



FY17 Interim Results Presentation

6 MONTHS ENDED 30 SEPTEMBER 2016

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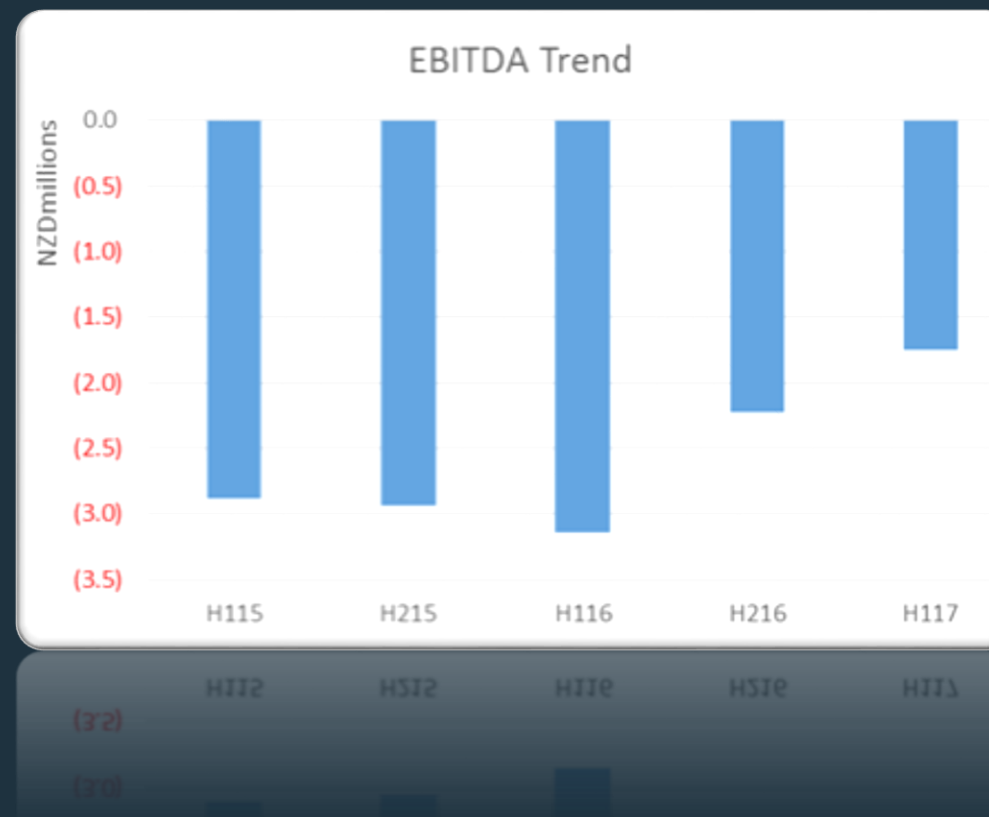
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All information in this presentation is current at the date of this presentation, unless otherwise stated.

All currency amounts are in NZ dollars unless stated otherwise.

Recap of October and AGM guidance

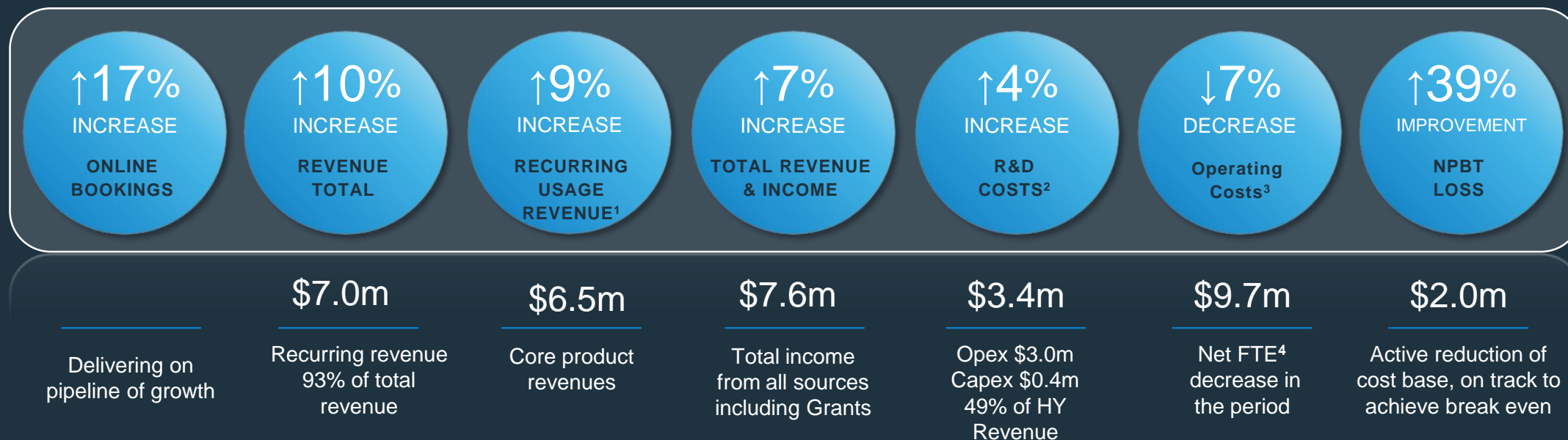
- Serko has managed cost and has clear line of sight to profitability in FY18
- The company intends to run a cash flow positive position with cash of \$3-4m in reserves from end of FY17
- Serko has reduced its losses and is on track become a profitable enterprise in FY18



