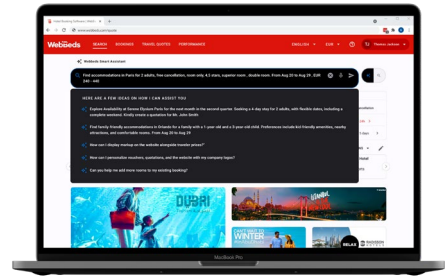
### Better Search.

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

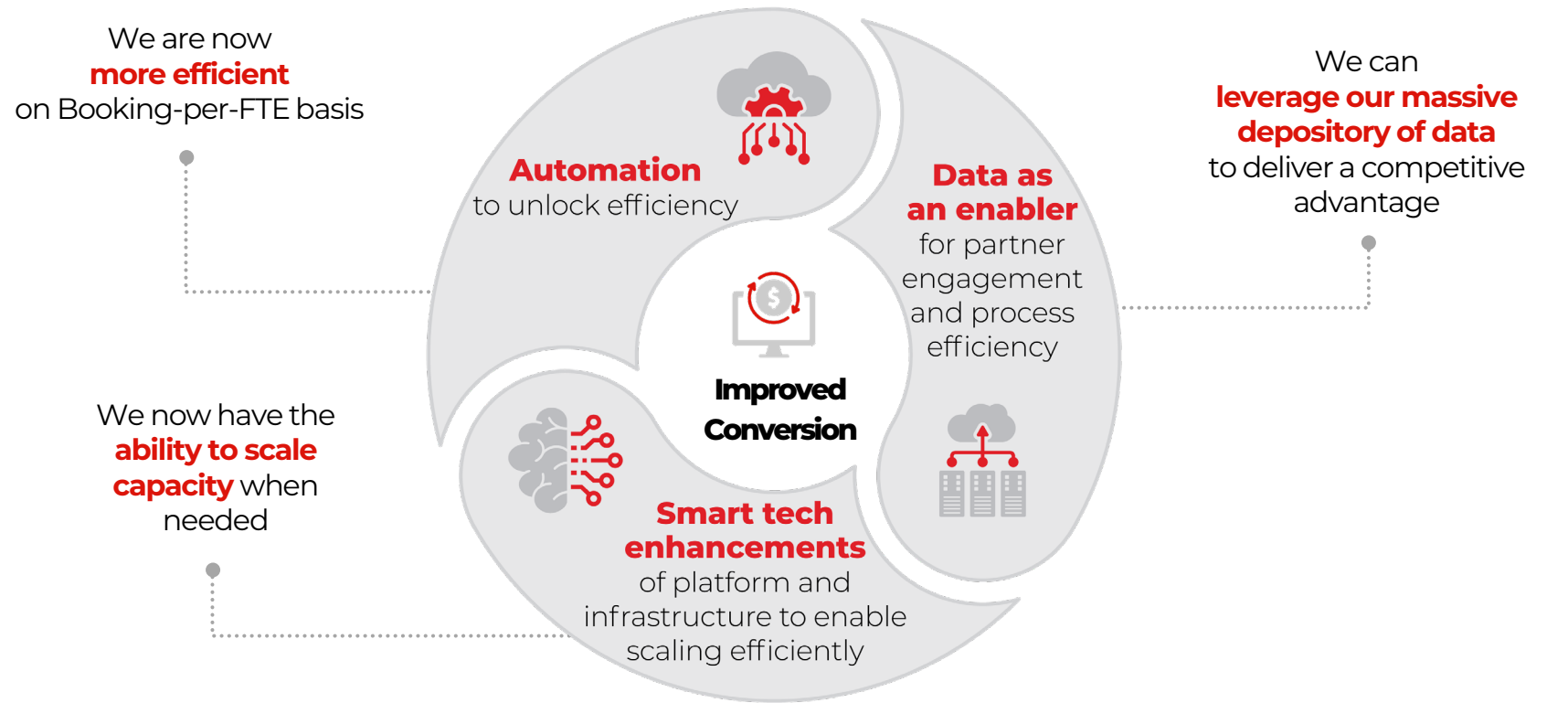


# 3. Conversion.

**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

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**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.

