

26 June 2025

## 2025 Annual Shareholders Meeting Addresses

The addresses below will be given at Serko's Annual Shareholders Meeting which is to commence at 10.00am today (26 June 2025) and is being held in person at the offices of MUFG Corporate Markets, Level 30, PwC Tower, 15 Customs Street West, Auckland and online at [www.virtualmeeting.co.nz/sko25](http://www.virtualmeeting.co.nz/sko25)

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### **Chair's Address**

Tena koutou katoa. Nga mihi nui ki a koutou katoa i tenei ahi ahi. Nau mai, haere mai ki tenei hui a tau. Kia Ora and good morning. My name is Claudia Batten and I am the Chair of Serko.

I'm pleased to update you on another year of significant progress for Serko, and the opportunities we're now focused on.

### ***A track record of growth and disciplined execution***

In the 2025 financial year, we built on our track record of high growth and disciplined execution – reinforcing our confidence in the path ahead.

Much of what we achieved during the year is the outcome of bold, strategic choices made in previous periods – most notably our partnership with Booking.com, as part of our ambition to scale globally. We believed in the path we set, and we backed it with focused delivery and operational discipline. That has paid off – with Booking.com for Business growing from 300,000 completed room nights in 2022 to 3.3 million in FY25.

The Serko of today is a more capable, efficient, and data-driven business – and we are stepping into the next phase of our strategy and delivery. With global business travel forecast to exceed US\$2 trillion by 2028<sup>1</sup>, Serko is positioned to capture the opportunity as technology reshapes business travel.

That's why we have made the decision to pursue new opportunities, supported by targeted investment in Serko's existing platform, and North American expansion. We are well positioned to do this, with continued income growth, cost discipline, and an increase in our capability, including data and AI.

### ***Disciplined growth delivers improved cashflow***

I'll comment on key aspects of our financial results and Darrin will provide additional details.

- We delivered high total income growth alongside disciplined cost management. Notably, our ratio of total spend against total income improved from 118% to 102%.
- We delivered positive EBITDAFI of \$2.8 million for the year, a \$4.3 million improvement.
- Our net loss after tax was \$22 million, an increase of \$6.1 million, reflecting one-off costs and a non-cash accounting impairment relating to the acquisition of GetThere.

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<sup>1</sup> GBTA Business Travel Index Outlook (2024) on total transaction value basis, including in-destination spend.

When we acquired GetThere we were aware that an accounting-based impairment was a possible outcome given GetThere's current negative cashflows and accounting standards that prevent us from factoring in planned improvements when assessing impairment. We noted this possibility at the Investor Day in December 2024. We concluded that it was appropriate to impair the full amount of goodwill from the acquisition of \$5.1 million. We consider this impairment to be prudent, particularly given the uncertainty in financial markets at 31 March 2025 when the assessment was made.

The impairment does not impact expected future cash flows and as Darrin will cover in more detail, GetThere is an attractive strategic asset, which enables the acceleration of our expansion in the US.

- Free Cash Flow showed a \$5.2 million improvement, narrowing the net outflow to \$1.9 million. For the pre-acquisition business, Serko generated positive Free Cash Flow for FY25 of \$7.4 million, an improvement of \$14.5 million. We expect this cash-generative strength to continue building, providing a solid foundation as we scale.
- Finally, we remain well capitalised, with \$61.4 million in cash at the balance date, and we have no debt.

### ***Delivery on our FY25 Board priorities***

At last year's meeting I outlined five key areas of Board focus for FY25:

- Becoming a data-led business
- Strengthening talent and leadership
- Exercising disciplined capital and technology management
- Uplifting environmental, social and governance practices, and
- Driving growth at scale

I'm pleased to report we have made meaningful progress across all of these areas.

On data, we have laid the groundwork for a data-led business – both in how we operate as a business, and the experiences we deliver to our partners and customers. Darrin will take you through some of the work we are delivering.

On talent and leadership, we are seeing the benefits of a deliberate, strategic focus on attracting and retaining top talent. The calibre of people joining Serko – including in leadership roles – is a core part of our scaling strategy and delivering on our long-term ambitions.

