Webjet Limited

# Half-Year Report and Appendix 4D

## 31 December 2020

## Contents

| NAME OF ENTITY | ABN REFERENCE |
|---|---|
| Webjet Limited (WEB) | 68 002 013 612 |

## 1 REPORTING PERIODS

| Financial half-year ended (current period) | Financial half-year ended (previous corresponding period) |
|---|---|
| 31 December 2020 | 31 December 2019 |

## 2 RESULTS FOR ANNOUNCEMENT TO THE MARKET

| Key information | 31 December 2020 $ m | 31 December 2019 $ m | Change $ m | Change % |
|---|---|---|---|---|
| Revenue from ordinary activities | 22.9 | 218.2 | (195.3) | (90%) |
| (Loss)/profit from ordinary activities before income tax | (145.1) | 12.1 | (157.2) | large |
| Net (loss)/profit attributable to members of the parent company | (132.2) | 9.0 | (141.2) | large |

*Refer pages 4 to 5 for overview of performance.*

## 3 DIVIDENDS

| Dividend | Payment date | Cents per share | Franked amount per security at 30% tax |
|---|---|---|---|
| Interim dividend - 31 December 2020 | n/a | n/a | n/a |
| Final dividend - 30 June 2020 | n/a | n/a | n/a |
| Interim dividend - 31 December 2019 * | 21 July 2022 | 9.0 | 100% |

** payment has been further deferred to at least 21 July 2022, however this will be further reviewed following the release of the 1H22 results.*

## 4 NTA BACKING

| | 31 December 2020 cents | 31 December 2019 cents |
|---|---|---|
| Net tangible asset backing per ordinary share # | (55) | (194) |

# Excluding intangible assets, the Group is in a net liability position. The negative net intangible assets includes value of leased assets as recognised under AASB 16 *Leases*.

## Corporate information

### DIRECTORS

Roger Sharp (Independent Non-Executive Director, Chairman)
John Guscic (Managing Director)
Don Clarke (Independent Non-Executive Director, Deputy Chairman)
Brad Holman (Independent Non-Executive Director)
Toni Korsanos (Independent Non-Executive Director)
Shelley Roberts (Independent Non-Executive Director)

### REGISTERED OFFICE

Level 2
509 St Kilda Road
Melbourne Vic 3004
Phone: (03) 9820 9214
Email: webjet@webjet.com.au

### SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 5
115 Grenfell Street
Adelaide SA 5000
Phone: (08) 8236 2300

### PRINCIPAL ADMINISTRATIVE OFFICE

Level 2
509 St Kilda Road
Melbourne Vic 3004

### COMPANY SECRETARY

Zi Mtenje
Level 2
509 St Kilda Road
Melbourne Vic 3004

### SOLICITORS

Minter Ellison
525 Collins Street
Melbourne Vic 3001

DLA Piper
140 William Street
Melbourne Vic 3000

### AUDITORS

Deloitte Touche Tohmatsu
477 Collins Street
Melbourne Vic 3000

### BANKERS

National Australia Bank
Level 30, 500 Bourke Street
Melbourne Vic 3000

HSBC Bank Australia Limited
Level 10,333 Collins Street
Melbourne Vic 3000

Australia and New Zealand Banking Group Limited
Level 3, 100 Queen Street
Melbourne Vic 3000

### INTERNET ADDRESS

www.webjet.com.au
www.webjetlimited.com

The Directors of Webjet Limited (Webjet, the Company, Group) present the financial report of the company and its controlled entities for the half-year ended 31 December 2020.

## Directors

The directors of the company during or since the end of the half-year are:

Roger Sharp (Chairman and Independent Non-Executive Director)
John Guscic (Managing Director)
Don Clarke (Deputy Chairman and Independent Non-Executive Director)
Brad Holman (Independent Non-Executive Director)
Toni Korsanos (Independent Non-Executive Director)
Shelley Roberts (Independent Non-Executive Director).

## Principal activities

The principal activity of the Group is the provision of online travel bookings through B2C and B2B divisions.

## B2B Division - Hotel Distribution

WebBeds

WebBeds, the Company's business-to-business (B2B) travel business, provides online fulfilment of hotel room bookings for its travel industry customers (primarily retail and corporate travel agents, OTAs, wholesalers and tour operators) via its online booking platforms.

Headquartered in Dubai, WebBeds offers a simplified B2B online solution, placing the broadest range of hotel rooms on sale worldwide into the hands of its partners. It operates in 3 key regions – Americas, Middle East and Africa (AMEA), Europe and Asia-Pacific. WebBeds operates various product platforms across the regions including Lots of Hotels, Sunhotels, FIT Ruums, JacTravel and Destinations of the World. Since launching in February 2013, WebBeds is now the #2 global B2B player, with a market footprint of 200 destination countries worldwide, a supplier base of more than 350,000 hotels and a distribution network of more than 44,000 customers.

| ASIA PACIFIC (APAC) | EUROPE | AMERICAS, MIDDLE EAST AND AFRICA (AMEA) |
|---|---|---|
| Launched in November 2016, WebBeds is now the # 2 player in the region. WebBeds Asia Pacific has customers and hotel contracts in 20 markets in the region. | Expanding into Europe in July 2014, WebBeds is now the # 2 player in the region. WebBeds Europe has customers and hotel contracts in more than 100 markets around the world. | Middle East and Africa<br>Launched in February 2013, WebBeds is now the # 1 player in the region. WebBeds AMEA has customers and hotel contracts in 36 markets in the Middle East & Africa.<br><br>Americas<br>Launched in November 2015, WebBeds operates in the USA, Canada and Latin America. WebBeds AMEA has customers and hotel contracts in 17 countries across the Americas. |

## B2C Division - Online Travel Booking Sites

webjet.com.au

### Webjet OTA

Established in 1998, Webjet is the #1 online travel agency ("OTA") in Australia and New Zealand, leading the way in online travel tools and technology. Webjet OTA allows customers to compare, combine and book the best domestic and international flight deals, hotel accommodation, holiday package deals, travel insurance and car hire worldwide.

