webjet group

Appendix 4D
Preliminary half-year financial report.

Name of entity	ABN reference
Webjet Group Limited (**WJL**)	85 679 116 762

1. Reporting periods

	Current period	Previous corresponding period
Financial half-year ended	30 September 2024	30 September 2023

On 17 September 2024, Webjet Limited shareholder approval was obtained to demerge Webjet Group Limited ("Webjet Group", the "Company") from WEB Travel Group Limited ("WEB Travel Group", previously known as "Webjet Limited"). The Demerger was implemented on 30 September 2024.

Webjet Group Limited was incorporated on 15 July 2024 and received relief from the Australian Securities and Investments Commission (ASIC) under section 340 of the ***Corporations Act 2001*** (the "Act"), exempting it from complying with Part 2M.3 of the Act for the technical first half-year period from 15 July 2024 to 14 January 2025. As a result, Webjet Group will report for the period ending 30 September 2024, aligning with WEB Travel Group.

Webjet Group has elected to adopt predecessor accounting, whereby the financial statements for Webjet Group are presented as if the demerger had occurred at the beginning of the comparative period to ensure continuity and comparability in its financial reporting. The historical financial performance and financial position of Webjet Group are combined and presented as though Webjet Group had always existed in its current form, using the historical cost basis of the assets and liabilities from the original entity (i.e. the company previously referred to as Webjet Limited). Consequently, the comparative numbers are only representative in nature.

2. Results for announcement to the market

Key Information		% Change to previous corresponding period		30 September 2024 $m
Total revenue from ordinary activities [(i)]	up	8%	to	72.0
EBITDA [(ii)]	up	32%	to	16.2
Net profit after tax	–	0%	to	6.6
Net profit for the period attributable to members	down	1%	to	6.8
Underlying Operations [(iii)]				
Underlying Revenue [(iv)]	down	1%	to	72.0
Underlying EBITDA [(v)]	up	1%	to	19.4
Underlying net profit after tax [(v)]	up	2%	to	9.2

(i) Total revenue from ordinary activities excludes interest income.
(ii) EBITDA represents earnings before interest, tax, depreciation and amortisation.
(iii) Underlying Operations (which are not the statutory results) are non-IFRS measures and not subject to review procedures. They reflect the core financial performance of Webjet Group, adjusting for the impact of any one-off or non-recurring items, non-cash items such as share based payments and pro forma adjustments disclosed in the Demerger Booklet. These adjustments are made to give investors a clearer and more consistent view of Webjet Group's ongoing financial performance. Refer to tables below for reconciliation of Underlying Operations.
(iv) Underlying revenue excludes interest income and reflects total revenue applicable to the Underlying Operations of Webjet Group.
(v) Underlying EBITDA and underlying net profit after tax are adjusted to exclude share based payments expense and non-operating expenses, and adjust for amounts relevant or irrelevant to Webjet Group on an ongoing basis and their associated tax impact.

Refer to pages 4 to 8 of the half-year Financial Report for overview of performance.

Underlying revenue reconciliation

	30 September 2024 $m	30 September 2023 $m
Total revenue from ordinary activities	**72.0**	**66.4**
Revenue [(vi)]	–	6.4
Total adjustments to revenue	**–**	**6.4**
Underlying Revenue	**72.0**	**72.8**

(vi) Revenue in the Statutory previous corresponding period includes an adjustment to revenue which will not re-occur subsequent to the demerger.

Appendix 4D
Preliminary half-year financial report.

2. Results for announcement to the market (continued)

Underlying EBITDA reconciliation

	30 September 2024 $m	30 September 2023 $m
EBITDA	**16.2**	**12.3**
Share based payment expense (vii)	3.0	2.3
Non-operating expenses (viii)	0.2	–
Total adjustments to revenue	–	6.4
Non-recurring items (ix)	–	(0.6)
Corporate overheads (x)	–	(1.3)
Total adjustments to EBITDA	**3.2**	**6.9**
Underlying EBITDA	**19.4**	**19.2**

(vii) Share based payment expense is excluded in Underlying Operations to provide a better understanding of financial performance. The current period expense reflects acceleration of FY23 and FY24 Performance Rights as a result of the demerger.
(viii) Non-operating expenses in the current period relate to GoSee restructuring costs and are excluded in Underlying Operations to provide a better understanding of financial performance.
(ix) Non-recurring items represent amounts in the previous corresponding period not applicable to the Underlying Operations of Webjet Group.
(x) Corporate overheads in the previous corresponding period Underlying Operations includes a pro forma adjustment for an additional $1.3m of corporate costs. This represents 50% of the estimated $2.6m per annum additional corporate costs disclosed in section 2.6.3 of the Demerger Booklet.

Underlying net profit after tax reconciliation

	30 September 2024 $m	30 September 2023 $m
Net profit after tax	**6.6**	**6.6**
Total adjustments to EBITDA	3.2	6.9
Depreciation and amortisation (xi)	–	(3.7)
Associated tax effect of underlying adjustments (at 30%)	(0.6)	(0.8)
Underlying net profit after tax	**9.2**	**9.0**

(xi) Depreciation and amortisation in the previous corresponding period Underlying Operations includes a pro forma adjustment for an additional $3.7m amortisation expense.

3. Dividends

Dividend	Payment date	Cents per share	Franked amount per security at 30% tax
Interim dividend – 30 September 2024	n/a	n/a	n/a

4. NTA backing

	30 September 2024 Cents	31 March 2024 Cents
Net tangible asset backing per ordinary share(xii)	19.1	(9.6)

(xii) Net tangible assets per ordinary share calculation includes right-of-use assets.

5. Details of associates

Taguchi Marketing Pty Ltd

Half-Year
Financial Report.

For the six months ended 30 September 2024

www.webjetgroup.com

Webjet Group Limited.

ABN 85 679 116 762

Half-Year Financial Report.

For the six months ended 30 September 2024

Contents.

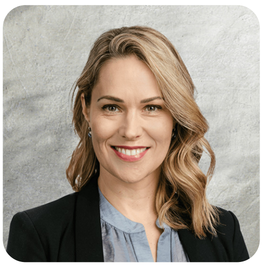
Directors' Report.

The Directors of Webjet Group Limited (the Company) present the financial report of the Company and its controlled entities (Webjet Group) for the half-year ended 30 September 2024.

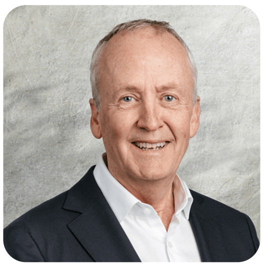
Directors

The Directors of the Company during or since the end of the half-year are:

Don Clarke
Chair and Independent Non-Executive Director
Appointed on 15 July 2024



Katrina Barry
Managing Director
Appointed on 15 July 2024



Brad Holman
Independent Non-Executive Director
Appointed on 15 July 2024

Shelley Beasley
Non-Executive Director
Appointed on 15 July 2024

Ellen Comerford
Independent Non-Executive Director
Appointed on 1 October 2024

Principal activities.