And as outlined in our ESG Report released in May, over the past year we've continued to strengthen our environmental, social, and governance performance. Notably, we have enhanced our global remuneration strategy to attract and retain top talent, implemented governance frameworks for the responsible use of AI and data, and strengthened our cybersecurity posture, achieving globally-recognised certifications in payment and data security.

These improvements reflect Serko's growing maturity, and we remain focused on continually uplifting our policies and practices.

I'll cover the remaining two priorities on the next slide.

### ***Disciplined capital allocation to accelerate scale***

One of the Board's priorities this year has been overseeing how capital is allocated to support long-term growth — ensuring Serko invests ahead of revenue but does so with discipline and strong governance.

As part of a broader capital investment program in Serko's technology, the Board approved a \$40 million initiative to accelerate platform delivery. We see this as a strategic step — bringing forward the benefits of automation, AI, and data capability to support efficient scale across customer segments.

The platform already underpins Booking.com for Business and will play a key role in delivering greater speed and precision for future offerings.

At the same time, we've provided oversight of Serko's global expansion. That includes the renewal of the Booking.com partnership and the entry into North America through the acquisition of GetThere and a new long-term partnership with Sabre.

These decisions reflect our confidence in the strategy, and we look forward to sharing this at an investor day, which we are planning for the final quarter of this calendar year.

### ***Our FY26 Board priorities***

Let me briefly speak to the Board's priorities for the year ahead, as shown on the slide.

**On capital management**, our focus is ensuring effective oversight of capital allocation — supporting scalable growth while continuing to deliver long-term shareholder value.

**In terms of Board succession**, we intend to appoint a new independent director. I will speak to this shortly.

**When it comes to strategy and execution**, the Board will be focused on ensuring the delivery of near-term revenue opportunities in key markets. In addition, the Board will be supporting the development and communication of a detailed pathway for future growth.

**With respect to AI enablement**, we're focused on ensuring the business is appropriately investing in AI initiatives to unlock data-led decision-making and build long-term capability.

And finally, **on global workforce leverage**, the Board will monitor the integration and effectiveness of Serko's international workforce strategy, making sure it supports innovation, scale, and operating efficiency across the business.

### ***Board succession***

Today, I'd like to acknowledge that Clyde McConaghy, has confirmed he will not be standing for re-election. Clyde joined Serko's Board as a non-executive director at the time of our NZX listing in 2014.

Clyde has made a lasting contribution to Serko and has brought a valuable perspective as Serko has evolved from a local start-up into a fast-growing international technology company. On behalf of the Board, I sincerely thank him for his service. I will personally miss having his insights and perspective around the board table.

Following today's meeting, Sean Gourley will become Chair of the People, Remuneration and Culture Committee.

To support succession planning and continue to strengthen our capability, the Board intends to appoint a new independent director. Ideally, this person will bring operating and executive experience in globally-scaled businesses, with a background in travel technology or adjacent sectors. I look forward to keeping you updated.

### **Thank you**

We couldn't deliver what we do without our partners, customers and you – our shareholders. I say this every year – but truly, thank you for your ongoing support.

I thank my fellow directors for their commitment and the thoughtful, robust contributions they bring to Serko.

On behalf of the Board, I'd also like to thank Darrin, the executive team and the wider Serko team for your commitment, focus and belief in what we're building.

### ***CEO's Address - Darrin Grafton***

Thanks Claudia. Welcome to everyone attending today – it's great to have you with us.

First, thank you to the Board, chaired by Claudia, for your ongoing guidance and support. It is greatly appreciated by both me and the executive team.

I pay particular thanks to Clyde for your many years of contribution to Serko. We have benefited greatly from your experience and perspective.

I also want to introduce members of the executive team here today, if you can please stand:

- Matt Gerrie, Chief Operating Officer
- Shane Sampson, Chief Financial Officer
- Rachael Satherley, Chief People Officer, and
- Simon Young, Chief Technology Officer.

Our Chief Revenue Officer, Liz Fraser, sends her apologies. She is meeting with customers in Europe.

