

# FINANCIAL STATEMENTS

For the six months ended  
30 September 2022

serko

FY23 Interim Report

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# Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2022

|   | Notes    | 6 months<br>Unaudited<br>30 Sep 2022<br>\$ (000) | 6 months<br>Unaudited<br>30 Sep 2021<br>\$ (000) | 12 months<br>Audited<br>31 Mar 2022<br>\$ (000) |
|---|----------|--|--|---|
| Revenue   | 2        | 18,785   | 8,724  | 17,855  |
| Other income  | 2        | 654  | 728  | 1,019   |
| <b>Total income</b>   |          | <b>19,439</b>                                    | <b>9,452</b>                                     | <b>18,874</b>                                   |
| Operating Expenses  |          |  |  |   |
| Selling and marketing expenses                                  |          | (2,741)  | (1,477)  | (3,087)   |
| Hosting expenses  |          | (3,242)  | (2,269)  | (4,932)   |
| Remuneration and benefits                                       |          | (26,313)   | (14,878)   | (32,074)  |
| Administration expenses   |          | (4,046)  | (2,588)  | (6,926)   |
| Amortisation and depreciation                                   |          | (5,985)  | (3,663)  | (8,038)   |
| <b>Total operating expenses</b>                                 | <b>3</b> | <b>(42,327)</b>                                  | <b>(24,875)</b>                                  | <b>(55,057)</b>                                 |
| <b>Loss before finance items</b>                                |          | <b>(22,888)</b>                                  | <b>(15,423)</b>                                  | <b>(36,183)</b>                                 |
| Foreign exchange gains/(losses) – net                           |          | 2,302  | 154  | (35)  |
| Finance income  |          | 1,141  | 163  | 696   |
| Finance expenses  |          | (144)  | (57)   | (118)   |
| <b>Loss before income tax</b>                                   |          | <b>(19,589)</b>                                  | <b>(15,163)</b>                                  | <b>(35,640)</b>                                 |
| Income tax expense  |          | (144)  | -  | (319)   |
| <b>Net loss attributable to the shareholders of the company</b> |          | <b>(19,733)</b>                                  | <b>(15,163)</b>                                  | <b>(35,959)</b>                                 |
| Movement in foreign currency reserve                            |          | (840)  | (162)  | (57)  |
| <b>Total comprehensive loss for the period</b>                  |          | <b>(20,573)</b>                                  | <b>(15,325)</b>                                  | <b>(36,016)</b>                                 |
| Earnings per share  |          |  |  |   |
| Basic and diluted earnings/(loss) per share (dollars)           | 11       | (0.17)   | (0.14)   | (0.33)  |