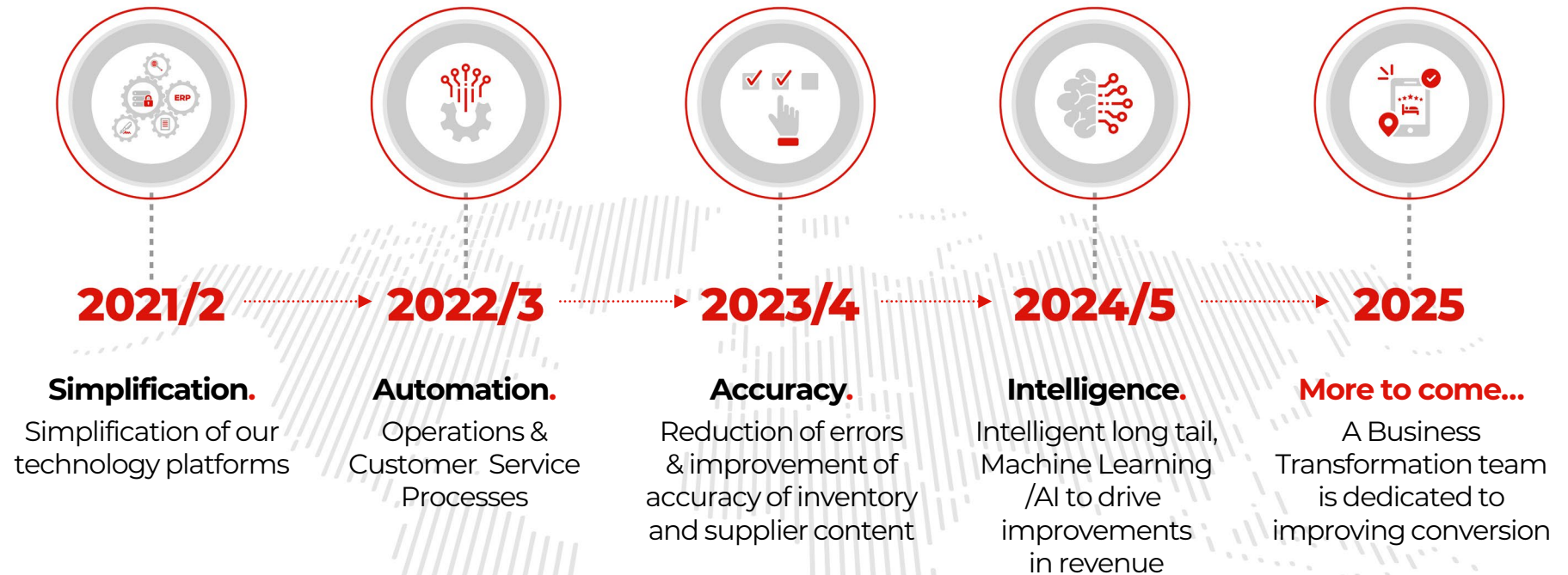


# WebBeds

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

## WebBeds' journey to improve conversion.

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



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# Summary.

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.**

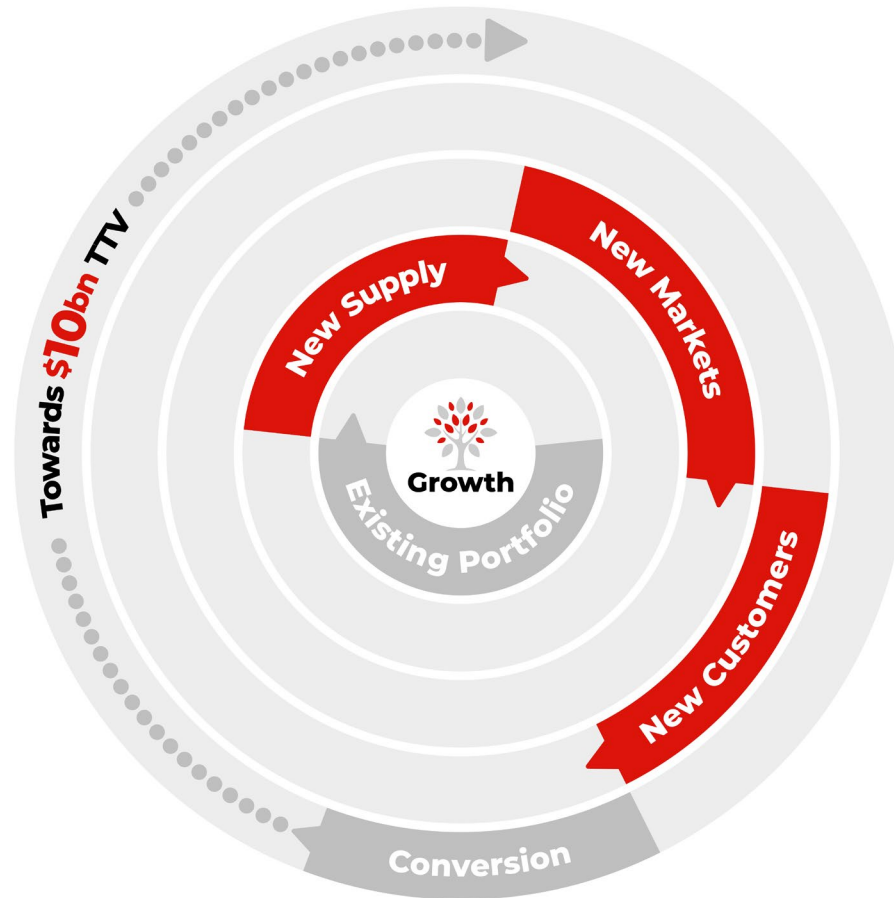
- Continue current efforts.
- Driving more volume from efficiency improvements
- Selling more of what we have to everyone