The principal activity of Webjet Group is the online sale of travel products, including flights, hotels, holiday packages, travel insurance, hire cars and motorhomes rentals. Webjet Group primarily consists of two business to consumer (B2C) businesses – Webjet OTA and GoSee.

Webjet OTA

webjet.com.au

Based in Melbourne, Australia, **Webjet OTA** is the #1 online travel agency (**OTA**) in Australia and New Zealand and has more than 50% of the entire OTA domestic flights market in the region.

Webjet OTA's focus has always been to offer the greatest convenience and choice by enabling customers to compare, combine and book the best domestic and international travel flight deals, hotel accommodation, holiday package deals, travel insurance and car hire worldwide. Since its inception in 1998, Webjet OTA has been at the forefront of online innovation, leading the way in online travel tools and technology. Webjet OTA offers unparalleled travel choice, 24/7 customer support, a wide choice in payment options and award-winning customer service.

GoSee

Based in Auckland, New Zealand, **GoSee** is a global travel ecommerce group that specialises in car and motorhome rental through the Airport Rentals (a global car rental site providing access to 1,300+ car rental suppliers in 190+ countries) and Motorhome Republic (a global motorhome rental site offering access to 166 motorhome suppliers in 50+ countries) brands.

In addition to Webjet OTA and GoSee, Webjet Group also owns technology company **Trip Ninja**, a provider of technology that automates the highly manual process of selling complex multi-stop travel itineraries for travel intermediaries. Trip Ninja's proprietary technology improves content efficiency so that travel intermediaries can achieve their goals faster, and more profitably, using sophisticated machine learning technology and AI-driven algorithms.

Directors' Report.

Significant changes in state of affairs

On 30 September 2024, Webjet Group was demerged from WEB Travel Group Limited ("**WEB Travel Group**") (previously known as "Webjet Limited"). For more information refer to Note 1 of the Financial Statements and also the Demerger Booklet released on 8 August 2024.

Review of Operations

The demerger was pivotal for Webjet Group, establishing it as a standalone ASX listed company and providing investors with a unique opportunity to invest in an iconic brand with excellent fundamentals.

Webjet Group's results for Underlying Operations* for the six months ending 30 September 2024 are in line with the trading update provided at WEB Travel Group's AGM on 29 August 2024, just prior to the demerger vote and mark Webjet Group's first reporting period.

Despite challenging macro-economic conditions that saw total Bookings and Total Transaction Value (**TTV**) down compared to the previous corresponding period (**pcp**), Webjet Group's Underlying EBITDA was up 1% on pcp driven by the performance of Webjet OTA.

Webjet OTA Bookings were down 7% on pcp reflecting the softening of the domestic flights market with ongoing cost of living challenges reducing demand. REX airlines going into administration during the period further impacted domestic bookings given the importance of REX to Webjet OTA's large leisure customer base. The fall in domestic bookings was largely offset by growth in higher margin international flight bookings and ancillary products which helped drive Revenue 1% up on pcp, and the ongoing focus on managing Expenses resulted in EBITDA being up 3% on pcp.

The GoSee business continues to be challenged. Cars reported lower Booking volumes in line with the softening domestic flights markets in Australia and New Zealand. Motorhomes continue to be impacted by a combination of reduced inbound tourism and high pricing. Given the largely fixed cost base of that business, EBITDA was $0.2million, down 82% on pcp, largely as a result of the lower Cars booking volumes. During the reporting period Management has undertaken an in-depth strategic review of the GoSee operations and is implementing a restructuring of the business. Meaningful operating expense savings have been identified and are expected to start coming through in the second half of FY25.

Post demerger, Webjet Group has an exceptionally strong balance sheet providing excellent liquidity and cash reserves to pursue its strategic growth objectives. With a dedicated board, management team and balance sheet, Webjet Group is now able to focus on growth. Webjet Group's vision is to enhance the leadership position of its online travel marketplaces in Australia and New Zealand and has a clear and robust growth plan in place with a range of strategic initiatives gaining momentum. The management team are currently refining the longer-term strategic plan for how it plans to take Webjet Group to the next horizon.

Operating and Financial Review

Webjet Group Limited was incorporated on 15 July 2024 and received relief from the Australian Securities and Investments Commission (**ASIC**) under section 340 of the *Corporations Act 2001* (the 'Act'), exempting it from complying with Part 2M.3 of the Act for the technical first half-year period from 15 July 2024 to 14 January 2025. As a result, Webjet Group will report for the period ending 30 September 2024, aligning with WEB Travel Group.

Webjet Group has elected to adopt predecessor accounting method to ensure continuity and comparability in its financial reporting. Webjet Group has also elected to present previous corresponding period financial information as if it had always operated independently. Consequently, the comparative numbers are only representative in nature.

* Webjet Group defines "Underlying Operations" as its core financial performance, adjusting for the impact of any one-off or non-recurring items, and non-cash items such as share based payments. These adjustments are made to provide a clearer and more consistent view of Webjet Group's ongoing financial performance. Underlying Operations (which are not the statutory results) are non-IFRS measures and not subject to review procedures.

Financial Results.

		Statutory Result			Underlying Operations		
	Notes	30 September **2024** $m	30 September **2023** $m	Change %	30 September **2024** $m	30 September **2023** $m	Change %
Bookings (000's)(i)		784	848	(8%)	784	848	(8%)
Total transaction value (TTV)(i)		752	820	(8%)	752	820	(8%)
Total revenue(ii)		**72.0**	**66.4**	**8%**	**72.0**	**72.8**	**(1%)**
Revenue margin		*9.6%*	*8.1%*	*+150bps*	*9.6%*	*8.9%*	*+70bps*
Operating costs		(45.8)	(46.3)	(1%)	(45.8)	(46.3)	(1%)
Corporate overheads(iii)		(6.8)	(6.1)	11%	(6.8)	(7.4)	(8%)
Non-recurring items(iv)		–	0.6	(100%)	–	–	n/a
Share based payments expense(v)		(3.0)	(2.3)	30%	–	–	n/a
Non-operating expenses(vi)		(0.2)	–	n/a	–	–	n/a
EBITDA		**16.2**	**12.3**	**32%**	**19.4**	**19.2**	**1%**
EBITDA margin		*22.5%*	*18.5%*	*+400bps*	*26.9%*	*26.4%*	*+50bps*
Depreciation and amortisation(vii)		(5.9)	(1.7)	247%	(5.9)	(5.4)	9%
Net interest and finance costs	6.3	(0.2)	(0.7)	(71%)	(0.2)	(0.7)	(71%)
Profit before tax		**10.1**	**9.9**	**2%**	**13.3**	**13.1**	**2%**
Income tax expense(viii)	7.1	(3.5)	(3.3)	6%	(4.1)	(4.1)	0%
Net profit after tax		**6.6**	**6.6**	**0%**	**9.2**	**9.0**	**2%**

(i) Bookings and TTV are used by management as performance indicators for the segments. TTV is the gross transaction price on a booking.
(ii) Total revenue excludes interest income. The Statutory pcp includes a $6.4m adjustment to revenue which will not re-occur subsequent to the demerger.
(iii) Corporate overheads in the pcp Underlying Operations includes a pro forma adjustment for an additional $1.3m of corporate costs. This represents 50% of the estimated $2.6m per annum additional corporate costs disclosed in section 2.6.3 of the Demerger Booklet.
(iv) Non-recurring items represent amounts in the Statutory pcp not applicable to the Underlying Operations of Webjet Group.
(v) Share based payment expense is excluded in Underlying Operations to provide a better understanding of financial performance. The current period expense reflects acceleration of FY23 and FY24 Performance Rights as a result of the demerger.
(vi) Non-operating expenses in the current period relate to GoSee restructuring costs and are excluded in Underlying Operations to provide a better understanding of financial performance.
(vii) Depreciation and amortisation in the pcp Underlying Operations includes a pro forma adjustment for an additional $3.7m amortisation expense.
(viii) Income tax expense in Underlying Operations includes associated tax effect of adjustments (at 30%).

