

serko

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Annual Shareholders Meeting – 18 August 2021

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# Chairperson Welcome

Claudia Batten



# SERKO'S BOARD



Claudia  
Batten



Simon  
Botherway



Clyde  
McConaghy



Darrin  
Grafton



Bob  
Shaw

# ORDER OF MEETING

Chairperson  
Address

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CEO  
Address

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Shareholder  
Q&A

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Formal  
Business &  
Resolutions

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General  
Business

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# Chairperson Address

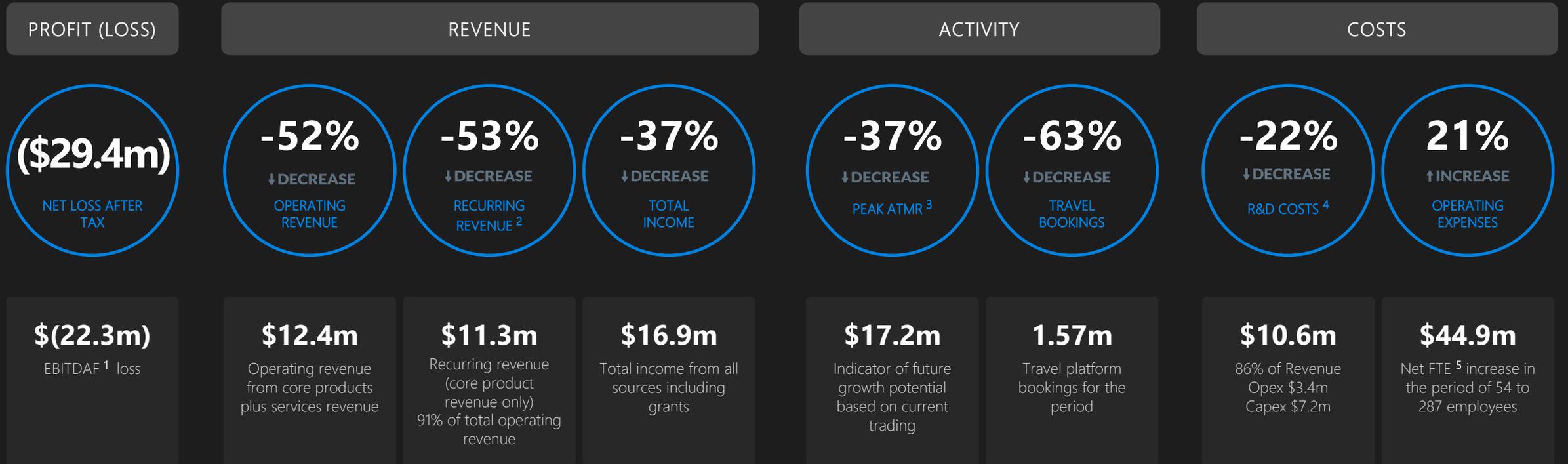
Claudia Batten

# OUR MISSION

We're on a mission to connect the world's business travellers with the universe of travel content, providing travel buyers with the content, information and services they need at every stage of the journey to create a connected trip.



# FY21: WEATHERING THE PANDEMIC



Notes 1-5: Refer to Appendix for definitions.  
Refer to Serko's latest earnings announcement for descriptions of the non-GAAP measures used by management.