# Consolidated Statement of Changes in Equity

For the six months ended 30 September 2022

|  | Notes     | Share capital<br>\$ (000) | Share-based payment reserve<br>\$ (000) | Foreign currency reserve<br>\$ (000) | Accumulated losses<br>\$ (000) | Total<br>\$ (000) |
|--|-----------|---------------------------|---|--------------------------------------|--------------------------------|-------------------|
| <b>Balance as at 1 April 2022</b>                        |           | <b>235,101</b>            | <b>7,483</b>                            | <b>(236)</b>                         | <b>(91,467)</b>                | <b>150,881</b>    |
| Net loss for the period                                  |           | -                         | -                                       | -                                    | (19,733)                       | (19,733)          |
| Other comprehensive income/(loss)*                       |           | -                         | -                                       | (840)                                | -                              | (840)             |
| <b>Total comprehensive income/(loss) for the period</b>  |           | <b>-</b>                  | <b>-</b>                                | <b>(840)</b>                         | <b>(19,733)</b>                | <b>(20,573)</b>   |
| Transactions with owners                                 |           |                           |   |                                      |                                |                   |
| Equity-settled share-based payments                      |           | 2,741                     | 743                                     | -                                    | -                              | 3,484             |
| <b>Balance as at 30 September 2022</b>                   | <b>10</b> | <b>237,842</b>            | <b>8,226</b>                            | <b>(1,076)</b>                       | <b>(111,200)</b>               | <b>133,792</b>    |
| <b>Balance as at 1 April 2021</b>                        |           | <b>153,706</b>            | <b>4,509</b>                            | <b>(179)</b>                         | <b>(55,508)</b>                | <b>102,528</b>    |
| Net loss for the period                                  |           | -                         | -                                       | -                                    | (15,163)                       | (15,163)          |
| Other comprehensive income/(loss)*                       |           | -                         | -                                       | (162)                                | -                              | (162)             |
| <b>Total comprehensive income/(loss) for the period</b>  |           | <b>-</b>                  | <b>-</b>                                | <b>(162)</b>                         | <b>(15,163)</b>                | <b>(15,325)</b>   |
| Transactions with owners                                 |           |                           |   |                                      |                                |                   |
| Equity-settled share-based payments                      |           | 905                       | 550                                     | -                                    | -                              | 1,455             |
| Shares vested with employees via Restricted Share Plan   |           | -                         | 80                                      | -                                    | -                              | 80                |
| Shares forfeited by employees via Restricted Share Plan  |           | -                         | (3)                                     | -                                    | -                              | (3)               |
| Non-executive directors' settlement of non-recourse loan |           | 247                       | (47)                                    | -                                    | -                              | 200               |
| <b>Balance as at 30 September 2021</b>                   |           | <b>154,858</b>            | <b>5,089</b>                            | <b>(341)</b>                         | <b>(70,671)</b>                | <b>88,935</b>     |
| <b>Balance as at 1 April 2021</b>                        |           | <b>153,706</b>            | <b>4,509</b>                            | <b>(179)</b>                         | <b>(55,508)</b>                | <b>102,528</b>    |
| Net loss for the year                                    |           | -                         | -                                       | -                                    | (35,959)                       | (35,959)          |
| Other comprehensive income/(loss)*                       |           | -                         | -                                       | (57)                                 | -                              | (57)              |
| <b>Total comprehensive income/(loss) for the year</b>    |           | <b>-</b>                  | <b>-</b>                                | <b>(57)</b>                          | <b>(35,959)</b>                | <b>(36,016)</b>   |
| Transactions with owners                                 |           |                           |   |                                      |                                |                   |
| Issue of share capital                                   |           | 83,281                    | -                                       | -                                    | -                              | 83,281            |
| Cost of equity issued                                    |           | (3,188)                   | -                                       | -                                    | -                              | (3,188)           |
| Equity-settled share-based payments                      |           | 1,055                     | 2,929                                   | -                                    | -                              | 3,984             |
| Shares vested with employees via Restricted Share Plan   |           | -                         | 95                                      | -                                    | -                              | 95                |
| Shares forfeited by employees via Restricted Share Plan  |           | -                         | (3)                                     | -                                    | -                              | (3)               |
| Non-executive director's settlement of non-recourse loan |           | 247                       | (47)                                    | -                                    | -                              | 200               |
| <b>Balance as at 31 March 2022</b>                       |           | <b>235,101</b>            | <b>7,483</b>                            | <b>(236)</b>                         | <b>(91,467)</b>                | <b>150,881</b>    |

\* Items in other comprehensive income may be reclassified to the income statement and are shown net of tax.  
The accompanying notes form part of these financial statements.

# Consolidated Statement of Financial Position

As at 30 September 2022

|                                       | Notes | 6 months<br>Unaudited<br>30 Sep 2022<br>\$ (000) | 6 months<br>Unaudited<br>30 Sep 2021<br>\$ (000) | 12 months<br>Audited<br>31 Mar 2022<br>\$ (000) |
|---------------------------------------|-------|--|--|---|
| <b>Current assets</b>                 |       |  |  |   |
| Cash at bank and on hand              |       | 17,867   | 52,346   | 34,513  |
| Short-term deposits                   |       | 85,000   | 10,000   | 90,000  |
| Receivables                           | 4     | 13,208   | 6,298  | 6,226   |
| Income tax receivable                 |       | -  | 13   | -   |
| Derivative financial instruments      | 5     | -  | 153  | -   |
| <b>Total current assets</b>           |       | <b>116,075</b>                                   | <b>68,810</b>                                    | <b>130,739</b>                                  |
| <b>Non-current assets</b>             |       |  |  |   |
| Property, plant and equipment         | 6     | 3,855  | 2,360  | 4,319   |
| Intangible assets                     | 7     | 32,832   | 27,343   | 32,058  |
| Deferred tax asset                    |       | 224  | 111  | 75  |
| <b>Total non-current assets</b>       |       | <b>36,911</b>                                    | <b>29,814</b>                                    | <b>36,452</b>                                   |
| <b>Total assets</b>                   |       | <b>152,986</b>                                   | <b>98,624</b>                                    | <b>167,191</b>                                  |
| <b>Current liabilities</b>            |       |  |  |   |
| Trade and other payables              | 8     | 13,695   | 7,634  | 11,308  |
| Deferred income                       |       | 1,126  | 266  | 1,008   |
| Interest-bearing loans and borrowings |       | -  | 63   | 28  |
| Lease liabilities                     | 9     | 1,448  | 894  | 820   |
| Derivative financial instruments      | 5     | 375  | -  | 16  |
| Income tax payable                    |       | 347  | -  | 120   |
| <b>Total current liabilities</b>      |       | <b>16,991</b>                                    | <b>8,857</b>                                     | <b>13,300</b>                                   |
| <b>Non-current liabilities</b>        |       |  |  |   |
| Deferred income                       |       | 895  | 662  | 853   |
| Lease liabilities                     | 9     | 1,308  | 170  | 2,157   |
| <b>Total non-current liabilities</b>  |       | <b>2,203</b>                                     | <b>832</b>                                       | <b>3,010</b>                                    |
| <b>Total liabilities</b>              |       | <b>19,194</b>                                    | <b>9,689</b>                                     | <b>16,310</b>                                   |
| <b>Equity</b>                         |       |  |  |   |
| Share capital                         | 10    | 237,842  | 154,858  | 235,101   |
| Share-based payment reserve           | 10    | 8,226  | 5,089  | 7,483   |
| Foreign currency reserve              |       | (1,076)  | (341)  | (236)   |
| Accumulated losses                    |       | (111,200)  | (70,671)   | (91,467)  |
| <b>Total equity</b>                   |       | <b>133,792</b>                                   | <b>88,935</b>                                    | <b>150,881</b>                                  |
| <b>Total equity and liabilities</b>   |       | <b>152,986</b>                                   | <b>98,624</b>                                    | <b>167,191</b>                                  |

