

Webjet Limited announces it is exploring a separation of its two leading divisions, WebBeds and Webjet B2C via a demerger.

22 May 2024

Webjet Limited (Webjet Limited or **Company**) today announced it is exploring a separation of its two leading travel divisions, WebBeds, the global bedbanks business and Webjet B2C, which includes Webjet OTA, GoSee and Trip Ninja, via a demerger with two companies expected to be listed on the Australian Securities Exchange ("**ASX**").

The demerger, if pursued and completed, will create two standalone ASX-listed companies with leadership positions in their respective industries and with their own distinct operating profiles, strategies and growth opportunities.

- **WebBeds:** A global B2B travel distribution business with a disruptive business model, a large total addressable market and considerable growth opportunities through enhancing scale in all geographies, ongoing investment in technology and targeting new customers, travel suppliers and markets.
- **Webjet B2C:** Comprising the Company's B2C businesses (1) Webjet OTA - an Australia and New Zealand focused consumer digital travel business with iconic brand heritage, the #1 OTA position and growth opportunities in international flights and complex itineraries; (2) GoSee - a global motorhome and car rental ecommerce site; and (3) Trip Ninja - a technology company providing solutions for complex travel itineraries.

The decision to explore the separation reflects the attractive but divergent growth opportunities available to the respective businesses and that independent capital structures will enable both divisions to make optimal investment decisions on their own.

If a demerger is implemented, both divisions are expected to benefit from:

- Separate management teams focused on distinct operating profiles and competitive landscapes;
- Independent capital structures, streamlined capital allocation decisions and strong balance sheets to support growth;
- A stronger ability to respond to the continuously evolving travel industry and consumer travel preferences; and
- Access to new investors with different investment preferences.

Commentary from Webjet Limited Chair, Roger Sharp:

"Having carefully weighed up the arguments for and against a demerger, the Board sees significant value enhancement through a potential separation of our two industry leading businesses and brands. Our B2C businesses will continue to deliver organic growth through the shift to online, while separation will support our WebBeds business in its relentless focus on achieving scale in all markets, in a post pandemic landscape characterised by a reduced number of smaller competitors."

Both Webjet B2C and WebBeds will be well positioned to offer enhanced solutions to their respective customer bases, which is particularly important in the context of an increasingly complex travel booking ecosystem.”

Commentary from Webjet Limited Managing Director John Guscic:

“Our B2C and B2B divisions are increasingly diverging and have minimal operational co-dependence. B2C has seen the structural shift to online accelerate since the pandemic, leading to significant growth in market share and we continue to see significant growth opportunities for WebBeds as a genuine player of global scale underpinned by our three pillars of growth: growing our existing portfolio, new customers, supply and markets, and driving improved conversion.”

Timing and next steps

Any potential transaction is expected to complete during Webjet Limited’s FY25 financial year and the Company will provide further updates on timing and structure.

Any decision to demerge will be subject to final Board approval, third party consents and regulatory and shareholder approvals.

Authorised for release by the Board of Directors.

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