ONLINE REPUBLIC

### Online Republic

Acquired in June 2016, Online Republic is a global digital travel group based in New Zealand specialising in online bookings of rental cars and motorhomes.

## Financial Results

| | 1H21 | 1H20 | Change | |
|---|---|---|---|---|
| | $m | $m | $m | % |
| Total transaction value | 267 | 2,334 | (2,067) | (89%) |
| **Revenue** (i) | **22.6** | **217.8** | **(195.2)** | (90%) |
| *Revenue margin* | *8.5%* | *9.3%* | | *-86bps* |
| Operating expenses | (62.7) | (130.5) | 67.8 | (52%) |
| **EBITDA** (ii) | **(40.1)** | **87.3** | **(127.4)** | **(146%)** |
| *EBITDA margin* | negative | 40% | | *n/a* |
| Share based payment expenses | (2.0) | (1.0) | (1.0) | 92% |
| **EBITDA after share based payments** (ii) | **(42.1)** | **86.3** | **(128.4)** | **(149%)** |
| Non-operating expenses | (72.3) | (39.8) | (32.5) | 82% |
| Depreciation and amortisation | (11.8) | (13.3) | 1.5 | (11%) |
| Acquisition amortisation (iii) | (10.2) | (11.9) | 1.7 | (14%) |
| Net interest costs | (8.7) | (9.2) | 0.5 | (5%) |
| **(Loss) / profit before tax** | **(145.1)** | **12.1** | **(157.2)** | **nm** |
| Income tax benefit / (expense) | 12.9 | (3.1) | 16.0 | nm |
| **Net (loss) / profit after tax (NPAT)** | **(132.2)** | **9.0** | **(141.2)** | **nm** |
| NPAT A (before acquisition amortisation) (iv) | (122.0) | 20.9 | (142.9) | (685%) |

(i) Excludes interest income.

(ii) EBITDA = Earnings before interest, tax, depreciation and amortisation. It also excludes share based payments expenses to provide a better understanding of the financial performance and allow more representative comparison between financial periods.

(iii) Acquisition amortisation represents amortisation on the additional intangible values recognised under AASB 3 following a business combination.

(iv) NPAT A, represents the NPAT before acquisition amortisation and provides an alternative view of the profitability of the Group.

The ongoing impact of widespread international and domestic travel restrictions imposed in response to the COVID 19 pandemic continues to negatively impact the business. Total Transaction Value (TTV), revenue, and earnings before share-based payments, interest, tax, depreciation and amortisation (EBITDA) decreased substantially from the previous corresponding period (PCP).

WebBeds remained impacted by ongoing lockdowns and travel restrictions. Some domestic markets reopened however large-scale travel restrictions remained in most regions. The ongoing focus on cost reductions resulted in 42% decrease in costs compared to PCP, with key savings from further headcount reductions and overhead cost efficiencies. TTV/Revenue margins were impacted by increased cancellations, particularly in the APAC and AMEA regions. WebBeds' global infrastructure remains in place to capitalise on growth as travel markets re-open.

Despite the negative impact of the COVID-19 pandemic, Webjet OTA reported a profit as domestic leisure markets in Australia partially re-opened late in 1H21. Bookings increased as borders opened, reflecting strong pent-up demand and Webjet OTA's highly variable cost base enabled an immediate uplift in profitability. Costs were down 78% over PCP, with significant cost savings due to reduction of costs tied to TTV. 1H21 TTV/Revenue margins were impacted by the closure of the Exclusives business and loss of overrides and commissions earned on international bookings.

Online Republic saw improved bookings as domestic borders started to reopen in Australia and New Zealand during the period. Motorhomes continued to be impacted by the loss of inbound tourism into New Zealand and Cars was impacted by lockdowns in key markets including the UK and Germany. Closure of the Cruise business was completed during the period. Costs were down 42% compared to PCP, due largely to headcount reductions, contract renegotiations, and reduced marketing spend.

The Group continued to focus on mitigation measures, principally strengthening the Group's liquidity position through decreased monthly cash-burn by reducing costs in all businesses.

Non-operating expenses included:

- redundancy costs incurred in restructuring the Group to mitigate the impact of COVID-19 ($1.9 million);
- value of receivables written off due to the COVID-19 environment ($9.5 million, being $12.5 million of receivables written off offset by $3 million credit allowance release). This write-off represents the residual debtor exposure adversely impacted by COVID-19. All new customers and trading are now governed by the enhanced credit policy which is expected to reduce future debtor default risk.
- increase in Earn-out provision payable in relation to the DOTW acquisition ($6.8 million),
- fair value change on embedded derivatives relating to convertible notes ($59.1 million).

These expenses were partially offset by the fair value adjustment of put options relating to the acquisition of the minority interests in Umrah International Holidays ($1.1 million), and Government wage subsidies received ($3.9 million).]

Depreciation and amortisation costs decreased due to a combination of fewer additions in FY20, certain assets coming to end of life, and depreciation of the US dollar and Euro against the Australian dollar.

Interest expenses remained relatively unchanged compared to PCP. The increase in interest expense arising from the convertible note issued in July 2020 was offset by the decrease in interest costs due to partial repayment of borrowings, and the decrease in premium costs on hedging derivatives driven by the reduction in TTV.

Due to losses incurred for the period, the Company was in a tax benefit position for the period. Additional commentary on performance is included in the ASX release and investor presentation lodged with the ASX on 17 February 2021.

