



serko

ANNUAL MEETING

AUGUST 2017

Welcome from the Chairman



**Simon
Botherway**

CHAIRMAN OF THE BOARD



Order of Meeting



- Chairman's Welcome and Address
- CEO's Presentation
- Shareholder Q&A
- Formal Business and Resolutions
- General Business
- Product Demo following refreshments

Strategy: Innovation and Growth

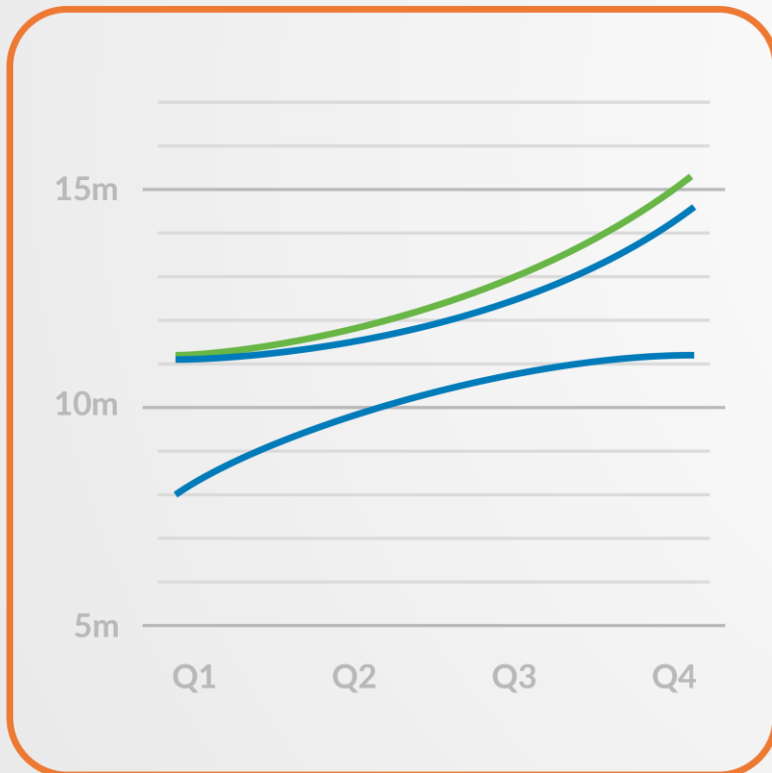


ARPB = Average Revenue Per Booking

ATMR Increasing

ATMR

■ ATMR without content ■ ATMR with content



FY17
↑

37%

↓
FY16

\$15.3m at March 17

VS

\$11.2m at March 16*

*Actual FY17 Recurring Revenue was \$12.9m

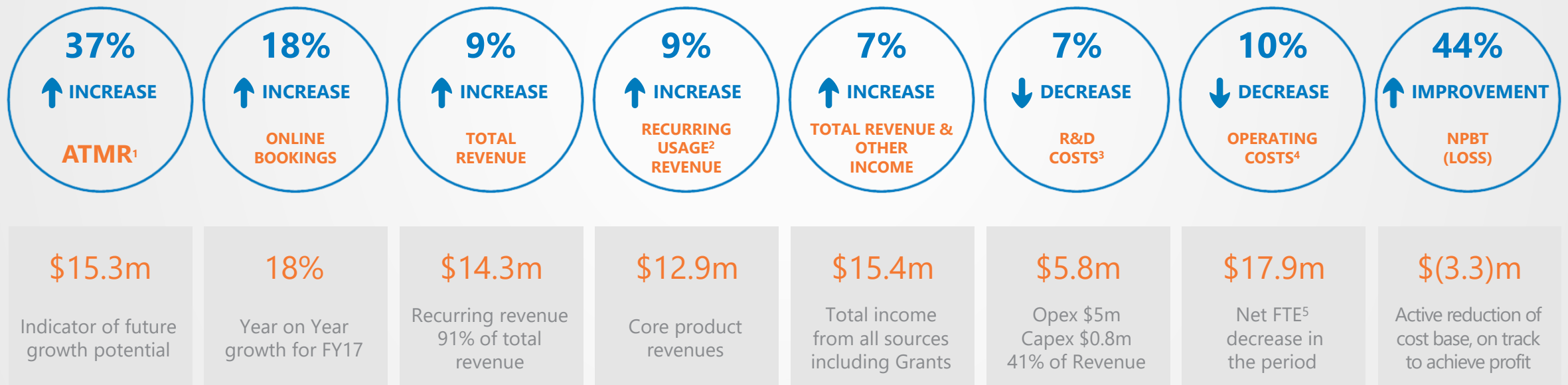


ATMR = Annualised Monthly Transaction Revenue

Improvement in Key Measures



FY17 Performance dashboard



Notes 1 – 5: Refer to Appendix for Definitions

Enhancing Operating Leverage



10%

Decrease in Operating Costs in FY17 over prior period

21%

Increase in Revenue per FTE to \$122,000 for FY17

Arnold integration savings

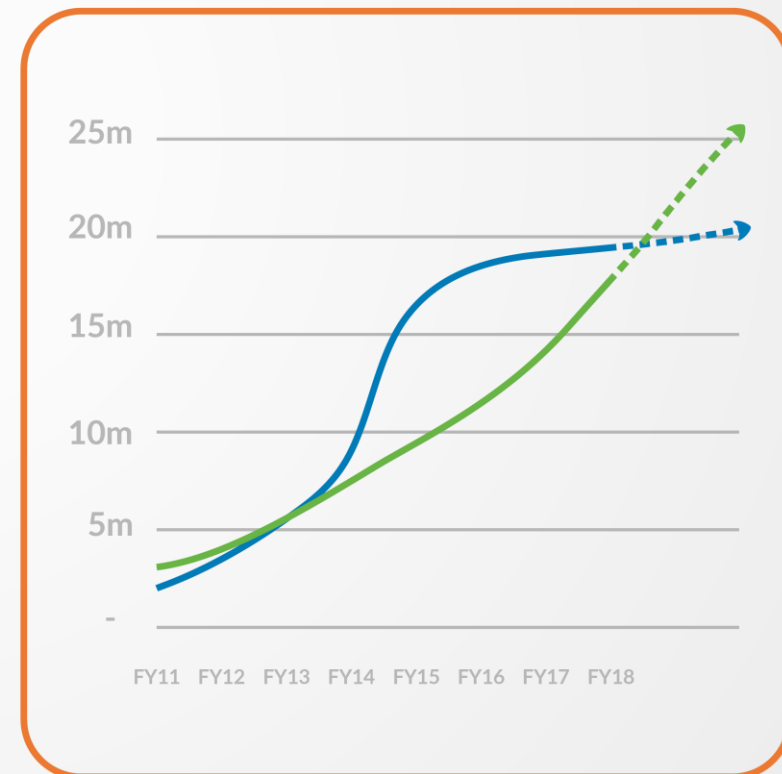
Operating leverage

Growth off a contained cost base

Note: Income and Costs beyond FY17 are illustrative only

Revenue vs Costs

■ Costs ■ Income



Trading Outlook



\$1 million

Continue to target \$1m EBITDA and cash flow break even for FY18

On track to achieve:

- 1H18 revenue to be 25-30% higher than prior year
- Net profit before tax and EBITDA positive on a monthly basis YTD
- June 17 ATMR was \$15.6m, up from \$15.3M at end of March and 27% increase over same time prior year
- Content and transaction growth strong
- Cash balances at 31 July 17 were \$4.3m vs \$4.5m at 31 March 17

Second half typically weaker than the first half due to slow down in corporate travel over holiday period Dec/Jan

ATMR

■ FY17 ■ FY18



FY18 Q1
↑
27%
↓
FY17 Q1

Delivering Best Practice Governance



- Annual board skills and mix, independence reviews
- Review of policies including:
 - Security Trading Policy
 - Diversity and Inclusivity Policy
 - Culture and Values
 - Risk Management Policy
 - Cyber Security
 - Environmental, Social , Governance (ESG) Reporting
- Audit tender
- Director fee review



