

For personal use only

# Annual Report FY2023

SiteMinder Limited

ACN 121 931 744

A SiteMinder customer - Bawah Reserve in Indonesia



## 1. Company details

|                   |                                 |
|-------------------|---------------------------------|
| Name of entity:   | SiteMinder Limited              |
| ABN:              | 59 121 931 744                  |
| Reporting period: | For the year ended 30 June 2023 |
| Previous period:  | For the year ended 30 June 2022 |

## 2. Results for announcement to the market

|                                                                                          |      |          | \$'000   |
|------------------------------------------------------------------------------------------|------|----------|----------|
| Revenues from ordinary activities                                                        | up   | 30.5% to | 151,384  |
| Loss from ordinary activities after tax attributable to the owners of SiteMinder Limited | down | 55.3% to | (49,296) |
| Loss for the year attributable to the owners of SiteMinder Limited                       | down | 55.3% to | (49,296) |

### Dividends

There were no dividends paid, recommended or declared during the current financial period.

### Comments

The loss for the Group after providing for income tax amounted to \$49,296,000 (30 June 2022: \$110,395,000).

Refer to the review of operations in the Directors' report for further commentary on the Group's results for the reporting period.

## 3. Net tangible assets

|                                           | Reporting period Cents | Previous period Cents |
|-------------------------------------------|------------------------|-----------------------|
| Net tangible assets per ordinary security | 11.27                  | 26.44                 |

The net tangible assets per ordinary security presented above is exclusive of right-of-use assets and lease liabilities.

## 4. Control gained over entities

|                                         |                   |
|-----------------------------------------|-------------------|
| Name of entities (or group of entities) | GuestJoy OÜ       |
| Date control gained                     | 30 September 2022 |

|                                                                                                                                                                | \$'000 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Contribution of such entities to the reporting entity's (loss)/profit from ordinary activities before income tax during the period (where material)            | (16)   |
| (Loss)/profit from ordinary activities before income tax of the controlled entity (or group of entities) for the whole of the previous period (where material) | (200)  |

## 5. Dividends

### Current period

There were no dividends paid, recommended or declared during the current financial period.

*Previous period*

There were no dividends paid, recommended or declared during the previous financial period.

---

**6. Audit qualification or review**

*Details of audit/review dispute or qualification (if any):*

The financial statements have been audited and an unmodified opinion has been issued.

---

**7. Attachments**

*Details of attachments (if any):*

The Annual report for the financial year ended of SiteMinder Limited for the year ended 30 June 2023 is attached.

---

**8. Signed**

As authorised by the Board of Directors



---

Pat O'Sullivan  
Chairman

23 August 2023  
Sydney



---

Sankar Narayan  
Managing Director and Chief Executive Officer

## Chairman and CEO Message



**Pat O'Sullivan**  
Non-Executive Chairman



**Sankar Narayan**  
CEO and Managing Director

To our shareholders,

It has been almost two years since the day we debuted on the Australian Securities Exchange, when we outlined our plans for recovery and growth, as well as our vision to sustain our success in the long-term. Today, we are pleased to report that we have consistently delivered either at or above expectations on financial performance, operational execution and new growth initiatives.

FY23 was a year in which we accelerated strongly on subscribers, reprioritised investments, and improved both our bottom line and unit economics – even as we embarked on a new journey on intelligence and revenue growth for our customers through the Smart Platform.

Achieving these outcomes was particularly pleasing given the uncertain macro backdrop which presented the world with decade-high interest rates, rampant inflation, cost of living pressures, and geopolitical challenges. With many companies having been adversely challenged by these conditions, we take great pride in the performance we delivered.

SiteMinder's success reflects its preparedness over many years to react quickly when faced with changing conditions, and to invest with foresight to position the business for growth. The cascading benefits of the many initiatives actioned since our listing has helped deliver the following performance highlights:

- **Accelerating growth** – with support from the rebuild of the go-to-market engine, revenue growth accelerated from 15.1% to 30.5%.

Subscription revenue growth accelerated from 3.3% to 18.7% with the subscriber base now exceeding 39,100. Our transaction revenue growth continues to be robust at 65.6%, with uptake of our add-on transaction products increasing 53%.



- **Improving profitability and cash usage** – underlying EBITDA improved from (\$14.6) million in H1FY23 to (\$7.4) million in H2FY23, while underlying free cash outflow, or cash usage, almost halved from (\$10) million a quarter at the start of the year to (\$5.3) million in the last quarter.
- **Improving unit economics** – SiteMinder concurrently accelerated customer additions, increased the lifetime value (LTV) of customers, and reduced the cost of acquiring customers (CAC). Our LTV/CAC—a measure of value generation—improved from 3.2x in FY22 to 4.1x in FY23, and was at 4.8x in H2FY23.

These numbers attest to our strong delivery on everything we said we would deliver, thanks to the hard work and dedication of our people, our clear business strategy, and our strong levers of growth.

Beyond the numbers, this past year saw us win the title of 'Best Hotel eCommerce Platform' and the most major accolades of any accommodation software company at the 2023 HotelTechAwards. Award wins such as these not only cement our position as the world's leading hotel commerce platform; they serve as a reminder of the world-class talent that we have at SiteMinder.

We are as optimistic about our future, both in the short-term and long-term, as we have ever been. We also have greater conviction than ever on the future potential of our business. Our confidence led us to update our guidance in July, and we now expect to be underlying EBITDA profitable and underlying free cash flow positive for H2FY24.

As part of our initiatives to build for the future, we completed the acquisition of industry-acclaimed hotel guest engagement suite GuestJoy, to help our customers respond to today's traveller who demand personalised, direct and contactless communications. The team has made great progress integrating GuestJoy into our hotel commerce platform, and GuestJoy is already providing great benefits to our customers.

Importantly, we are leading the industry's shift from the distribution era to the intelligence era. We know that, more than ever, hotels need to be able to move as fast as the world around them is changing, at both a macro level and at a micro level, where local market conditions and events require hotel businesses to be dynamic. They now need automated revenue optimisation, intelligence and distribution, and none in isolation. For this reason, we are investing to deliver our Smart Platform, to drive the convergence of these key capabilities for our customers who depend on high performance but lack time.

While we are excited about the possibilities that the Smart Platform will open for us, we remain firm in our belief that already, today, SiteMinder's hotel commerce platform provides hotels unbeatable revenue results by giving them the most choice to win. It is why our platform powers the largest supply of independent hotel room inventory in the world. It is why we have unique access to global, market-leading, proprietary data backed by more than 100 million hotel bookings worth in excess of A\$60 billion each year. And, it is why there are now more than 39,100 hotels in the world, from the smallest of independent hotels to the large hotel chains, that depend on our technology.

Delivering the Smart Platform and other future growth initiatives requires the business to be positioned on solid foundations, and on this note we are pleased to share the significant progress we have made on our ESG focus areas:

- **People** – our success in retaining and attracting a talented and diverse workforce has allowed us to strengthen our executive leadership team to scale the business globally, and realise the opportunities ahead of us.

We are also proud to have built a truly diverse, driven and engaged workforce, and to have bolstered it this past year with the successful in-sourcing of our multi-functional team in Manila.

As part of our efforts to promote diversity and equality, we were pleased to introduce an enhanced global paid parental leave policy that increased entitlements for both primary and secondary carers.

- **Customers** – we continued to support our customers with industry-leading capabilities that they can trust to be high performing, easy-to-use, reliable and secure. SiteMinder delivered 99.95% uptime in its Channel Manager product in FY23, and achieved ISO27001 certification for all of its business functions.
- **Community** – the number of days volunteered by our employees to support charities or other worthy causes increased 307% compared to FY22. We were also pleased to support a number of charities, including Dreams2Live4, CEO Dare to Cure, Dress for Success, and the Cancer Council.
- **Environment** – we continued to explore initiatives to minimise our energy consumption and carbon footprint. Our Sydney head office was transitioned to 100% GreenPower as of 1 July 2022.
- **Governance** – following the appointment of Dean A. Stoecker and the retirement of Michael Ford, the SiteMinder Board and its sub-committees are now majority independent. A number of enhancements were also made to the executive remuneration framework to better align it with best practice.

We are very pleased with the team's effort in driving SiteMinder's performance across the ESG focus areas, and this has been externally recognised by ISS ESG with the award of Prime Status in 2023. Please refer to our Sustainability Report for more details of the improvements we have made to our ESG profile and reporting.

Thank you to our team, our customers, partners and you, our shareholders, for all your support over the last 12 months. The future ahead of us is not only strong, but attainable, and we thank you for your trust and endorsement. If our performance over the past year stands as testament to anything, it is the heart and passion of our wonderful people, as well as our ability to withstand any challenge – now and always.

Pat and Sankar



---

**Pat O'Sullivan**  
Non-Executive Chairman



---

**Sankar Narayan**  
CEO and Managing Director

# **SiteMinder Limited and its controlled entities**

**ABN 59 121 931 744**

**Annual report for the financial year ended - 30 June 2023**

|                                  |                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Directors                        | Pat O'Sullivan - Non-Executive Chairman<br>Sankar Narayan - Managing Director and Chief Executive Officer<br>Jennifer Macdonald - Non-Executive Director<br>Kim Anderson - Non-Executive Director<br>Paul Wilson - Non-Executive Director<br>Leslie Szekely - Non-Executive Director<br>Dean A. Stoecker - Non-Executive Director                |
| Company secretary                | Aaron McKenzie                                                                                                                                                                                                                                                                                                                                   |
| Notice of annual general meeting | SiteMinder Office<br>Bond Store 3<br>30 Windmill Street<br>Millers Point NSW 2000<br>9am - 10:30am on 30 October 2023                                                                                                                                                                                                                            |
| Registered office                | Bond Store 3<br>30 Windmill Street<br>Millers Point NSW 2000<br>Phone: +61 2 9221 4444                                                                                                                                                                                                                                                           |
| Principal place of business      | Bond Store 3<br>30 Windmill Street<br>Millers Point NSW 2000<br>Phone: +61 2 9221 4444                                                                                                                                                                                                                                                           |
| Share register                   | Automic Pty Ltd<br>Level 5, Deutsche Bank Tower<br>126 Phillip Street<br>Sydney NSW 2000<br>Phone: 1300 288 664                                                                                                                                                                                                                                  |
| Auditor                          | Deloitte Touche Tohmatsu<br>Quay Quarter Tower<br>Level 46, 50 Bridge Street<br>Sydney NSW 2000                                                                                                                                                                                                                                                  |
| Solicitors                       | Gilbert + Tobin<br>Level 35, Tower Two, International Towers Sydney<br>200 Barangaroo Avenue<br>Barangaroo NSW 2000                                                                                                                                                                                                                              |
| Stock exchange listing           | SiteMinder Limited shares are listed on the Australian Securities Exchange (ASX code: SDR)                                                                                                                                                                                                                                                       |
| Website                          | <a href="http://www.siteminder.com">www.siteminder.com</a>                                                                                                                                                                                                                                                                                       |
| Business objectives              | In accordance with Listing Rule 4.10.19, the Company confirms that the Group has been utilising the cash and assets in a form readily convertible to cash that it held at the time of its admission to the Official List of ASX since its admission to the end of the reporting period in a way that is consistent with its business objectives. |



Corporate Governance Statement    The directors and management are committed to conducting the business of SiteMinder Limited in an ethical manner and in accordance with the highest standards of corporate governance. SiteMinder Limited has adopted and substantially complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations.

The Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed, was approved by the Board of Directors at the same time as the Annual Report and can be found at [www.siteminder.com/investor-relations/policies](http://www.siteminder.com/investor-relations/policies).

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of SiteMinder Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023 (FY23).