## Balance Sheet

| | 31 December 2020 $m | 30 June 2020 $m | Change $m |
|---|---|---|---|
| Cash and cash equivalents | 283.0 | 209.6 | 73.4 |
| Trade and other receivables | 45.8 | 74.5 | (28.7) |
| Intangible assets | 823.8 | 870.5 | (46.7) |
| Other assets | 68.1 | 60.9 | 7.2 |
| **Total assets** | **1,220.7** | **1,215.5** | **5.2** |
| Trade and other payables | 106.3 | 97.0 | 9.3 |
| Other current liabilities | 67.2 | 65.9 | 1.3 |
| Borrowings | 260.1 | 186.9 | 73.2 |
| Other non-current liabilities | 150.9 | 60.6 | 90.3 |
| **Total liabilities** | **584.5** | **410.4** | **174.1** |
| **Net assets** | **636.2** | **805.1** | **(168.9)** |
| Issued capital | 847.4 | 847.4 | 0.0 |
| Retained earnings and reserves | (211.2) | (42.3) | (168.9) |
| **Total equity** | **636.2** | **805.1** | **(168.9)** |

The balance sheet was strengthened by the issue of Senior Unsecured Convertible Notes (Notes) in July 2020. The Group is well placed to capture demand when travel returns with adequate cash reserves and a strong capital position, which provides financial and strategic flexibility.

Cash and cash equivalents increased from June 2020, mainly attributed to $163.2 million proceeds from the Notes issue ($159.9 million proceeds, net of transaction costs). Of this, $53.4 million was used to repay existing borrowings. Cost management and cash preservation measures remained a key focus, resulting in modest cash outflow from operations of $16.9 million, which was further buoyed by the positive working capital unwind. Cash reduced by a further $9.9 million spent on essential and strategic capital expenditure projects and initiatives.

Trade and other receivables decreased due to lower trading volumes and collections during the period. The negative impact of COVID-19 on some of our smaller customers resulted in a further $9.5 million of receivables being written off as noted above.

Intangible assets decreased mainly due to foreign currency movements and amortisation for the period. This decrease was partially offset by current period capital expenditure of $9.9 million as noted above, mainly on IT platforms.

The movement in borrowings during the period is due to the Notes issues of $163.2 million ($159.9 million proceeds net of transaction costs) of which $122.1 million was classified as debt, and the remaining $37.8 million classified as embedded derivatives under other non-current liabilities. Offsetting the increase in borrowings were repayments made during the period of $53.4 million.

The increase in other non-current liabilities is mainly due to the embedded derivatives recognised upon the Notes issue in July 2020, which further increased by $58.3 million during the period following a fair valuation of the derivatives. It is important to note that the embedded derivative liability will be settled in future by an issue of equity as per the terms of the Notes. Offsetting the increase arising from the embedded derivatives was a decrease in the fair value of existing cross currency interest rate swaps of $5 million.

## Dividends

Given uncertainties inherent in the current travel environment, no interim dividend has been declared by the Directors.

The 2020 interim dividend of $12.2 million (9.0 cents per share fully franked for the six-month period ended 31 December 2019) has been further deferred to 2022 and payment will be reviewed following the first half FY22 results.

## Likely developments and expected results of operations

The Group continues to focus on growing its B2C business organically as leisure travel recovers and anticipates building its B2B business through a combination of organic and inorganic growth.

## Subsequent events

### Debt covenant waivers extended

The Group successfully negotiated an extension to the debt covenant waivers with the covenant waiver period extended from June 2021 to March 2022 with the next covenant test period being the quarter ending 30 June 2022. The minimum liquidity requirements of $125 million remain unchanged.

There has not been any matter or circumstance occurring after the end of the financial six-month period, other than COVID 19, that has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Group in future periods.

## Auditor's Independence Declaration

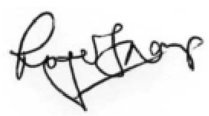
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 22.

## Rounding of amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the directors' report and financial report.  Amounts in the directors' report and financial report have been rounded off to the nearest one hundred thousand dollars in accordance with that Legislative Instrument.

This report is made in accordance with a resolution of Directors.

On behalf of the Directors



**Roger Sharp**
Chairman
Melbourne, 17 February 2021

## Consolidated Statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2020

| | Notes | 6 months ended 31 December 2020 $ m | 2019 $ m |
|---|---|---|---|
| Revenue from customers | 2.1 | 22.6 | 217.8 |
| Other income | | 0.3 | 0.4 |
| | | **22.9** | **218.2** |
| Employee benefits | 3.1 | (41.5) | (61.0) |
| Operating expenses | 3.2 | (23.2) | (70.5) |
| Other non-operating expenses | 3.3 | (72.3) | (39.8) |
| **(Loss)/profit before interest, tax, depreciation and amortisation** | | **(114.1)** | **46.9** |
| Finance costs | 3.4 | (9.0) | (9.6) |
| Depreciation and amortisation | | (22.0) | (25.2) |
| **(Loss)/profit before income tax expense** | | **(145.1)** | **12.1** |
| Income tax benefit/(expense) | | 12.9 | (3.1) |
| **Net (loss)/profit after tax** | | **(132.2)** | **9.0** |
| Other comprehensive loss | | | |
| *Items that may be subsequently classified to profit and loss* | | | |
| Exchange difference on translating foreign operations, net of tax | | (34.1) | (12.0) |
| Changes in the fair value of hedging instruments | | - | (0.3) |
| | | **(34.1)** | **(12.3)** |
| *Items that have been subsequently reclassified to profit or loss* | | | |
| Cash flow hedges recycled to profit or loss | | (4.6) | 2.2 |
| | | **(4.6)** | **2.2** |
| **Other comprehensive loss for the period, net of income tax** | | **(38.7)** | **(10.1)** |
| **Total comprehensive loss for the period** | | **(170.9)** | **(1.1)** |

| | Cents per share | Cents per share |
|---|---|---|
| (Loss)/earnings per share: | | |
| Basic (cents per share) | (39.0) | 6.6 |
| Diluted (cents per share) | (39.0) | 6.6 |

Notes to the consolidated half year financial statements are included on pages 11 to 20.