For and on behalf of the Board of Directors, who authorise these financial statements for issue on 23 November 2022



**Claudia Batten**  
Chair



**Jan Dawson**  
Chair of Audit and Risk Committee

# Consolidated Statement of Cash Flows

For the six months ended 30 September 2022

|   | Notes     | 6 months<br>Unaudited | 6 months<br>Unaudited | 12 months<br>Audited |
|---|-----------|-----------------------|-----------------------|----------------------|
|   |           | 30 Sep 2022           | 30 Sep 2021           | 31 Mar 2022          |
|   |           | \$ (000)              | \$ (000)              | \$ (000)             |
| Cash flows from operating activities                      |           |                       |                       |                      |
| Receipts from customers                                   |           | 16,735                | 9,957                 | 22,878               |
| Receipts from government grants - Covid-19 subsidies      |           | -                     | 511                   | 962                  |
| Interest received   |           | 38                    | 188                   | 228                  |
| Receipts from other grants                                |           | -                     | 795                   | 856                  |
| Taxation (paid)/refunded                                  |           | (34)                  | 26                    | (44)                 |
| Payments to suppliers and employees                       |           | (34,613)              | (21,673)              | (43,637)             |
| Interest payments on lease liabilities                    |           | (51)                  | (28)                  | (69)                 |
| Net GST refunded  |           | 973                   | 403                   | 370                  |
| <b>Net cash flows (used in)/from operating activities</b> | <b>12</b> | <b>(16,952)</b>       | <b>(9,821)</b>        | <b>(18,456)</b>      |
| Cash flows from investing activities                      |           |                       |                       |                      |
| Purchase of property, plant and equipment                 |           | (226)                 | (372)                 | (774)                |
| Capitalised development costs and other intangible assets |           | (4,794)               | (6,951)               | (15,320)             |
| Short-term deposits                                       |           | 5,000                 | 35,000                | (45,000)             |
| <b>Net cash flows (used in)/from investing activities</b> |           | <b>(20)</b>           | <b>27,677</b>         | <b>(61,094)</b>      |
| Cash flows from financing activities                      |           |                       |                       |                      |
| Issue of ordinary shares                                  |           | 28                    | 3                     | 83,281               |
| Cost of new share issue                                   |           | -                     | -                     | (3,188)              |
| Payment of lease liabilities                              |           | (464)                 | (509)                 | (1,064)              |
| Non-executive directors non-recourse loan                 |           | -                     | 200                   | 200                  |
| Net repayment of loans                                    |           | (23)                  | (27)                  | (62)                 |
| <b>Net cash flows (used in)/from financing activities</b> |           | <b>(459)</b>          | <b>(333)</b>          | <b>79,167</b>        |
| Net (decrease)/increase in total cash                     |           | (17,431)              | 17,523                | (383)                |
| Net foreign exchange difference                           |           | 785                   | (96)                  | (23)                 |
| Cash and cash equivalents at beginning of period          |           | 34,513                | 34,919                | 34,919               |
| <b>Cash and cash equivalents at the end of the period</b> |           | <b>17,867</b>         | <b>52,346</b>         | <b>34,513</b>        |
| Cash and cash equivalents comprises the following:        |           |                       |                       |                      |
| Cash at bank and on hand                                  |           | 17,867                | 52,346                | 34,513               |
|   |           | <b>17,867</b>         | <b>52,346</b>         | <b>34,513</b>        |

# Notes to the Financial Statements

For the six months ended 30 September 2022

## 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited interim consolidated financial statements ('Interim Financial Statements') of Serko Limited ('the Company') and subsidiaries ('the Group') were authorised for issue in accordance with a Board resolution.