## Directors

The following persons were directors of SiteMinder Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

|                    |                                                         |
|--------------------|---------------------------------------------------------|
| Pat O'Sullivan     | Non-Executive Chairman                                  |
| Sankar Narayan     | Managing Director and Chief Executive Officer           |
| Jennifer Macdonald | Non-Executive Director                                  |
| Kim Anderson       | Non-Executive Director                                  |
| Paul Wilson        | Non-Executive Director                                  |
| Leslie Szekely     | Non-Executive Director                                  |
| Dean A. Stoecker   | Non-Executive Director (appointed on 15 September 2022) |
| Michael Ford       | Non-Executive Director (retired on 14 February 2023)    |

## Principal activities

The Group's commerce platform for accommodation providers encompasses solutions in the spaces of direct and third-party distribution, analytics and market insights, guest communication and upselling, property management, payments, and website design and creation. The Group's solutions are designed to support accommodation providers of all types and sizes in managing every stage of their customers' journey.

During the financial year, the Group's principal activities consisted of the development, sales and marketing of its online guest acquisition platform and commerce solutions to accommodation providers, delivered via a software-as-a-service ('SaaS') subscription model.

No significant change in the nature of these activities occurred during the financial year.

## Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

## Review of operations

The loss for the Group after providing for income tax amounted to \$49,296,000 (30 June 2022: \$110,395,000).

## Business overview

SiteMinder is the world's leading commerce platform for accommodation providers. The Group has two core subscription offerings in the SiteMinder Platform ("Platform") and Little Hotelier.

The Platform, launched in FY22, supports accommodation providers with key tools to grow reservations through direct customer acquisition, distribution through global and regional travel channels, increase revenue generating opportunities, get insights on their performance, and eliminate costly manual processes. Little Hotelier serves as an 'all-in-one' technology solution for smaller accommodation providers by combining the Platform's capabilities with a property management system (PMS), which has been designed specifically for their needs, to assist them with front-desk and other business operational functions.

Subscribers to the Platform and Little Hotelier can select a number of add-on capabilities for additional monthly charges or variable fees based on the number or value of bookings. The Group currently offers add-on capabilities to support payment processing, meta-search marketing, Global Distribution System (GDS) connectivity, guest engagement, multi-property management, and revenue management system (RMS) integration.

SiteMinder is a global business with the largest footprint of its direct competitors. The Group serves 39,100 properties of all sizes in over 150 countries, employs staff in over 20 countries across 6 global sales hubs and 9 offices and remote working locations, and offers a multilingual platform in 8 languages. During FY23 the Group facilitated over 100 million bookings with a value in excess of \$60 billion.

### Growth strategy

The Group's growth strategy is centred around the deployment of its hotel commerce platform led by its two core subscription offerings in the SiteMinder Platform ("Platform"), and Little Hotelier, which is an all in one solution for smaller accommodation providers.

The Group's hotel commerce platform is highly rated in the industry, and is a leading award winner at the annual HotelTechAwards, an award independently operated by the HotelTechReport. The Group's products are recognised by its customers and industry experts for their ease of use, customer support, reliability, and the quality and depth of connectivity with the broader hotel tech ecosystem.

The Group will focus on continued organic growth with strong unit economics underpinned by multiple levers including property growth, subscription upsell, transaction products, and targeted mergers and acquisitions to complement existing platform capabilities.

- **Property growth:** With a total addressable market of over 1 million hotel properties globally, the Group believes there is a significant opportunity for growth by expanding its current customer base of 39,100 properties. The Group aims to grow its property base by investing in its product offering so it can better target various market segments, and also in its multichannel go-to-market engine in terms of both capacity and capability.

As part of its product development efforts, the Group launched the SiteMinder Platform in FY22. The Platform delivered immediate tangible benefits with the integration of the Group's products helping deliver an improved user interface, enhanced customer experience through task automation, and improved data management and sharing. The Platform positions the Group for success today as well as the future by providing the infrastructure to develop and deliver new capabilities that'll help extend its industry leadership. In particular, the Group is well positioned to leverage the proprietary data assets that it garners from the more than 100 million reservations it facilitates each year.

The Group continues to make progress in rolling out its digital sales and on-boarding capabilities, which started with the offering of Little Hotelier Basics ('LH Basics') in June 2022 in key English speaking markets. The option to on-board digitally and unassisted helps make the Group's products more attractive by making their implementation less disruptive. During FY23, the LH Basics offer was extended to Spain and South Africa. It is the Group's intent to make digital sales and on-boarding available where we believe it will deliver superior customer outcomes.

- **Subscription upsell:** The Group is focused on growing subscription revenue per property by offering access to additional functionality via re-priced plans, new premium bundle plans, or as a standalone additional add-on.

During FY23, the Group completed the acquisition of GuestJoy, a suite of customer relationship management tools that help accommodation providers automate and digitise their guest communication, drive upsell revenues, and strengthen direct guest acquisition. GuestJoy has been made available to Platform and Little Hotelier subscribers for an additional monthly subscription fee.

- **Transaction products:** The SiteMinder Pay, Demand Plus, and GDS products are of significant strategic value as they embed the Group within the exchange of funds process of its customers, further integrate the Group into the traveller booking experience, and provide an avenue to earn commission income on a portion of the \$60 billion of gross booking value that flowed through the Group's systems in FY23.

The Group aims to grow the revenue it generates from its transaction products by increasing customer uptake, investing in the product's capabilities to improve their effectiveness, and leveraging the long-term growth trend in travel activity.

During FY23, the uptake of the Group's transaction products increased 53% compared to the previous corresponding period to 19,900 active implementations of SiteMinder Pay, Demand Plus, and GDS. There remains significant opportunities for growth with SiteMinder Pay capturing only 1% of booking value that flowed through the SiteMinder system, and Demand Plus capturing less than 1%.

- **Potential mergers and acquisition ('M&A'):** Given the significant opportunities available within the Group's product suite and the geographies in which it operates, the Group is focused on driving organic growth. However, the Group may undertake acquisitions in the future that improves its strategic position and helps strengthen the capabilities of the platform if the right opportunity arises.

On 30 September 2022, the Group completed the acquisition of GuestJoy OÜ, a suite of customer relationship management tools that help accommodation providers automate and digitise their guest communication, drive upsell revenues, and strengthen direct guest acquisition.

#### Reconciliation to reported results and non-IFRS measures

The following commentary should be read with the financial statements and the related notes in this report.

For the purposes of this report, 'underlying' is defined as the reported results as set out in the financial statements adjusted for significant items such as transaction costs related to IPO, revaluation of cash settled share based payments as at IPO, fair value movement on embedded derivatives, items related to merger and acquisition activity, and costs related to the restructuring of the Group's operations.

Non-IFRS (International Financial Reporting Standards) measures (such as EBITDA) have been included as the directors believe they provide useful information to assist the reader's understanding of the Group's financial performance. Non-IFRS financial measures should not be viewed in isolation or considered as substitutes for measures reported in accordance with IFRS.

#### FY23 financial performance summary

|                                                          | FY23<br>\$'000 | FY22<br>\$'000 | Change<br>\$'000 | Change<br>% |
|----------------------------------------------------------|----------------|----------------|------------------|-------------|
| <b>Reported financials</b>                               |                |                |                  |             |
| Revenue                                                  | 151,384        | 116,016        | 35,368           | 30%         |
| - Subscription                                           | 103,020        | 86,807         | 16,213           | 19%         |
| - Transaction and other                                  | 48,364         | 29,209         | 19,155           | 66%         |
| Reported EBITDA                                          | (26,081)       | (30,355)       | 4,274            | (14%)       |
| Reported net loss after income tax                       | (49,296)       | (110,395)      | 61,099           | (55%)       |
| Reported free cash flow                                  | 24,863         | (115,374)      | 140,237          | n/a         |
| <b>Underlying financials (Non-IFRS)</b>                  |                |                |                  |             |
| Underlying EBITDA (details on page 7)                    | (21,927)       | (22,428)       | 501              | (2%)        |
| Underlying net loss after income tax (details on page 8) | (45,066)       | (40,709)       | (4,357)          | 11%         |
| Underlying free cash flow (details on page 9)            | (34,013)       | (35,082)       | 1,069            | (3%)        |
| <b>Key metrics</b>                                       |                |                |                  |             |
| Annualised recurring revenue (details on page 9)         | 173,100        | 129,700        | 43,400           | 33%         |
| Properties (#)                                           | 39,100         | 34,700         | 4,400            | 13%         |
| Transaction products (#)                                 | 19,900         | 13,000         | 6,900            | 53%         |
| Monthly average revenue per user (\$)                    | 346            | 291            | 55               | 19%         |
| - Subscription                                           | 235            | 218            | 17               | 8%          |
| - Transaction and other                                  | 110            | 73             | 37               | 51%         |
| Monthly revenue churn                                    | 1.0%           | 1.0%           |                  |             |
| LTV / CAC (details on page 10)                           | 4.1x           | 3.2x           | +0.9x            | n/a         |
| - Lifetime value (LTV, \$)                               | 22,312         | 20,347         | 1,965            | 10%         |
| - Cost of acquiring customer (CAC, \$)                   | 5,469          | 6,386          | (917)            | (14%)       |

EBITDA is calculated by adding interest, tax, depreciation and amortization expenses to net income. Underlying EBITDA features adjustments to exclude non-recurring items. The Group includes stock based compensation in its calculation of EBITDA and underlying EBITDA.

Free cash flow is the sum of cash flows from operating and investing activities. Underlying free cash flow features adjustments to exclude non-recurring items.

## Revenue

The Group's total revenue for FY23 increased by 30.5% year-on-year ('y/y) to \$151.4 million. On a constant currency (cc) and organic basis (excluding contributions from the acquisition of GuestJoy), Group revenue increased 27.3% y/y. The key drivers of the revenue performance were the acceleration in subscriber growth, continued strong uptake of transaction products by the Group's customers, the continued recovery of global travel as COVID-19 related restrictions were eased, and price increases.

Subscription revenue increased 18.7% y/y to \$103.0 million in FY23. The growth was driven by a 12.7% y/y increase in the number of properties, and a 7.8% increase in subscription ARPU (average revenue per user). ARPU benefited from increased customer uptake of the Group's subscription products, favourable customer mix, and price increases.

On a constant currency and organic basis, subscription revenue increased 15.9% y/y, which compared favourably to the 3.4% y/y increase in FY22.

Transaction revenue increased by 65.6% y/y to \$48.4 million in FY23. On a constant currency and organic basis, transaction revenue increased 61.2% y/y compared to 72.3% y/y in FY22. The number of active implementations of the Group's transaction products increased 53% y/y to 19,900 with SiteMinder Pay and Demand Plus the key contributors.

## Property count

The total number of properties subscribing to the Group's products increased by 12.7% y/y or 4,400 to reach 39,100. On an organic basis, the number of properties increased by 11.8% y/y or 4,100. In FY22, SiteMinder added 2,300 properties.

The rate of organic property additions accelerated during FY23 from 1,600 in H1FY23 to 2,500 in H2FY23. This acceleration was driven by the Group's investment in its go-to-market capacity and channel expansion.

## Regional performance

### The Americas ('AMER')

Revenue increased by 35.2% y/y to \$40.4 million in FY23. On a constant currency basis, revenues increased 25.2% y/y.

The performance was driven by strong subscriber growth, which increased by 15.2% y/y (organic) to 7,600, and increased uptake of transaction products.

### Europe, Middle East and Africa ('EMEA')

Revenue increased by 23.9% y/y to \$61.2 million in FY23. On a constant currency basis, revenues increased 24.9% y/y.