CEO Presentation



Darrin Grafton

CHIEF EXECUTIVE OFFICER



Strengthening the Executive Bench



Susan Putt

Chief Financial Officer



Charlie Nowaczek

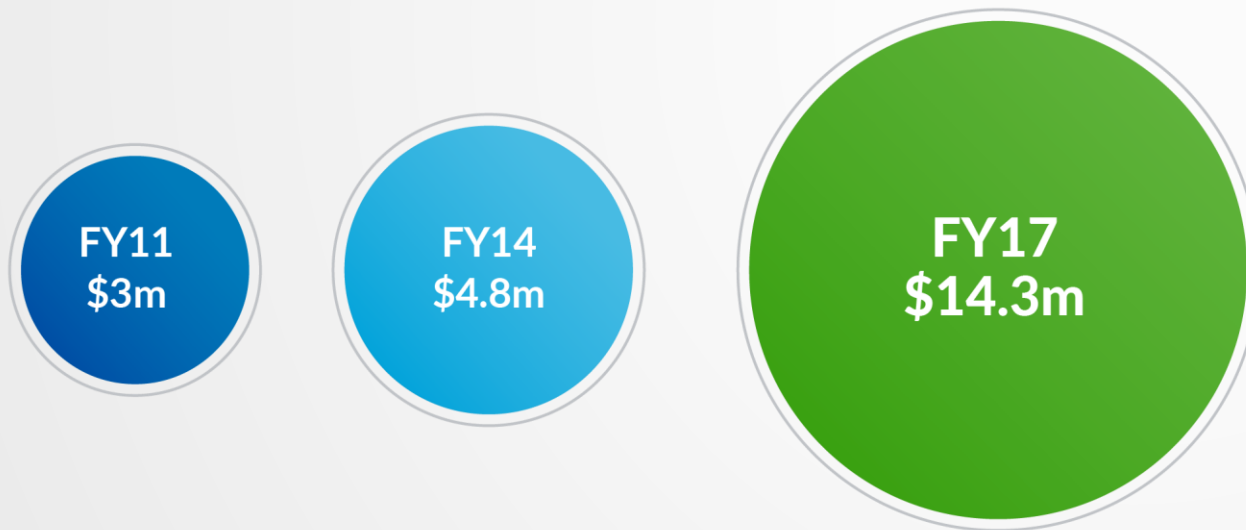
Chief Operating Officer

10 Years of Growth



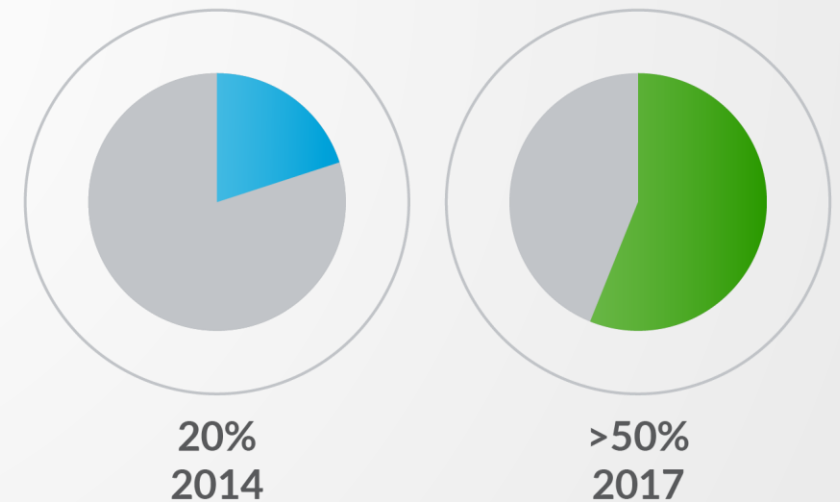
Revenue

Revenue growth over the last 7 years



Market Share

Market share growth



Source: GBTA (Global Business Travel Association)

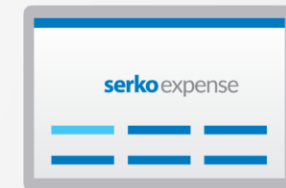
What is Serko?



