ASX release

Company will be operating cash flow positive for 1H22; WebBeds profitable

31 August 2021: Webjet Limited (**Webjet** or the **Company**, ASX:WEB) today announced the Company will be cash flow positive for 1H22 (excluding investing and debt repayments) and that the WebBeds B2B business has been profitable since July 2021.

John Guscic, Webjet's Managing Director said:

"Our post-Covid strategy is delivering results and the Company will be operating cash flow positive for the first half of Financial Year 2022.

The WebBeds business was profitable in July and August and is well on track to be profitable in September. We have seen strong demand as travel restrictions ease in North America and Europe, suggesting significant upside as more international markets reopen.

Webjet OTA was profitable for April to July but has been subsequently impacted by the current lockdowns in Australia and New Zealand. Online Republic was profitable in April and May, but like the Webjet OTA, has been impacted by lockdowns. However, we are confident that both businesses will return to profitability as soon as the domestic Australian and New Zealand markets reopen.

We see a world of opportunity for Webjet. All our businesses have significant potential to grow market share by expanding into new market segments and benefiting from consumers shifting to buy travel online. Transformation initiatives are underway and we on track to reducing costs by at least 20% once the Company gets back to scale. As a result, as conditions normalise, we believe our Webjet businesses will have higher market share, lower costs and greater profitability.

While the exact timing is uncertain as our growth opportunities are driven by the opening of borders, we know demand for travel will return and we are absolutely ready to capture it."

Webjet will report 1H22 results on 25 November 2021.

Authorised for release by the Chair of the Board of Directors.

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