The performance in EMEA benefitted from subscriber growth, and increased uptake of transaction products. The number of subscribers increased by 11.0% y/y or 1,800. On an organic basis, SiteMinder added 1,500 properties in EMEA with 1,000 added in H2 compared to 500 in H1. The acceleration in H2 was due to the Group's investment in its go-to-market capacity and capabilities, and improved customer engagement following a strong and prolonged Northern Hemisphere summer travel season.

### Asia Pacific ('APAC')

Revenue increased by 35.5% y/y to \$49.8 million in FY23. On a constant currency basis, revenues increased 33.4% y/y, accelerating significantly from 0.4% y/y in FY22.

APAC's performance benefitted from the easing of COVID related restrictions over the last 12 months, and most notably China's announcement on 26 December 2022 that it would no longer require inbound travellers to undergo quarantine starting from 8 January 2023. These developments helped accelerate demand for the Group's subscription and transaction products during FY23.

The number of subscribers in APAC increased 13.7% (organic) y/y to 13,300.

## Discussion of costs

Total expenses for FY23 was \$202.2 million, which was \$24.7 million or 10.9% lower compared to FY22.

During FY22, SiteMinder recognised one-off charges consisting of \$61.8 million related to the fair value movement on embedded derivatives, \$6.4 million of IPO costs, and \$1.5 million related to the revaluation of cash-settled share-based payments as at the IPO. During FY23, SiteMinder recognised \$0.9 million of costs related to M&A transactions, \$2.7 million of restructuring costs, and \$0.6m of costs largely related to the origination of a replacement credit facility.

Excluding the aforementioned items, underlying costs increased by 25.9% y/y or \$40.8 million to \$198.0 million in FY23. The increase was driven by:

- **Employee benefits** increased by \$16.1 million or 17.3% y/y to \$109.3 million in FY23. Excluding the one off charges discussed above, employee benefits increased by \$14.8 million or 16.2% y/y to \$106.5 million. The increase is the result of increased headcount as the Group expanded its go-to-market functions and wage inflation. These were in-part offset by the Group's efforts to globalise its workforce, and execution of the cost management program announced in January 2023.
- **Direct transaction costs** increased by \$12.8 million or 66.3% y/y to \$32.1 million in FY23. This was in line with the growth in transaction revenue, which increased 65.6% y/y driven by increased product uptake by the Group's customers.
- **Depreciation and amortisation** increased by \$6.2 million or 35.3% y/y to \$23.6 million in FY23. The increase reflects the Group's continued investment and capitalisation of research & development (R&D).
- **Marketing and related expenses** increased by \$0.2 million or 1.9% y/y to \$8.2 million in FY23. The modest increase reflects improved efficiency in lead generation, and contributions from the execution of the cost management program announced in January 2023.
- **Technology costs** increased by \$1.4 million or 15.1% y/y to \$10.6 million in FY23. H2FY23 cost was 8.5% lower than H1 reflecting the execution of the cost management program announced in January 2023.

#### **Earnings before interest tax depreciation and amortisation ('EBITDA')**

Management uses EBITDA to evaluate the operating performance of the business without the non-cash impact of depreciation and amortisation, and before interest and taxation. Management may from time to time make adjustments to EBITDA to arrive at 'Underlying EBITDA'.

Underlying EBITDA in FY23 has been calculated by adjusting for:

- Restructuring costs of \$2.7 million largely related to the implementation of the cost management program announced in January 2023.
- M&A related costs of \$0.8 million from the acquisition of GuestJoy.
- Other costs of \$0.6 million largely related to the origination of the replacement credit facility

Underlying EBITDA in FY22 has been calculated by adjusting for:

- Cash settled equity plan rebasement on IPO of \$1.5 million
- Transaction cost related to IPO of \$5.8 million
- Other costs related to the IPO of \$0.6 million

|                                                                 | <b>FY23<br/>\$'000</b> | <b>FY22<br/>\$'000</b> |
|-----------------------------------------------------------------|------------------------|------------------------|
| <b>Reported loss after income tax</b>                           | <b>(49,296)</b>        | <b>(110,395)</b>       |
| Interest revenue calculated using the effective interest method | (716)                  | (215)                  |
| Fair value movement on embedded derivative                      | -                      | 61,759                 |
| Depreciation and amortisation expense                           | 23,636                 | 17,465                 |
| Finance costs                                                   | 895                    | 842                    |
| Income tax (benefit)/expense                                    | (600)                  | 189                    |
| <b>Reported EBITDA</b>                                          | <b>(26,081)</b>        | <b>(30,355)</b>        |
| Restructuring cost                                              | 2,734                  | -                      |
| M&A related cost and (gain)                                     | 842                    | -                      |
| Other costs                                                     | 578                    | -                      |
| Transaction cost related to IPO                                 | -                      | 5,826                  |
| Other costs related to IPO                                      | -                      | 606                    |
| Equity plan rebasement on IPO                                   | -                      | 1,495                  |
| <b>Underlying EBITDA</b>                                        | <b>(21,927)</b>        | <b>(22,428)</b>        |



Underlying EBITDA improved from (\$22.4) million in FY22 to (\$21.9) million in FY23. During FY23, underlying EBITDA improved from (\$14.6) million in H1FY23 to (\$7.4) million in H2FY23. The improvement reflects the net impact of revenue growth, reinvestment in the business to support growth, operating leverage, and the execution of the cost management program announced in January 2023.

#### Net profit after tax ('NPAT')

Net profit after tax ('NPAT') improved from (\$110.4) million in FY22 to (\$49.3) million in FY23. The improvement was due to the cycling of costs related to the IPO.

Management may from time to time make adjustments to NPAT to derive 'Underlying NPAT'.

Underlying NPAT in FY23 has been calculated by adjusting for:

- Restructuring costs of \$2.7m largely related to the implementation of the cost management program announced in January 2023
- M&A related costs of \$0.9m from the acquisition of GuestJoy
- Other costs of \$0.6m largely related to the origination of a replacement credit facility.

Underlying NPAT in FY22 has been calculated by adjusting for:

- Transaction costs related to the IPO and capital raise of \$5.8 million
- Other costs related to IPO of \$0.6 million
- Cash settlement costs associated with equity plan rebasement on IPO of \$1.5 million
- Fair value movements on embedded derivatives of \$61.8 million. This refers to costs related to the revaluation of embedded derivatives on convertible preference shares while a private company. On IPO, these shares were converted to ordinary shares and therefore the exposure no longer exists.

Reconciliation of reported NPAT to underlying NPAT:

|                                                   | FY23<br>\$'000  | FY22<br>\$'000   |
|---------------------------------------------------|-----------------|------------------|
| <b>Reported NPAT</b>                              | <b>(49,296)</b> | <b>(110,395)</b> |
| Restructuring cost                                | 2,734           | -                |
| M&A related cost and (income)                     | 918             | -                |
| Other costs                                       | 578             | -                |
| Transaction cost related to IPO and capital raise | -               | 5,826            |
| Other costs related to IPO                        | -               | 606              |
| Equity plan rebasement on IPO                     | -               | 1,495            |
| Fair value movement on embedded derivative        | -               | 61,759           |
| <b>Underlying NPAT</b>                            | <b>(45,066)</b> | <b>(40,709)</b>  |

#### Statement of financial position

The Group's statement of financial position substantially consists of the following items:

- **Cash and cash equivalents** at the end of June 2023 was \$51.3 million, which was \$24.7 million higher than the balance at the end of FY22. This reflects \$60.0 million of funds released from term deposit, and cash usage as the Group made investments in its go-to-market capacity and capabilities, and to realise the product development pipeline.

Taking into account term deposits and amount available under its undrawn credit facility, the Group has \$83.6 million of funds available.

- **Intangibles balance** at the end of June 2023 was \$49.0 million of which \$42.1 million is capitalised development costs (including work-in-progress) and \$5.0 million is goodwill. SiteMinder's intangibles balance increased by \$11.1 million compared to FY22 due to the on-going capitalisation of development costs, and the recognition of goodwill in relation to the acquisition of GuestJoy.

### Cash flow statement

Operating cash flow was (\$15.6) million in FY23 compared to (\$30.5) million in FY22.

FY23 included \$2.7 million of restructuring costs, \$1.8m of IPO related costs, \$0.7 million of pre-IPO historical commitments, and \$0.2 million of costs related to M&A activity. FY22 included \$9.8 million of payments for the closing out of employee shares at the time of the IPO, \$7.8 million of costs related to the IPO and capital raise, and \$0.6 million of pre-IPO historical commitments. These items have been excluded for the purpose of determining underlying operating cash outflow.

Underlying operating cash flow was (\$10.2) million in FY23 compared to (\$12.3) million in FY22. The improvement reflects the Group's revenue growth, operating leverage, and contributions from the cost management program announced in January 2023. During FY23, the Group made investments in its go-to-market capacity and digital acquisition engine to support future growth.

Investment cash flow in FY23 was an inflow of \$40.5 million compared to an (\$84.9) million outflow in FY22. FY23 included inflows of \$60.0 million from the maturity of term deposits, and net inflow of \$4.3 million related to the sale of the Group's stake in Rezdy and acquisition of GuestJoy. FY22 included a \$62.1 million investment in term deposits. These items have been excluded for the purpose of determining underlying investment cash outflow.

Underlying investment cash flow was (\$23.8) million in FY23 compared to (\$22.7) million in FY22. The increase reflects the Group's continuing investment to realise its product development pipeline.

Financing cash flow of (\$1.1) million in FY23 compared to \$111.4 million in FY22. FY22 included \$110.0 million of proceeds from issue of shares in the IPO and capital raise, and payments for transaction costs directly attributable to the issue of new shares of (\$3.6) million.

Underlying free cash outflow for FY23 was (\$34.0) million as presented below, representing (22.5)% of revenues, comparing favourably to (30.2)% in FY22.

The Group has available cash and term deposits totalling \$53.4 million. The Group also has access to an undrawn credit facility of \$30.2 million.

|                                                     | FY23<br>\$'000  | FY22<br>\$'000   |
|-----------------------------------------------------|-----------------|------------------|
| Operating cash flows                                | (15,628)        | (30,505)         |
| Investment cash flows                               | 40,491          | (84,869)         |
| <b>Reported operating and investment cash flows</b> | <b>24,863</b>   | <b>(115,374)</b> |
| Restructuring costs                                 | 2,734           | -                |
| Items relating to M&A activity                      | (4,106)         | -                |
| Term deposit flows                                  | (60,000)        | 62,123           |
| Closing out of employee shares on IPO               | -               | 9,844            |
| Transaction costs relating to IPO and capital raise | 1,763           | 7,763            |
| Pre-IPO historical commitments                      | 733             | 562              |
| <b>Underlying free cash flow</b>                    | <b>(34,013)</b> | <b>(35,082)</b>  |

### Key SaaS Metrics

SaaS companies like SiteMinder operate on many of the same performance metrics as traditional companies, such as revenue, cash flow and customer numbers. However, understanding the performance of SaaS companies and being able to benchmark them is assisted by an understanding of SaaS-specific metrics. Below are the headline metrics the Group uses to manage and drive its performance.

**Annualised recurring revenue ('ARR')** is the prior month's recurring subscription revenue multiplied by 12 and the prior quarter's transaction revenue from subscriber customers (assuming any promotions have ended) multiplied by four. ARR provides a 12-month calculation of revenue at a point in time, assuming other factors such as subscriber numbers, transaction volumes, pricing and foreign exchange remain unchanged. Readers should note that ARR does not represent the Group's actual results, is not a financial forecast and should not be used in isolation as a forward-looking indicator of revenue.