## Consolidated Statement of financial position

As at 31 December 2020

| | | As at | |
|---|---|---|---|
| | | 31 December | 30 June |
| | | 2020 | 2020 |
| | Notes | $ m | $ m |
| **Current assets** | | | |
| Cash and cash equivalents | | 283.0 | 209.6 |
| Trade receivables and other assets | 4.1 | 45.8 | 74.5 |
| **Total current assets** | | **328.8** | **284.1** |
| **Non-current assets** | | | |
| Intangible assets | | 823.8 | 870.5 |
| Property, plant and equipment | | 26.6 | 31.8 |
| Deferred tax assets | | 36.8 | 26.0 |
| Other non-current assets | | 4.7 | 3.1 |
| **Total non-current assets** | | **891.9** | **931.4** |
| **Total assets** | | **1,220.7** | **1,215.5** |
| **Current liabilities** | | | |
| Trade payables and other liabilities | 4.2 | 106.3 | 97.0 |
| Borrowings | 6.1 | 3.4 | 6.9 |
| Other current liabilities | | 67.2 | 65.9 |
| **Total current liabilities** | | **176.9** | **169.8** |
| **Non-current liabilities** | | | |
| Borrowings | 6.1 | 256.7 | 180.0 |
| Deferred tax liabilities | | 30.7 | 31.1 |
| Derivative liabilities | 6.1 | 104.0 | 12.6 |
| Other non-current liabilities | | 16.2 | 16.9 |
| **Total non-current liabilities** | | **407.6** | **240.6** |
| **Total liabilities** | | **584.5** | **410.4** |
| **Net assets** | | **636.2** | **805.1** |
| **Equity** | | | |
| Issued capital | | 847.4 | 847.4 |
| Reserves | | (47.2) | (10.5) |
| Accumulated losses | | (164.0) | (31.8) |
| **Total equity** | | **636.2** | **805.1** |

Notes to the consolidated half year financial statements are included on pages 11 to 20.

## Consolidated Statement of cashflows

For the half-year ended 31 December 2020

| | 6 months ended 31 December | |
|---|---|---|
| | 2020 | 2019 |
| | $ m | $ m |
| Net (loss)/profit after tax | (132.2) | 9.0 |
| *Add back:* | | |
| Depreciation and amortisation | 22.0 | 25.2 |
| Finance cost, net of investment income | 8.7 | 9.2 |
| Income tax expense | (12.9) | 3.1 |
| **(Loss)/earnings before interest, tax, depreciation, amortisation** | **(114.4)** | **46.5** |
| Adjusted for changes in working capital: | | |
| Decrease in trade debtors and other receivables | 23.0 | 31.5 |
| Increase/(decrease) in trade payables and other liabilities | 0.5 | (48.6) |
| Non cash items | 76.6 | 1.0 |
| **Cash flow (used in)/from operating activities before interest and tax paid** | **(14.3)** | **30.4** |
| Net finance cost and investment income paid | (2.6) | (8.9) |
| Income tax expense paid | - | (16.6) |
| **Net cash flows (used in)/from operating activities** | **(16.9)** | **4.9** |
| Payments for property, plant and equipment | (0.1) | (2.2) |
| Purchase of intangible assets | (9.8) | (13.3) |
| Purchase of subsidiary net of overdraft assumed / cash acquired | - | (2.8) |
| Dividends received | 0.1 | 0.2 |
| **Net cash flows used in investing activities** | **(9.8)** | **(18.1)** |
| Payment of dividends | - | (18.3) |
| Payment of lease liabilities | (2.3) | (2.5) |
| Repayments of borrowings | (53.4) | (14.3) |
| Proceeds from borrowings (net of transaction costs) | 159.9 | - |
| Payment of share issue costs | (1.9) | - |
| **Net cash flows from/(used in) financing activities** | **102.3** | **(35.1)** |
| **Net increase/(decrease) in cash and cash equivalents** | **75.6** | **(48.3)** |
| Cash and cash equivalents at the beginning of the period | 209.6 | 211.4 |
| Effects of foreign exchange translation on cash and cash equivalents | (2.2) | (5.9) |
| **Cash and cash equivalents at the end of the period** | **283.0** | **157.2** |

Notes to the consolidated half year financial statements are included on pages 11 to 20.

## Consolidated Statement of changes in equity

For the half-year ended 31 December 2020

| | Issued Capital | Share based payment reserve | Other reserve | Foreign currency translation reserve | Retained earnings/ (Accumulated losses) | Total equity |
|---|---|---|---|---|---|---|
| | $ m | $ m | $ m | $ m | $ m | $ m |
| **Balance at 1 July 2020** | **847.4** | **-** | **(24.6)** | **14.1** | **(31.8)** | **805.1** |
| *Comprehensive loss* | | | | | | |
| Net loss after tax | - | - | - | - | (132.2) | (132.2) |
| Amounts in reserves recycled to the statement of comprehensive income | - | - | (1.5) | (3.1) | - | (4.6) |
| Other comprehensive loss for the period, net of income tax | - | - | - | (34.1) | - | (34.1) |
| Total comprehensive loss for the period | - | - | (1.5) | (37.2) | (132.2) | (170.9) |
| *Transactions with owners in their capacity as owners* | | | | | | |
| Share based payment expense recognised for the period | - | 2.0 | - | - | - | 2.0 |
| **Balance at 31 December 2020** | **847.4** | **2.0** | **(26.1)** | **(23.1)** | **(164.0)** | **636.2** |
| | | | | | | |
| **Balance at 1 July 2019** | **510.8** | **3.1** | **(25.8)** | **20.0** | **136.1** | **644.2** |
| Impact of adoption of AASB 16 | - | - | - | - | (0.3) | (0.3) |
| *Comprehensive income/(loss)* | | | | | | |
| Net profit after tax | - | - | - | - | 9.0 | 9.0 |
| Amounts in reserves recycled to the statement of comprehensive income | - | - | 2.2 | - | - | 2.2 |
| Other comprehensive loss for the period, net of income tax | - | - | (0.3) | (12.0) | - | (12.3) |
| Total comprehensive income/(loss) for the period | - | - | 1.9 | (12.0) | 9.0 | (1.1) |
| *Transactions with owners in their capacity as owners* | | | | | | |
| Share based payment expense recognised for the period | - | 1.0 | - | - | - | 1.0 |
| Transfer from share based payment reserve | 0.4 | (0.6) | - | - | 0.2 | - |
| Payment of dividends | - | - | - | - | (18.3) | (18.3) |
| **Balance at 31 December 2019** | **511.2** | **3.5** | **(23.9)** | **8.0** | **126.7** | **625.5** |

