



# FY15 Interim Results Presentation

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# Important notice



*This presentation is not an offer of securities. It is a summary and does not purport to be complete, accurate or independently verified. Any forward looking statements are subject to known and unknown risks, uncertainties and assumptions, so may not be correct. This presentation does not constitute financial, product, investment or other advice and does not take into account the particular needs of individuals. When making an investment decision you should consider your financial circumstances and seek independent financial and other professional advice. Do not rely on any information contained this presentation.*

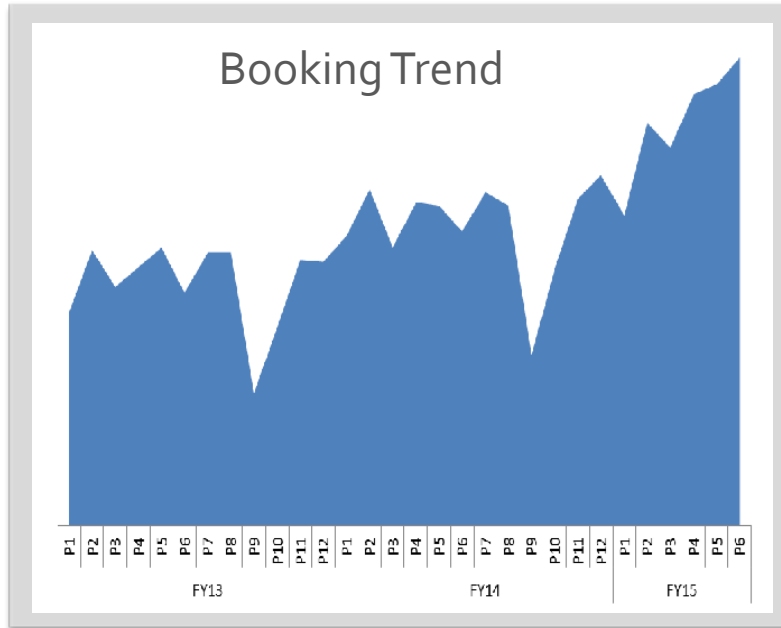
*All information in this presentation is current at the date of this presentation, and all currency amounts are in NZ dollars, unless otherwise stated.*

*This presentation should be read in conjunction with other market releases made by Serko.*

- Positive start to the year
- Solid sales pipeline
- Scaling of operational capacity
- Geographic expansion
- High-profile product launches
- Positive macro-industry trends



# Performance highlights



H1 FY 15 vs H1 FY 14:

- Total Revenue: Up 50%
- Online Bookings: Up 32%

Company on track to deliver financial forecasts for FY 15

# Sales update

- Strong support from existing resellers
- New resellers expanding regional coverage
  - ~90%\* addressable market across NZ and AU
- Services revenue in line with expectations
- Incharge showing positive signs of growth
- Sales headcount up from 11 to 20



# Operations update

- Increase in headcount from 65 to 84
- Onboarding capacity increased by 50%
- Dedicated customer support
- New office space in Auckland
- Operational expenses in line with budget



# Product update

- Serko Mobile in commercial trial
- Integration with low-cost hotel aggregators to boost hotel inventory
- New wholesale model opportunities 'powered by Serko'





