

# Minutes of the Annual Meeting of Shareholders Serko Limited

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Meeting date: 22 August 2018

Meeting Time: 2.00pm (New Zealand time)

Venue: Link Market Services, Level 11, Deloitte Centre, 80 Queen Street, Auckland, New Zealand

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Present:	Mr Botherway	Chairman
	Ms Batten	Director
	Mr McConaghy	Director
	Mr Grafton	Director
	Mr Shaw	Director

Approximately 31 shareholders and appointed proxies and 17 observers. Further participants joined via the webcast.

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## Preliminary Matters

The Chairman, Mr Botherway, called the meeting to order, declaring that the necessary quorum was present and that the meeting was now open. The Chairman introduced the directors, management and auditors to shareholders.

Mr Botherway confirmed that the Notice of Meeting had been sent to shareholders and other persons entitled to receive it. He advised that voting on all resolutions would be conducted by poll at the end of the meeting.

Mr Botherway reported that proxies had been appointed in respect of 54 million shares, representing approximately 66.98% of the total number of shares on issue.

## Annual Report and Financial Statements

The Chairman advised that the Annual Report and Financial Statements for the year ended 31 March 2018 and the report of the auditor thereon, had been circulated to all shareholders.

## Formal Addresses

### *Chairman's Address*

The Chairman formally addressed the meeting, outlining the key pillars of Serko's strategy and reviewing Serko's progress toward achieving its goals. He then gave an overview of Serko's

financial performance for the 12 months ending 31 March 2018 (**2018 financial year**). Mr Botherway reaffirmed the updated guidance disclosed to the market in July 2018.

The Chairman then provided an overview of the key governance areas of focus for the Board during the year, highlighting in particular the publication of Serko's first ESG (environmental, social & governance) Report and efforts taken to better communicate with Serko's stakeholders.

Mr Botherway provided an overview of the recent capital raising undertaken by the Company and the intended use of proceeds. He addressed the Board's rationale to undertake a Placement (which included 20% participation by retail brokers) rather than undertake a rights issue, noting the strong aftermarket trading and share price performance, low placement discount and improved liquidity achieved by the capital raising.

Mr Botherway thanked the Serko Team for their hard work and dedication to deliver to Serko's financial goals, whilst also delivering high standards of customer service and innovation over the past year.

#### *CEO's Address*

The CEO, Mr Grafton, thanked shareholders for their continued support over the past year, which saw Serko as New Zealand's top performing stock.

He introduced the new members of the Executive Team who had been appointed during the year.

Mr Grafton then provided a more detailed overview of Serko's operational performance for the 2018 financial year and Q1 of the 2019 financial year, outlining the positive feedback that was being received to the launch of Serko's latest product offering, Zeno.

He went on to provide an overview of Serko's commercial revenue model and provided more detail on how Serko was achieving its strategic objectives, and the expansion opportunities Serko has to continue its current growth trajectory.

#### **Shareholder Questions and Discussion**

Shareholders were invited to raise questions on the Chairman's and CEO's formal addresses, and any other matter they would like to raise.

A number of questions were raised by shareholders in respect of range of matters, including:

- Resourcing challenges during Serko's growth phase
- R&D grants
- The number of new shareholders who had joined Serko's share register as a result of the recent capital raising
- Whether Serko could be seen as a takeover target
- Zeno uptake
- Use of proceeds of the recent capital raising; and
- IP protection.

Each question was responded to by the Chairman or CEO.<sup>1</sup>

## **Formal Resolutions**

The Chairman noted that all items of business set out in the Notice of Meeting were ordinary resolutions and, accordingly, were required to be passed by a simple majority of votes. He explained that voting would be taken by poll and explained how this process would be run. He noted that the Board supports all four resolutions set out in the Notice of Meeting and each director intends to vote all shares and undirected proxies held by them in favour of these resolutions.

### **Resolution 1: Fixing the Fees & Expenses of the Auditor**

The Chairman explained that the motion concerns the fixing of the auditor's remuneration and seeks shareholder approval that directors are authorised to fix the fees and expenses of the auditor for the 2019 financial year.

The Chairman moved the motion that the directors are authorised to fix the fees and expenses of the auditor for the 2019 financial year. There were no matters for discussion or questions raised by shareholders concerning the motion.

### **Resolution 2: Re-election of Simon Botherway as a Director**

Mr Botherway requested that Mr McConaghy, Chairman of the Audit & Risk Committee, take over as Chairman of the Annual Meeting during consideration of Resolution 2, as the resolution related to Mr Botherway's re-election.

Mr McConaghy confirmed that Mr Botherway's re-election had the unanimous support of the Board.

Mr Botherway addressed the meeting in respect of his re-election.

Mr McConaghy moved the motion that Mr Botherway be re-elected a Director of the Company. There were no matters for discussion or questions raised by shareholders concerning the motion.

Mr Botherway resumed chairing the meeting.

### **Resolution 3: Re-election of Robert (Bob) Shaw as a Director**

The Chairman explained that Mr Shaw was also retiring by rotation in accordance with the Listing Rules and offered himself for re-election. He confirmed that his re-election had the unanimous support of the Board.

Mr Shaw then addressed the meeting in respect of his re-election.

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<sup>1</sup> A recording of the Annual Meeting is posted on Serko's website: <https://www.serko.com/investor-centre/>

The Chairman moved the motion that Mr Shaw be re-elected a Director of the Company. There were no matters for discussion or questions raised by shareholders concerning the motion.

#### **Resolution 4: Approval of (US) Employee Share Incentive Scheme**

The Chairman explained that the (US) Employee Share Incentive Plan (**the Scheme**) is conditional upon shareholder approval. He confirmed that its approval had the unanimous support of the Board and, if it was not approved, US-based key employees would be incentivised in cash.

The Chairman moved the motion that the Scheme be approved. A shareholder raised questions on the technical operation of the scheme, which were responded to by the Chairman.

#### **Polls and Closure**

The Chairman advised that, as all other formal business had been concluded, polls would be conducted in respect of the resolutions put to shareholders at the meeting.

The conduct of the polls was administered by the share registrar, Link Market Services, and the Company's Auditor, Deloitte, acted as scrutineer.

The Chairman advised that the results of the polls would be released to NZX and the ASX later in the day.

#### **General Business**

Mr Botherway invited shareholders to ask any further questions they had of the Board and management or raise any matters of general business.

There being no further items of business raised, Mr Botherway thanked shareholders for their attendance and interest in company affairs and closed the meeting.

The meeting was declared closed at 3.20pm.

Shareholders were invited to join the directors and management for refreshments and product demonstrations at the end of the meeting.

The Minutes of the Annual Meeting of Shareholders of Serko Limited were confirmed by:



Simon Botherway  
Chairman

Date: 19 September 2018

## Poll Results

The following results of the polls were subsequently announced to the market:

Resolution	For	Against	Abstain
Fix the fees and expenses of Auditor	57,060,211 99.99%	3,500 0.01%	35,000
Re-elect Mr Simon Botherway	56,561,611 99.12%	502,100 0.88%	35,000
Re-elect Mr Robert (Bob) Shaw	55,606,511 99.67%	182,402 0.33%	1,309,798
Approve (US) Employee Share Incentive Scheme	57,037,252 99.99%	4,165 0.01%	57,294

All resolutions were accordingly passed.