Notes to the consolidated half year financial statements are included on pages 11 to 20.

## 1. Segment information

### 1.1 Description of segments

Management has determined the operating segments and the segment information disclosed based on reports reviewed by the Managing Director that are used to make strategic decisions.

The Managing Director considers that all members of the group provide the same service, being Travel Bookings. However, there are two distinct classes of customer: consumers and business. The reportable segments of the Consolidated Entity are – Business to Consumer Travel (B2C Travel) and Business to Business Travel (B2B Travel).

### 1.2 Segment information provided to the Managing Director

The segment information provided to the Managing Director for the periods ended 31 December 2020 and 31 December 2019 is set out in the tables below.

| | 6 months ended 31 December | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | B2C | | B2B | | Corporate | | Total | |
| | $ m | $ m | $ m | $ m | $ m | $ m | $ m | $ m |
| Total transaction value | 135 | 864 | 132 | 1,470 | - | - | 267 | 2,334 |
| Revenue (i) | 14.6 | 90.3 | 8.0 | 127.5 | - | - | 22.6 | 217.8 |
| Operating costs | (15.6) | (54.9) | (40.4) | (70.1) | (6.7) | (5.5) | (62.7) | (130.5) |
| **EBITDA** | **(1.0)** | **35.4** | **(32.4)** | **57.4** | **(6.7)** | **(5.5)** | **(40.1)** | **87.3** |
| Share based payments expense | | | | | | | (2.0) | (1.0) |
| **EBITDA after share based payments** | | | | | | | **(42.1)** | **86.3** |
| Other non-operating expenses | | | | | | | (72.3) | (39.8) |
| Depreciation, amortisation | | | | | | | (11.8) | (13.3) |
| Acquired amortisation (ii) | | | | | | | (10.2) | (11.9) |
| Net interest (iii) | | | | | | | (8.7) | (9.2) |
| **(Loss)/profit before tax** | | | | | | | **(145.1)** | **12.1** |
| Income tax benefit/(expense) | | | | | | | 12.9 | (3.1) |
| **Net (loss)/profit after tax** | | | | | | | **(132.2)** | **9.0** |

(i) Excludes interest income

(ii) Acquired amortisation relates to the amortisation of the fair value of intangibles recognised as a result of a business combination accounting in applying AASB 3 Business Combinations.

(iii) Includes interest income

## 2. Revenue

### 2.1 Disaggregation of revenue

During the half year, revenue by geographical segment, disaggregated by major revenue stream, timing of revenue recognition is as follows:

| Six months ended 31 December 2020 | Revenue recognition | B2C $ m | B2B $ m | Total $ m |
|---|---|---|---|---|
| Booking commission revenue | *Point in time* | 10.3 | 7.3 | 17.6 |
| Supplier rebates | *Over time* | 2.1 | - | 2.1 |
| Other ancilliary revenue | *Over time* | 1.5 | 0.7 | 2.2 |
| | *Point in time* | 0.7 | - | 0.7 |
| Total revenue from contracts with customers (i) | | 14.6 | 8.0 | 22.6 |

(i) Excludes interest income.

| Six months ended 31 December 2019 | Revenue recognition | B2C $ m | B2B $ m | Total $ m |
|---|---|---|---|---|
| Booking commission revenue | *Point in time* | 68.0 | 115.2 | 183.2 |
| Supplier rebates | *Over time* | 13.0 | 2.0 | 15.0 |
| Other ancilliary revenue | *Over time* | 5.4 | 10.2 | 15.6 |
| | *Point in time* | 3.9 | 0.1 | 4.0 |
| Total revenue from contracts with customers (i) | | 90.3 | 127.5 | 217.8 |

(i) Excludes interest income.

### 2.2 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 31 December 2020 | B2C $ m | B2B $ m | Total $ m |
|---|---|---|---|
| Contract assets | - | 3.9 | 3.9 |
| Contract liabilities | (26.4) | (0.6) | (27.0) |

| As at 30 June 2020 | B2C $ m | B2B $ m | Total $ m |
|---|---|---|---|
| Contract assets | 1.2 | 2.6 | 3.8 |
| Contract liabilities | (27.0) | (0.5) | (27.5) |

## 3. (Loss)/profit before tax

### 3.1 Included in employee benefit expenses are:

| | 6 months ended 31 December | |
|---|---|---|
| | 2020 | 2019 |
| | $ m | $ m |
| Salaries and related on-costs | 38.2 | 58.9 |
| Share based payments expenses | 2.0 | 1.0 |