**c.9%\***

# WebBeds

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

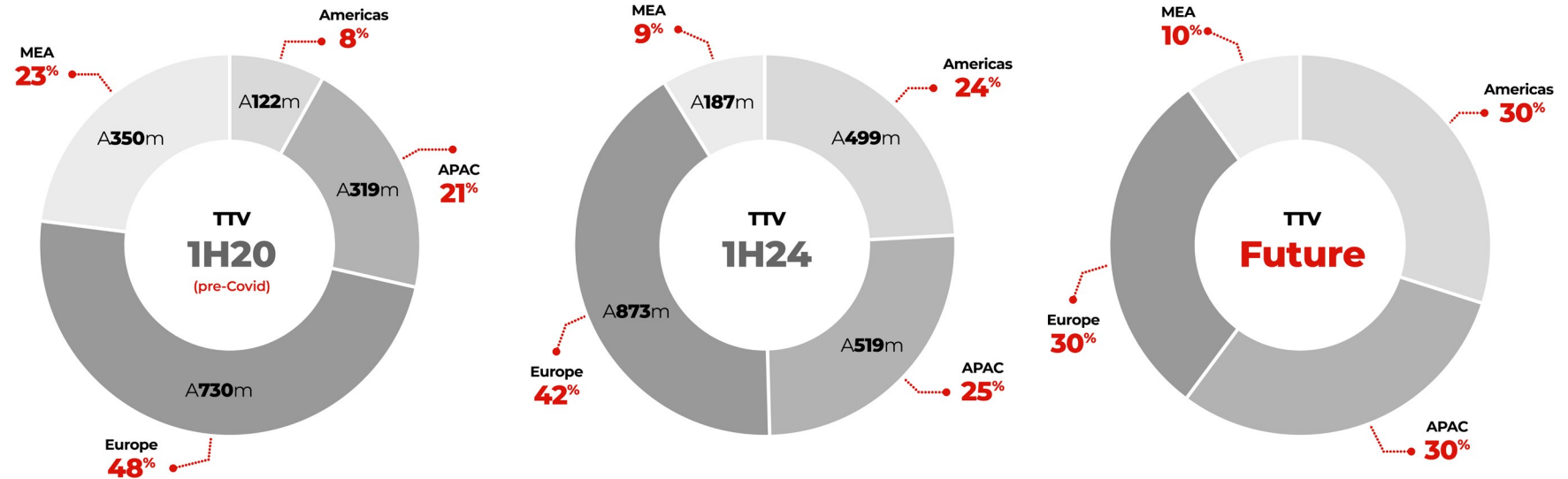
WebBeds ability to generate demand.



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

## Towards a balanced global portfolio.



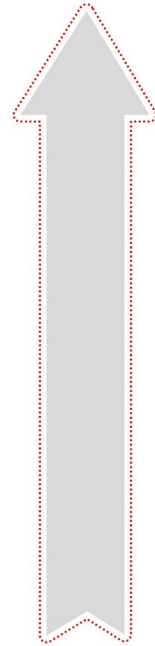
Business split is expected  
to evolve towards equal share  
from our Top 3 regions.