For the six months ending 30 September 2024 the domestic travel sector remained subdued due to ongoing cost of living pressures. Total Bookings were down 8% on pcp and TTV was also down 8% to $752 million. Despite the decline in Bookings and TTV, Underlying Revenue was only down 1% to $72.0 million driven by strategic initiatives and focus on improving Revenue margin, which was up 70bps to 9.6%. These initiatives together with a retained focus on costs resulted in Underlying EBITDA increasing by 1% to $19.4 million, with underlying EBITDA margin up 50bps to 26.9%. Underlying Net profit after tax was also up 2% on pcp to $9.2 million.

Additional commentary on performance is included in Webjet Group's 30 September 2024 ASX release and investor presentation lodged with the ASX on 25 November 2024.

Balance Sheet.

	Notes	30 September 2024 $m	31 March 2024 $m	Change $m
Cash and cash equivalents	8.1	143.4	100.3	43.1
Trade receivables and other assets	9.1	18.9	17.6	1.3
Intangible assets		73.2	71.9	1.3
Other non-current assets		4.4	3.9	0.5
Total assets		**239.9**	**193.7**	**46.2**
Trade payables and other liabilities	9.2	71.4	67.4	4.0
Other current liabilities		13.9	16.3	(2.4)
Non-current liabilities		6.3	75.6	(69.3)
Total liabilities		**91.6**	**159.3**	**(67.7)**
Net assets		**148.3**	**34.4**	**113.9**
Issued capital	11	26.9	26.9	–
Reserves		119.5	12.2	107.3
Retained earnings		0.6	(6.0)	6.6
Non-controlling interests		1.3	1.3	–
Total equity		**148.3**	**34.4**	**113.9**

Webjet Group has an exceptionally strong balance sheet, with significant cash reserves as well as access to a $20 million revolving credit facility. There were no borrowings as at 30 September 2024.

Cash and cash equivalents increased from March 2024 by $43.1 million, primarily reflecting intercompany funding cash inflows as part of the demerger process.

The increase in trade and other payables includes $7.9 million surplus demerger cash allocation paid to WEB Travel Group after the reporting date.

The movement in non-current liabilities and reserves reflect balances transferred from WEB Travel Group to Webjet Group at their predecessor (book) values.

Directors' Report.

Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the half-year period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of Webjet Group in future periods.

Dividend

No interim dividend has been declared by the Directors for the half-year ended 30 September 2024. Webjet Group anticipates paying dividends in FY26 and in subsequent years.

Material Business Risks

Webjet Group is exposed to a range of risks and seeks to mitigate any material exposures to its operations through a range of measures aligned with its risk management framework.

Key risks, as detailed in section 2.14 of the Demerger Booklet, include:

- Competition
- Regulatory investigation and litigation
- Technology and IT systems interruption/failure
- Data security and protection of personal information
- Impact of economic conditions on the travel and tourism industry
- Retention of key personnel
- Global health of pandemics
- Reputation
- Breaches of laws and regulations
- Supplier relationships
- Innovation risk

Webjet Group's approach to risk management is based on established governance processes and relies on both individual responsibility and collective oversight, supported by various tools to facilitate comprehensive reporting. This approach balances strong corporate oversight at corporate level allowing proactive participation by the senior management team in all significant risk matters.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 9.

Rounding of amounts

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in this directors' report are rounded off to the nearest one hundred thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of directors made pursuant to section 306(3) of the *Corporations Act 2001*.

On behalf of the Directors

Don Clarke
Chair
Melbourne, 25 November 2024

Deloitte.

Deloitte Touche Tohmatsu
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Australia

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25 November 2024

The Board of Directors
Webjet Group Limited
Level 2
509 St Kilda Road
MELBOURNE VIC 3004

Dear Board Members

Auditor's Independence Declaration to Webjet Group Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Webjet Group Limited.

As lead audit partner for the review of the half-year financial report of Webjet Group Limited for the half-year ended 30 September 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Anneke du Toit
Partner
Chartered Accountants

Deloitte.

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Independent Auditor's Review Report to the Members of Webjet Group Limited

Conclusion

We have reviewed the half-year financial report of Webjet Group Limited (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 September 2024, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration as set out on pages 12 to 30.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 September 2024 and of its performance for the half-year ended on that date; and

- Complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a *Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Deloitte.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 September and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Anneke du Toit
Partner
Chartered Accountants
Melbourne, 25 November 2024

Consolidated statement of profit or loss and other comprehensive income.

For the half-year ended 30 September 2024

	Notes	6 months ended 30 September 2024 $m	6 months ended 30 September 2023 $m
Revenue	5.1	71.9	66.3
Other income		0.1	0.1
Total revenue		**72.0**	**66.4**
Employee benefit expenses	6.1	(21.2)	(23.9)
Operating expenses	6.2	(34.4)	(30.2)
Other non-operating expenses		(0.2)	–
Profit before interest, tax, depreciation and amortisation		**16.2**	**12.3**
Interest income	6.3	1.5	1.7
Interest expense and finance costs	6.3	(1.7)	(2.4)
Depreciation and amortisation		(5.9)	(1.7)
Profit before tax		**10.1**	**9.9**
Income tax expense	7.1	(3.5)	(3.3)
Net profit after tax		**6.6**	**6.6**
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss			
– Exchange difference on translating foreign operations		0.5	–
		0.5	**–**
Items that will not be subsequently reclassified to profit or loss			
– Income tax (expense)/benefit relating to share based payments		(0.3)	0.3
		(0.3)	**0.3**
Other comprehensive income for the period, net of income tax		**0.2**	**0.3**
Total comprehensive income for the period		**6.8**	**6.9**
Total comprehensive income attributable to:			
Owners of the parent company		6.8	6.9
		6.8	**6.9**

	Cents per share	Cents per share
Profit per share:		
Basic	1.7	1.7
Diluted	1.7	1.7

Notes to the consolidated half year financial statements are included on pages 16 to 29.

Consolidated statement of financial position.