### 3.2 Included in operating expenses are:

| | 6 months ended 31 December | |
|---|---|---|
| | 2020 | 2019 |
| | $ m | $ m |
| Marketing expenses | 2.1 | 22.2 |
| Technology expenses | 8.2 | 12.4 |
| Administration expenses | 5.5 | 6.4 |

### 3.3 Non-operating expenses comprises:

| | | 6 months ended 31 December | |
|---|---|---|---|
| | | 2020 | 2019 |
| | Notes | $ m | $ m |
| Business acquisition and integration costs (i) | | 1.9 | 2.5 |
| Government subsidy relating to Covid-19 (ii) | | (3.9) | - |
| **Cash** | | **(2.0)** | **2.5** |
| Receivables written-off (iii) | | 9.5 | 44.0 |
| Fair value gain on put option (iv) | | (1.1) | (6.7) |
| Fair value changes of embedded derivatives (vii) | 6.2 | 59.1 | - |
| Expense recognised from increase in consideration paid for DOTW outside the measurement period (v) | | - | 14.5 |
| Loss / (gain) arising from increase / decrease of earn-out provision (vi) | | 6.8 | (14.5) |
| **Non-cash** | | **74.3** | **37.3** |
| **Total** | | **72.3** | **39.8** |

(i) 2020 comprises redundancy costs incurred on the restructure of the global workforce necessitated by the adverse impacts of COVID-19. 2019 comprise costs incurred for integration of Destinations of the World (DOTW) group acquired in November 2018, mainly related to redundancy costs.

(ii) As a result of the economic impact on economies of the COVID-19 pandemic, a number of Governments provided relief packages to assist companies that had been severely impacted by the pandemic. The Group received subsidies from Australia, New Zealand and United Kingdom. The Group received negligible rent benefits during the year.

(iii) 1H21 receivables write-off comprises the residual risk of customers adversely impacted by COVID-19. At June 2020, attempts to recover these amounts were still underway, however due to the extended adverse impacts on trading of COVID-19 which resulted in a further deterioration of these customers viability, amounts owing from these customers have been written off in December 2020. This represents the residual receivables risk attributable to COVID-19. Measures to further enhance the Group's credit management have been put in place and involve minimising credit risk exposure using deposits, guarantees and other credit enhancement measures.

In 2019, the write off arose from Thomas Cook which entered compulsory liquidation in September 2019. This resulted in total receivables totalling €26.5 million (A$43.2 million) and future non-cancellable bookings of approximately €0.5 million (A$0.8 million) being written off.

## 3 (Loss)/profit before tax (continued)

### 3.3 Included in non-operating expenses (continued)

(iv) The Group holds options to acquire the remaining 49% held by outside shareholders in Umrah International Holidays. These options can be exercised between 2020 and 2024. Under accounting standards, the value of the put option liability is reassessed at each reporting period to reflect the estimated present value of outflows to acquire the minority share.

(v) The final consideration to be paid on the acquisition of DOTW group was determined after negotiations with the seller regarding the final working capital. This involved the use of an Expert, who determined the final working capital adjustment on 24 December 2019. Given this was outside the measurement period per the accounting standards which ended 21 November 2019, the adjustment to the consideration payable has been recognised in profit or loss.

(vi) In 2019, following a review of our contractual obligations and mechanism to determine the earn-out payable to the Seller of DOTW, and due advice received from advisors, the Group determined no earn-out would be payable to the Sellers of DOTW as the required earnings was not achieved. This was disputed by the Seller and remains under dispute. The Group has recognised the maximum amount payable but remains in active negotiation with the Seller.

(vii) Includes write off of debt costs apportioned to embedded derivatives of $0.8 million.

### 3.4 Finance costs comprise:

| | 6 months ended 31 December | |
|---|---|---|
| | 2020 | 2019 |
| | $ m | $ m |
| Bank interest | 3.4 | 3.3 |
| Convertible Notes interest | 4.1 | - |
| Borrowing costs | 1.2 | 0.9 |
| Option premium expenses on hedging instruments | 0.2 | 5.2 |
| Lease interest | 0.1 | 0.2 |
| | 9.0 | 9.6 |

## 4. Working capital

### 4.1 Trade receivables and other assets

| | As at 31 December 2020 $ m | 30 June 2020 $ m |
|---|---|---|
| Trade receivables | 24.1 | 51.9 |
| Contract assets | 3.9 | 3.8 |
| Credit loss allowance | (3.1) | (8.1) |
| Trade receivables | **24.9** | **47.6** |
| Prepayments | 8.6 | 8.2 |
| Term deposit | 1.0 | 0.8 |
| Other current assets (i) | 11.3 | 17.9 |
| **Total trade receivables and other assets** | **45.8** | **74.5** |

(i) Comprises mainly customer deposits, indirect tax balances and other non-trade receivables.

### (i) Ageing of receivables and Credit loss allowance

| As at 31 December 2020 | B2C $ m | B2B $ m | Other receivables $ m | Total $ m |
|---|---|---|---|---|
| Current | 1.1 | 17.2 | - | 18.3 |
| 30 to 90 days | - | 4.3 | - | 4.3 |
| 90 to 180 days | 0.1 | 1.4 | - | 1.5 |
| over 180 days | - | - | - | - |
| | **1.2** | **22.9** | - | **24.1** |
| Contract assets | - | 3.9 | - | 3.9 |
| | **1.2** | **26.8** | - | **28.0** |
| Allowance based on historic credit losses | | | | (0.1) |
| Adjustment for expected changes in credit risk | | | | (3.0) |
| **Total trade and other receivables** | | | | **24.9** |