### a) Corporate Information

The Company is a limited liability company domiciled and incorporated in New Zealand under the Companies Act 1993 and is listed on the New Zealand Stock Exchange (NZX) and the Australian Securities Exchange (ASX) as an ASX Foreign Exempt Listing. Its registered office is at Unit 14d, 125 The Strand, Parnell, Auckland. The Company is an FMC Reporting Entity under the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

The Group provides online business travel booking software solutions and is headquartered in Auckland, New Zealand.

### b) Basis of preparation

These Interim Financial Statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP) and comply with NZ IAS 34 Interim Financial Reporting. The unaudited interim financial statements have been prepared using the going concern assumption and are presented in thousands of New Zealand Dollars. The Company is a profit-oriented entity.

### c) Accounting policies and disclosures

The Interim Financial Statements have been prepared using the same accounting policies and methods of computation as, and should be read in conjunction with, the financial statements and related notes included in the Group's annual report for the financial year ended 31 March 2022.

### d) Comparatives

Certain comparative expenses and revenue have been reclassified in the prior period Interim Financial Statements to be consistent with the classifications adopted in the audited Financial Statements for the year to 31 March 2022. Revenue has been reclassified by an amount equal to the consideration payable to customers, which was previously classified under selling and marketing expenses.

## 2 REVENUE AND OTHER INCOME

|                                       | <b>6 months<br/>Unaudited</b> | <b>6 months<br/>Unaudited</b> | <b>12 months<br/>Audited</b> |
|---------------------------------------|-------------------------------|-------------------------------|------------------------------|
|                                       | 30 Sep 2022                   | 30 Sep 2021                   | 31 Mar 2022                  |
|                                       | \$ (000)                      | \$ (000)                      | \$ (000)                     |
| Revenue – transaction and usage fees: |                               |                               |                              |
| Travel platform booking revenue       | 8,438                         | 4,878                         | 9,042                        |
| Expense platform revenue              | 2,474                         | 1,966                         | 4,039                        |
| Supplier commissions revenue          | 7,211                         | 930                           | 3,447                        |
| Services revenue                      | 494                           | 791                           | 1,007                        |
| Other revenue                         | 168                           | 159                           | 320                          |
| <b>Total revenue</b>                  | <b>18,785</b>                 | <b>8,724</b>                  | <b>17,855</b>                |
| Government grants                     | 654                           | 723                           | 1,006                        |
| Other                                 | -                             | 5                             | 13                           |
| <b>Total other income</b>             | <b>654</b>                    | <b>728</b>                    | <b>1,019</b>                 |
| <b>Total revenue and other income</b> | <b>19,439</b>                 | <b>9,452</b>                  | <b>18,874</b>                |

|                        | <b>6 months<br/>Unaudited</b> | <b>6 months<br/>Unaudited</b> | <b>12 months<br/>Audited</b> |
|------------------------|-------------------------------|-------------------------------|------------------------------|
|                        | 30 Sep 2022                   | 30 Sep 2021                   | 31 Mar 2022                  |
|                        | \$ (000)                      | \$ (000)                      | \$ (000)                     |
| Geographic information |                               |                               |                              |
| Australia              | 9,102                         | 5,614                         | 10,686                       |
| New Zealand            | 1,179                         | 1,045                         | 1,539                        |
| US                     | 1,589                         | 1,342                         | 2,597                        |
| Europe and Other       | 6,915                         | 723                           | 3,033                        |
| <b>Total revenue</b>   | <b>18,785</b>                 | <b>8,724</b>                  | <b>17,855</b>                |



## Segment revenue

The Board and Executive team monitor the results of the Group's operations as a whole for the purpose of making decisions about resource allocation and performance assessment and therefore the Board has determined the Group is a single reportable operating segment. This reporting segment is predominantly made up of revenue generated from transaction and usage fees, which includes Travel platform bookings, supplier commissions and Expense revenue.

Serko evaluates the performance of the operating segment based on revenue before consideration payable to customers.