# INVESTING FOR THE OPPORTUNITY



New equity raised  
in oversubscribed  
capital raising



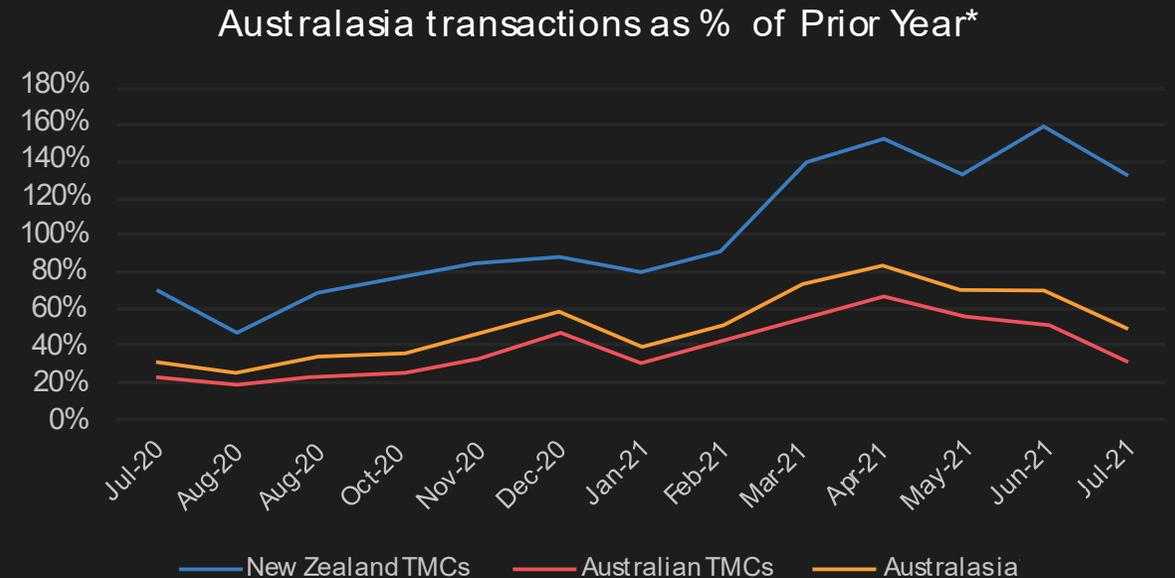
Cash on hand at  
the end of  
July 2021



Average Cash  
burn /month  
Q1 FY22

# WHILE MANAGING FOR UNCERTAINTY

- New Zealand domestic travel bookings have remained very strong, exceeding pre-Covid levels.
- Australian domestic travel bookings have continued to fluctuate.
- We are prudently managing our capital. Cash burn averaged \$2.6 million/month through Q1, within our guidance range of \$2 million to \$4 million.



\*Jul-20 to Feb-21 is against prior year. From Mar-21 it is measured against the same month in 2019 as that timing represents a Pre Covid-19 measure.

# GOVERNANCE EVOLVING AS WE GROW



Driving to be a more responsible organisation through the incorporation of Environmental, Social and Governance practices and disciplines into our strategy and organisation.



Continuing to strive towards best practice remuneration and diversity policies.



Managing board succession to deliver the skills the evolving organisation needs.



Simon  
Botherway



Jan  
Dawson

# OUTLOOK



- We remain optimistic travel will recover and we are investing to position Serko for that recovery.
- The extent and pace of the recovery is uncertain.
- Our expansion into new markets will continue, with a weather eye on trading conditions, and keeping our cash burn within our guidance range.
- As we complete the Booking.com for Business migration and European business travel resumes after the summer break, we expect transactions to increase on this platform, resulting in material revenue over the second half of the year. We will continue to update the market on key metrics and trends as we conclude the migration.
- We continue to be unable to forecast revenue for the FY22 year with any certainty at this time.