As at 30 September 2024

	Notes	As at 30 September 2024 $m	As at 31 March 2024 $m
Current assets			
Cash and cash equivalents	8.1	143.4	100.3
Trade receivables and other assets	9.1	18.9	17.6
Total current assets		**162.3**	**117.9**
Non-current assets			
Intangible assets		73.2	71.9
Property, plant and equipment		4.1	2.1
Deferred tax assets		–	1.5
Investment in associate		0.3	0.3
Total non-current assets		**77.6**	**75.8**
Total assets		**239.9**	**193.7**
Current liabilities			
Trade payables and other liabilities	9.2	71.4	67.4
Other current liabilities		13.9	16.3
Total current liabilities		**85.3**	**83.7**
Non-current liabilities			
Deferred tax liabilities		3.7	2.1
Other non-current liabilities		2.6	73.5
Total non-current liabilities		**6.3**	**75.6**
Total liabilities		**91.6**	**159.3**
Net assets		**148.3**	**34.4**
Equity			
Issued capital	11	26.9	26.9
Reserves		119.5	12.2
Retained earnings		0.6	(6.0)
Non-controlling interests		1.3	1.3
Total equity		**148.3**	**34.4**

Notes to the consolidated half year financial statements are included on pages 16 to 29.

Consolidated statement of cash flows.

For the half-year ended 30 September 2024

	Notes	6 months ended 30 September 2024 $m	6 months ended 30 September 2023 $m
Net profit after tax		6.6	6.6
Add back:			
– Depreciation and amortisation		5.9	1.7
– Finance cost, net of interest income		0.2	0.7
– Income tax expense		3.5	3.3
Profit before interest, tax, depreciation, amortisation		**16.2**	**12.3**
Adjusted for changes in working capital:			
– Increase in trade receivables and other assets		(0.4)	(1.9)
– (Decrease)/increase in trade payables and other liabilities		(12.2)	4.0
Non-cash items		3.0	2.3
Cash flow from operating activities before interest and tax		**6.6**	**16.7**
Net interest received/(paid)		0.7	(0.5)
Income tax expense paid		(0.1)	(0.1)
Net cash inflows from operating activities		**7.2**	**16.1**
Purchase of property, plant and equipment		(0.4)	(0.2)
Purchase of intangible assets		(6.2)	(5.1)
Net cash outflows from investing activities		**(6.6)**	**(5.3)**
Payment of lease liabilities		(0.5)	(0.6)
Proceeds from demerger cash allocation		43.0	–
Proceeds from intercompany loans		–	32.0
Net cash inflows from financing activities		**42.5**	**31.4**
Net increase in cash and cash equivalents		**43.1**	**42.2**
Cash and cash equivalents at the beginning of the period		100.3	76.8
Effects of foreign exchange translation on cash and cash equivalents		–	(0.1)
Cash and cash equivalents at the end of the period		**143.4**	**118.9**

Notes to the consolidated half year financial statements are included on pages 16 to 29.

Consolidated statement of changes in equity.

For the half-year ended 30 September 2024

	Issued capital[(i)] $m	Share based payments reserve $m	Common control reserve	Foreign currency translation reserve $m	Retained earnings (losses) $m	Attributable to owners of the parent $m	Non-controlling interest $m	Total equity $m
Balance at 1 April 2024	**26.9**	**1.7**	**8.5**	**2.0**	**(6.0)**	**33.1**	**1.3**	**34.4**
Profit for the period	–	–	–	–	6.6	6.6	–	6.6
Other comprehensive income for the period, net of income tax	–	(0.3)	–	0.5	–	0.2	–	0.2
Total comprehensive income for the period	**–**	**(0.3)**	**–**	**0.5**	**6.6**	**6.8**	**–**	**6.8**
Transactions with owners in their capacity as owners, net of tax								
Settlement of balances as part of demerger	–	–	107.1	–	–	107.1	–	107.1
Balance at 30 September 2024	**26.9**	**1.4**	**115.6**	**2.5**	**0.6**	**147.0**	**1.3**	**148.3**
Balance at 1 April 2023	**26.9**	**1.2**	**–**	**1.3**	**(5.0)**	**25.7**	**1.3**	**25.7**
Profit for the period	–	–	–	–	6.6	6.6	–	6.6
Other comprehensive income for the period, net of income tax	–	0.3	–	–	–	0.3	–	0.3
Total comprehensive income for the period	**–**	**0.3**	**–**	**–**	**6.6**	**6.9**	**–**	**6.9**
Balance at 30 September 2023	**26.9**	**1.5**	**–**	**1.3**	**1.4**	**31.3**	**1.3**	**32.6**

(i) Issued Capital relates to subsidiaries and associates investments transferred by WEB Travel Group as part of the demerger after establishing Webjet Group (refer Note 1). Webjet Group's list of subsidiaries and associates are listed in Note 12.

Notes to the consolidated half year financial statements are included on pages 16 to 29.

Notes to the consolidated half-year financial statements.

Corporate information.

1. Establishing Webjet Group Limited

Webjet Group Limited (the "Company") was incorporated on 15 July 2024 as a wholly-owned subsidiary of Webjet Limited. On 17 September 2024, Webjet Limited shareholders approved the demerger of its B2C businesses (as defined in Note 12). Webjet Limited subsequently become known as WEB Travel Group Limited ("WEB Travel Group").

The Restructure

During the half year ended 30 September 2024, WEB Travel Group undertook a restructure and demerger process, pursuant to which a newly incorporated company, Webjet Group Limited, was formed. As part of the restructure, Webjet OTA, GoSee and Trip Ninja were transferred to the Company.

The restructure (i.e. the creation of the Company and the transfer of Webjet OTA, GoSee and Trip Ninja) was considered a common control transaction, given WEB Travel Group controlled the Company and its subsidiaries ("Webjet Group"), both before and after the restructure. Common control transactions are excluded from the scope of AASB 3 Business Combinations and there is no specific guidance under Australian Accounting Standards for the accounting treatment to be adopted for these transactions. Consequently, management adopted an accounting policy they consider reliable and relevant to the decision-making needs of users of the financial statements.

Webjet Group adopted predecessor accounting for the restructure, reflecting the assets and liabilities transferred at their predecessor or book values as at the date of the restructure. Management consider this approach best reflected the substance of the transaction given it was an internal reorganisation, and Webjet Group remained fully controlled by WEB Travel Group after completion of the restructure up until the demerger occurred.

The Company did not pay WEB Travel Group any cash as consideration upon transfer of the assets and liabilities of the subsidiaries and instead issued new equity to WEB Travel Group at an equivalent value of $26.9 million, reflecting the value of individual investments carried at cost in the previous standalone accounts of Webjet Limited. As part of the demerger, an additional cash balance was contributed to Webjet Group by WEB Travel Group. The difference between the book value of the issued shares and the value of the net assets of the B2C businesses was recognised as a common control reserve in equity in the financial statements of Webjet Group. The additional cash allocation of $43 million is included in the common control reserve in equity. No goodwill arose under the restructure.

The Demerger

On 17 September 2024, the Webjet Limited shareholders approved the demerger of Webjet Group by way of the declaration of an in-specie distribution to the shareholders. On 30 September 2024 Webjet Group separated from WEB Travel Group, by WEB Travel Group distributing its shares in the Company to the eligible WEB Travel Group shareholders on a one-for-one-basis.