ARR at the end of FY23 was \$173.1 million, growing 33.5% or 24.1% (cc,organic) from FY22. Subscription ARR was \$116.3 million, growing 28.9% or 19.3% (cc,organic) from FY22. Transaction ARR was \$56.8 million, growing 43.9% or 35.1% (cc,organic) from FY22.

**Lifetime value ('LTV')** is a calculation designed to estimate the average gross profit that the Group might expect to receive from subscription and transaction revenues over the lifetime of a property subscription. It is calculated by taking the monthly average ARPU over the last twelve months, multiplied by the gross margin percentage, divided by monthly revenue churn. LTV is based on annualised calculation of historical metrics at a point in time and is not a forecast of gross profit that any particular customer will generate.

LTV at the end of FY23 was \$22,312 compared to \$20,347 in FY22. The improvement was driven by subscribers adopting a broader selection of products, higher gross margins on subscription and transaction products, and price increases.

**Cost of acquiring customers ('CAC')** is a measure to understand the cost of acquiring a new customer and is primarily used as an input in the LTV/CAC ratio. It helps management to decide how to allocate resources and ultimately if the Group is likely to achieve an adequate return on sales, marketing and onboarding expenses. It is calculated by the total sales, marketing and onboarding expenses over a period, less any set-up fees charged in the period, divided by the number of new billed properties in the period. This is presented on a rolling average for the period. CAC reflects the average cost to acquire a customer based on historical metrics at a point in time and not a reflection of what these costs will be in the future.

CAC for FY23 was \$5,469, decreasing 14% compared to FY22. CAC improved from \$5,941 in H1FY23 to \$4,890 in H2FY23 as the Group's investments to ramp its go-to market capacity, along with improving market conditions, helped accelerate subscriber growth.

**LTV/CAC** is the ratio between the LTV and CAC. This is an important metric to use as it measures the profitability of acquiring a property. The Group will strive to maximise total LTV while optimising the level of CAC investment in order to achieve a desirable LTV/CAC ratio.

LTV/CAC for FY23 was 4.1x, compared to 3.2x in FY22 representing the net impact of the changes in LTV and CAC. LTV/CAC in H2FY23 was 4.8x.

**Monthly ARPU** is the monthly average revenue per user (or property) which measures the average revenue from each customer and is used in calculating LTV. It also indicates if the value of a customer is increasing or decreasing on average and helps management to analyse the performance of the business and make decisions on pricing and investment decisions.

It is calculated by using monthly recurring revenue and dividing it by the number of properties for each respective month. The monthly ARPU is presented as the average of the last 12 months. Monthly ARPU increased by 18.9% to \$346 in FY23. Subscription monthly ARPU increased 7.8% to \$235 in FY23 as subscribers adopted a broader selection of solutions and price increases were implemented. Transaction ARPU increased 50.7% to \$110 in FY23 as travel activity recovered and the number of active implementations of transaction products by the Group's customers increased 53.1% y/y to 19,900.

#### COVID-19 assessment

Since the start of the COVID-19 pandemic, the global travel sector has undergone significant disruptions given the extended periods of lockdowns, movement restrictions and border closures globally.

Throughout the COVID-19 pandemic, the Group's performance wasn't impacted to the same degree as the majority of the global travel industry. In FY21, the reporting period most impacted by COVID, the Group's revenues fell 5.7% y/y (cc).

Towards the end of FY22, as vaccination rates reached adequate levels, many countries started lifting their COVID-19 related restrictions and the Group saw a recovery in global travel activity. This trend continued in FY23 with China announcing on 26 December 2022 that in-bound travellers would no longer be required to quarantine on arrival from 8 January 2023.

The sustained normalisation of travel flows combined with the Group's investment in product development and its go-to-market engine, should see the Group sustain strong rates of organic revenue growth. The Group's total revenue for FY23 increased by 30.5% on a reported basis or 27.3% year-on-year ('y/y') on a constant currency ('cc') and organic basis.

#### Macroeconomic assessment

The Group's operating and financial performance is dependent on the health of the travel industry, which is influenced by economic conditions alongside other factors. Lower than expected economic growth, increased unemployment, and high rates of cost inflation are examples of economic conditions that would adversely affect the travel industry.

Historically, the impact of changes in economic conditions on the travel industry has been relatively modest. Measures such as 'World Air Travel Passengers Carried', as published by the World Bank, declined by less than 3% during recent recessionary periods with the exception of the period impacted by COVID-19.

The Group publishes a World Hotel Index which measures the bookings generated by its subscribers. At the end of June 2023, the volume of bookings generated was 107% of pre-COVID levels and was 8% higher than the same time last year.

The Group manages the potential impact of changing macroeconomic conditions by maintaining a flexible cost base and being proactive in positioning the business for changes in the external environment. The Group's offering of subscription products that are relatively low cost and help customers drive incremental revenues and operational efficiencies, has demonstrated resilience in challenging macro conditions, as demonstrated during the COVID-19 pandemic where revenues only fell 5.7% y/y (cc) in FY21.

### ESG assessment

The Group views ESG as core to its purpose and ways of working, and commits to being open and transparent with internal and external stakeholders as it continues the journey to amplify its positive impacts.

Every year, the Group conducts a review to identify and prioritise its most material ESG factors and where it'll have the greatest opportunity to make a difference. The implementation of its ESG framework has helped SiteMinder determine focus areas in how it engages with its People, Customers, Community, Environment, and Governance. Details of the focus areas could be found in the sustainability report.

SiteMinder's ESG performance was recognised by ISS ESG with the award of Prime Status in 2023. The award of Prime Status confirms SiteMinder fulfilled ISS ESG's demanding requirements regarding sustainability performance for the software & diversified IT services sector.

Failure to fulfill its ESG targets could negatively impact the Group's operations, relationships with key stakeholders, and share price performance.

### Outlook

SiteMinder's growth guidance is unchanged and continues to target organic revenue growth of 30% in the medium term. The Company expects to be underlying EBITDA profitable and underlying free cash flow positive for H2FY24.

### Material business risks

The material business risks faced by the Group that are likely to have an effect on its operational and financial performance are outlined below. This section also discusses the measures in-place to manage the potential impact the risks may have on the Group.

#### *Disruption to the growth of the travel Industry*

The Group's operating and financial performance is dependent on the health of the travel industry. The health of the travel industry can be impacted by events and factors outside of the Group's control. These include unusual or extreme weather, natural disasters, travel-related health concerns including pandemics and epidemics, wars, terrorist attacks, political uncertainty, foreign policy changes, and changes in economic conditions.

Any of these events may lead to a deterioration in the health of the travel industry which may impact the Group by way of lower customer additions, lower than budgeted pricing outcomes, elevated customer churn, reduced uptake of additional products by customers, and lower volumes and commissions from the Group's transaction products.

The Group manages the potential impact by maintaining a flexible cost base and being proactive in positioning the business for changes in the external environment. The Group's offering of subscription products that are relatively low cost and help customers drive incremental revenues and operational efficiencies, has demonstrated resilience in challenging macro conditions, as demonstrated during the COVID-19 pandemic where revenues only fell 5.7% y/y (cc) in FY21.

#### *Failure to execute growth strategies*

The Group is investing to expand its go-to-market capacity, scale its digital acquisition engine, and improve its product portfolio through its Smart Platform strategy and other initiatives. Should these investments fail to contribute as expected to unit economics and future organic growth, or experience delays and additional costs, it would impact the Group's growth and profitability outlook.

#### *People risk*

Building adequately skilled and resourced teams across the business is critical for the Group to achieve its revenue growth, EBITDA, and free cash flow targets.

To attract and retain staff, the Group offers a comprehensive benefits package that is competitive and multi-faceted. The Group regularly surveys its staff to proactively identify problems within teams and the broader business. The surveys in FY23 confirmed high levels of engagement across the business.

To broaden its access to talent, the Group operates a number of offices spanning Asia, Europe, and the Americas. The Group celebrates and enjoys significant value from the diversity of opinions and approaches that its employees bring based on the countries and cultures they live in and their experiences prior to and outside SiteMinder.

#### *Performance of technology systems*

SiteMinder is a SaaS business that relies on the constant real-time performance, effectiveness, reliability and availability of its technology systems and global communications systems (including cloud infrastructure and the internet) to deliver products and services to its customers and grow its business. There is a risk that these systems fail to perform as expected or are adversely impacted by a number of factors, many of which may be outside of the Group's control.

#### *Data security and privacy*

The Group collects a wide range of data, including personal information, financial information, service usage data, and other confidential information. Any data security breaches or incidents could cause significant disruption to the Group's business and have a material adverse impact on its operations, financial performance, growth prospects and financial condition.

The Group is PCI DSS (Payment Card Industry Data Security Standard) Level 1 Service Provider and ISO27001 certified. To maintain compliance the Group undergoes an external cybersecurity audit annually, as well as vulnerability testing every three months. The Group operates a security program designed to address information security and secure critical IT assets. The Group continually monitors and improves this.

#### **Significant changes in the state of affairs**

##### *Share Purchase Agreement - Acquisition of GuestJoy*

On 22 August 2022, SiteMinder signed a Share Purchase Agreement (SPA) to acquire GuestJoy for an initial payment of \$4.25 million (€3.25 million) subject to completion adjustments, and a further \$2.48 million (€1.75 million) subject to the completion of specified performance milestones within 24 months. The transaction will be 100% equity funded via the issuance of additional shares.

The Company announced the completion of the acquisition of GuestJoy on 30 September 2022.

With respect to the initial payment for the acquisition of GuestJoy, the company, after taking into consideration completion adjustments, issued a total of 1,461,165 shares valued at \$4.5m (€3.17m) at the time of issuance.

On 12 April 2023, SiteMinder issued 211,234 ordinary shares valued at \$0.7m (€0.4m) with respect to the acquisition of GuestJoy. The shares were issued due to the completion of the first set of specified performance milestones.

##### *Other changes*

On 31 January 2023, SiteMinder announced and embarked on a cost management program. The outcomes of the program will support SiteMinder in the delivery of its growth and profitability objectives.

There were no other significant changes in the state of affairs of the Group during the financial year.

#### **Matters subsequent to the end of the financial year**

In July 2023, the Group signed a new US\$20m credit facility with HSBC VENTURES USA INC, supplanting the facility previously provided by SiliconValleyBank (SVB).

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

#### **Likely developments and expected results of operations**

The Group will continue to pursue the significant opportunities presented by an addressable market of more than 1 million properties, and from extending the relationship with its existing customer base and growing their lifetime value to the business.



The realisation of the opportunities will be supported by the delivery of the Smart Platform strategy which was announced during FY23 and good progress has been made. By leveraging the Group's proprietary data assets backed by the 100+ million hotel reservations it facilitates each year, the strategy will deliver new intelligent capabilities that'll help hoteliers automate and optimise key commercial decisions, and empower them to maximise revenues for all conditions. The strategy will both accelerate SiteMinder's industry leadership and add profitable growth levers to complement its already strong long-term outlook.

The Group is targeting organic revenue growth of 30% in the medium term. The Group expects to continue to focus its product development efforts on the execution of the Smart Platform strategy as well as enhancing its existing portfolio of capabilities. The Group also expects to continue investing in its scalable internal sales, marketing and third party distribution to support its growth into both existing and new territories.

### Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

### Our people

#### Our culture and values

At SiteMinder, we believe that a culture of highly engaged employees is critical to our continued success. Since our founding, we have focused on building a strong culture anchored in employee engagement, collaboration, transparency and innovation, and strive to provide a consistent and positive experience for all employees regardless of their role or location. We celebrate our successes and believe our people are our biggest asset.