# CEO Presentation

Darrin Grafton

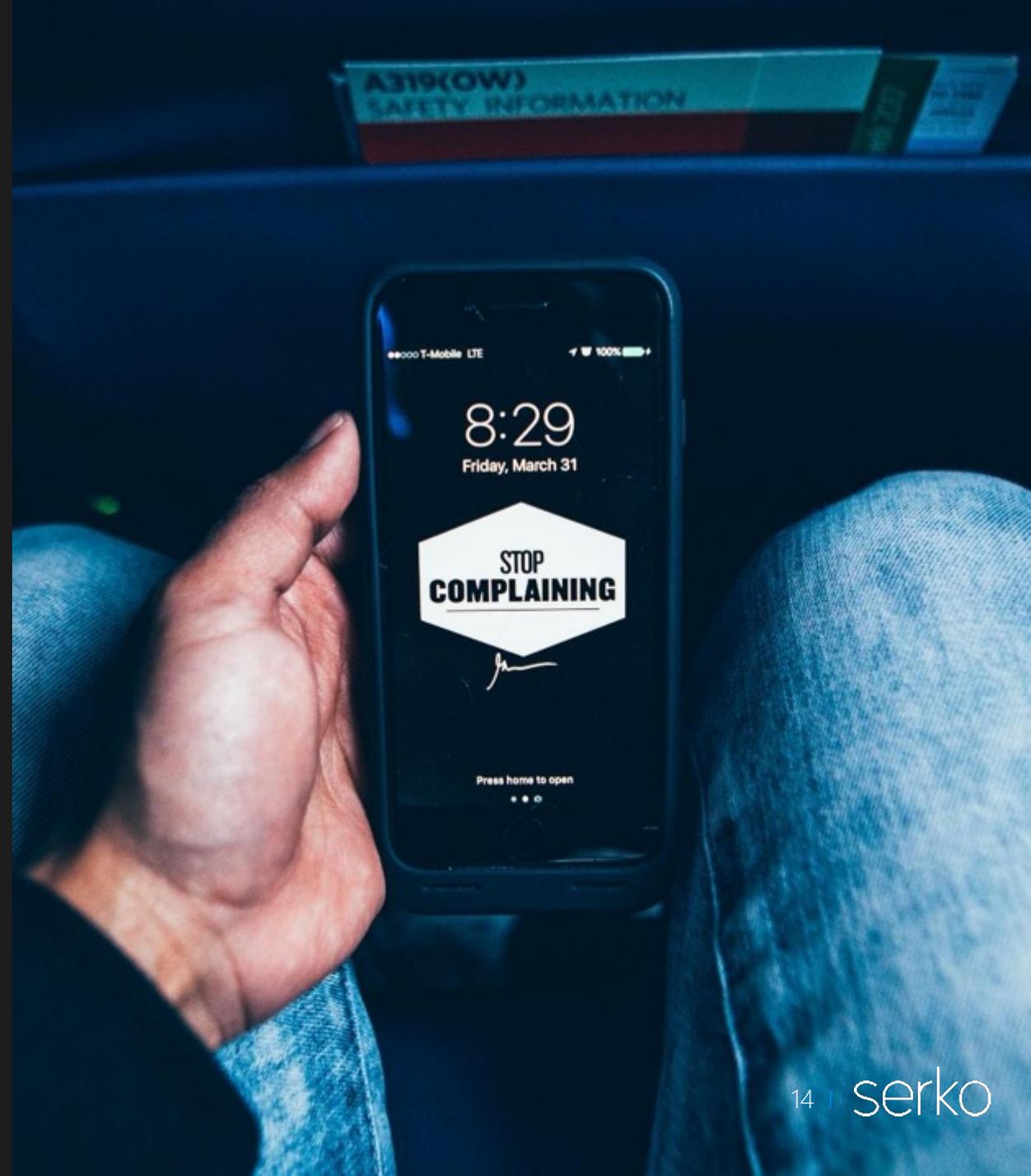


# THE BUSINESS TRAVEL EXPERIENCE STILL SUCKS

Booking a trip is complex. It involves engaging with multiple suppliers, interpreting complex, disparate information and accessing numerous apps or tools.

Choice can be overwhelming. Simple changes can be frustrating. Post-trip reconciliation can be maddening.