As required by IFRS 15 Serko reduces revenue by the amount of consideration payable to customers. In the period the consideration payable to customers comprised Serko's share of jointly agreed marketing expenses. The marketing expenses are not set by reference to the amount of revenue received from the customer.

|  | <b>6 months<br/>Unaudited</b> | <b>6 months<br/>Unaudited</b> | <b>12 months<br/>Audited</b> |
|--|-------------------------------|-------------------------------|------------------------------|
|  | 30 Sep 2022                   | 30 Sep 2021                   | 31 Mar 2022                  |
|  | \$ (000)                      | \$ (000)                      | \$ (000)                     |
| Revenue – transaction and usage fees:                            |                               |                               |                              |
| Travel platform booking revenue                                  | 8,438                         | 4,878                         | 9,042                        |
| Expense platform revenue   | 2,474                         | 1,966                         | 4,039                        |
| Supplier commissions revenue                                     | 8,097                         | 1,356                         | 4,358                        |
| Services revenue   | 494                           | 791                           | 1,007                        |
| Other revenue  | 168                           | 159                           | 320                          |
| Other income   | 654                           | 728                           | 1,019                        |
| <b>Segment revenue</b>   | <b>20,325</b>                 | <b>9,878</b>                  | <b>19,785</b>                |
| Consideration payable to customers                               | (886)                         | (426)                         | (911)                        |
| <b>Total revenue and other income in accordance with NZ GAAP</b> | <b>19,439</b>                 | <b>9,452</b>                  | <b>18,874</b>                |

### 3 EXPENSES

|   | <b>6 months<br/>Unaudited</b> | <b>6 months<br/>Unaudited</b> | <b>12 months<br/>Audited</b> |
|---|-------------------------------|-------------------------------|------------------------------|
|   | 30 Sep 2022                   | 30 Sep 2021                   | 31 Mar 2022                  |
|   | \$ (000)                      | \$ (000)                      | \$ (000)                     |
| Operating profit before taxation includes the following expenses: |                               |                               |                              |
| Marketing expenses  | 922                           | 638                           | 1,536                        |
| Third party connection costs                                      | 949                           | 431                           | 894                          |
| Other selling costs   | 870                           | 408                           | 657                          |
| <b>Total selling and marketing expenses</b>                       | <b>2,741</b>                  | <b>1,477</b>                  | <b>3,087</b>                 |
| <b>Hosting expenses</b>   | <b>3,242</b>                  | <b>2,269</b>                  | <b>4,932</b>                 |
| Employee remuneration   | 21,652                        | 12,725                        | 26,059                       |
| Contributions to pension plans                                    | 851                           | 357                           | 1,303                        |
| Share-based payment expenses                                      | 3,462                         | 1,525                         | 4,095                        |
| Other remuneration and benefits                                   | 348                           | 271                           | 617                          |
| <b>Total remuneration and benefits</b>                            | <b>26,313</b>                 | <b>14,878</b>                 | <b>32,074</b>                |
| Auditor remuneration and other assurance fees                     | 127                           | 152                           | 275                          |
| Directors' fees   | 234                           | 218                           | 493                          |
| Movement of expected credit loss allowance on receivables         | 87                            | 56                            | (23)                         |
| Bad debts written off   | 4                             | 53                            | 195                          |
| Rental and operating lease expenses                               | 104                           | 43                            | 172                          |
| Professional fees   | 834                           | 180                           | 1,618                        |
| Computer licences   | 669                           | 578                           | 1,306                        |
| Insurance costs   | 484                           | 272                           | 705                          |
| Recruitment fees  | 267                           | 173                           | 365                          |
| Donations   | -                             | -                             | 1                            |
| Other administration expenses                                     | 1,236                         | 863                           | 1,819                        |
| <b>Total administration expenses</b>                              | <b>4,046</b>                  | <b>2,588</b>                  | <b>6,926</b>                 |
| Amortisation of intangibles                                       | 5,041                         | 2,852                         | 6,386                        |
| Depreciation  | 944                           | 811                           | 1,652                        |
| <b>Total amortisation and depreciation</b>                        | <b>5,985</b>                  | <b>3,663</b>                  | <b>8,038</b>                 |
| <b>Expenses from ordinary activities</b>                          | <b>42,327</b>                 | <b>24,875</b>                 | <b>55,057</b>                |

## 4 RECEIVABLES

|                                | <b>6 months<br/>Unaudited</b> | <b>6 months<br/>Unaudited</b> | <b>12 months<br/>Audited</b> |
|--------------------------------|-------------------------------|-------------------------------|------------------------------|
|                                | 30 Sep 2022                   | 30 Sep 2021                   | 31 Mar 2022                  |
|                                | \$ (000)                      | \$ (000)                      | \$ (000)                     |
| Trade receivables              | 3,641                         | 2,054                         | 2,354                        |
| Expected credit loss provision | (283)                         | (130)                         | (192)                        |
| <b>Trade receivables (net)</b> | <b>3,358</b>                  | <b>1,924</b>                  | <b>2,162</b>                 |
| GST receivable                 | 547                           | 262                           | 312                          |
| Sundry debtors                 | 43                            | 36                            | 66                           |
| Contract assets                | 7,357                         | 2,370                         | 2,373                        |
| Prepayments                    | 1,903                         | 1,706                         | 1,313                        |
| <b>Total receivables</b>       | <b>13,208</b>                 | <b>6,298</b>                  | <b>6,226</b>                 |