Our 'ways of working' underpin how we work together to deliver on our priorities as well as providing a benchmark against which we can review our actions and behaviours and progress both individually and as an organisation. SiteMinder has an employee recognition program linked to our ways of working. Individuals can nominate colleagues for behaviours that demonstrate the SiteMinder ways of working. Regional winners are selected on a monthly basis.



#### Diversity and inclusion

We are committed to creating a diverse and inclusive environment where all employees feel safe, supported and encouraged to bring their whole selves to work. We are proud to have over 90% favourable responses in our employee engagement survey during 2023, reporting confirming that our people feel included and respected for who they are, and their contribution to the Group.

Our Employee Resource Groups (ERGs) support and advocate for our diverse range of employees, customers and communities. This includes partnering with external organisations and speakers to educate and inspire our people, as well as celebrate important events such as International Women's Day, NAIDOC and Wear it Purple.

#### Investment in our people

SiteMinder's People, Growth and Performance framework demonstrates our commitment to supporting our people to grow their careers at SiteMinder. Our managers work with team members to set personal and career development goals, and provide regular two-way feedback. Employees also have access to a wide range of both mandatory and elective training with our experienced learning and development team to ensure they have the knowledge, skills and tools to be successful from their very first day with us. This includes induction, product training, tech boot camps, sales academy and leadership training.

This year, we also welcomed our first cohort of graduates into the Engineering team.



## Wellbeing of our people

We encourage and support a healthy work environment for our employees through our five pillars of wellbeing: Physical, Mental, Personal Growth, Social and Financial. We provide a range of support, education and activities around these pillars for all of our employees globally. This includes employee assistance programs, community volunteering opportunities, professional speakers and interactive learning sessions on everything from mental wellbeing, ergonomics and nutrition to superannuation and pension.

## Flexibility

We have fully committed to our Open Working model which fosters a hybrid in-person and remote working environment. This flexible model recognises the diversity of our workforce and our distributed working models and gives employees more choice over how and where they do their best work, whilst recognising the importance of in-person collaboration, providing social connection and supporting our employees' mental health and wellbeing. Open working is an important element of SiteMinder's approach to engagement and retention.

## Our Board

|                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name:                                | Pat O'Sullivan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Title:                               | Non-Executive Chairman                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Qualifications:                      | Pat is a member of the Institute of Chartered Accountants in Ireland and Chartered Accountants Australia and New Zealand. Pat is a graduate of the Harvard Business School's Advanced Management Program.                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Experience and expertise:            | Pat has extensive experience as a Director of both listed and unlisted entities and has more than 35 years' executive commercial and business management experience, including holding various senior financial and operational roles in Ireland, the United States, Australia and New Zealand across a number of industries including traditional and online media, telecommunications, fast moving consumer goods and professional accounting. He was the Chief Financial Officer of Optus from 2001 to 2006 and was the Chief Operating Officer and Finance Director of Nine Entertainment Co Pty Limited from 2006 until 2012. |
| SiteMinder board commencement date:  | 15 October 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| SiteMinder Board retirement date:    | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Other current directorships:         | Non-Executive Chair of carsales.com Limited (ASX:CAR), and Non-Executive Chair of Technology One Limited (ASX:TNE).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Former directorships (last 3 years): | Non-Executive Director of Afterpay Limited (ASX:APT)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Special responsibilities:            | Chairman of the Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Interests in shares:                 | 65,976 ordinary shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Interests in options:                | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Interests in rights:                 | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

Name: Sankar Narayan  
Title: Managing Director and Chief Executive Officer  
Qualifications: Sankar holds a Masters in Business Administration with Honours from the Booth School of Business at the University of Chicago and a Masters in Electrical Engineering from the State University of New York. He is a Certified Practising Accountant, Fellow of CPA (Australia).  
Experience and expertise: For more than 20 years, Sankar Narayan has delivered change management, operational rigour and business growth across the travel, technology, media and telecommunications sectors, with particular expertise in company transformations and business strategy to achieve strong shareholder outcomes. He has been a regular contributor to Forbes.com on the crucial topics of strategy, disruption and managing high growth businesses. Following several senior management roles at Virgin Australia, Fairfax Media and Foxtel, and having also worked at Vodafone Australia, Boston Consulting Group and Schlumberger prior, in 2015 Sankar joined Xero where he went on to serve in the dual capacity of Chief Operating and Financial Officer. Today, Sankar leads SiteMinder's software and multilingual teams across 20 locations globally, and which see more than 80% of revenue sourced from outside the Group's home market of Australasia.  
SiteMinder board commencement date: 31 January 2019  
SiteMinder Board retirement date: N/A  
Other current directorships: None  
Former directorships (last 3 years): None  
Special responsibilities: None  
Interests in shares: 7,095,320 ordinary shares  
52,371 indirect interest in shares owned by Aquila Investment Management Pty Ltd as trustee for the Narayan Family Trust.  
Interests in options: 504,041 options over ordinary shares  
Interests in rights: 44,375 performance rights over ordinary shares

Name: Michael Ford (Retired on 14 February 2023)  
Title: Former Non-Executive Director  
Qualifications: Michael has a Bachelor's Degree in Commerce (Hons), Business Management and Information Systems from Rhodes University and an MBA from the University of Southern Queensland.  
Experience and expertise: Even as organisations speak of innovation as a tired catch phrase, few can boast leadership in speed-to-market quite like Michael Ford. Michael's conception of SiteMinder in 2006 followed his founding of Australian Leisure Operators only one year prior. Since then, he has led SiteMinder to be ranked among the top 20 greatest pioneering technology companies to come out of Australia and New Zealand, by H2 Ventures and Investec. In 2016, Michael was recognised as a winner of the 2016 EY Entrepreneur of the Year™ Eastern Region Awards.  
SiteMinder Board commencement date: 26 September 2006  
SiteMinder Board retirement date: 14 February 2023  
Other current directorships: None  
Former directorships (last 3 years): None  
Special responsibilities: None  
Interests in shares: Not applicable as no longer a director  
Interests in options: Not applicable as no longer a director  
Interests in rights: Not applicable as no longer a director

Name: Jennifer (Jenny) Macdonald  
 Title: Non-Executive Director  
 Qualifications: Jenny is a member of Chartered Accountants Australia and New Zealand, has a Masters of Entrepreneurship and Innovation from Swinburne University and is Graduate member of the Australian Institute of Company Directors.  
 Experience and expertise: Jenny has a background in financial and general management roles across a range of industry sectors including fast moving consumer goods, resources, travel and digital media. She has a proven track record in developing and implementing strategy with a focus on risk management, growth and value creation. Jenny was previously Chief Financial Officer and Interim Chief Executive Officer at Helloworld Travel and Chief Financial Officer and General Manager International at REA Group.  
 SiteMinder Board commencement date: 15 October 2021  
 SiteMinder Board retirement date: N/A  
 Other current directorships: Jenny is currently Non-Executive Director of Healius Limited (ASX:HLS) and Redbubble (ASX:RBL).  
 Former directorships (last 3 years): Bapcor Limited (ASX:BAP) and Australian Pharmaceutical Industries (ASX: API)  
 Special responsibilities: Chair of the Audit and Risk Committee and Member of the People and Culture Committee  
 Interests in shares: 54,525 ordinary shares  
 Interests in options: None  
 Interests in rights: None

Name: Kim Anderson  
 Title: Non-Executive Director  
 Qualifications: Kim holds a Bachelor of Arts from the University of Sydney and a Graduate Diploma in Library Information Science from UTS.  
 Experience and expertise: Kim has more than 30 years' experience as a CEO and senior executive in a range of media companies including Southern Star Entertainment, PBL and Ninemsn and Reading Room Inc (bookstr.com) of which she was CEO and founder.  
 SiteMinder Board commencement date: 20 April 2022  
 SiteMinder Board retirement date: N/A  
 Other current directorships: Non-Executive Director of carsales.com Limited (ASX:CAR), Invocare (IVC) and Infomedia (ASX: IFM)  
 Former directorships (last 3 years): Non-Executive Director of WPPAUNZ (ASX:WPP) and Marley Spoon AG (ASX:MMM)  
 Special responsibilities: Chair of the People and Culture Committee and Member of the Audit and Risk Committee  
 Interests in shares: 15,000 ordinary shares  
 Interests in options: None  
 Interests in rights: None

Name: Paul Wilson  
Title: Non-Executive Director  
Qualifications: Paul is a Fellow of the Financial Services Institute of Australia, a Member of Chartered Accountants Australia & New Zealand and a Member of the Australian Institute of Company Directors, and has a Bachelor of Business from Queensland University of Technology.  
Experience and expertise: Paul is co-founder and Managing Partner of technology focused expansion capital fund Bailador Technology Investments. Paul has had extensive private equity investment experience as a Director of CHAMP Private Equity in Sydney and New York, with MetLife in London, and as Executive Director at media focused investment group, Illyria Pty Ltd.  
SiteMinder Board commencement date: 7 May 2012  
SiteMinder Board retirement date: N/A  
Other current directorships: Managing Director of Bailador Technology Investments (ASX:BTI)  
Former directorships (last 3 years): Non-Executive Director of Straker Translations (ASX:STG) and Vita Group (ASX:VTG).  
Special responsibilities: Member of the People and Culture Committee and Member of the Audit and Risk Committee.  
Interests in shares: 49,407 ordinary shares  
16,711,400 indirect interest in shares owned by Bailador Technology Investments Ltd  
Interests in options: None  
Interests in rights: None

Name: Leslie (Les) Szekely  
Title: Non-Executive Director  
Qualifications: Les holds a Bachelor of Law and Arts from the University of New South Wales, and a Master of Laws from the University of Sydney.  
Experience and expertise: Les was a tax consulting partner with Horwaths Chartered Accountants for 20 years, until the company merged with Deloitte, when he became a Director of Taxation in Deloitte Growth Solutions. Since leaving Deloitte in 2008, Les has dedicated his time to angel and venture capital investing. He is the Chairman of Grand Prix Capital, Equity Venture Partners and Microequities Asset Management Group Limited (ASX: MAM). These businesses are engaged in venture investment at the angel, venture capital and early listed stages, respectively. Les is also a director of several venture backed growth companies.  
SiteMinder Board commencement date: 26 March 2012  
SiteMinder Board retirement date: N/A  
Other current directorships: Non-Executive Chairman of Microequities Asset Management Group Limited (ASX: MAM)  
Former directorships (last 3 years): None  
Special responsibilities: None  
Interests in shares: 15,549,072 indirect interest in ordinary shares owned by Bellite Pty Ltd as trustee for the Meyer Family Trust  
Interests in options: None  
Interests in rights: None

Name: Dean A. Stoecker  
Title: Non-Executive Director  
Qualifications: Dean earned his MBA from Pepperdine University and his undergraduate degree in international business from the University of Colorado, Boulder.  
Experience and expertise: Dean founded Alteryx in 1997 and led the company as CEO through October 2020, achieving solid organic growth, and a successful IPO in March 2017. Dean serves as advisor to entrepreneurs and is an active philanthropist, creating the Alteryx for Good program to bring the thrill of solving real-world problems to nonprofits, educators, and local communities. Dean is passionate about humanizing the world of data science and analytics. Before co-founding Alteryx, Dean held various sales and business leadership roles at Strategic Mapping and Dun & Bradstreet.  
SiteMinder board commencement date: 15 September 2022  
SiteMinder Board retirement date: N/A  
Other current directorships: Executive Chairman of the Board of Alteryx, Inc. (NYSE: AYX)  
Former directorships (last 3 years): None  
Special responsibilities: None  
Interests in shares: 20,000 ordinary shares  
Interests in options: None  
Interests in rights: None

'Other current directorships' quoted above are current directorships for ASX listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for ASX listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

### Company secretary

Name: Aaron McKenzie  
Title: Company Secretary and General Counsel  
Qualifications: Aaron received a Juris Doctor (Master of Laws) from the University of Technology Sydney (UTS) and a B.A in Media and Communications from Southern Cross University.  
Experience and expertise: Aaron joined SiteMinder in 2018 as Corporate Counsel having spent a number of years in private practice advising startups, SMEs and listed companies on mergers and acquisitions, capital raisings and a broad range of corporate and commercial matters (including Corporations Act and ASX Listing Rules compliance).