Cloud Based
Corporate Travel &
Expense Management
Solution Provider



Our **purpose**
is to **transform the way**
businesses manage
travel and expenses,
enabling stress-free travel so team
members can always be at their most
productive **delivering**
tangible benefits to the
organisations that use the Serko line
of products



Serko – Partners with TMCs to Deliver Solutions to Blue Chip Corporates

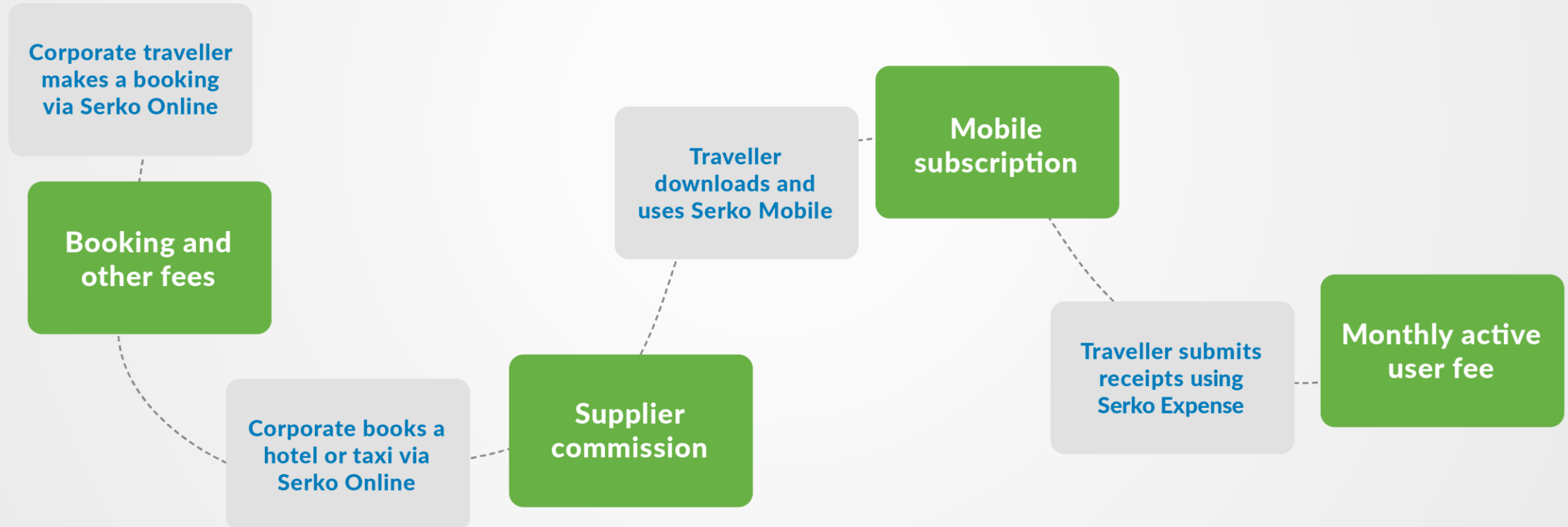


- Global corporate travel market – US\$1.2tr
- Australasia – US\$17bn Enterprise corporate travel market; US\$15bn SME