# Financial Analysis

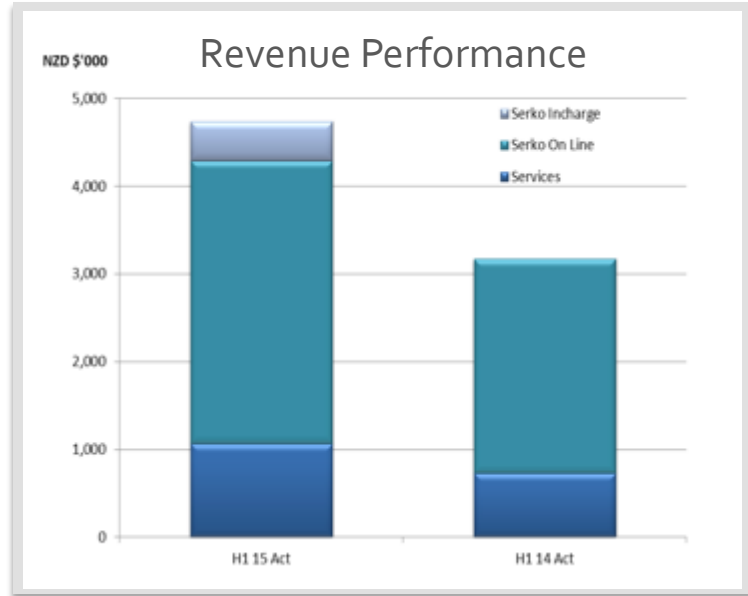


# Summary Income Statement

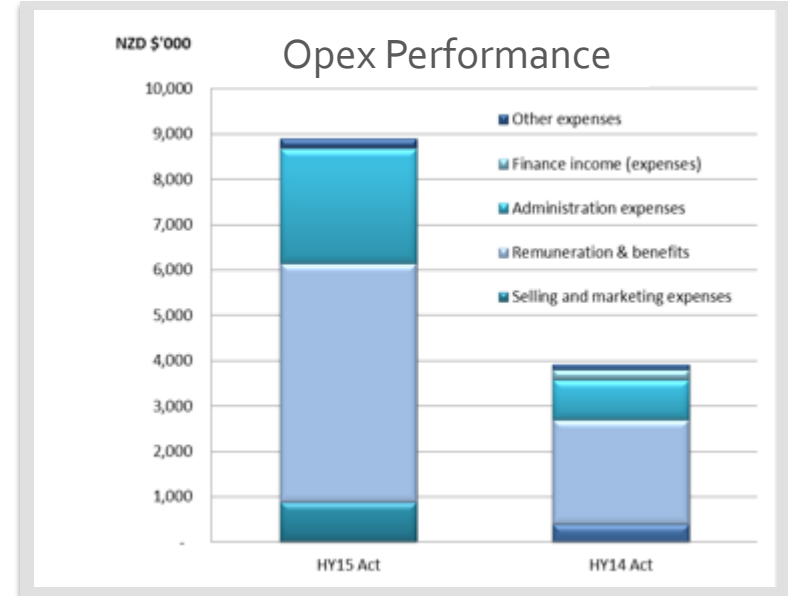
NZD \$'000	H1 15 Act unaudited	H1 14 Act audited
<b>Operating Revenue</b>	<b>4,741</b>	<b>3,171</b>
Operating Expenses	(8,219)	(3,655)
Other Income	572	402
<b>EBITDA</b>	<b>(2,906)</b>	<b>(81)</b>
Depreciation and Amortisation	(177)	(36)
IPO Costs	(483)	
Net Finance Income/(Expense)	(10)	(229)
<b>Net Loss Before Tax</b>	<b>(3,576)</b>	<b>(347)</b>
Tax	(16)	
<b>Net Loss</b>	<b>(3,593)</b>	<b>(347)</b>

- Operating Revenue and Net Loss in line with expectations
- Other Income represents income derived from R&D and other grants
- Total cost of IPO \$2.12m
  - <1% variance to forecast
  - \$483k reflected in P&L
  - \$1,637k to cost of new equity (balance sheet)
- Result reflects planned investment to support pipeline of growth