*It's no wonder most people complain that business travel is a chore.*

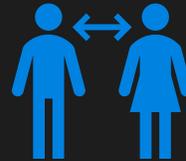


# MARKET CONDITIONS THAT CREATE THE OPPORTUNITY FOR SERKO



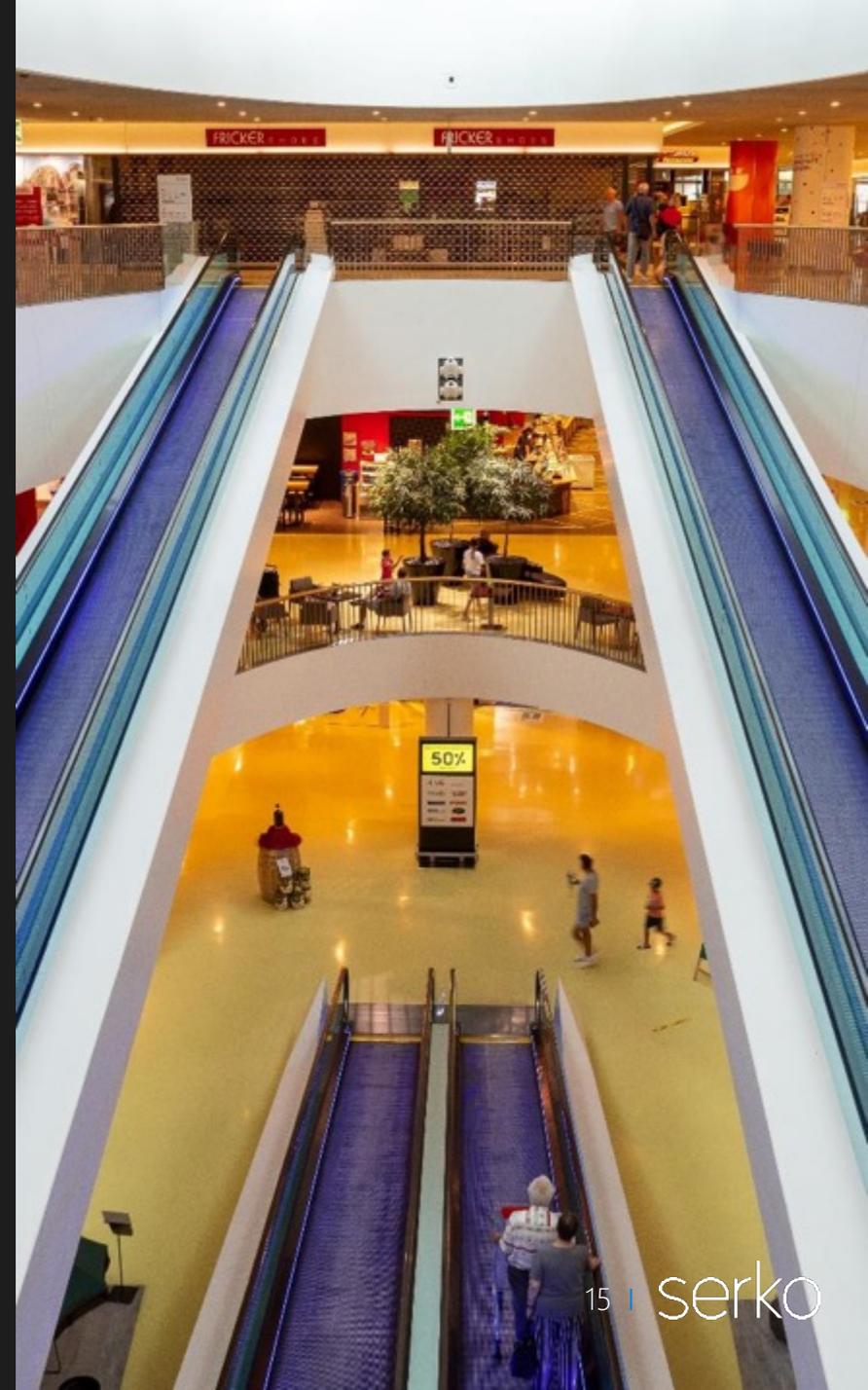
The business travel supply chain is highly fragmented.

There is no simple way for buyers to get everything they need in one place, with one profile, through a single application.



The business travel market of buyers is highly dispersed.

There is no simple way for sellers to access the full spectrum of business travel buyers from SMEs to Enterprise in a single distribution channel.



# ZENO BRINGS TRAVEL SUPPLIERS AND TRAVELLERS TOGETHER

The world's **travel content**



The world's **business travel buyers**

## CONTENT

Air  
Rail  
Accommodation  
Rental Car  
Airport Parking\*  
Airport Transfers  
Dining\*  
Meeting Rooms\*

## SERVICES

Carbon Offset\*  
Risk Management\*  
Travel Budget  
Expense Management  
Disruption\*  
Insurance\*

zeno



- Simple
- Personalised
- Unified
- Controlled

## UNMANAGED

Individual  
Business  
Travelers



## MANAGED

SMEs

Corporates

Enterprise

*\*These content and service offerings are planned or in development*

# Our plan on a page

## OUR VISION

The reinvention of business travel retailing with the world's first business travel marketplace.

## OUR MISSION

We're on a mission to connect the world's business travellers with the universe of travel suppliers, providing travel buyers with the content, information and services they need at every stage of the journey to create a connected trip.

## STRATEGIC SUMMARY

Leverage our strength in A/NZ to expand into international markets through strategic alliances that enable the business model transformation from an OBТ to a B2B Marketplace.

## OUR 5 STRATEGIC PILLARS

1

**A/NZ**

Expand A/NZ customer base through continued investment in product innovation.

2

**NORAM**

Enter the NORAM market through TMCs and by capturing direct corporate clients.