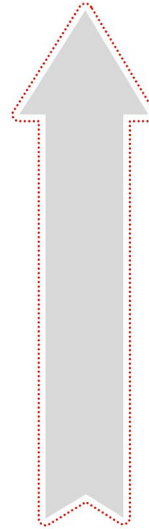
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Higher growth rates in TTV and Revenue over Expenses and Capex will drive c.50% EBITDA margins.

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



TTV %



Revenue %



Expenses %



CAPEX %

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

### Margin Shifts.

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

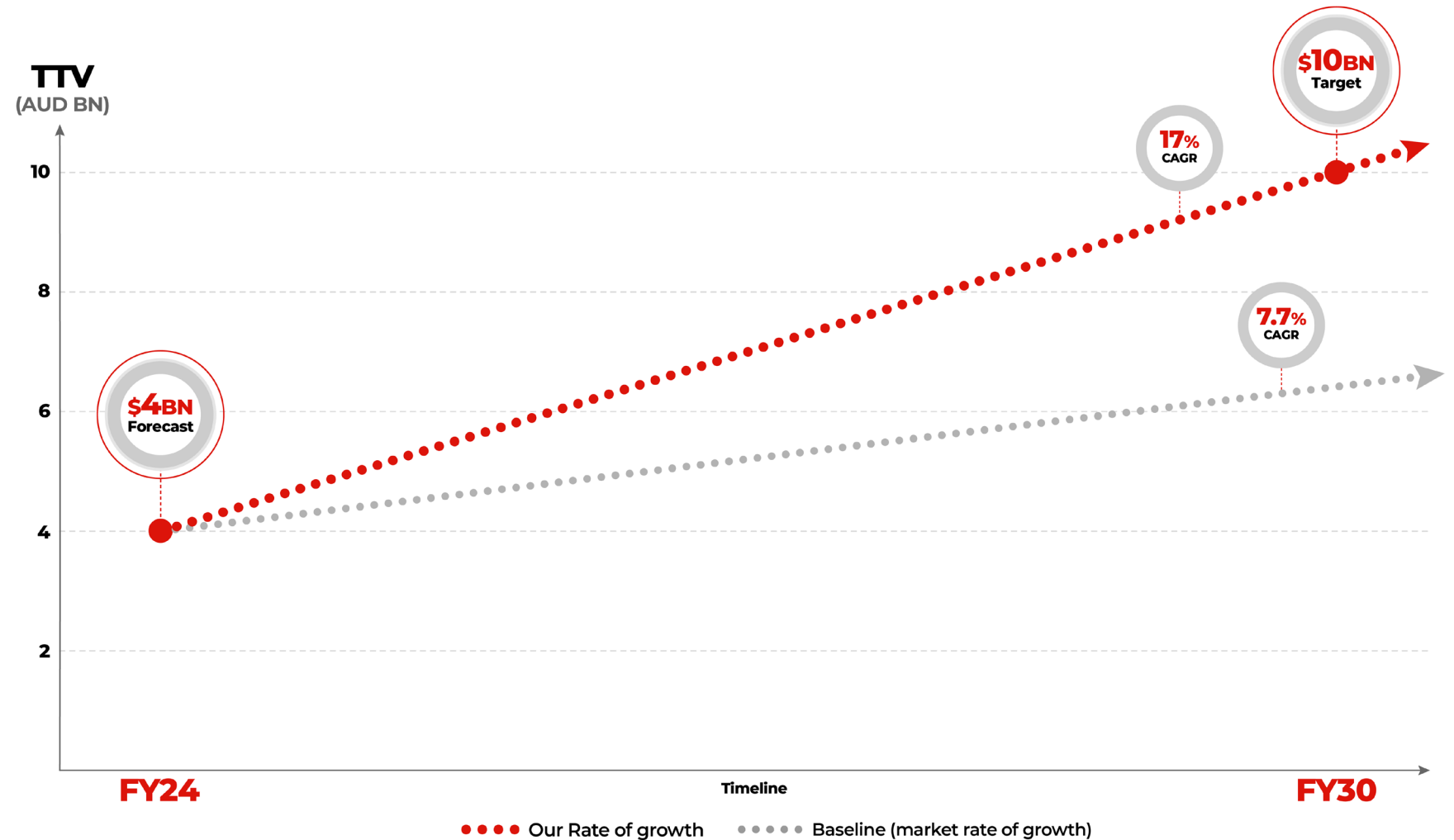
### Strong Balance Sheet.