# First half performance

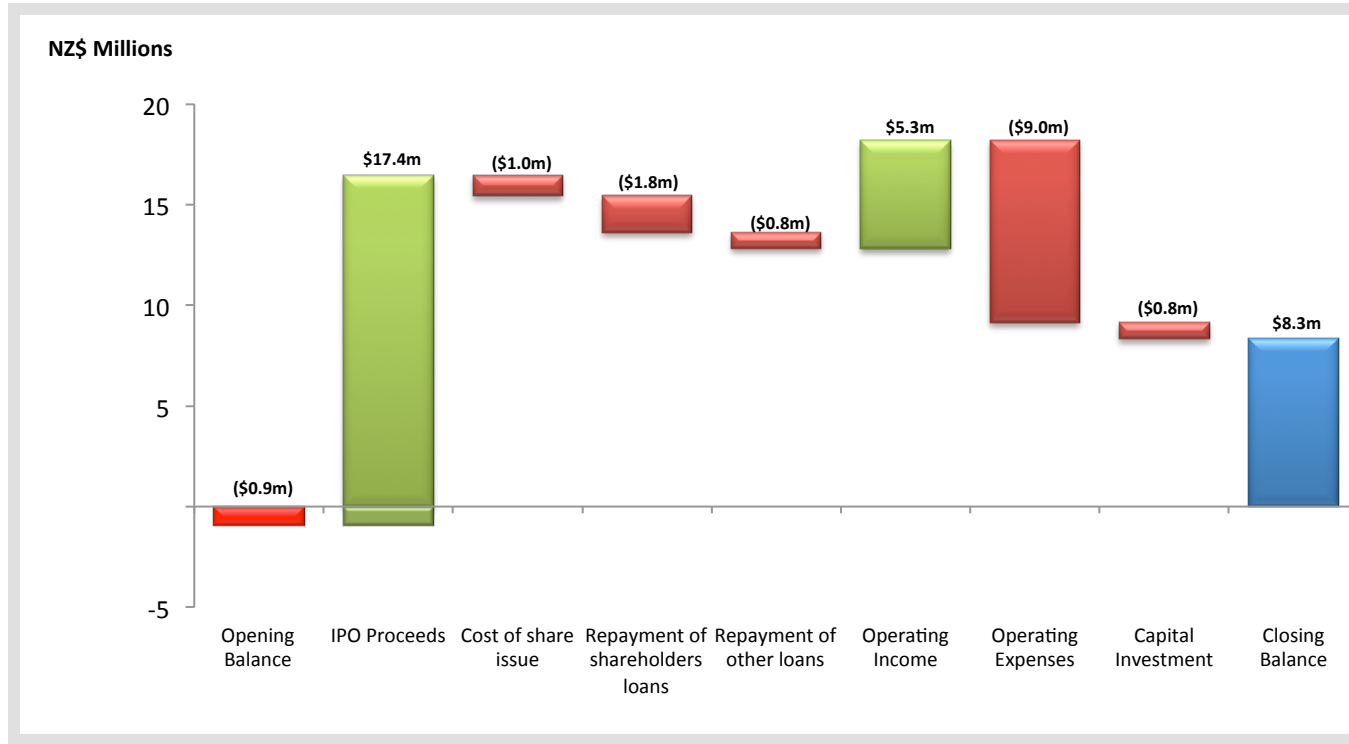


- Serko On Line \$3,185k, up 36% from transactional growth
- Serko Incharge \$453k (acquired Dec'13)
- Total Usage Revenue \$3,638k, up 55%



- Headcount growth from 68 to 118 reflected in increase in Remuneration Costs, up \$2,958k
- Admin Costs up \$1,647k (includes \$483k IPO costs)
- Total Opex \$8,889k, up \$4,969K

# Cashflow



- All interest bearing loans and facilities repaid from IPO proceeds
- \$8.3m cash on hand at 30 Sep 14

The image shows a large, modern architectural interior, possibly a transit hub or a public building. The space is characterized by a high ceiling with a complex, white, ribbed structure. Large glass windows and skylights are visible, allowing natural light to enter. The floor is a light color, and there are several concrete pillars supporting the structure. A prominent blue diagonal overlay covers the lower-left portion of the image, containing the text "Strategy and Outlook" in white. The overall atmosphere is clean, bright, and modern.

# Strategy and Outlook

- SAP to acquire Concur for \$8.3billion USD
  - Travel and expense is a critical industry business process
  - Industry is consolidating
- Changing Health and Safety regulations
  - Outbreak of Ebola highlights new corporate Health and Safety obligations in AU & NZ
  - New products in development to address compliance requirements



- Establishment of Serko India underway
  - Diners distribution deal signed for Serko Incharge across Asia Pac
- Existing resellers pulling Serko into Hong Kong, Singapore and Dubai
- Potential shift in focus from broad Asian play to include a US component
- Licensing opportunities for Serko IP under consideration



- Second half of FY 15 looking positive
  - Revenue dependent on timing of customer readiness to transact
- Participation in various strategic RFPs offering potential for upside
- Accelerating headcount to support growth opportunities
- H2 promises to be an exciting and pivotal period for the company





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