3

**BOOKING.COM**

Become the leading digital business travel platform for SME's in partnership with Booking.com.

4

**BUILD OUT THE MARKETPLACE MODEL**

Scaling the technology platform to enable connectivity to a broader range of partners.

5

**BUILD TEAM SERKO TO ENABLE SCALE-UP**

Acquire and develop talent and create the organisation foundations for a successful scale-up.

# CONSOLIDATING OUR LEADERSHIP IN A/NZ



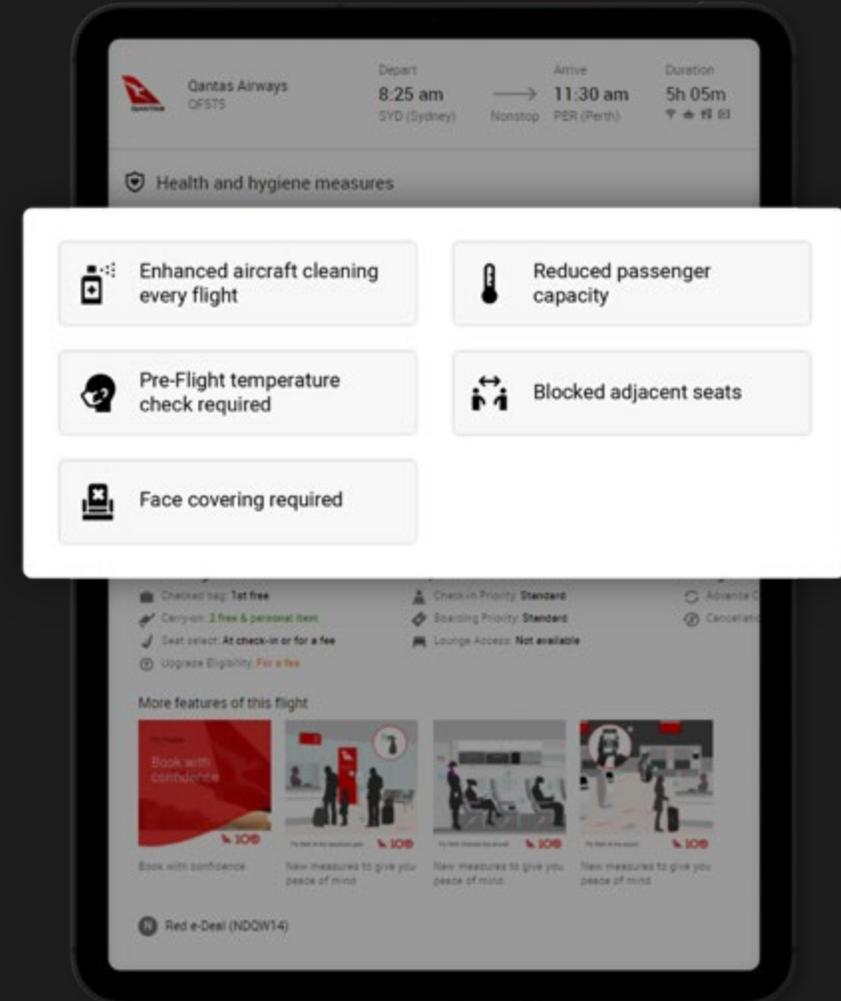
Expanding A/NZ customer base through continued investment in product innovation.

Driving ARPB<sup>1</sup> growth in Australasia with value added content including:

- Carbon offset<sup>2</sup>
- Covid risk mitigation<sup>2</sup>
- Enhanced corporate travel policy compliance<sup>2</sup>
- NDC airline content



New Zealand domestic travel recovering well, but Australia tempered by ongoing lockdowns.



<sup>1</sup>ARPB refers to Average Revenue Per Booking.

<sup>2</sup>These content and service offerings are planned or in development.