In anticipation of and in conjunction with the demerger, on 23 September 2024, the Company's shares started trading on the Australian Securities Exchange on a conditional and deferred settlement basis with normal trading commencing on 1 October 2024 under the code 'WJL'.

Historical Financial Information

The Company has adopted an accounting policy whereby the financial statements of the demerged stand-alone Webjet Group are presented as if the demerger had occurred at the beginning of the comparative period. The historical financial performance and financial position of Webjet Group are combined and presented as though Webjet Group had always existed in its current form, using the historical cost basis of the assets and liabilities from the original entity (i.e. the company previously referred to as Webjet Limited). Consequently, the comparative numbers are only representative in nature.

Statement of compliance

This general purpose consolidated interim financial report for the half-year ended 30 September 2024 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

2. Basis of preparation

Basis of preparation

The historical cost basis has been used, except for financial instruments that are measured at fair values. The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values. All amounts are presented in Australian dollars, unless otherwise noted.

Webjet Group's Directors have included information in this report that they deem to be material and relevant to the understanding of the consolidated financial statements. The Directors have elected to apply predecessor accounting approach (see note on historical financial information).

These consolidated financial statements are prepared on a going concern basis. The accounting policies and methods of computation adopted in the preparation of the half-year financial report are detailed in Note 2. The accounting policies are consistent with Australian Accounting Standards and with IFRS Accounting Standards.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the half-year period that has significantly affected, or may significantly affect, the operations of Webjet Group, the results of those operations, or the state of affairs of Webjet Group in future periods.

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that Webjet Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company, its subsidiaries and associate up to 30 September 2024. Control is achieved when the Company:

- Has the power over the investee
- Is exposed, or has rights, to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns

Where necessary, adjustments are made to the financial statements of subsidiaries and associate to bring the accounting policies used into line with Webjet Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of Webjet Group are eliminated on consolidation.

Rounding of amounts

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the half-year financial report are rounded off to the nearest one hundred thousand dollars, unless otherwise indicated.

Adoption of new accounting standards

Webjet Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 April 2024.

Set out below are the new and revised Standards and amendments thereof effective for the current half-year that are relevant to Webjet Group:

- AASB 2021-2 Amendments to Australian Accounting Standards: Disclosure of Accounting Policies and Definition of Accounting Estimates;
- AASB 2021-5 Amendments to Australian Accounting Standards: Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- AASB 2021-7 Amendments to Australian Accounting Standards: Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections; and
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards.

The application of the above standards and amendments has had no material impact on the disclosures or on the amounts recognised in the consolidated interim financial report.

Functional and presentation currency

The Company's functional and presentation currency is Australian dollars. Each entity within Webjet Group determines its own functional currency and the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in currencies other than the functional currency of the entity are recorded using the exchange rate on the date of transaction. Monetary assets and liabilities that are denominated in foreign currencies at the balance date are translated at the closing exchange rate. Non-monetary assets are not subject to retranslation unless they are carried at fair value. Gains and losses arising on the retranslation of monetary assets and liabilities are included in the income statement.

3. Material accounting policy information

Given this is the first half-year of Webjet Group, we are disclosing the following material accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements.

(a) Revenue from customers

AASB 15 *Revenue from Contracts with Customers*, establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Under AASB 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control (at a point in time or over time) and the role in the transaction (principal or an agent) both require judgement.

Webjet Group operates online intermediary platforms with Webjet OTA and GoSee offering travel and travel related products, to be provided to retail customers.

Webjet Group has concluded that it acts as an agent in providing online travel booking services, with the supplier of the travel products being considered the principal in the wider travel sales transaction, and customer in the agency relationship. Webjet Group's performance obligation is to arrange for the provision of flights, hotel rooms or other ancillary travel related products by another party (being the airline, hotel or car hire company). Although Webjet Group provides customer support, it does not provide the specified goods or services itself. Before the services are transferred to the company, Webjet Group does not control the services provided by the other party.

Total transaction value (TTV) represents the total invoiced value payable by the customer, but as the acting agent, Webjet Group recognises revenue for this service in the amount of any fee or commission to which it expects to be entitled in exchange for arranging a booking. Webjet Group's commission can either be based on a booking fee, or the residual amount received from the customer after paying the associated cost to the supplier of the travel service.

Revenue streams

An overview of Webjet Group's primary revenue streams is shown below.

Variable consideration

If the consideration in a contract includes a variable amount, Webjet Group estimates the amount of consideration to which it will be entitled to, in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Cancellations

Revenue is recognised when Webjet Group has provided the contracted service, or when the amount received becomes non-refundable under Webjet Group's travel booking's cancellation policy. Subject to the Supplier's refund policy, Webjet Group's liability to provide a refund is limited to the amount it actually receives from the relevant Supplier.

Gift cards

Gift card liabilities are recognised at the time of sale, reflecting the obligation to provide goods or services equivalent to the amount prepaid by the customer. This liability is measured at the amount received, representing the face value of outstanding gift cards.

In accordance with AASB 15 – Revenue from Contracts with Customers, gift card breakage revenue is recognised when the likelihood of redemption becomes remote and the entity expects to be entitled to this amount. The company estimates gift card breakage revenue based on historical redemption patterns and other relevant data, ensuring that the method reflects an accurate measure of anticipated breakage.

Contract assets and Contract liabilities

AASB 15 uses the terms 'contract asset' and 'contract liability' to describe what might more commonly be known as 'accrued revenue' and 'deferred revenue'. Webjet Group has adopted the terminology used in AASB 15 to describe such balances. These balances are included in trade receivables and other assets and trade payables and other liabilities in the balance sheet.

Primary revenue stream	Performance obligation	Transaction price calculated as	Timing of revenue recognition
Booking commission revenue	Successful booking completed	Gross booking value less payable to supplier or percentage of booking value	Point in time: On booking
Supplier rebates(i)	Use of supplier services above an agreed threshold	Variable based on the contractual terms	Point in time: On booking Over time: when it is reasonably certain the agreed threshold will be exceeded
Other revenue (marketing, advertising and other revenue)	Service provided	As per contract with customer, percentage of transaction value	Point in time and over time

(i) Relates to incentives or lump sum amounts that are received from suppliers. The recognition pattern is dependent on the specific terms of each contract. The revenue is only recognised upfront where there has been a service transferred upfront, otherwise it is recognised over the term of the contract in line with the delivery of the performance obligation. The revenue can be either fixed or variable and is constrained where contract terms require the supplier to be refunded in part or full upon termination of the contract.

3. Material accounting policy information (continued)

Contract assets relate to revenue accrued but not invoiced and are typically realised within three to six months from initial recognition. Contract liabilities relate to cash received in advance of the booking or check in date and gift vouchers issued to customers.

Gift vouchers mainly include those issued to customers. These gift vouchers have an expiry term of 3 years from issue date. As they can be utilised at any time, all gift vouchers are classified as current liabilities.

(b) Earnings per share

Earnings per share is calculated as net profit after tax divided by the weighted average number of ordinary shares in issue. Diluted earnings per share is calculated as net profit after tax divided by the weighted average number of shares in issue adjusted for dilutive potential ordinary shares.