1H17 Highlights

- NPBT loss 39% decrease from prior corresponding period (PCP)
- Total revenue up 10% from PCP
- Online Transactions up 17% from PCP
- 4% of transactions include supply-side contribution
- Launched serko.travel in New Zealand and Australia
- Launched predictive mobile booking experience
- Established strategic relationship with Sabre
- Cash on hand at 30 September 2016, \$4.8m

Performance dashboard (1H17 vs 1H16)

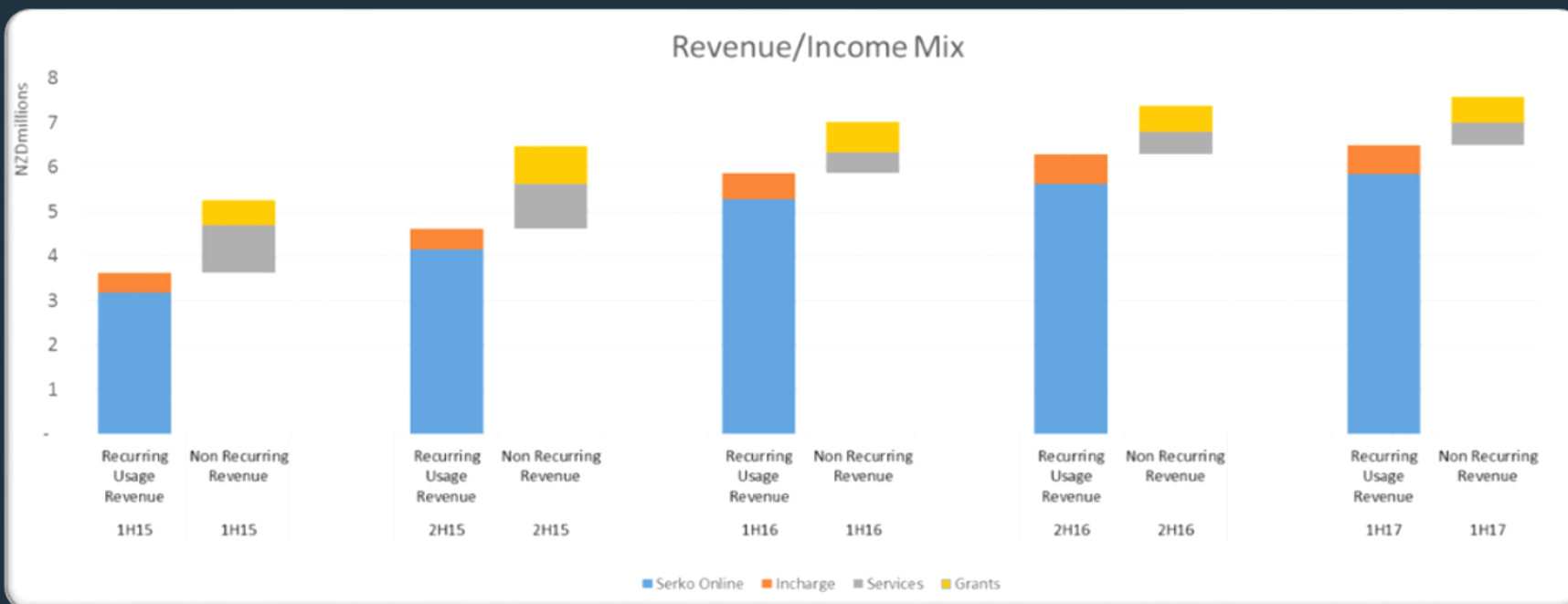


Adverse effect on revenue from stronger NZD/AUD accounts for over 50% of the balance between revenue growth and transaction growth

1. Recurring product revenue is the recurring revenue derived from transactions and usage of Serko products by contracted customers. It excludes revenues from customised software development.
2. R&D (Research & Development) costs is a non-GAAP measure representing the internal and external costs related to R&D
3. Operating Costs is a non-GAAP measure which excludes costs relating to taxation, interest, depreciation, amortisation and impairment charges
4. FTE = Full time equivalent employee

Performance trends

- Recurring usage revenues have increased by 9% in the period (1H17 vs 1H16), driven by a corresponding 17% increase in Enterprise Online Booking transactions and 9% growth in expense management usage
 - 1H17 revenue negatively impacted by strong NZD
- Recurring usage revenues represent over 90% of total revenue.