## 5 DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivatives in the form of forward exchange contracts (FECs) to reduce the risk that movements in the exchange rate will affect the Group's New Zealand dollar cash flows. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The following table presents the Group's foreign currency forward exchange contracts measured at fair value:

|  | <b>6 months<br/>Unaudited</b> | <b>6 months<br/>Unaudited</b> | <b>12 months<br/>Audited</b> |
|--|-------------------------------|-------------------------------|------------------------------|
|  | 30 Sep 2022                   | 30 Sep 2021                   | 31 Mar 2022                  |
|  | \$ (000)                      | \$ (000)                      | \$ (000)                     |
| Current:   |                               |                               |                              |
| <b>Foreign currency forward exchange contracts: asset/(liability)</b>          | <b>(375)</b>                  | <b>153</b>                    | <b>(16)</b>                  |
| Contractual amounts of forward exchange contracts outstanding were as follows: |                               |                               |                              |
| <b>Foreign currency forward exchange contracts</b>                             | <b>23,530</b>                 | <b>6,607</b>                  | <b>2,853</b>                 |

Derivative financial instruments have been determined to be within level 2 of the fair value hierarchy. Foreign currency forward exchange contracts have been fair valued using published market foreign exchange rates and contract forward rates discounted at a rate that reflects the credit risk of the counterparties.

## 6 PROPERTY, PLANT AND EQUIPMENT

|                        | 6 months<br>Unaudited | 6 months<br>Unaudited | 12 months<br>Audited |
|------------------------|-----------------------|-----------------------|----------------------|
|                        | 30 Sep 2022           | 30 Sep 2021           | 31 Mar 2022          |
|                        | \$ (000)              | \$ (000)              | \$ (000)             |
| Opening balance        | 4,319                 | 2,568                 | 2,569                |
| Additions              | 433                   | 598                   | 3,402                |
| Depreciation           | (944)                 | (811)                 | (1,652)              |
| Currency translation   | 47                    | 5                     | -                    |
| <b>Closing balance</b> | <b>3,855</b>          | <b>2,360</b>          | <b>4,319</b>         |

## 7 INTANGIBLES

|                        | 6 months<br>Unaudited | 6 months<br>Unaudited | 12 months<br>Audited |
|------------------------|-----------------------|-----------------------|----------------------|
|                        | 30 Sep 2022           | 30 Sep 2021           | 31 Mar 2022          |
|                        | \$ (000)              | \$ (000)              | \$ (000)             |
| Opening balance        | 32,058                | 23,304                | 23,304               |
| Additions              | 4,795                 | 6,951                 | 15,320               |
| Amortisation           | (5,041)               | (2,852)               | (6,386)              |
| Currency translation   | 1,020                 | (60)                  | (180)                |
| <b>Closing balance</b> | <b>32,832</b>         | <b>27,343</b>         | <b>32,058</b>        |

## 8 TRADE AND OTHER PAYABLES

|                                       | 6 months<br>Unaudited | 6 months<br>Unaudited | 12 months<br>Audited |
|---------------------------------------|-----------------------|-----------------------|----------------------|
|                                       | 30 Sep 2022           | 30 Sep 2021           | 31 Mar 2022          |
|                                       | \$ (000)              | \$ (000)              | \$ (000)             |
| Trade payables                        | 1,776                 | 1,580                 | 1,945                |
| Other payables                        | 5,135                 | 426                   | 3,376                |
| Accrued expenses                      | 3,753                 | 2,962                 | 3,628                |
| Annual leave accrual                  | 3,031                 | 2,666                 | 2,359                |
| <b>Total trade and other payables</b> | <b>13,695</b>         | <b>7,634</b>          | <b>11,308</b>        |
| Disclosed as:                         |                       |                       |                      |
| Current                               | 13,695                | 7,634                 | 11,308               |
| Non-Current                           | -                     | -                     | -                    |
|                                       | <b>13,695</b>         | <b>7,634</b>          | <b>11,308</b>        |

## 9 LEASE LIABILITIES

### Recognition and measurement of The Group's leasing activities

The Group leases property for fixed periods of between one and six years and some include extension options. These extension options are usually at the discretion of The Group and are included in the measurement of the lease asset if management intends to exercise the extension.

