

Market Release

24 October 2019

Notice Pursuant To Clause 20(1)(A) Of Schedule 8 To The Financial Markets Conduct Regulation 2014

Serko releases Cleansing Notice in relation to Offer of Shares

1. Serko Limited (NZX/ASX:SKO), a leader in online travel booking and expense management for business, today announced that it intends to undertake a capital raising, comprising of an offer of:
 - (a) approximately NZ\$40 million of newly issued ordinary shares and an offer of approximately NZ\$16 million of existing shares by certain shareholders to selected institutional and retail investors (the "**Placement**"), which is underwritten; and
 - (b) a share purchase plan to Serko's eligible existing shareholders with an address in New Zealand or Australia to raise up to \$5 million, which is not underwritten (the "**SPP**"),
(together, the "**Offer**").
2. The Placement opens today, 24 October 2019. The SPP will open on 31 October 2019.
3. The Offer is being made in reliance upon the exclusion in clause 19 of schedule 1 to the Financial Markets Conduct Act 2013 ("**Act**").
4. This notice is provided under subclause 20(1)(a) of schedule 8 to the Financial Markets Conduct Regulations 2014 ("**Regulations**") and under paragraph 708A(12G) of the *Corporations Act 2001* (Cth) ("**Corporations Act**") as notionally inserted by ASIC Instrument 18-0299.
5. Serko will issue the relevant securities under the Offer without disclosure to investors under Part 6D.2 of the Corporations Act.
6. As at the date of this notice:
 - (a) Serko is in compliance with the continuous disclosure obligations that apply to it in relation to ordinary shares in Serko;
 - (b) Serko is in compliance with its financial reporting obligations (as defined in subclause 20(5) of schedule 8 to the Regulations);
 - (c) Serko has complied with its obligations under Rule 1.15.2 of the ASX Listing Rules; and
 - (d) there is no information that is "excluded information" (as defined in subclause 20(5) of schedule 8 to the Regulations) in respect of Serko.

7. The potential effects that the Offer of new shares is expected to have on the "control" (within the meaning of clause 48 of schedule 1 to the Act) of Serko and the consequences of those effects are as follows:
- (a) As at the date of this notice, based on filings made by the relevant parties, the substantial product holders in Serko are Darrin Grafton, Robert Shaw, Geoffrey Hosking, Milford Asset Management Limited, First NZ Capital Group Limited and Harbour Asset Management Limited. None of the substantial product holders control Serko.
 - (b) Serko has not sought a waiver from NZX Main Board Listing Rule 7.5 (regulating issues of shares which could affect the effective control of Serko), and the Takeovers Code will also prevent any person and that person's associates from holding or controlling, or increasing an existing holding of, 20% or more of the voting securities in Serko as a result of the Offer.
 - (c) Accordingly, the Offer is not expected to have any material effect or consequence on the control of Serko within the meaning set out in clause 48 of Schedule 1 of the Act.

On behalf of:

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