## 4.1 Trade receivables and other assets (continued)

| As at 30 June 2020 | B2C | B2B | Other receivables | Total |
|---|---|---|---|---|
| | $ m | $ m | $ m | $ m |
| Current | 7.8 | 3.6 | - | 11.4 |
| 30 to 90 days | - | 8.8 | - | 8.8 |
| 90 to 180 days | 0.1 | 31.6 | - | 31.7 |
| over 180 days | - | - | - | - |
| | **7.9** | **44.0** | **-** | **51.9** |
| Contract assets | 1.2 | 2.6 | - | 3.8 |
| | **9.1** | **46.6** | **-** | **55.7** |
| Allowance based on historic credit losses | | | | (0.5) |
| Adjustment for expected changes in credit risk | | | | (7.6) |
| Total trade and other receivables | | | | 47.6 |

### (ii) Movement in credit loss allowance

| | Six months ended 31 December | |
|---|---|---|
| | 2020 | 2019 |
| | $ m | $ m |
| Opening credit loss allowance | 8.1 | 24.6 |
| Write off of irrecoverable amounts | (4.3) | (12.6) |
| Impact of FX translation | (0.7) | 0.6 |
| Closing credit loss allowance | 3.1 | 12.6 |

## 4.2 Trade payables and other liabilities

| | 31 December 2020 | | | 30 June 2020 | | |
|---|---|---|---|---|---|---|
| | B2C | B2B | Total | B2C | B2B | Total |
| | $ m | $ m | $ m | $ m | $ m | $ m |
| Trade payables | 13.3 | 62.1 | 75.4 | 21.3 | 41.9 | 63.2 |
| Accrued expenses | 10.3 | 16.5 | 26.8 | 11.0 | 22.8 | 33.8 |
| Other payables [(i)] | - | 4.1 | 4.1 | - | - | - |
| Total trade payables and other liabilities | 23.6 | 82.7 | 106.3 | 32.3 | 64.7 | 97.0 |

[(i)] Comprises mainly other non-trade operating expense payables, indirect and employment taxes payable.

## 5. Direct cash flow presentation

The cashflow statement on page 9 has been presented using the indirect method. Webjet considers the indirect method the more appropriate way to present cashflows for its business due to WebBeds customers and suppliers who use the Annual Report being more accustomed to the indirect method. Indirect cashflow presentation makes the cashflow statement more relevant, understandable and comparable to other similar businesses in the industry.

To enhance users understanding the Group, cashflows from operating activities using the direct method has also been presented below.

| | Six months ended 31 December | |
|---|---|---|
| | 2020 | 2019 |
| | $ m | $ m |
| Receipts from customers | 282.5 | 1,572.4 |
| Payments to suppliers and employees | (296.8) | (1,542.0) |
| Net finance cost and investment income paid | (2.6) | (8.9) |
| Income tax expense paid | - | (16.6) |
| **Net cash flows (used in)/from operating activities** | **(16.9)** | **4.9** |

## 6. Borrowings

### 6.1 Borrowing and related derivatives for the Group are as follows:

| | As at | |
|---|---|---|
| | 31 December | 30 June |
| | 2020 | 2020 |
| | $ m | $ m |
| **Current** | | |
| Bank loans | 3.4 | 6.9 |
| | | |
| **Non-current** | | |
| Bank loans | 130.0 | 180.0 |
| Senior Unsecured Convertible Notes | 126.7 | - |
| | 256.7 | 180.0 |
| | | |
| **Related derivatives** | | |
| Cross currency interest rate swaps | 7.9 | 12.6 |
| Embedded derivatives in Convertible Notes | 96.1 | - |
| | 104.0 | 12.6 |

### 6.2 Unsecured Senior Convertible Notes

On 10 July 2020, the Group issued €100 million (or A$163 million) Senior Unsecured Convertible Notes (“Notes”) to improve the capital position of the Company as it continued to navigate the challenging operating environment caused by COVID-19 travel restrictions. The net proceeds from the offer of the Cash Settled Notes were used in part to repay $50 million of the Company’s existing term debt, enabling the Company to extend remaining term debt maturity. The Cash Settled Notes have a coupon of 2.50% per annum, paid on a semi-annual basis, mature on 9 July 2027, are unsubordinated and unsecured, and are listed on the Singapore Exchange.

Initially, the Notes could be cash-settled from 1 July 2021. Following shareholder approval received on 22 October 2020, and existing Noteholder consent in November 2020, the cash-settlement feature of the Notes was replaced with an equity settled feature, effective from 30 November 2020. All other terms of the Notes remained unchanged.

Each Note is now convertible into Webjet Limited shares at a fixed conversion price of $4.092 per share. With a fixed exchange rate of $1.6238 = EUR1.00, the maximum number of Shares that can be issued upon full conversion of the Notes (assuming no adjustment in the conversion price) is 39,682,306 Shares.

## 6.2 Unsecured Senior Convertible Notes (continued)

### Debt component

The conversion feature of the Notes is required to be separated from the notes and is accounted for separately as a derivative financial liability. As a result, the Notes are recognised at a discount, being the par value of €100 million ($163.2 million), less the fair value of the embedded conversion derivative at the time of issuance, which was €23.1 million (A$34.8 million). This discount is amortised as interest expense using the effective interest method over the terms of the Notes.

### Embedded derivatives - Conversion feature

The conversion feature in the Notes represents the embedded derivative financial instrument in the host debt contract. The conversion feature represents the Group's obligation to issue Webjet Limited Shares at a fixed price should noteholders exercise their conversion option. The embedded derivatives are carried in the Statement of financial position at their estimated fair value and adjusted at the end of each reporting period, with any changes in fair value recognised in the statement of comprehensive income.

### Capitalised transaction costs

Webjet Limited incurred $3.9 million of transaction costs upon the issuance of the convertible notes. Transaction costs relating to the convertible notes have been allocated between the debt component and the conversion derivatives using the relating proportions of these on initial measurement of the instruments. Costs attributed to the debt component are amortised to finance expense over the term of the convertible notes using the effective interest method. Costs attributed to the conversion derivatives are immediately recognised in the Statement of comprehensive income.