# DRIVING INTO NORTH AMERICA



<sup>1</sup>Source: Statista, Number of domestic leisure and business trips in the US 2008 - 2024  
<https://www.statista.com/statistics/207103/forecasted-number-of-domestic-trips-in-the-us/>

# DRIVING INTO NORTH AMERICA



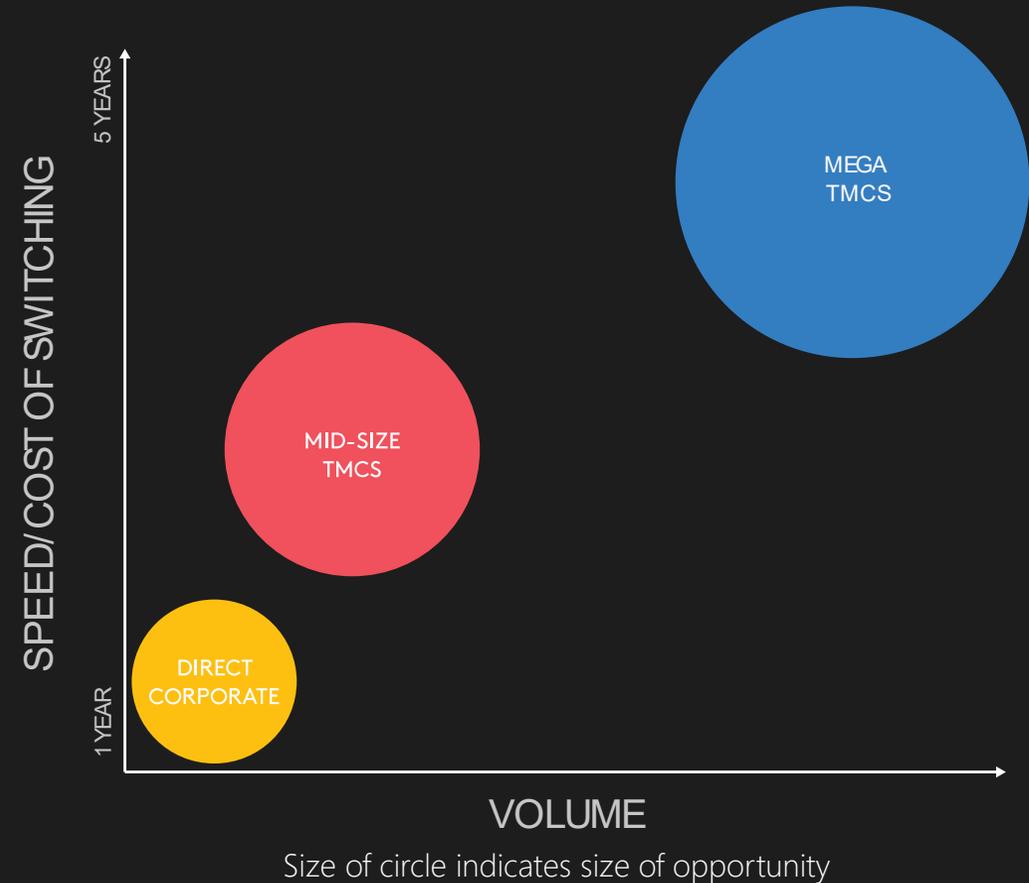
Validation phase in North America is complete, Zeno brand now has a presence in market that is driving pipeline growth.



Three market segments:<sup>1</sup>

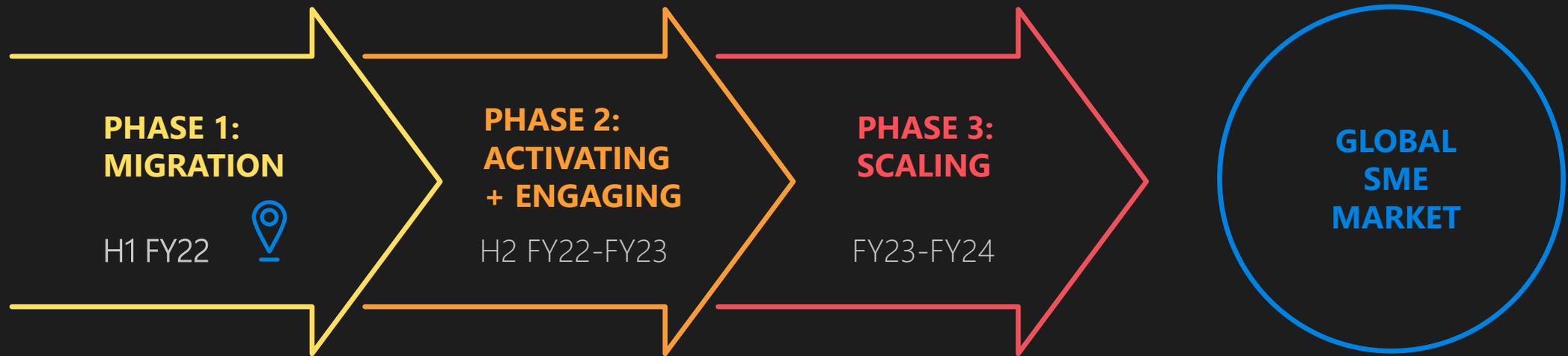
- Mega TMCs (~75% market share)
- Mid market TMCs (~25% market share)
- Direct to Enterprise (Fortune 500)