Lease liabilities include the net present value of fixed payments less any lease incentives receivable. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The amortisation of the discount applied on recognition of the lease liability is recognised as interest expense in the income statement.

Key movements relating to lease balances are presented below.

|                                       | <b>6 months<br/>Unaudited</b> | <b>6 months<br/>Unaudited</b> | <b>12 months<br/>Audited</b> |
|---------------------------------------|-------------------------------|-------------------------------|------------------------------|
|                                       | 30 Sep 2022                   | 30 Sep 2021                   | 31 Mar 2022                  |
|                                       | \$ (000)                      | \$ (000)                      | \$ (000)                     |
| Opening Balance                       | 2,977                         | 1,407                         | 1,407                        |
| Leases entered into during the period | 216                           | 226                           | 2,628                        |
| Principal repayments                  | (464)                         | (570)                         | (1,064)                      |
| Foreign exchange adjustment           | 27                            | 1                             | 6                            |
| <b>Closing balance</b>                | <b>2,756</b>                  | <b>1,064</b>                  | <b>2,977</b>                 |
| Classified as:                        |                               |                               |                              |
| Current                               | 1,448                         | 894                           | 820                          |
| Non-current                           | 1,308                         | 170                           | 2,157                        |
| <b>Closing balance</b>                | <b>2,756</b>                  | <b>1,064</b>                  | <b>2,977</b>                 |

## 10 EQUITY

|   | 6 months<br>Unaudited | 6 months<br>Unaudited | 12 months<br>Audited | 6 months<br>Unaudited     | 6 months<br>Unaudited     | 12 months<br>Audited      |
|---|-----------------------|-----------------------|----------------------|---------------------------|---------------------------|---------------------------|
|   | 30 Sep<br>2022        | 30 Sep<br>2021        | 31 Mar<br>2022       | 30 Sep<br>2022            | 30 Sep<br>2021            | 31 Mar<br>2022            |
|   | \$ (000)              | \$ (000)              | \$ (000)             | NO. OF<br>SHARES<br>(000) | NO. OF<br>SHARES<br>(000) | NO. OF<br>SHARES<br>(000) |
| <b>Ordinary shares</b>  |                       |                       |                      |                           |                           |                           |
| Balance at 1 April  | 235,101               | 153,706               | 153,706              | 119,921                   | 107,822                   | 107,822                   |
| Issue of shares pursuant to institutional capital placement     | -                     | -                     | 75,000               | -                         | -                         | 10,638                    |
| Issue of shares pursuant to Share Purchase Plan (SPP) placement | -                     | -                     | 8,281                | -                         | -                         | 1,209                     |
| Transaction costs for issue of new shares                       | -                     | -                     | (3,188)              | -                         | -                         | -                         |
| Non-executive director's settlement of non-recourse loan        | -                     | 247                   | 247                  | -                         | -                         | -                         |
| Issue of shares pursuant to US Options plan                     | 21                    | 4                     | 4                    | 8                         | 1                         | 1                         |
| Issue of shares pursuant to RSU scheme                          | 2,720                 | 901                   | 1,051                | 494                       | 215                       | 251                       |
| <b>Share capital</b>  | <b>237,842</b>        | <b>154,858</b>        | <b>235,101</b>       | <b>120,423</b>            | <b>108,038</b>            | <b>119,921</b>            |
| <b>Share-based payment reserve</b>                              |                       |                       |                      |                           |                           |                           |
| Balance at 1 April  | 7,483                 | 4,509                 | 4,509                |                           |                           |                           |
| RSUs allocated to employees                                     | 3,465                 | 1,402                 | 4,051                |                           |                           |                           |
| Shares vested to employees via RSU scheme                       | (2,479)               | (869)                 | (1,051)              |                           |                           |                           |
| RSUs forfeited by employees                                     | (256)                 | (15)                  | (108)                |                           |                           |                           |
| Shares vested to employees via RSP                              | -                     | 80                    | 95                   |                           |                           |                           |
| Shares forfeited by employees via RSP                           | -                     | (3)                   | (3)                  |                           |                           |                           |
| Non-executive director's settlement of non-recourse loan        | -                     | (47)                  | (47)                 |                           |                           |                           |
| Share-based payments - employee share options                   | 13                    | 32                    | 37                   |                           |                           |                           |
| <b>Share-based payment reserve</b>                              | <b>8,226</b>          | <b>5,089</b>          | <b>7,483</b>         |                           |                           |                           |