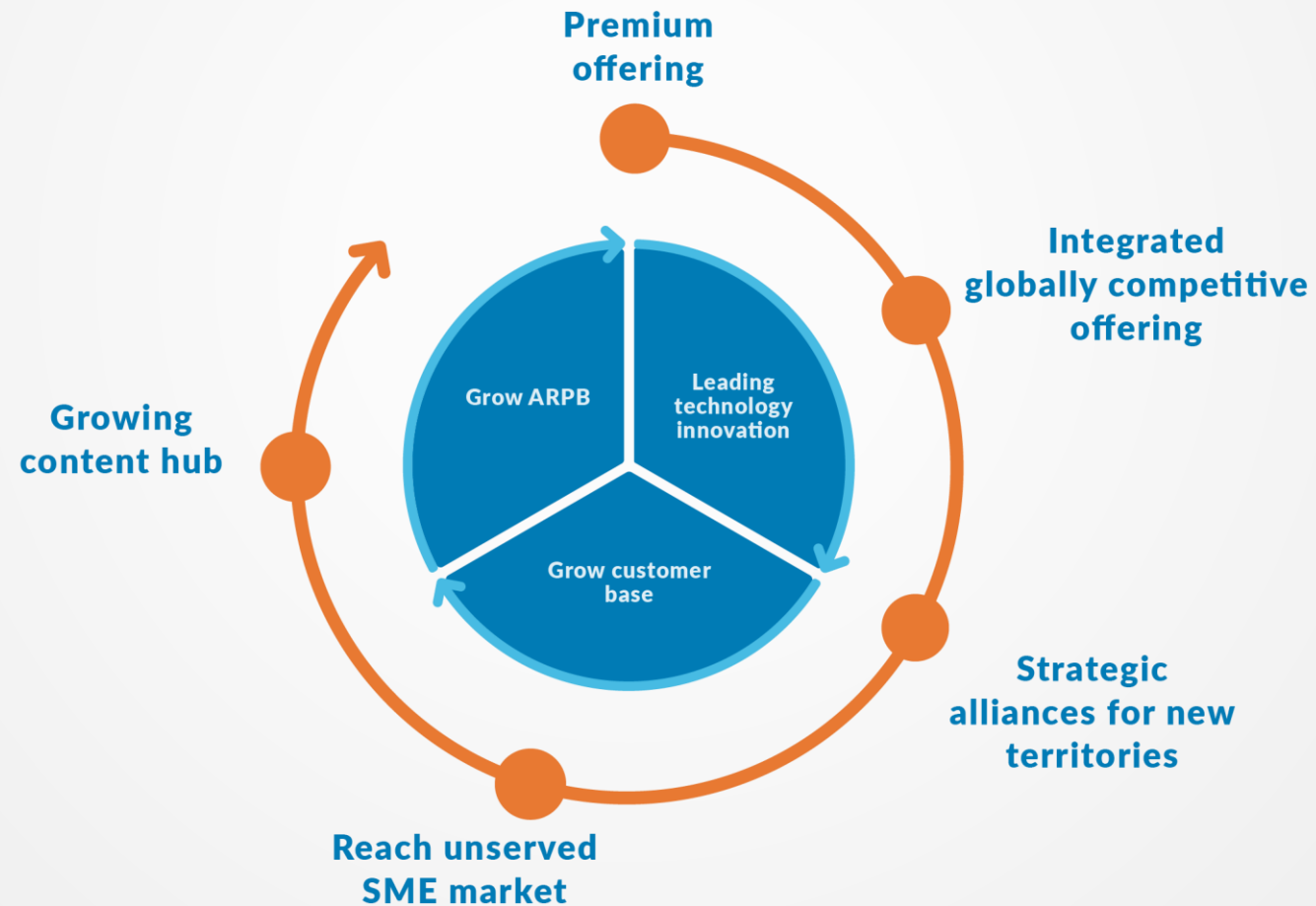
Market-leading reseller base (TMC's) covering large market share & provides a global footprint

Blue chip customer base numbering over 6000 corporate entities

How Serko Generates Revenue



Strategic Focus



Investing in Innovation



\$5.8m

R&D investment in FY17 vs \$6.3m FY16

Major releases including:

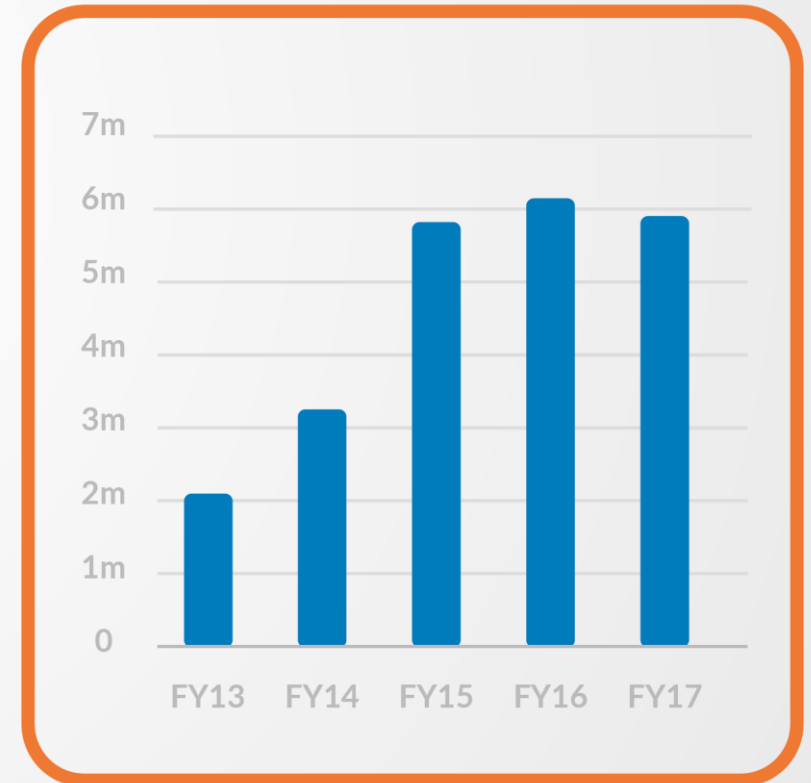
- Predictive mobile booking experience
- Expense submission via Mobile App with smart receipt reader
- Virtual credit card payments through Conferma
- serko.travel

Zeno development

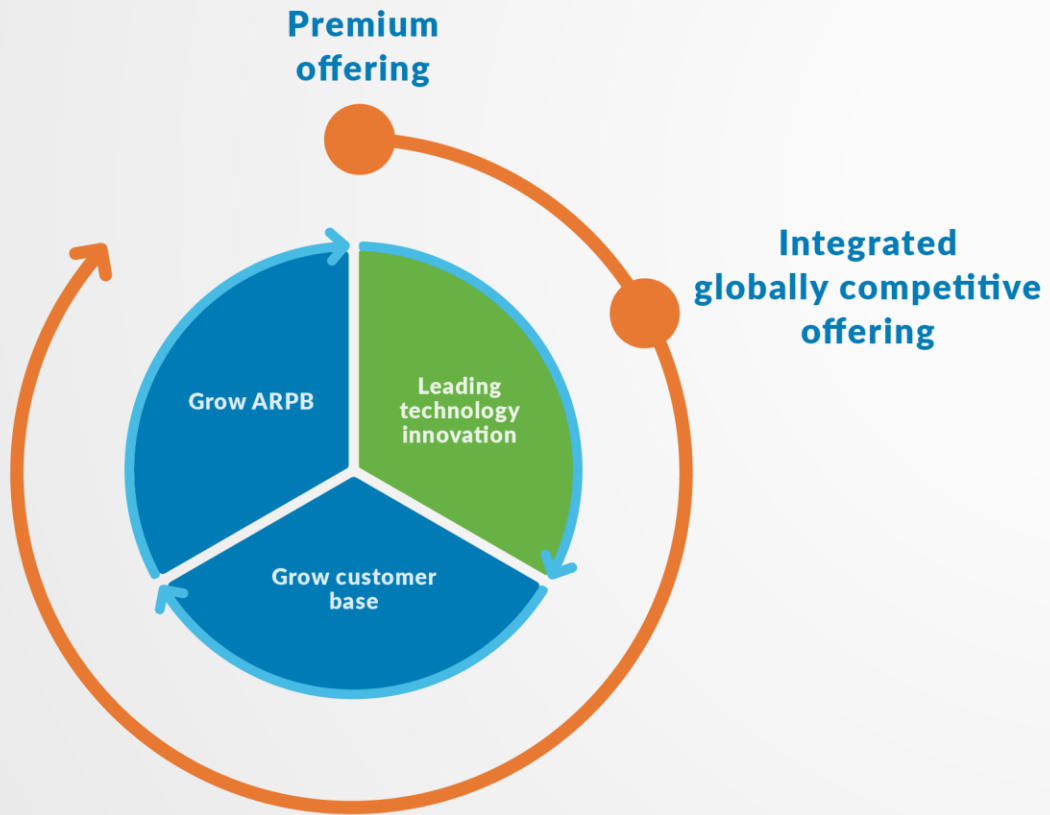
Platform foundations improved for further global expansion