(c) Cash and cash equivalents

In the statement of financial position, cash and bank balances comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

Bank balances, for which use by Webjet Group is subject to third party contractual restrictions, are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in Note 7.1. If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the statement of financial position.

Restricted cash relates to cash held within legal entities of Webjet Group for payment to product and service suppliers or cash held for supplier guarantees where contractually required with an equal obligation recognised as a liability. Restricted cash includes monies received from customers which is due to be paid to airline suppliers in accordance with International Air Transport Association (IATA) requirements.

(d) Trade receivables and other assets

Trade and other receivables are recognised initially at fair value and, subsequently measured at amortised cost using the effective interest rate method, less a provision for impairment in accordance with the simplified approach permitted by AASB 9 Financial Instruments. Expected credit losses are based on the difference between the contractual cashflows due in accordance with the contract and all the cashflows that Webjet Group expects to receive.

Webjet Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected credit loss provision for all trade receivables and contract assets.

Impairment of trade receivables

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled income and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Webjet Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of total transaction value (TTV) over a period of 24 months before 30 September 2024 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables such as GDP, and the unemployment rate of the regions in which the customer operates, and accordingly adjusts the historical loss rates if there are material deteriorations to these macroeconomic indicators identified.

The derived credit matrix does not include the impact of any one-off events that are deemed not to reflect the credit quality of the portfolio of customers on an ongoing basis (e.g. pandemics or unexpected liquidation of large customers) as these are specifically provided for on a case-by-case basis. The credit loss allowance is calculated by applying Webjet Group's credit risk matrix to the ageing of trade receivables as below.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery, for instance when the customer has been declared bankrupt, cannot be located or is unable to meet the agreed periodic payments under a payment plan with Webjet Group.

3. Material accounting policy information (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to Webjet Group. There have been no modifications to contractual cashflows during the current period.

Webjet Group reviews the recoverable amount of each trade debt on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the Directors of the Company consider that Webjet Group's credit risk is significantly reduced.

Due to the low-value, high-volume transactional nature of the travel industry, Webjet Group does not have material credit risk exposure to a single debtor.

The carrying amount of financial assets in the financial statements, net of any impairment losses and credit loss allowances, represents Webjet Group's maximum exposure to credit risk. As at 30 September 2024, Webjet Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to Webjet Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by Webjet Group arises from:

- The carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.
- The maximum amount the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised as disclosed in Note 13.

Webjet Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL
Doubtful	Amount is >180 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL
In default/ Write-off	Amount is >365 days past due or there has been a significant increase in credit risk since initial recognition, with the exception of reciprocal balances for in default customers	Lifetime ECL

(e) Trade payables and other liabilities

Trade and other payables represent liabilities for goods and services provided to Webjet Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Other payables and accruals primarily represent liabilities for goods and services received.

Contract liabilities represent amounts received from third parties that are subsequently recognised as revenue in line with the performance obligations attached to the relevant contract.

Deferred revenue is a contract liability that typically relates to revenue received in advance for bookings and lump sum payments from suppliers. It represents revenue received in advance of the completion of the performance obligation under the contract. It is recognised when the consideration is received or is due (whichever is earlier).

Deferred revenue is released to the statement of profit or loss as the performance obligation is met.

Provisions are recognised when Webjet Group has a present obligation (legal or constructive) as a result of a past event, it is probable that Webjet Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by Webjet Group in respect of services provided by employees up to the reporting date.

3. Material accounting policy information (continued)

(f) Intangible assets

Intangible assets comprise goodwill, trademarks, capitalised development costs and other identifiable intangibles.

Category	Description	Basis for recognising expected credit losses
Goodwill	Goodwill for Webjet Group arises on business acquisitions and represents the difference between the total consideration paid and the fair value of the net assets acquired.	Goodwill is not amortised but is assessed for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that it might be impaired.
Trademarks	Trademarks for Webjet Group arise on business combinations. Trademarks can have indefinite useful lives where there is no expiry and no foreseeable limit on the period of time over which these assets are expected to contribute to the cashflows of Webjet Group.	3 years
Capitalised development – Booking platforms	Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by Webjet Group are recognised as intangible assets as capitalised development. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. The capitalised development intangible assets represent Webjet Group's travel booking systems and licences as well as additional distribution systems that enable customers to access the booking platforms. Capitalised development is amortised on a straight-line basis.	Booking platforms – 10 years
Other identifiable intangibles	Other identifiable intangible assets arise on capitalised work-in-progress, business acquisitions and are comprised of supplier agreements and customer contracts/relationships.	Supplier agreements and customer contracts are not amortised but are assessed for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that it might be impaired.
SaaS arrangements	Webjet Group expenses implementation, configuration and customisation costs incurred on Software as a Service (SaaS) arrangement where Webjet Group has no ownership rights or control over the software code. Customisation costs where Webjet Group has ownership rights over the software code continues to be capitalised and amortised over its useful life.	Expected life of contract

Assessment of impairment indicators

Goodwill is monitored by management at the operating segment level or CGU. Webjet Group has identified the reportable segments to be Webjet OTA and GoSee, refer to Note 4 for further details.

Webjet Group has performed an assessment of impairment indicators at the end of the reporting period, following the full impairment testing that was conducted at 31 March 2024. There were no indicators of impairment identified in relation to intangible assets that required a full impairment test to be conducted at the end of the half-year.

3. Material accounting policy information (continued)

(g) Property, plant and equipment

Property, plant and equipment (PPE) of Webjet Group comprises office equipment, furniture & fittings, leasehold improvements, computer equipment and assets under construction.

Each class of property, plant and equipment is carried at historical cost less accumulated depreciation and impairment losses.

The depreciation rate used for each class of depreciable asset is:

Office furniture and equipment	5 to 8 years
IT equipment	5 years
Right-of-use assets and leasehold improvements	Over term of lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(h) Leases

Webjet Group leases various offices. Rental contracts are typically made for fixed periods of 3 to 5 years but may have extension options, with optionality used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by Webjet Group and not by the respective lessor.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use lease asset and a corresponding lease liability at the date at which the leased asset is available for use by Webjet Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use lease asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use lease assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(i) Taxation

The income tax expense or benefit for the period is the tax payable on the current period's taxable income using the applicable income tax rate for each jurisdiction adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge or credit is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associate operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to positions in which applicable tax regulations may be subject to interpretation. Webjet Group recognises provisions, where appropriate, on the basis of amounts expected to be paid to the relevant tax authorities.

3. Material accounting policy information (continued)

Deferred income tax is provided in full using the liability method and based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from the initial recognition of an asset or liability in a transaction, other than a business combination, and at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities arising from temporary differences between the carrying amount and tax bases of investments in foreign operations are not recognised where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Company and its Australian wholly owned subsidiaries were members of the WEB Travel Group Limited's tax consolidated group ("WEB Travel TCG") until the implementation of the demerger on 30 September 2024. As a consequence the entities within the WEB Travel TCG were taxed as a single entity for Australian income tax purposes.

Following the implementation of the demerger, the Company and its Australian wholly owned subsidiaries have exited the WEB Travel TCG. Going forward, each entity will be responsible for its own income tax obligations and lodging its own income tax return with the Australian Taxation Office. There is no intent to form a new tax consolidated group at this stage.