### Meetings of directors

|                    | Full Board                |                       | People and Culture Committee |                       | Audit and Risk Committee  |                       |
|--------------------|---------------------------|-----------------------|------------------------------|-----------------------|---------------------------|-----------------------|
|                    | Attended whilst in office | Held whilst in office | Attended whilst in office    | Held whilst in office | Attended whilst in office | Held whilst in office |
| Pat O'Sullivan     | 11                        | 11                    | -                            | -                     | -                         | -                     |
| Sankar Narayan     | 11                        | 11                    | -                            | -                     | -                         | -                     |
| Michael Ford       | 5                         | 5                     | -                            | -                     | -                         | -                     |
| Jennifer Macdonald | 11                        | 11                    | 5                            | 5                     | 4                         | 4                     |
| Kim Anderson       | 11                        | 11                    | 5                            | 5                     | 4                         | 4                     |
| Paul Wilson        | 11                        | 11                    | 4                            | 5                     | 4                         | 4                     |
| Leslie Szekely     | 11                        | 11                    | -                            | -                     | -                         | -                     |
| Dean A. Stoecker   | 9                         | 9                     | -                            | -                     | -                         | -                     |

Board Committee meetings are open to all directors to attend.

## Message from the Chair of the People, Culture & Remuneration Committee

Dear Shareholder,

On behalf of the Board, I am pleased to present the Remuneration Report for FY23.

Since its IPO in November 2021, SiteMinder has been working to ensure that its remuneration practices are consistent with shareholder expectations, and that our remuneration framework fully supports the Company's financial and strategic goals and is aligned with shareholder outcomes.

As a result, you will see more changes and improvements to our Remuneration Report as the People and Culture Committee continues its objective to deliver a report to our shareholders in the most effective and meaningful way possible.

As we further strengthen the Company for growth, in January 2023, we appointed a new Chief Financial Officer, Tim Howard, with Jonathan Kenny taking up the role of Chief Operating Officer, and the subsequent re-structure of the executive team along with their responsibilities. The most recent changes in remuneration therefore were effective from 1 January 2023. Similar to last year, in this report the Company is voluntarily disclosing the actual cash remuneration received by Senior Executives in addition to its statutory reporting obligations.

The Short-Term Incentive (STI) plan has traditionally been measured in two half years. For the FY24 STI, all financial metrics will be measured annually.

Staff engagement remains above benchmark and we were also pleased to see achievement above threshold of all key measures in the business.

Over the past 12 months, we have implemented a long-term incentive plan for FY23, our first three-year LTI plan since IPO, initially measured over 30 months and prorated accordingly to bring it into alignment with end of financial year reporting. We've also introduced two measures into our LTI: in addition to Options, a Relative TSR measure, with a split of 75% options and 25% Performance Rights for the CEO and 80/20 for the Executive Leadership Team (ELT). In FY24 the LTI structure will be consistent with that of the CEO. The peer group for the TSR comprises companies participating in the travel industry and a comparator group in the ASX 200 All Technology Index (XTX), excluding those companies with a market cap of less than \$250 million and those companies in the following sectors: online retailing, online marketplaces, materials, manufacturing/hardware, infrastructure (e.g. datacentres/registries) and distributors.

As always, we welcome your feedback on our Remuneration Report and look forward to discussions with many of you over the coming year.

Yours sincerely



Chair of the People and Culture Committee

23 August 2023  
Sydney



## Remuneration report (audited)

This report outlines the remuneration arrangements in place for key management personnel ('KMP') for the Group (also referred to as SiteMinder) in FY23. KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors. The FY23 KMP are set out in section 1 of this report.

The remuneration report is set out under the following main headings:

- (1) People covered in this report
- (2) Remuneration governance framework
- (3) Remuneration framework and principles
- (4) Executive KMP remuneration and the link to performance and reward
- (5) Executive KMP Statutory Remuneration Disclosure
- (6) Executive KMP Service Agreements
- (7) Non-executive Director Remuneration
- (8) Additional disclosures relating to key management personnel

### 1. People covered in this report

The table below outlines the KMP of the Group and their movement during the financial year 2023.

Jonathan Kenny ceases as an Executive KMP on 8 January 2023 and Tim Howard was appointed as Chief Financial Officer on 9 January 2023. Jonathan remains employed with SiteMinder in the role of Chief Operating Officer.

| Name                           | Position                                                                            | Term as KMP                 | People and Culture Committee Membership | Audit and Risk Committee Membership |
|--------------------------------|-------------------------------------------------------------------------------------|-----------------------------|-----------------------------------------|-------------------------------------|
| <i>Non-Executive Directors</i> |                                                                                     |                             |                                         |                                     |
| Pat O'Sullivan                 | Non-Executive Chairman                                                              | Full financial year         | Not applicable                          | Not applicable                      |
| Jennifer Macdonald             | Non-Executive Director                                                              | Full financial year         | Member                                  | Chairperson                         |
| Kim Anderson                   | Non-Executive Director                                                              | Full financial year         | Chairperson                             | Member                              |
| Paul Wilson                    | Non-Executive Director                                                              | Full financial year         | Member                                  | Member                              |
| Leslie Szekely                 | Non-Executive Director                                                              | Full financial Year         | Not applicable                          | Not applicable                      |
| Dean A. Stoecker               | Non-Executive Director                                                              | Appointed 15 September 2022 | Not applicable                          | Not applicable                      |
| Michael Ford                   | Non-Executive Director                                                              | Ceased 14 February 2023     | Not applicable                          | Not applicable                      |
| <i>Executive KMP</i>           |                                                                                     |                             |                                         |                                     |
| Sankar Narayan                 | Managing Director and Chief Executive Officer                                       | Full financial year         | Not applicable                          | Not applicable                      |
| Jonathan Kenny                 | Chief Financial Officer until 9 January 2023 and Chief Operating Officer thereafter | Ceased 8 January 2023       | Not applicable                          | Not applicable                      |
| Tim Howard                     | Chief Financial Officer                                                             | Appointed 9 January 2023    | Not applicable                          | Not applicable                      |

## 2. Remuneration governance framework

### Role of the board

The SiteMinder Board ensures remuneration is aligned with the Group's purpose, ways of working, strategic objectives and risk appetite, and approves remuneration outcomes for the Executive Leadership Team ('ELT') and Non-Executive Directors.

### Role of the People and Culture ('P&C') Committee

The P&C committee is responsible for reviewing and approving SiteMinder's remuneration policies and framework.

The Committee assists the Board with remuneration matters and making recommendations to the Board in relation to:

- SiteMinder's remuneration policies and framework;
- the remuneration of the Executive KMP and ELT; and
- the remuneration arrangements for the Chair and Non-Executive Directors of the Board.

The P&C committee also oversees SiteMinder's strategies and policies relating to:

- organisation structure and culture; and
- succession planning for the ELT.

### Role of Management

Management is responsible for preparing proposals to be considered by the People & Culture Committee on remuneration arrangements and outcomes.

Management also oversees the implementation of approved remuneration policies and processes.

Ensuring that diversity and equality are reflected in the remuneration of all employees.

### Role of independent remuneration advisors

To ensure remuneration is market competitive in order to attract and retain top talent, the Group may seek and consider advice from external and independent advisors and remuneration consultants on an as needs basis to benchmark the Executive KMP and ELT remuneration against relevant peers and the committee in decision making.

### Use of remuneration consultants

During the financial year ended 30 June 2023, the Group engaged Ernst & Young ('E&Y'), remuneration consultants, to provide recommendations on how to improve both the STI and the LTI programs. This has resulted in changes to performance metrics used to determine share-based remuneration payments and the implementation of a deferred equity component of the STI. Ernst & Young was paid \$28,600 for these services.

An agreed set of protocols was put in place to ensure that the remuneration recommendations would be free from undue influence from E&Y. These protocols include requiring that the consultant not communicate with affected KMP and that the consultant not provide any information relating to the outcome of the engagement with the affected KMP. The Board is also required to make inquiries of the consultant's processes at the conclusion of the engagement to ensure that they are satisfied that any recommendations made have been free from undue influence. The Board is satisfied that these protocols were followed and as such there was no undue influence.

### 3. Remuneration framework and principles

SiteMinder's executive remuneration structure is set in-line with the Group's Strategic Plan and our remuneration principles and is designed to reward executives based on their position and responsibility to achieve our strategic objectives, and to align with shareholder outcomes. The remuneration framework includes remuneration which has both fixed and variable components. The combination of these comprises the executive's total remuneration.

Purpose: Deliver great technology solutions to hoteliers around the world

Delivered through three strategic pillars:

Enabled by:

Grow the property  
(customer) base

Increase customer  
adoption of  
SiteMinder  
products

Broaden  
SiteMinder's  
addressable market

Our people

Best in class  
technology

Best in class go-to-  
market capabilities

Underpinned by our Remuneration Principles

Provide clear alignment of remuneration with SiteMinder's strategic objectives.  
Offer fair and market competitive based remuneration to attract, retain and motivate top talent in a competitive market.  
Incentivise and reward high performance that delivers sustainable long term value for our shareholders.  
Implement remuneration structures that are consistent, transparent and easy to understand.

Reinforcing business goals and objectives via our Remuneration Framework

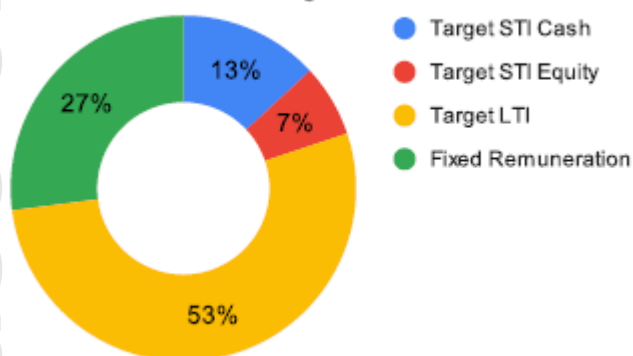
| Remuneration Component                                                                                                                                             | Alignment to Performance                                                                                                                            | Alignment to principles and strategy                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Total Fixed Remuneration (TFR)</b>                                                                                                                              |                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                          |
| Comprises base salary, superannuation, allowances and any other fixed non-monetary benefits.                                                                       | Set at a market competitive level, and reviewed annually in relation to the scope, complexity, capabilities and individual performance in the role. | Set to attract, retain and engage the best people to design and lead the delivery of our strategy.                                                                                                                                                                                                                       |
| <b>Short-Term Incentive (STI)</b>                                                                                                                                  |                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                          |
| Annual, at-risk component set as a % of TFR.<br><br>Delivered as 50% cash and 50% deferred performance rights for a 12-month period, subject to continued service. | Performance is assessed against a range of Group-wide performance measures (financial and non-financial) and individual objectives.                 | Rewards executives for performance against annual KPIs which contribute towards the financial year outcomes and consistent with the long-term strategy of the Group.<br><br>The 50% of the award that is deferred into equity supports Executives' alignment with shareholders interests as well as Executive retention. |
| <b>Long-Term Incentive (LTI)</b>                                                                                                                                   |                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                          |
| Annual, at-risk component set as a % of TFR.<br><br>Granted in 20% Performance Rights and 80% in Options.                                                          | The LTI is based on service and performance hurdles over a three-year period providing alignment between shareholder and executive outcomes.        | The three-year vesting period encourages consideration of long-term decision making and sustainable value creation, as well as operating as a retention tool.<br><br>Performance is measured using a Relative TSR tested over a 30-month performance period (from 1 January 2023 to 30 June 2025).                       |

### 3.1 KMP remuneration mix

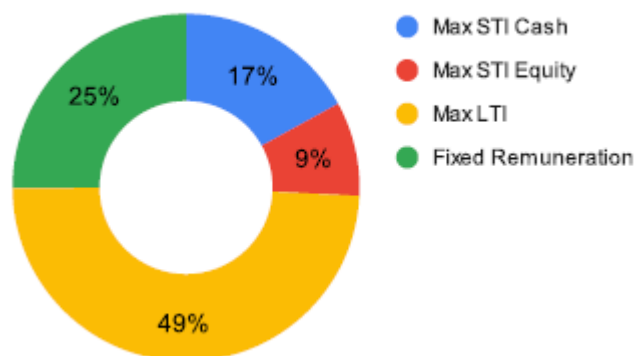
This section sets out the remuneration mix for the Executive KMPs.