### ***A rare opportunity ahead***

The opportunity ahead of us is rare: a global business travel market undergoing structural change, with Serko positioned at the forefront. We have solid foundations, world-class partners, and a track record of disciplined execution. In particular:

- Booking.com for Business is on a strong trajectory following a pivotal year
- Our pre-acquisition business is cash-generative, supporting our investments and growth initiatives

- The evolution of our platform and expansion in North America present compelling long-term opportunities, and we are focused on laying the right foundations.
- To reflect the size of the opportunity ahead, Serko has announced a new aspirational goal of \$250 million total income in FY30.

I'll start by providing more detail on our FY25 results and then outline our strategic focus in FY26 and beyond.

### ***27% total income growth***

The 27% increase in total income for the year to \$90.5 million was underpinned by significant traction in Booking.com for Business and growth in our Australasian business.

As Claudia mentioned, our pre-acquisition business is cash generating, supporting our expansion and investment plans.

### ***29% increase in Booking.com for Business CRNs***

2025 marked a pivotal year for Booking.com for Business, with focused execution on activation, engagement and conversion leading to substantial growth.

We achieved a 29% year-over-year increase in both active customers and completed room nights, demonstrating the accelerating adoption of the platform. This was driven by marketing, experimentation and onboarding enhancements delivered during the year.

Completed room nights increased 43% over the second half of 2024, indicating increasing traction and user stickiness.

In FY26, we expect to achieve the first milestone under our partnership agreement with Booking.com and exceed 4.2 million completed room nights. We will continue to receive a 50% share of commissions up to 4.2 million completed room nights each year, providing a solid basis for profitability. Commissions above this number each year will be earned at the lower agreed rates but will continue to provide strong contribution.

### ***18% growth in Australasian travel revenue***

In Australasia, we had a solid year with an 18% increase in Australasian travel revenue – made up of a 6% increase in online bookings - including new wins within the markets, and a 12% increase in average revenue per booking.

We continue to invest in and innovate our Zeno product for all partners and customers, including those in Australasia. This year we applied learnings we had gained from our work with Booking.com to boost satisfaction and user experience.

### ***We are achieving growth with cost discipline***

Our focus on scaling revenue while maintaining cost discipline is delivering meaningful gains in operational leverage with a key reduction in long-term hosting costs.

In FY25, total spend declined as a percentage of income, highlighting the increasing scalability of our model and our ability to grow without a corresponding rise in costs.

This improved leverage is helping drive our return to positive Free Cash Flow.

***Strong cashflow trajectory in pre-acquisition business***

The trends are clear – we expect our pre acquisition business to perform strongly in FY26 with continued ongoing organic growth and healthy free cash flow.

The free cash flows generated by the pre-acquisition business will help fund acceleration of our platform investment and our US expansion. We also consider that the operating leverage achieved can be replicated in the US as we grow revenue.

***We are accelerating organisational performance as we scale globally***

Organisational performance is front and centre.

We have seen the benefits of decisions made in previous periods to uplift capability and refocus resources.

We have been attracting several senior leaders with data, AI and e-commerce expertise from leading global consumer tech businesses. We've welcomed Matt Gerrie to our executive team as COO, overseeing product and strategy. Most recently he was director of strategy and analytics in Booking Holding's global strategy & business development division.

We continue to build our expertise in data and AI by taking a whole-of-organisation approach and supported by expert teams.

Our culture and organisational performance continue to improve, with encouraging gains in our employee engagement scores.

***Our opportunity and strategic focus***

We have four strategic areas supporting our ambitions:

- Growth in Booking.com for Business
- Reinforcing our market leadership in Australasia
- Expanding in North America, and
- Evolving the Serko platform

I will speak to the first two on this slide and then go into a bit more detail in subsequent slides on the last two.

***Booking.com for Business growth***

Starting with our first strategy area: Booking.com for Business.

During this quarter, the new e-commerce checkout technology was launched and in the near-term we will be testing features to drive activation. We have launched – and will continue to experiment on – new AI search capabilities during the year.

