

ASX Release

20 January 2020

WEBJET EXTENDS MANAGING DIRECTOR'S SERVICE AGREEMENT

The Board of Webjet Limited (**Webjet** or **Company**) is very pleased to announce that it has agreed with its Managing Director, Mr John Guscic, to extend the term and make other changes to his Service Contract (**Service Contract**).

The term of the Service Contract has been extended from 30 June 2021 to 30 June 2023.

Together with the extension of the term, there have also been changes made to Mr Guscic's remuneration arrangements. A summary of the changes to the Service Contract is set out in the attached schedule. Full details of the varied arrangements will be included in the Company's FY20 Annual Report.

The Board of Webjet considers the extension to Mr Guscic's service contract will be of material benefit to the Company as it continues to execute its strategy.

Webjet's Chairman, Roger Sharp, said: "The Board is delighted that John has agreed to extend his tenure. He has been Webjet's Managing Director for a period now approaching 10 years. In that time, Webjet has grown its business dramatically, particularly its WebBeds division which, from a standing start in 2013, is now the largest business (by EBITDA) in the Group. The Board looks forward to continued growth and success under John's leadership."

For further information, please contact:

Carolyn Mole on (03) 9828 9754 or carolyn.mole@webjet.com.au

Schedule

Summary of Key Contract Terms

John Guscic's contract extension as Managing Director of Webjet Limited

<p>Fixed Remuneration</p>	<p>The fixed annual salary component of his remuneration - \$1,500,000.</p> <p>The substantial uplift (from \$850,000) reflects numerous factors, including but not limited to:</p> <ul style="list-style-type: none"> • the fixed annual salary component payable to Mr Guscic has not been reviewed or changed since 1 July 2016; • the dramatically increased geographic spread of the Company's businesses (and the very significant demands that places on the Company's senior executives, particularly Mr Guscic); • the material growth in the Company's total transaction value (TTV), revenues, EBITDA and NPAT; and • the success of the Company, both domestically and internationally, in an industry sector where there is real demand for senior executives with a proven track record of building profitable businesses. <p>The fixed annual salary component of Mr Guscic's remuneration, which includes salary, director's fees in respect of any directorship in the Group and all superannuation entitlements, will be reviewed annually.</p>
<p>Incentive – Short term</p>	<p>Mr Guscic is eligible for an at risk short term incentive benefit in respect of each year of the contract term (including the current financial year).</p> <p>The at risk short term incentive reward is linked to the achievement of both financial and non-financial benchmarks. A bonus of up to 50% of his fixed annual remuneration is linked to the Company's FY20 EBITDA performance against its EBITDA budget (the 'financial' component).</p> <p>A further amount of up to \$350,000 is available to Mr Guscic subject to the Company's performance against an agreed set of five non-financial hurdles.</p>
<p>Incentive – Long term</p>	<p>Mr Guscic's long term incentive remains unchanged for the current financial year. Currently, he holds 1,000,000 options (exercisable at \$16.00), which will vest on 30 September 2020 subject to the achievement of EBITDA and TSR Growth hurdles. The hurdle details were set out in the Remuneration Report in the Company's FY19 Annual Report. Subject to limited exceptions, vesting is also subject to Mr Guscic remaining employed by the Company.</p> <p>Mr Guscic's long term incentive of his annual remuneration beyond the current financial year will be considered later in 2020.</p>

<p>Termination</p>	<p>The Company may terminate Mr Guscic's employment at any time on 12 months' notice or payment in lieu of notice. In this circumstance, Mr Guscic will receive a pro-rata entitlement to options due to vest in the next tranche.</p> <p>Mr Guscic may terminate his employment at any time on 6 months' notice to the Company. If he elects to do so, options which have not vested lapse on termination by Mr Guscic.</p> <p>Mr Guscic's employment is also subject to termination (for cause) with immediate effect in certain limited circumstances (for example: breach of contract, misconduct, dishonesty, poor performance).</p>
<p>Restrictive Covenant</p>	<p>Mr Guscic's contract includes a restrictive covenant. Under that covenant, he will be restrained for up to 12 months after the termination of his employment by the Company from:</p> <ul style="list-style-type: none"> (a) directly or indirectly being engaged in any business in Australia, New Zealand or other country in which the Company has a business operation which is competitive with any business (or any material part of any business) carried on or planned to be carried on by the Company or any member of the Group at that time: (b) soliciting, canvassing, inducing or encouraging any director, employee, consultant, contractor or agent of any Group Company to leave the employment, engagement or agency of any such Group Company; or (c) interfering in any manner detrimental to the Group (or any entity in the Group) with the contractual or business relationship between the Group and its major trading partners, customers, employees, consultants, contractors or any other person who is or has at any time during the 12 month period prior to termination been involved in any material transaction with the Group.
<p>Commencement Date</p>	<p>Executed 20 January 2020, Effective as of 1 July 2019</p>
<p>Term</p>	<p>Until 30 June 2023 (the contract may be extended by agreement)</p>