Any current and deferred tax balances of the entities will be recognised in the separate financial statements of each entity going forward. Historic tax losses generated by the WEB Travel Group will remain with the WEB Travel TCG and will not be transferred to Webjet Group for any of its Australian wholly owned subsidiaries.

Current and deferred tax balances are recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(j) Financial risk management

Webjet Group's risk management is based on policies approved by the Board of Directors. Group finance identifies, evaluates and hedges financial risks in close co-operation with Webjet Group's operating units. The Board provides written principles for overall risk management, and review and approved policies covering specific areas, such as foreign exchange risk, interest rates and the use of derivative financial instruments.

Capital risk management

Webjet Group manages its capital to ensure that entities in Webjet Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of Webjet Group consists of net cash and equity of Webjet Group.

Net cash is defined as cash and cash equivalents excluding restricted cash. Equity includes capital, reserves, retained earnings and non-controlling interest.

Webjet Group is not subject to any externally imposed capital requirements.

Post demerger, effective 30 September 2024, Webjet Group is supported by a three-year $20 million revolving credit facility, with no borrowings as of 30 September 2024. Webjet Group also has a bank guarantee facility of $50 million for the first 12 months post-Demerger, which is intended to revert to $25 million from 1 October 2025. At 30 September 2024, Webjet Group had drawn bank guarantee facilities amounting to $16.3 million.

Foreign exchange risk

A portion of Webjet Group's revenues and expenses are denominated in foreign currencies. As a result, these revenues and expenses are sensitive to movements in the exchange rate between foreign currencies and the Australian dollar where currency translation effects occur. While Webjet Group hedges a portion of its foreign currency exchange rate exposure, Webjet Group does not seek to hedge all of its exposure.

Interest rate risk

Webjet Group recognises that fluctuations in interest rates may impact both earnings and the fair value of financial assets and liabilities. To manage interest rate risk, the company adopts a balanced mix of fixed and floating interest rate instruments, periodically reviewing this mix in response to market conditions.

Liquidity risk

Webjet Group manages liquidity risk by maintaining adequate reserves and banking facilities continuously monitoring the forecast and actual cashflows and matching the maturity profile of financial assets and liabilities.

4. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director.

The Managing Director considers that all members of Webjet Group provide the same service, being Travel Bookings to the same class of customer (Business to Customer Travel), albeit through two distinctly different mediums being, flights and vehicle rentals. As such, it is considered that the reportable segments are Webjet OTA (flights) and GoSee (vehicle rentals).

The segment information provided to the Managing Director for the periods ended 30 September 2024 and 30 September 2023 and reportable under AASB 8 Segment Reporting are set out in the tables below.

	6 Months ended							
	30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023
	Webjet OTA		GoSee		Corporate[i]		Total	
	$m	$m	$m	$m	$m	$m	$m	$m
Bookings (000's)[ii]	644	692	140	156	–	–	784	848
Total transaction value (TTV)[ii]	661	716	91	104	–	–	752	820
Total revenue[iii]	62.1	54.9	9.8	11.1	0.1	0.4	72.0	66.4
Operating costs	(34.7)	(34.8)	(9.6)	(10.0)	(8.3)	(7.0)	(52.6)	(51.8)
Share based payments expense[iv]	–	–	–	–	–	–	(3.0)	(2.3)
Non-operating expenses[v]	–	–	–	–	–	–	(0.2)	–
EBITDA[vi]	**27.4**	**20.1**	**0.2**	**1.1**	**(8.2)**	**(6.6)**	**16.2**	**12.3**
Depreciation & amortisation							(5.9)	(1.7)
Net interest and finance costs							(0.2)	(0.7)
Profit before tax							**10.1**	**9.9**
Income tax expense							(3.5)	(3.3)
Net profit after tax							**6.6**	**6.6**

(i) Corporate includes Trip Ninja.
(ii) Bookings and TTV are used by management as key performance indicators for the segments.
(iii) Webjet Group is considered an agent in providing travel services and only recognises net commission receivable as revenue.
(iv) Share based payments expense in the current period reflects acceleration of FY23 and FY24 Performance Rights as a result of the demerger.
(v) Non-operating expenses in the current period relate to GoSee restructuring costs.
(vi) EBITDA represents Earnings before Interest, Tax, Depreciation and Amortisation.

5. Revenue

5.1 Disaggregation of revenue

Revenue by segment, disaggregated by major revenue stream and timing of revenue recognition is as follows:

6 Months ended 30 September 2024	Revenue recognition	Webjet OTA $m	GoSee $m	Corporate[(i)] $m	Total $m
Booking commission revenue	Point in time	41.7	8.0	0.1	49.8
Supplier rebates	Point in time	4.9	–	–	4.9
Supplier rebates	Over time	6.6	0.3	–	6.9
Other revenue	Over time	6.6	1.4	–	8.0
Other revenue	Point in time	2.2	0.1	–	2.3
Revenue[(ii)]		**62.0**	**9.8**	**0.1**	**71.9**

(i) Includes revenue of Trip Ninja of $0.1 million.
(ii) Excludes other income.

6 Months ended 30 September 2023	Revenue recognition	Webjet OTA $m	GoSee $m	Corporate[(i)] $m	Total $m
Booking commission revenue[(iii)]	Point in time	36.6	9.3	0.3	46.2
Supplier rebates	Point in time	5.3	–	–	5.3
Supplier rebates	Over time	6.7	0.5	–	7.2
Other revenue	Over time	4.4	1.3	0.1	5.8
Other revenue	Point in time	1.8	–	–	1.8
Revenue[(ii)]		**54.8**	**11.1**	**0.4**	**66.3**

(i) Includes revenue of Trip Ninja of $0.4 million.
(ii) Excludes other income.
(iii) Booking commission revenue in the pcp for Webjet OTA does not include $6.4m revenue applicable to the Underlying Operations of Webjet Group.

5.2 Contract assets and contract liabilities

These balances are included in trade and other receivables, and trade and other payables in the statement of financial position.

As at 30 September 2024	Webjet OTA $m	GoSee $m	Corporate $m	Total $m
Contract assets	3.7	–	–	3.7
Contract liabilities	(8.3)	–	–	(8.3)

As at 31 March 2024	Webjet OTA $m	GoSee $m	Corporate $m	Total $m
Contract assets	4.9	–	–	4.9
Contract liabilities	(11.5)	–	–	(11.5)

6. Expenses

6.1 Included in employee benefit expenses are:

	6 months ended 30 September 2024 $m	6 months ended 30 September 2023 $m
Salaries and related on-costs	18.2	21.6
Share based payments expense(i)	3.0	2.3
Total	**21.2**	**23.9**

(i) Share based payments expense in the current period reflects acceleration of FY23 and FY24 Performance Rights as a result of the demerger.