Representation of the US managed travel market segmentation



<sup>1</sup>Source: Statista, Leading travel management companies in the United States in 2019, by share of air ticket transactions  
<https://www.statista.com/statistics/202250/air-ticket-transactions-of-travel-management-companies/>

# BOOKING.COM FOR BUSINESS: A GLOBAL SME SOLUTION



# BOOKING.COM FOR BUSINESS



Connected trip (Accommodation + Flight) now available in 15 countries.



More than 200,000 activated businesses on the platform.



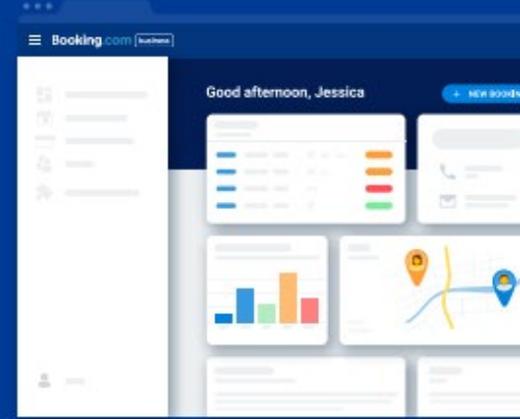
Over 5,000 new customers acquired in July.



Users in 180+ countries across 10 languages.

Booking.com **business**

# Meet your new travel assistant



Booking.com for Business is the everybody-wins travel platform. Book complete trips and pick from one of the broadest selections of stays and transportation options.



