



Impact of Thomas Cook entering Compulsory Liquidation

23 September 2019: Earlier today, Thomas Cook entered Compulsory Liquidation.

Thomas Cook is a customer of Webjet Limited's WebBeds B2B business and this outcome will impact Webjet's FY20 results as follows:

- Loss of TTV - Webjet previously indicated it expected to earn \$150 to \$200 million in Total Transactional Value (TTV) from Thomas Cook in FY20; and
- Unpaid receivables exposure - as at 23 September 2019, Thomas Cook owed Webjet approximately EUR 27 million in outstanding receivables. The impairment of any unpaid receivables will be treated as a one-off expense to the income statement. There will be no material adverse impact on Webjet's liquidity as any write-off will be absorbed by existing cash reserves (211.4 million as at 30 June 2019) and undrawn facilities.

There will be no impact on the more than 3,000 hotel contracts Webjet acquired from Thomas Cook in August 2016, which are wholly owned by WebBeds and available for sale to all WebBeds customers. The vast majority of these contracts are currently sold at full margin to non-Thomas Cook customers and have been a key driver of the profitable growth of our European business over the last 3 years.

At its FY19 results announcement on 22 August 2019, Webjet indicated that on top of the continuing strong organic growth being experienced, it expected the WebBeds business to earn an additional \$27 to \$33 million of EBITDA in FY20 from a range of drivers including Thomas Cook. The impact of Thomas Cook's collapse is expected to reduce this expectation by up to \$7 million in EBITDA.

There is no change to the other expected FY20 earnings drivers indicated in the FY19 results announcement and Webjet will be providing FY20 EBITDA guidance at its AGM on 20 November 2019.

WebBeds is the #2 global B2B provider with a diversified customer portfolio across a wide range of geographies, generating over \$2.1 billion in TTV in FY19. We continue to be the fastest growing B2B provider in the world and expand our customer base across all geographies. Excluding Thomas Cook, for the 10 weeks of trading for FY20 year to date, WebBeds TTV continues to be up more than 50% over the prior corresponding period.

For further information:

- John Guscic, Managing Director, Webjet Limited on +61 3 9828 9754