## 11 EARNINGS PER SHARE

|  | <b>6 months<br/>Unaudited</b> | <b>6 months<br/>Unaudited</b> | <b>12 months<br/>Audited</b> |
|--|-------------------------------|-------------------------------|------------------------------|
|  | 30 Sep 2022                   | 30 Sep 2021                   | 31 Mar 2022                  |
|  | \$ (000)                      | \$ (000)                      | \$ (000)                     |
| Loss attributable to ordinary equity holders of the parent     |                               |                               |                              |
| Continuing operations  | (19,733)                      | (15,163)                      | (35,959)                     |
|  | <b>(19,733)</b>               | <b>(15,163)</b>               | <b>(35,959)</b>              |
|  | Number                        | Number                        | Number                       |
| <b>Basic earnings per share</b>                                |                               |                               |                              |
| Issued ordinary shares   | 120,423                       | 108,038                       | 119,921                      |
| Weighted average of issued ordinary shares                     | 120,268                       | 107,889                       | 111,839                      |
| Adjusted for unallocated employee restricted share plan shares | (1,264)                       | (1,290)                       | (1,264)                      |
| <b>Weighted average of issued ordinary shares outstanding</b>  | <b>119,004</b>                | <b>106,599</b>                | <b>110,575</b>               |
| <b>Basic and diluted earnings/(loss) per share (dollars)</b>   | <b>(0.17)</b>                 | <b>(0.14)</b>                 | <b>(0.33)</b>                |
|  |                               |                               |                              |
|  | <b>6 months<br/>Unaudited</b> | <b>6 months<br/>Unaudited</b> | <b>12 months<br/>Audited</b> |
|  | 30 Sep 2022                   | 30 Sep 2021                   | 31 Mar 2022                  |
|  | Cents                         | Cents                         | Cents                        |
| <b>Net tangible assets per security</b>                        | <b>84.73</b>                  | <b>57.68</b>                  | <b>100.14</b>                |

Net tangible assets per security is a non-GAAP measure and is provided for NZX reporting purposes. Net tangible assets per security is calculated as Total assets less Total liabilities less Intangible assets divided by the issued ordinary shares (excluding treasury shares).

## 12 RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

|  | <b>6 months<br/>Unaudited</b> | <b>6 months<br/>Unaudited</b> | <b>12 months<br/>Audited</b> |
|--|-------------------------------|-------------------------------|------------------------------|
|  | 30 Sep 2022                   | 30 Sep 2021                   | 31 Mar 2022                  |
|  | \$ (000)                      | \$ (000)                      | \$ (000)                     |
| Net loss after tax                                   | (19,733)                      | (15,163)                      | (35,959)                     |
| <b>Add non-cash items</b>                            |                               |                               |                              |
| Amortisation   | 5,041                         | 2,852                         | 6,386                        |
| Depreciation   | 944                           | 811                           | 1,652                        |
| Deferred tax liability                               | (149)                         | -                             | 41                           |
| (Gain) / loss on foreign exchange transactions       | (2,297)                       | (355)                         | 27                           |
| Share-based compensation                             | 3,450                         | 1,525                         | 4,076                        |
|  | <b>(12,744)</b>               | <b>(10,330)</b>               | <b>(23,777)</b>              |
| <b>Add/(less) movements in working capital items</b> |                               |                               |                              |
| (Increase) / decrease in receivables                 | (6,982)                       | (905)                         | (833)                        |
| Increase / (decrease) in trade and other payables    | 2,547                         | 1,420                         | 127                          |
| Increase / (decrease) in income tax                  | 227                           | (6)                           | 6,027                        |
|  | <b>(4,208)</b>                | <b>509</b>                    | <b>5,321</b>                 |
| <b>Net cash flows used in operating activities</b>   | <b>(16,952)</b>               | <b>(9,821)</b>                | <b>(18,456)</b>              |

## 13 EVENTS AFTER BALANCE SHEET DATE

There were no significant events between the balance sheet date and the date these financial statements were authorised for issue.

## 14 CONTINGENT LIABILITIES

There were no contingent liabilities as at 30 September 2022 (30 September 2021: \$nil).



# Company Directory

## Registered Office

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Jan Dawson  
Robert (Clyde) McConaghy  
Darrin Grafton  
Robert (Bob) Shaw

## Auditor

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The logo for serko, featuring the word "serko" in a lowercase, blue, sans-serif font.

Serko is a company incorporated with limited liability under the New Zealand Companies Act 1993  
New Zealand Companies Office registration number 1927488  
Australian Registered Body Number (ARBN) 611 613 980  
For investor relations queries contact: [investor.relations@serko.com](mailto:investor.relations@serko.com)

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FY23 Interim Report

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