(a) Balances of the Debt component, embedded derivative, and capitalised transaction costs at 31 December 2020 are as follows:

| | As at | |
|---|---|---|
| | 31 December 2020 | 30 June 2020 |
| | $ m | $ m |
| Debt component at amortised cost | 126.7 | - |
| Capitalised debt issue costs | (2.7) | - |
| Embedded derivatives in Senior Unsecured Convertible Notes | 96.1 | - |

(b) The movement in the bond, debt issue costs and embedded derivatives for the year is as follows:

| | At the beginning of the period | Cashflow under financing activities | Interest / amortisation charge | Fair value adjustments / including FX and other write offs | At the end of the period |
|---|---|---|---|---|---|
| | $ m | $ m | $ m | $ m | $ m |
| Debt component at amortised cost | - | 126.0 | 3.7 | (3.0) | 126.7 |
| Capitalised debt issue costs | - | (3.9) | 0.4 | 0.8 | (2.7) |
| Embedded derivatives in Senior Unsecured Convertible Notes | - | 37.8 | - | 58.3 | 96.1 |
| | - | 159.9 | 4.1 | 56.1 | 220.1 |

Other write offs for debt issue costs include $0.8 million of the portion of debt issue costs attributed to the embedded derivatives.

## 7. Intangible assets

The disruption of international and domestic travel continues to adversely impact the current profitability of the Group. As a result, during the current period management has updated its FY20 (full year) impairment assessment and assumptions taking into account the latest available information from various sources. Key assumption assessed, which have a material impact on the valuation of the recoverable amount are detailed below:

| B2B | Previous assumption | Updated assumption | Change |
|---|---|---|---|
| Resumption of domestic travel | 1H21 | 2H21 | 6 month delay |
| Resumption of international travel | 2H21 | 1H22 | 6 month delay |
| Vaccine available | Mid 2021 | Early 2021 | 6 months earlier |
| Year expected to reach pre-COVID 19 profitability levels | 2023 | 2023 | no change |
| 5 year EBITDA CAGR based on pre-COVID 19 | 7.5% | 8.5% | +100 bps |
| Terminal growth rate | 2% | 2% | no change |
| Tax rate | 10% | 10% | no change |
| Post tax discount rate | 11% | 11% | no change |

The recoverable amount was re-calculated based on the updated assumptions above. Despite the six-month delay in resumption of domestic and international travel, the recoverable amount calculated supports the carrying value of the Group's intangible assets.

Similar to the FY20 assessment, the recoverable amounts remain sensitive to delays in travel resuming and reaching pre-COVID 19 EBITDA levels. Where forecast growth rates reduce by 5% or more, and pre-COVID 19 profitability EBITDA levels are not reached by 1H24 (i.e. six-month delay), this may result in the recoverable amount falling below the carrying value, and an impairment expense may need to be recognised.

## 8. Basis of preparation of half-year report

This general purpose consolidated interim financial report for the half-year ended 31 December 2020 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The historical cost basis has been used, except for financial instruments that are measured at revalued amounts or 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.

The consolidated interim financial report does not include notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the most recent annual financial report and any public announcements made by Webjet Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

As announced by the Group on 19 August 2020, the Group changed its financial year end from 30 June to 31 March. The FY2021 will now comprise nine months and the financial period will end on 31 March 2021.

### Going concern update

These consolidated financial statements are prepared on a going concern basis. Further to disclosures contained in the 30 June 2020 financial report, we can confirm the Group has successfully removed the cash settlement risk that arose from the issue of the Unsecured Senior Convertible Notes in July 2020. In November 2020, the cash settlement feature in the Notes was replaced with an equity settlement feature. In addition, with continuing support from the banks, the covenant waiver period has been extended from 30 June 2021 to 31 March 2022 as noted in Note 10 below.

### Rounding of amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest one hundred thousand dollars in accordance with that Legislative Instrument.

## 9. Adoption of new accounting standards

The following minor amendments to standards became effective and applicable to the Group from 1 July 2020:

- AASB 2018-6 Amendments to Australian Accounting Standards: Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards: Definition of Material
- Conceptual Framework for Financial Reporting and AASB 201-1 Amendments to Australian Accounting Standards: References to the Conceptual Framework
- AASB 2019-3 Amendments to Australian Accounting Standards: Interest Rate Benchmark Reform
- AASB 2019-5 Amendments to Australian Accounting Standards: Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia
- AASB 2020-4 Amendments to Australian Accounting Standards: COVID-19 Related Rent Concessions

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.

## 10. Subsequent events

### Debt covenant waivers extended

The Group successfully negotiated an extension to the debt covenant waivers with the covenant waiver period extended from June 2021 to March 2022 with the next covenant test period being the quarter ending 30 June 2022. The minimum liquidity requirements of $125 million remains unchanged.

There has not been any matter or circumstance occurring after the end of the financial six-month period, other than COVID 19, that has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Group in future periods.

## Directors' Declaration

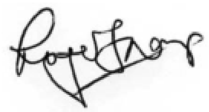
The directors declare that:

(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 Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date.

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

On behalf of the Directors



**Roger Sharp**
Chairman

Date: 17 February 2021

Deloitte.

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17 February 2021

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

Dear Board Members

**Auditor's independence declaration Webjet 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 Limited.

As lead audit partner for the review of the financial statements of Webjet Limited for the half-year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Stephen Roche
Partner
Chartered Accountants

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

*Conclusion*

We have reviewed the half-year financial report of Webjet Limited(the "Company") and its subsidiaries (the "Group"), which comprises the consolidated balance sheet as at 31 December 2020, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of cashflows and the consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 7 to 21.

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

(a) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and

(b) 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 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 31 December 2020 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

Stephen Roche
Partner
Chartered Accountants
Melbourne, 17 February 2021

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