Strategic theme 1: Grow user base



- **Serko Enterprise Online**
 - Significant Enterprise onboarding during 1H will fuel transaction growth in FY18
 - Sabre Online powered by Serko roll out plan completed – revenue effect in Q3
- **Serko Expense**
 - Roll out of TMC reseller program
 - Key customer wins and deeper product integration
- **Serko small & mid-size market**
 - Serko.travel launched July 2016. More than 800 customers onboarded. Very early stages
 - FCL and Helloworld white label versions in development, launching H2
 - Engagement with a wide-range of potential white-label partners

Strategic theme 2: Increase revenue per-booking



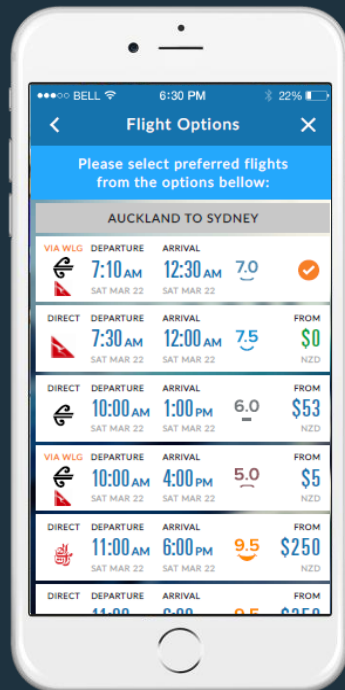
Serko Enterprise Online

- 4% of bookings now have supply side revenue contribution
- Renewed interest in transfers with free transfer promotions
- New content sources coming onstream in H2 to drive next wave

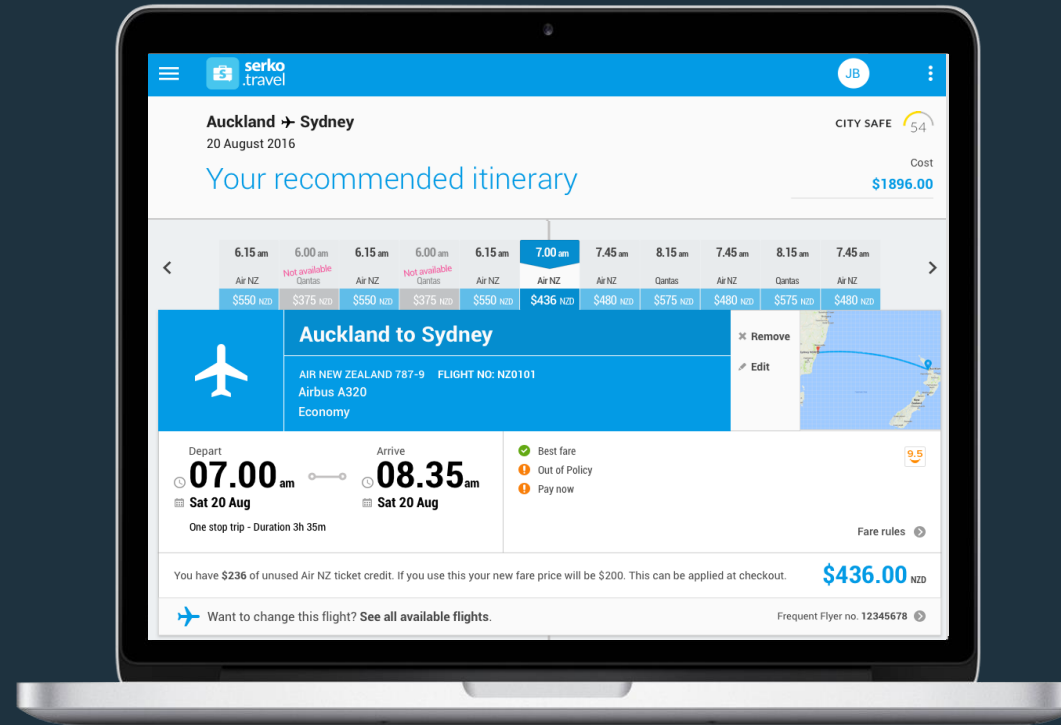
Serko small & medium market

- Fundamentally different business model to Enterprise requiring new distribution channels
- Serko shares in commission value of the booking
- ARPU above Enterprise

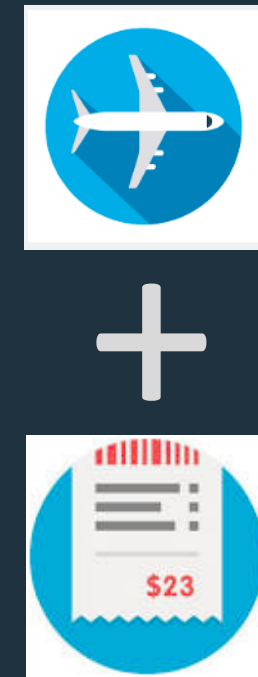
Strategic theme 3: Innovation



Mobile Booking



New Predictive Door-to-door Interface



Travel & Expense integration

Outlook

- Serko expects to achieve break even early in FY18 and record first full year profit for FY18
- At 31 Oct 2016 cash reserves were \$4.8m unchanged from \$4.8m at 30 Sept 2016
- The company is targeting a net cash balance of \$3-\$4m at 31 March 2017
- The company is proactively managing its cash-burn to achieve this position



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Shareholder Questions



Thank you