R&D SPEND



Innovating for the Future



Growing Our Customer Base FY17



Over 50%

Of corporate travel in Australasia booked through Serko¹

18% increase in bookings for FY17

- Established strategic relationship with Sabre / Air New Zealand
- Signed new TMC² agreements with Helloworld & Magellan

1500 serko.travel signups to date

- serko.travel to address \$15 billion SME travel spend¹ launched July16
- Added distribution partnerships for serko.travel
- Ongoing booking growth



ONLINE BOOKING TREND



¹Source: GBTA (Global Business Travel Association)

²TMC (Travel Management Company)

Growing Our Customer Base FY18



Growing ARPB FY17



5%

Attachment and growing

7%

ARPB increase due to content introduced in FY16

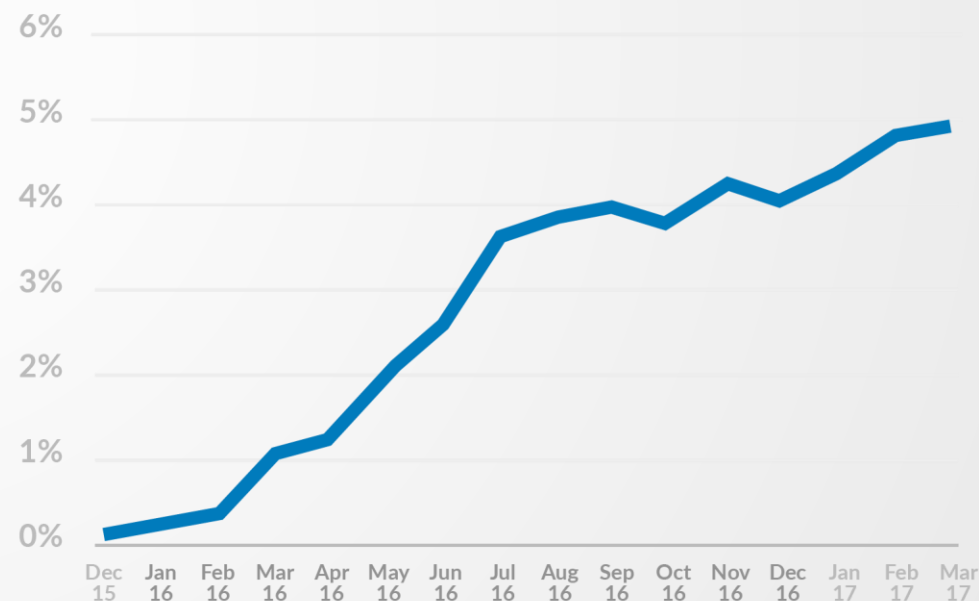


Booking.com



Additional Content Bookings

— % of total bookings



Growing ARPB FY18

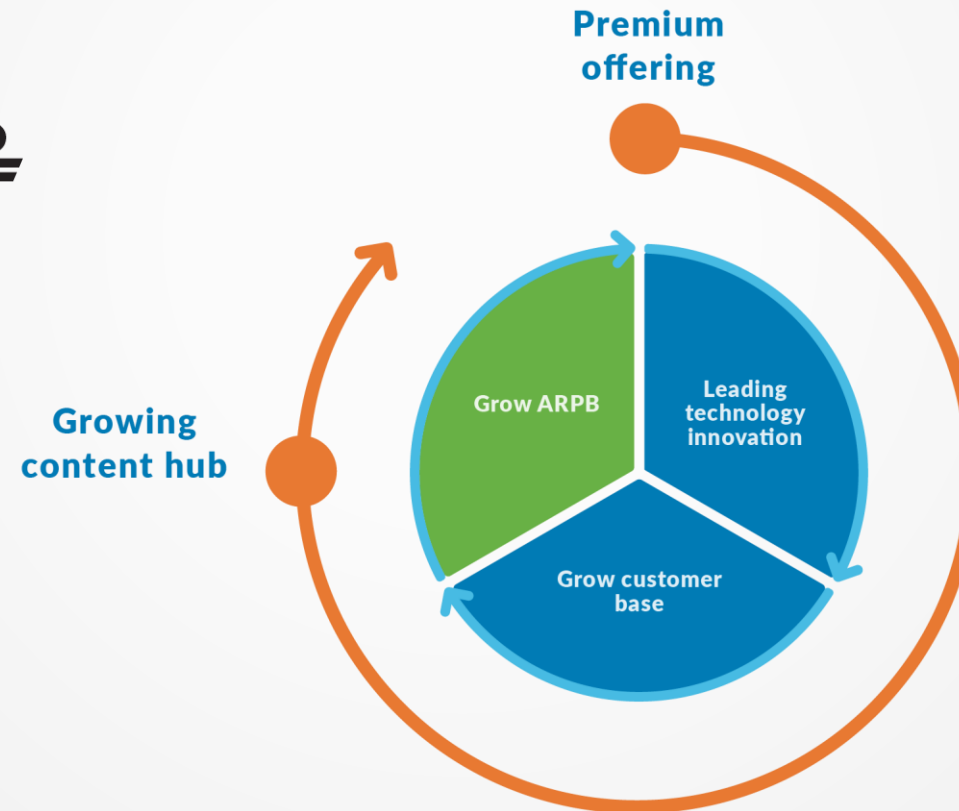


AIR NEW ZEALAND 



hotelhubTM
Any hotel.Anywhere.Anytime

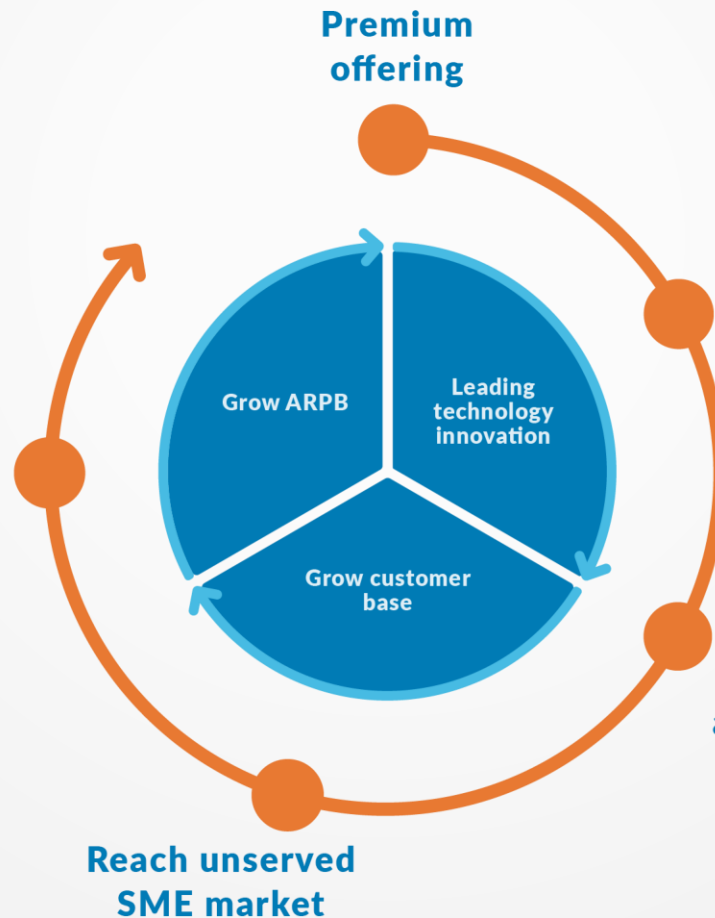
- + Transport options
- + Dining options
- + Traveller services



Strategic Summary



Growing content hub



FLIGHT CENTRE
Sabre

Definitions



- ATMR (Annualised Transactional Monthly Revenue) is a non-GAAP measure. Serko uses this as useful indicator of recurring revenues from Serko products based on the monthly transactions from the most recent month.
- ARPB (Average Revenue Per Booking) is a non-GAAP measure.
- Recurring product revenue (a non-GAAP measure) is the recurring revenue derived from transactions and usage of Serko products by contracted customers. It excludes revenues from customised software development.
- 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, amortisation and impairment charges
- EBITDA is a non-GAAP measure representing Earnings Before the deduction of costs relating to Interest, Taxation, Depreciation and Amortisation and Impairment.
- FTE = Full time equivalent employee

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