6.2 Included in operating expenses are:

	6 months ended 30 September 2024 $m	6 months ended 30 September 2023 $m
Operational expenses	15.5	13.5
Marketing expenses	10.7	11.1
Technology expenses	2.9	2.4
Administration expenses	2.9	1.7
Other expenses	2.4	1.5
Total	**34.4**	**30.2**

6.3 Net interest and finance costs comprise:

	6 months ended 30 September 2024 $m	6 months ended 30 September 2023 $m
Intercompany interest	1.4	1.8
Borrowing costs	0.2	0.5
Lease interest	0.1	0.1
Interest expense and finance costs	**1.7**	**2.4**
Interest income	1.5	1.7
Net interest and finance costs	**(0.2)**	**(0.7)**

7. Taxation

7.1 Income tax expense

	6 months ended 30 September 2024 $m
Current tax	
Current year tax expense	4.2
Total current tax expense	**4.2**
Deferred tax	
Current year deferred tax benefit	(0.7)
Total deferred tax benefit	**(0.7)**
Income tax expense	**3.5**

7.2 Numerical reconciliation of income tax expense to prima facie tax payable

	6 months ended 30 September 2024 $m
Profit from continuing operations before income tax expense	10.1
Tax at the Australian tax rate of 30.0%	**3.0**
Effect of income/expenses that are not assessable/deductible in determining taxable profit	0.4
Difference in overseas tax rates	0.1
Income tax expense	**3.5**

8. Cash and cash equivalents

8.1 Included in cash and cash equivalents are:

	As at 30 September 2024 $m	As at 31 March 2024 $m
Cash at bank and on hand(i)	108.6	57.4
Restricted cash(ii)	34.8	42.9
Cash and cash equivalents	**143.4**	**100.3**

(i) As at 30 September 2024, $7.9 million of cash belonging to WEB Travel Group was held by Webjet Group as a result of the demerger. This was also presented within Trade payables and other liabilities in the Consolidated Statement of financial position and was repaid in October 2024.

(ii) Restricted cash relates to cash held within legal entities of Webjet Group for payment to product and service suppliers or cash held for supplier guarantees where contractually required with an equal obligation recognised as a liability. Restricted cash includes monies received from customers which is due to be paid to airline suppliers in accordance with International Air Transport Association (IATA) requirements.

9. Working capital

9.1 Trade receivables and other assets

	As at 30 September 2024 $m	As at 31 March 2024 $m
Trade receivables	8.8	7.0
Contract assets	3.7	4.9
Credit loss allowance	(0.1)	(0.2)
Trade receivables	**12.4**	**11.7**
Prepayments	2.2	1.6
Other current assets	4.3	4.3
Total trade receivables and other assets	**18.9**	**17.6**

Receivables ageing, contract assets and credit risk allowance

	As at 30 September 2024 $m	As at 31 March 2024 $m
Current	5.7	4.2
30 to 90 days	1.5	2.3
90 to 180 days	1.5	0.4
Over 180 days	0.1	0.1
	8.8	**7.0**
Contract assets	3.7	4.9
Gross trade and other receivables	**12.5**	**11.9**
Allowance based on expected credit losses	(0.1)	(0.1)
Adjustment for expected changes in credit risk	–	(0.1)
Total trade and other receivables	**12.4**	**11.7**

The movement in the credit loss allowance was as follows:

	6 months ended 30 September 2024 $m	6 months ended 30 September 2023 $m
Opening credit loss allowance	0.2	0.2
Movement in credit allowance recognised in profit or loss	(0.1)	–
Closing credit loss allowance	**0.1**	**0.2**

9.2 Trade payables and other liabilities

	As at 30 September 2024 $m	As at 31 March 2024 $m
Trade payables (i)	59.0	48.1
Contract liabilities	8.3	11.5
Accrued expenses and other liabilities	4.1	7.8
Total trade payables and other liabilities	**71.4**	**67.4**

(i) Trade Payables includes $7.9 million of cash belonging to WEB Travel Group which was held by Webjet Group as a result of the Demerger and was repaid in October 2024.

10. Credit facilities

Covenant compliance

Webjet Group has access to banking facilities that are subject to market standard covenants of net leverage ratio and interest cover ratios.

Webjet Group has complied with the financial covenants of its borrowing facilities during the current and comparative reporting periods.

11. Issued Capital

On 30 September 2024, on completion of the demerger, Webjet Group's shares were issued on a 1:1 basis to eligible shareholders, resulting in issuance of 392,530,357 Ordinary shares.

12. Subsidiaries and associate

The ultimate controlling entity of Webjet Group is Webjet Group Limited, otherwise described as the Company. Outlined below is Webjet Group's subsidiaries and associate as at 30 September 2024.

Entity Name	Country of Incorporation	Percentage Owned (%)
Webjet Marketing Pty Ltd	Australia	100%
Webjet Marketing NZ Pty Ltd	New Zealand	100%
Trip Ninja Inc	Canada	100%
GoSee Travel Pty Ltd	Australia	100%
GoSee Limited	New Zealand	100%
GoSee Travel LLC	USA	100%
GoSee Travel Limited	UK	100%
Early Bird (Shenzen) Limited	China	100%
Search Republic Pty Ltd	New Zealand	51%
Taguchi Marketing Pty Ltd	Australia	25%

13. Contingent assets and liabilities

At 30 September 2024, Webjet Group had drawn bank guarantee facilities amounting to $16.3 million.

Webjet Group and its businesses are subject to a range of laws and regulations. As a result, Webjet Group is from time to time subject to investigations, litigation and inquiries initiated by government agencies and regulators among others. Matters the subject of such investigations, litigation and inquiries may include misleading and deceptive conduct, statements or disclosure, unfair contract terms and workplace health and safety claims. Investigations, litigation and inquiries may give rise to financial exposure for the Group including liability for compensation and pecuniary penalty orders, costs, and costs associated with damage to reputation and divergence of senior management's time, attention and resources, all or any of which could be material. Consideration has been given to such matters and due to the preliminary nature of current matters, the need for further disclosures and/or final outcomes remain uncertain.

14. Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the half-year period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of Webjet Group in future periods.

Directors' Declaration.

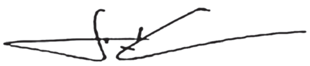
The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity for the half year to 30 September 2024.

Signed in accordance with a resolution of the directors made pursuant to section 303 (5) of the *Corporations Act 2001*.

On behalf of the Directors



Don Clarke
Chair
Melbourne, 25 November 2024

Corporate directory.

Directors

- **Don Clarke** (Chair and Independent Non-Executive Director)
  – Appointed on 15 July 2024
- **Katrina Barry** (Managing Director)
  – Appointed on 15 July 2024
- **Brad Holman** (Independent Non-Executive Director)
  – Appointed on 15 July 2024
- **Shelley Beasley** (Non-Executive Director)
  – Appointed on 15 July 2024
- **Ellen Comerford** (Independent Non-Executive Director)
  – Appointed on 1 October 2024

Company Secretary

- **Meaghan Simpson**
  – Appointed on 15 July 2024

Registered office

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Email: investor@webjetgroup.com
Website: www.webjetgroup.com

Share registry

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International Callers: +61 2 8072 1400
Email: hello@automicgroup.com.au

Auditor

Deloitte Touche Tohmatsu
477 Collins Street
Melbourne VIC 3000
Australia

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Melbourne Victoria 3004
Australia