### All-in-one

Book end-to-end trips including transportation and accommodations



### Faster

Faster bookings with AI power and express check-out



### Cheaper

Great prices with no booking fees or platform costs



### Safer

Know exactly where your travelers are staying anytime



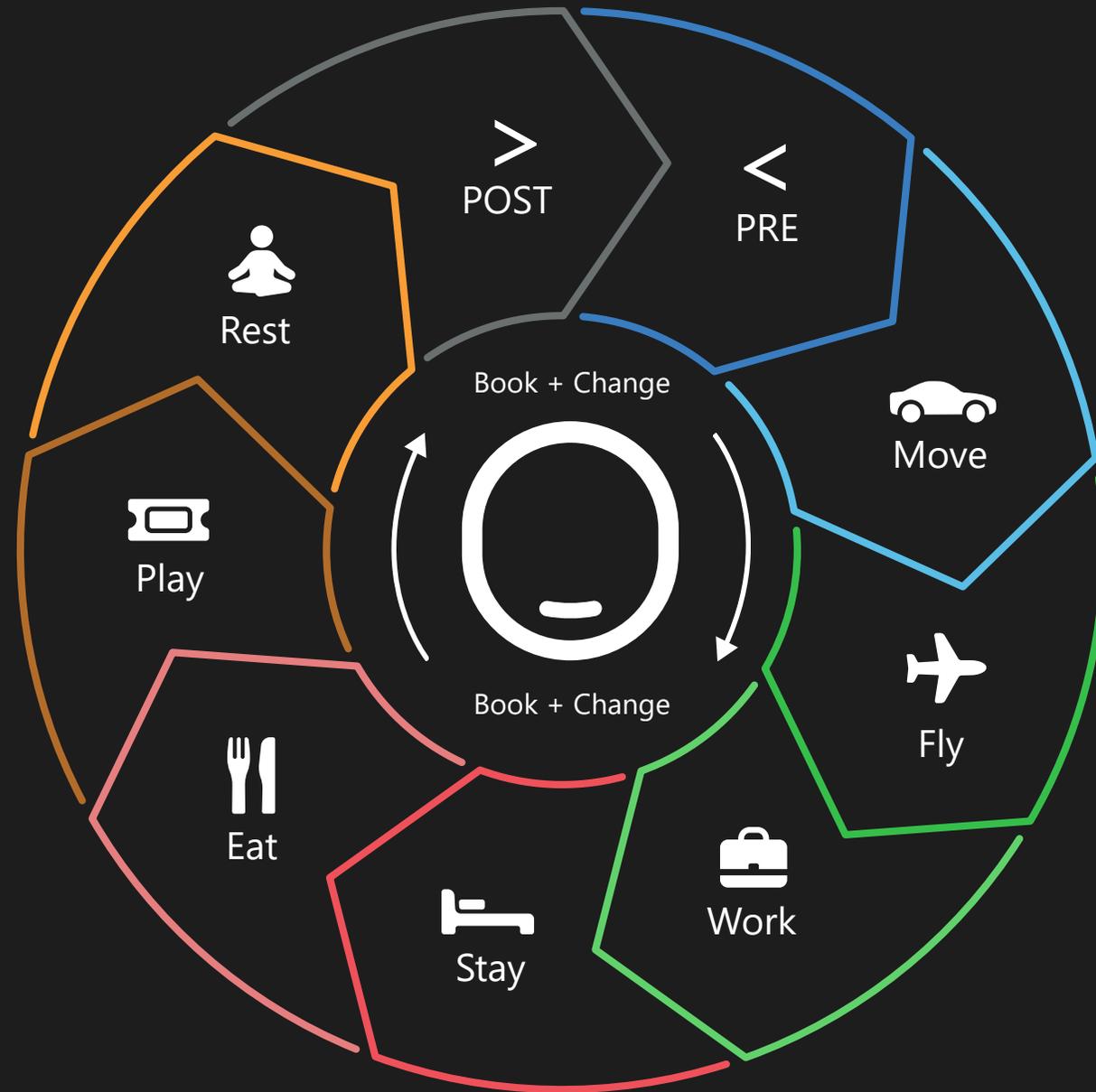
### Happier

Delight all business stakeholders, from travelers to the CFO

## Business travel solved for all

for individuals | for teams | for companies like yours

# BUILDING OUT OUR CONNECTED TRIP VISION



# SCALING TEAM SERKO



Shane Sampson  
CHIEF FINANCIAL OFFICER



Rachael Satherley  
CHIEF PEOPLE OFFICER

In FY21 we added 81 FTEs to Serko's global workforce\*



\*As at 31 July 2021

# zeno

Well positioned for the eventual recovery in global markets as we scale up to achieve our global ambitions.

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New Zealand performing well, Australia expected to follow as public health conditions stabilise.



Our North American business is positioned for the travel recovery.



Our partnership with Booking.com for Business is progressing well. We are in the final stages of migration which, once complete, will give us a better idea of booking trends.



We have made great progress scaling our people and systems for growth.

THANK YOU

# APPENDIX

## DEFINITIONS

- Peak ATMR (Annualised Transactional Monthly Revenue) is a non-GAAP measure. Serko uses this as a useful indicator of recurring revenues from Serko products. It is calculated by annualising the combination travel and expense platform monthly revenues for the most recent non-seasonal month. The travel platform revenue is annualised by taking the monthly online booking transactions divided by the number of weekdays for that month multiplied by the average ARPB and multiplied by 260 days. The expense platform revenue is based on the monthly revenue from active users multiplied by 12 months.
- ARPB (Average Revenue Per Booking) is a non-GAAP measure. Serko uses this as a useful indicator of the combined value from transactional booking fees and the supplier commissions earned from the travel platform. It is calculated by taking total travel platform booking revenue and supplier commission revenue divided by the total number of bookings.
- Recurring product revenue is a non-GAAP measure and is the recurring revenue derived from transactions and usage of Serko products by contracted customers. It excludes revenues from customised software development (services revenue).
- Operating revenue is a non-GAAP measure excluding income from grants and finance income, while total income includes grants.
- R&D (Research & Development) costs is a non-GAAP measure representing the internal and external costs related to R&D both expensed and capitalised.
- Operating Costs is a non-GAAP measure which excludes costs relating to taxation, interest, depreciation, and amortisation charges.
- EBITDAF is a non-GAAP measure representing Earnings Before the deduction of costs relating to Interest, Taxation, Depreciation and Amortisation and Fair value remeasurement of contingent consideration.
- FTE = Full Time Equivalent employee.