The charts below show the target remuneration mix and maximum remuneration opportunity for the CEO and the CFO for FY23.

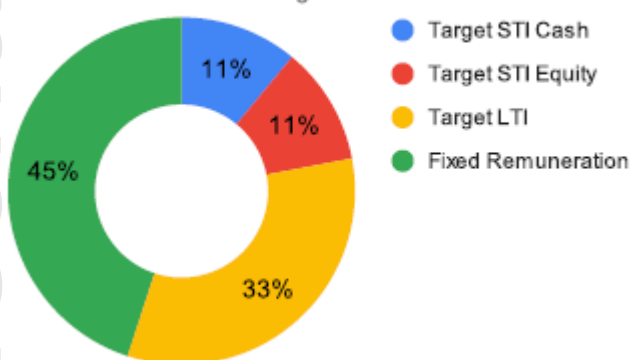
Chief Executive Officer Target Remuneration



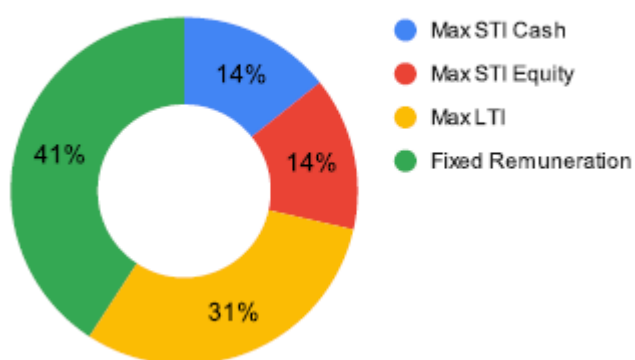
Chief Executive Officer Maximum Remuneration



Chief Financial Officer Target Remuneration



Chief Financial Officer Maximum Remuneration



The actual remuneration mix will vary based on Group and individual performance each year.

### 3.2 Timeline for Delivery of Remuneration

The diagram below shows a summary of the timeline of when the FY23 remuneration opportunity is vested, which cannot be exercised until year 2025.

| Element              | Year 1            | Year 2                             | Year 3                             |
|----------------------|-------------------|------------------------------------|------------------------------------|
| Fixed Remuneration   | Base salary/super |                                    |                                    |
| Short-Term Incentive |                   | Cash (50%)                         | Deferred Performance Rights (50%)  |
| Long-Term Incentive  |                   | Performance rights / Options (50%) | Performance rights / Options (50%) |

### 3.3 Group performance

One of the key principles of SiteMinder's remuneration framework is to align Executive KMP remuneration outcomes with Group performance. This table below provides a summary of the Group's financial performance outcomes since listing and the link to remuneration outcomes over this period.

|                                      | FY22            | FY23            |
|--------------------------------------|-----------------|-----------------|
| Subscription revenue growth %        | 3.3%            | 18.7%           |
| Revenue                              | \$116.0 million | \$151.4 million |
| Cash Usage (% of revenue)            | (30.0%)         | (22.5%)         |
| Closing LTV   CAC                    | 3.2x            | 4.1x            |
| STI Received as a % of maximum (CEO) | 89%             | 88%             |
| STI Received as a % of maximum (CFO) | 91%             | 88%             |

### 3.4 Remuneration components details

#### 3.4.1 Short Term Incentive Plan - Key Features and Outcomes

SiteMinder has made a deliberate decision to weight executive remuneration structures towards a substantial portion of total target remuneration being at risk. This supports Executives' alignment with shareholders' interests as well as Executive retention.

The outcome of the remuneration benchmarking review highlighted that the total compensation for both the CEO and CFO was considerably lower than the median of our peer group. The STI component of both the CEO and CFO's remuneration package was reviewed to bring their overall remuneration package closer to the median peer group.

As a result, the CEO's target STI opportunity as a percentage of TFR increased to 100% as of 1st January 2023, from 50% in FY22. A mandatory STI deferral was also introduced meaning 50% of any STI award will be deferred and paid in performance rights and held for one year.

The FY23 review also resulted in the CFO's target STI opportunity as a percentage of TFR increased to 50% as of 1st January 2023, from 25% in FY22.

The key features of the FY23 STI plan are detailed in the table below.

## Description

The short-term incentives ('STI') program is designed to reward executives for performance against annual targets aligned to business objectives (financial and non-financial).

The STI is measured over a one-year performance period and delivered as 50% cash and 50% deferred performance rights for a 12-month period, subject to continued service. This supports Executives' alignment with shareholders' interests, as well as Executive retention.

## Performance Period

SiteMinders financial year is from 1 July to 30 June

## STI Opportunity

Target opportunity (% TFR): CEO 100%, CFO 50%

Maximum opportunity (% TFR): CEO 103%, CFO 55%

## Key performance indicators (KPIs)

STI outcomes are directly linked to both individual and Group performance against KPIs. The Board has focussed the Executive KMP on the performance measures outlined below for FY23.

### Financial KPI's (70%)

- Subscription revenue growth % (on constant currency basis)
- Revenue (on constant currency basis)
- Cash usage as % of revenue
- Closing LTV | CAC

### Non-financial KPI's (30%)

- Employee Engagement
- Individual objectives aligned to Group strategic priorities

For further details of FY23 outcomes, see section 4.3 below

## Overachievement of KPI's

An overachievement payment is available on the financial KPIs of the STI and is capped at 150% of target STI opportunity.

Non-financial KPI's are capped at 100% payment.

## Performance threshold and maximum

| Performance scales            | STI outcome                                   |
|-------------------------------|-----------------------------------------------|
| Below Threshold               | 0% paid                                       |
| Between threshold and target: | 50% - 75% earned between threshold and target |
| Target                        | 100% paid                                     |
| Maximum                       | Up to 150%                                    |

The amount payable is calculated in a straight line between threshold and target; and target and outperformance.

## Deferred STI

50% of any STI award will be deferred which aligns with shareholder interests and provides an element of retention. Awards are provided in the form of performance rights.

The number of performance rights to be granted will be calculated by dividing the deferred STI amount by the volume weighted average price (VWAP) related to shares traded in the 30 days after the announcement of the financial year results.

Performance rights are transferred in the first quarter of each financial year after the announcement of SiteMinder's annual financial results for the previous year ended 30 June.



#### **STI Payment**

The cash component of the STI is payable in the first quarter of each financial year after the announcement of SiteMinder's annual financial results for the previous year ended 30 June.

#### **Board Discretion**

Board discretion (either negative or positive) may be applied to STI outcomes for the Executive KMP and Executive Leadership Team (ELT). The guiding principle will be to ensure fairness in assessing STI outcome and alignment with shareholder interests.

#### **Cessation of employment**

If an Executive KMP ceases employment with the Group prior to any awards being paid, unless the Board determines otherwise, the Executive KMP will forfeit any awards to be paid for the performance period.

The Board may consider the executive a 'good leaver' and use its discretion to pay all or part of the award. A good leaver will generally be determined by the Board (or its delegate) at the time of cessation of employment having regard to the circumstances at that time.

### **3.4.2 Long Term Incentive Plan - Key Features and Outcomes**

SiteMinder currently weights executive remuneration structures towards a substantial portion of total target remuneration being at risk. This supports Executives' alignment with shareholders' interests as well as Executive retention.

The outcome of the remuneration benchmarking review highlighted that the total compensation for both the CEO and CFO was considerably lower than the median of their peer group. The LTI component of both the CEO and CFO's remuneration package was reviewed during the year to bring their overall remuneration package closer to the median peer group.

As a result, the CEO's target LTI opportunity as a percentage of TFR increased to 200% as of 1st January 2023, from 100% in FY22.

The CFO's target LTI opportunity as a percentage of TFR remain unchanged at 75% as of 1st January 2023.

A description of the LTI structure applicable for FY23 is set out below. Pre-IPO legacy structures are described in section 4.6.

**Description**

Rewards delivery against longer-term strategy and sustained shareholder value creation. Aligns the interests of executives with the shareholders.

**LTI Opportunity**

In FY23, the target LTI opportunity as a percentage of Total Fixed Remuneration was capped at 200% for the CEO and 75% for the CFO.

The FY23 grant was prorated down to 100% for the CEO and 37.5% for the CFO to reflect the fact that the grant was made half-way through the Group's financial year.

**Participation**

Participation is limited to Executive KMP, ELT and selected senior management positions by invitation and as approved by the Board.

**Performance Vesting & Period**

PRs will be subject to the Group's Relative TSR performance measure.

Broadly, TSR calculates the return shareholders would earn if they held a notional number of shares over a period of time. It measures the change in the Group's share price, together with the value of dividends during the relevant period, assuming that the dividends are reinvested into new shares. Relative TSR compares the Group's TSR performance against the TSR of a bespoke peer group of companies.

The peer group comprises companies participating in the travel industry and a comparator group from the ASX All Technology Index (XTX), excluding the following companies:

- those with market capitalisation of less than \$250 million; and
- those in the following sectors: online retailing, online marketplaces, materials, manufacturing/hardware, infrastructure (e.g. data centres, registries) and distributors.

Relative TSR will be tested over a 36-month performance period from the beginning of the financial year. Note that for 2023 LTI, the performance period commenced from 1 January 2023 to 30 June 2025 as a result of the IPO and to bring it into alignment with the three year financial terms.

Any Performance Rights that do not vest following testing will lapse.

**Plan Features**

The number of performance rights and options granted for the FY23-FY25 plan are allocated as follows:

CEO

25% of the opportunity is granted as performance rights (PRs) and 75% of the opportunity is granted as options.

25% of the opportunity is granted in PRs with vesting subject to a relative TSR measure, to align with Shareholders, tested over the performance period from 1st July of the relevant financial year for a period of 36 months, and contingent on ongoing service.

The remaining 75% is granted as options based on an exercise price of \$3.84 being the VWAP of the Company's ordinary Shares, over the trading days during the period 1 July 2022 to 31 August 2022, with vesting subject to ongoing service. Following valid exercise and payment of the exercise price, one Share will be allocated for each vested Option that is exercised.

CFO

20% of the opportunity is granted as PRs and 80% of the opportunity is granted as options.

20% of the opportunity is granted in PRs with vesting subject to a relative TSR measure, to align with Shareholders, tested over the performance period from 1st

July of the relevant financial year for a period of 36 months, and contingent on ongoing service.

The remaining 80% is granted as options based on an exercise price of \$3.84 being the VWAP of the Company's ordinary Shares, over the trading days during the period 1 July 2022 to 31 August 2022, with vesting subject to ongoing service. Following valid exercise and payment of the exercise price, one Share will be allocated for each vested Option that is exercised.