A strong balance sheet delivers optionality for M&A.

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

## Our path to \$10 billion TTV.

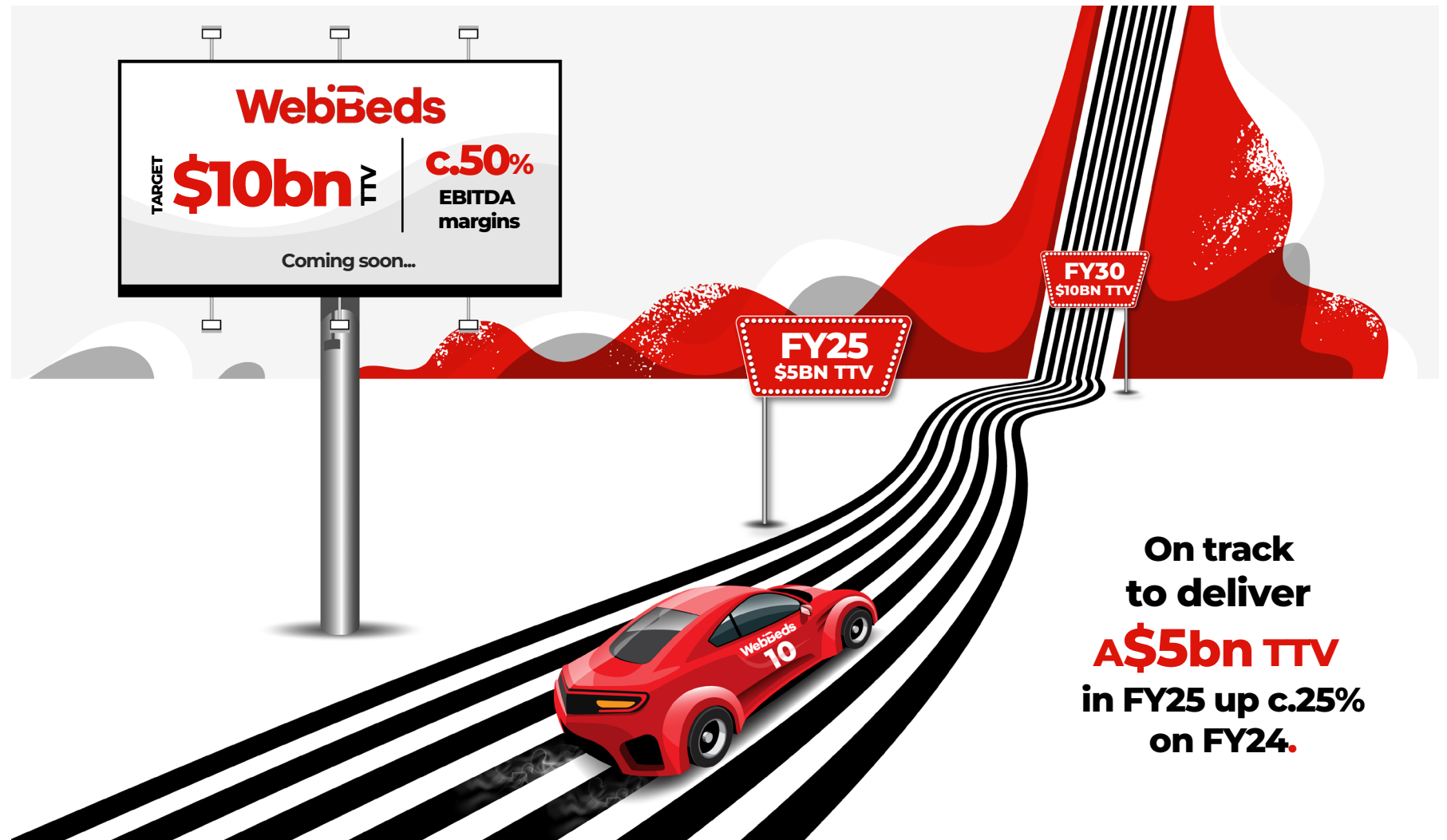


1) Assumes AUD to EURO 0.60cents

# WebBeds

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

We are on the way...



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**Thank  
you.**

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# Appendix.



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