A current experiment that you may have had a chance to use is the new AI SmartStay Search, which lets users search as naturally as they speak, making business travel as intuitive as consumer travel. It's a great example of how we're using AI to deliver real-world value.

### ***Our opportunity and strategic focus***

Our AI focus is not only to enhance user satisfaction but to drive material increases – in conversion and repeat use over time.

We'll continue to leverage our data-driven and experimentation capabilities, with 500 experiments undertaken during the year. This has led to improvements in onboarding conversion and set us up for continued success.

### ***Reinforce Australasian position***

Our second strategy area is reinforcing our Australasian position.

We are committed to continued investment in our managed travel offerings, through our Zeno product. We continue to win new customers within these markets.

Zeno is highly regarded for its ease of experience and in FY25 we continued to strengthen UX as well as using data to improve recommendations.

In the coming year we will strengthen how we use data alongside continued simplification.

### ***GetThere's contribution to our US expansion extends beyond revenue***

Our third strategic focus area is the North American market – a transformative opportunity for Serko.

The acquisition of GetThere, together with our strategic partnership with Sabre, has redefined Serko's position. We're no longer a challenger trying to enter – we're an in-market player with a credible platform, proven partners, and access to major customer channels.

Since the acquisition, we've spent extensive time on the ground in the US and India, working closely with teams, partners, and customers. This hands-on integration has accelerated both market understanding and platform alignment.

We've been deliberate in our approach – engaging closely with existing GetThere customers and actively pursuing new enterprise opportunities.

Importantly, customer feedback – both in direct conversations and formal forums – has been clear and consistent: the market is ready for change. Corporates are actively seeking modern, user-centric, scalable alternatives to legacy tools. Serko is uniquely positioned to meet that demand.

We expect the majority of new customer decisions to materialise slowly across FY26 and build across FY27, in line with our stated timeline. The foundational work is in place, and momentum is building.

### ***North American foothold and expansion***

This slide shows the three phases of our North American expansion. First, we've completed the GetThere acquisition, onboarded the team, and activated the Sabre partnership – with high levels of customer and industry engagement.

Second, we're focused on building momentum through co-selling and co-developing with Sabre, enhancing both Zeno and GetThere, to deliver new AI-powered traveller experiences.

The third phase will be scaling – which will include signing and implementing new US customers and making the platform available to enterprise clients.

As Claudia mentioned we are working through our detailed plans and look forward to sharing these with you.

### ***Targeted investment in platform acceleration***

We are building a unified, global platform designed to scale across customer segments - from SME to mid-market to enterprise - using a modern commercial model as we remain at the forefront of business travel. This isn't just a roadmap, it's already in motion, with the Serko platform already powering the growth of Booking.com for Business.

We have consistently invested in our technology and we're accelerating that investment to capture emerging growth opportunities. As announced in October, this \$40 million acceleration over four years is designed to bring forward delivery and benefits - reflecting our confidence in the opportunities ahead, particularly in the US market.

This investment is about shaping the future of business travel, not just adapting to it. We are embedding the latest AI and data capabilities into our platform to deliver compelling user experiences and simplify the complexities of business travel.

Our approach is deliberate: rolling out platform enhancements that serve existing users while laying the groundwork for broader value-generating opportunities.

We're initially focused on small to medium businesses – who generally have low complexity and provide a faster route to market, and we will look to move up the complexity curve over time.

Since announcing our results in May, we have continued to engage with customers to understand their needs in detail. One example is a recent showcase of new concepts to select US customers, which received positive feedback as we prepare for commercialisation in that market.

### ***FY26 guidance***

We reaffirm our FY26 guidance provided on 20 May 2025 of \$115m-\$123m total income and \$127m-\$133m total spend.

We continue to monitor elevated macroeconomic and geopolitical risks, including the potential impacts of conflict in the Middle East.

We remain focused on disciplined execution, delivering on our FY26 goals, and creating long-term shareholder value.

### **Conclusion**

With a cash-generative core, world-class partners, a global runway, and a scalable platform, we enter the year with momentum, conviction in our strategy, and confidence in our team's ability to execute.

Thank you again for being here today and for your support.



**ENDS**