No dividends are paid during the performance period, until the rights or options vest and are exercised.

## Performance Conditions

### Performance Rights

Performance Rights will be granted in two equal tranches for the FY23. This reflects a transitional structure from the legacy remuneration framework prior to IPO.

- Tranche 1 (50% of Performance Rights)
- Tranche 2 Performance Rights (50% of Performance Rights)

Vesting of Performance Rights is subject to:

- a relative TSR measure, reflecting shareholders' experience, tested over the performance period from 1 January 2023 to 30 June 2025 for both Tranches 1 and 2; and
- continued employment up to 1 July 2024 for Tranche 1 Performance Rights, and 1 July 2025 for Tranche 2 Performance Rights.

Options will vest in two equal tranches to reflect a transitional structure from the legacy remuneration framework prior to IPO. Vesting is subject to the MD and CEO's continued employment up to the following vesting dates:

- Tranche 1 Options (50% of Options): 1 July 2024
- Tranche 2 Options (50% of Options): 1 July 2025

The percentage of Performance Rights that vest, if any, will be determined with reference to the Group's TSR in comparison to that of companies in the bespoke peer group over the performance period as set out in the table below.

| TSR rank in bespoke peer group                                                                                     | Performance Rights subjects to Relative TSR measure that vest (%) |
|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Less than 50 <sup>th</sup> percentile ( <i>below threshold</i> )                                                   | 0%                                                                |
| Equal to 50 <sup>th</sup> percentile (threshold)                                                                   | 50%                                                               |
| Greater than 50 <sup>th</sup> percentile but less than 75 <sup>th</sup> percentile (between threshold and maximum) | Straight line pro-rata between 50% and 100%                       |
| At or above 75 <sup>th</sup> percentile (maximum)                                                                  | 100%                                                              |

#### **Allocation Approach**

The number of options to be granted are valued using a Black-Scholes model based on 75% of the total grant allocation for CEO and 80% of the total grant allocation for CFO.

The number of PRs to be granted is based on 25% of the grant allocation for CEO and 80% of the grant allocation for CFO.

#### **Cessation of employment**

For LTI to vest, the executive must be employed at the date of vesting unless determined to be a good leaver. If the Board determines that an executive is a good leaver, and providing the participant has been in continuous employment with SiteMinder for at least three years, the Board may at its discretion allow unvested LTI grants to continue to remain on foot and vest subject to the original terms and performance conditions attached to the relevant grants, regardless of whether the participant remains employed by SiteMinder at the relevant vesting time. Otherwise all unvested LTI equity held by the participant will lapse upon termination of employment. The Board has the discretion to determine that any LTI benefit payable in the above termination circumstances can be settled in cash.

#### **Board Discretion**

Board discretion (either negative or positive) may be applied to LTI outcomes for the Executive KMP and ELT.

The guiding principle will be to ensure fairness in assessing LTI vesting outcome and alignment with shareholders' interests. Any Board discretion applied will be disclosed.

#### **Malus & Clawback**

Equity Rights and/or Deferred Shares may lapse or be forfeited, at the discretion of the Board, in certain circumstances which include fraudulent behaviour or gross misconduct, material breach of contractual obligations or where equity awards have vested as a result of a material misstatement in the financial statements.

#### **Change of Control**

The Board has discretion to determine an appropriate treatment for unvested Equity Rights and/or Deferred Shares.

#### **Share Trading Policy**

In accordance with SiteMinder's Share Trading Policy, senior managers are prohibited from trading in the Company's shares other than during specified trading windows, or with approval in exceptional circumstances provided they do not possess inside information. In addition, senior managers are not permitted to enter into transactions with their shareholding in the Company which operate to limit the economic risk of their shareholding (e.g. margin loans, hedging or cap and collar arrangements), including limiting the economic risk of holdings of unvested entitlements associated with LTI securities.

#### 4. Executive KMP remuneration and the link to performance and reward

##### 4.1 FY23 KMP Remuneration At Target

The table below provides the Executive KMP total remuneration at target for FY22 and FY23, this includes TFR, STI (achieved at 100% for both financial and non-financial targets reflecting both cash and deferred components) and LTI awarded at 100% in accordance with performance and employment conditions.

|                  |      | Cash salary including annual leave<br>\$ | Superannuation<br>\$ | Cash STI<br>\$ | Total cash remuneration<br>\$ | Deferred in Equity STI<br>\$ | LTI<br>\$ | Total Remuneration |
|------------------|------|------------------------------------------|----------------------|----------------|-------------------------------|------------------------------|-----------|--------------------|
| Sankar Narayan   | FY23 | 416,000                                  | 27,500               | 214,864        | 658,364                       | 110,864                      | 887,000   | 1,656,228          |
|                  | FY22 | 400,010                                  | 23,568               | 200,000        | 623,578                       | -                            | 262,194   | 885,772            |
| Tim Howard*      | FY23 | 440,000                                  | 27,500               | 116,886        | 584,386                       | 116,886                      | 350,625   | 1,051,897          |
|                  | FY22 | -                                        | -                    | -              | -                             | -                            | -         | -                  |
| Jonathan Kenny** | FY23 | 456,144                                  | 27,500               | 114,036        | 597,680                       | 57,018                       | -         | 654,698            |
|                  | FY22 | 438,602                                  | 23,568               | 109,650        | 571,820                       | -                            | 609,648   | 1,181,468          |

\* Tim Howard became a member of the Executive KMP effective 9 January 2023.

\*\* Jonathan Kenny ceased to be a member of the Executive KMP effective 8 January 2023. The above table provides the full year target remuneration. Tables 4.2 and 4.4 below provide the actual outcomes prorated to 8 January 2023.

##### 4.2 FY23 Actual Remuneration Outcomes

Details of the remuneration of the Executive KMP of the Group are set out in the following tables.

The FY22 executive remuneration reflects legacy pre-listing structures and is therefore below the benchmark ASX listed market data remuneration. No adjustments were made in FY22 to bring it in line with the benchmarks. In FY23, we have addressed this largely through changes to variable compensation, with small changes to fixed remuneration in line with peer benchmark groups for comparably designed roles.

|                  |      | Cash salary including annual leave<br>\$ | Superannuation<br>\$ | Cash STI<br>\$ | Total cash remuneration<br>\$ | Deferred in Equity STI<br>\$ | LTI***<br>\$ | Total remuneration |
|------------------|------|------------------------------------------|----------------------|----------------|-------------------------------|------------------------------|--------------|--------------------|
| Sankar Narayan   | FY23 | 416,016                                  | 25,292               | 189,991        | 631,299                       | 100,177                      | 443,500      | 1,174,976          |
|                  | FY22 | 400,010                                  | 23,568               | 178,840        | 602,418                       | -                            | 262,194      | 864,612            |
| Tim Howard*      | FY23 | 212,106                                  | 12,646               | 51,641         | 276,393                       | 51,641                       | 175,313      | 503,347            |
|                  | FY22 | -                                        | -                    | -              | -                             | -                            | -            | -                  |
| Jonathan Kenny** | FY23 | 225,150                                  | 12,646               | 49,241         | 287,037                       | -                            | -            | 287,037            |
|                  | FY22 | 438,602                                  | 23,568               | 99,478         | 561,648                       | -                            | 609,648      | 1,171,296          |

\* Tim Howard became a member of the Executive KMP effective 9 January 2023.

\*\* Jonathan Kenny ceased to be a member of the Executive KMP effective 8 January 2023. Therefore outcomes have been prorated accordingly.

\*\*\* The FY23 grant was prorated down to 100% for the CEO and 37.5% for the CFO to reflect the fact that the grant was made half-way through the Group's financial year.

#### 4.3 2023 STI outcomes in detail

The table below sets out the targets and outcomes for the CEO and CFO based on SiteMinder's FY23 for the financial year.

| Objectives                                                 | Weighting | Threshold | Actual Performance           | Achievement % | Vesting Outcome |
|------------------------------------------------------------|-----------|-----------|------------------------------|---------------|-----------------|
| <b>Group Objectives:</b>                                   |           |           |                              |               |                 |
| Subscription revenue growth % (on constant currency basis) | 25%       | 12%       | Between threshold and target | 78.00%        | 19.00%          |
| Revenue (on constant currency basis)                       | 25%       | \$139.5m  | Between threshold and target | 87.00%        | 22.00%          |
| Cash usage as % of revenue                                 | 10%       | 26%       | Target                       | 81.00%        | 8.00%           |
| Closing LTV   CAC                                          | 10%       | 4x        | Target                       | 120.00%       | 12.00%          |
| Employee Engagement                                        | 10%       | 8.0       | Target                       | 100.00%       | 10.00%          |
| <b>Total Group Objectives</b>                              | 80%       |           |                              |               | 71.00%          |
| <b>Individual Objectives:</b>                              |           |           |                              |               |                 |
| CEO - Sankar Narayan                                       | 20%       |           |                              |               | -               |
| CFO - Tim Howard                                           | -         |           |                              |               | 17.00%          |
| <b>Total Achievement on Objectives</b>                     |           |           |                              |               | 17.00%          |
| CEO - Sankar Narayan                                       | -         |           |                              |               | 88.00%          |
| CFO - Tim Howard                                           | -         |           |                              |               | 88.00%          |

#### 4.4 STI Financial Outcomes

The table below provides details of each Executive KMP's STI measures, the level of achievement and the financial outcome for the financial year 2023.

|                   |      | Maximum STI \$ Opportunity | % of STI Awarded | Cash Value of STI Awarded \$ | Deferred STI awarded \$ | Total STI awarded \$ | % of STI Forfeited |
|-------------------|------|----------------------------|------------------|------------------------------|-------------------------|----------------------|--------------------|
| Sankar Narayan*   | FY23 | 325,728                    | 89.00%           | 189,991                      | 100,177                 | 290,168              | 11.00%             |
|                   | FY22 | 200,000                    | 89.00%           | 178,840                      | -                       | 178,840              | 11.00%             |
| Tim Howard**      | FY23 | 116,886                    | 88.00%           | 51,641                       | 51,641                  | 103,282              | 12.00%             |
|                   | FY22 | -                          | -                | -                            | -                       | -                    | -                  |
| Jonathan Kenny*** | FY23 | 57,018                     | 86.00%           | 49,241                       | -                       | 49,241               | 14.00%             |
|                   | FY22 | 109,650                    | 91.00%           | 99,478                       | -                       | 99,478               | 9.00%              |

\* Sankar Narayan's payout % for FY23 is 89% and his performance % for FY23 is 91%.

\*\* Tim Howard became a member of the Executive KMP effective 9 January 2023 and prorated accordingly.

\*\*\* Jonathan Kenny ceased to be a member of the Executive KMP effective 8 January 2023. Therefore outcomes have been prorated accordingly.

The 2023 deferred STI awarded will be granted as Performance Rights on 01 July 2024.

#### 4.5 Share-based compensation

There were no shares issued to Non-Executive Directors and the Executive KMP as part of compensation during the year ended 30 June 2023.



#### 4.6 Legacy LTI plans

Details relating to on-foot legacy equity held by Executive KMP are set out below. Full details of the legacy equity plans for each pre IPO grant affecting remuneration of the Executive KMP are detailed in the FY22 remuneration report, page 24.

##### 4.6.1 Legacy Executive KMP Options

| Participant     | Grant date | Number of options | Exercise price \$ | Final vesting date | Expiry date | Vested at 30 June 2023 | Unvested at 30 June 2023 | Fair value per option at grant date \$ |
|-----------------|------------|-------------------|-------------------|--------------------|-------------|------------------------|--------------------------|----------------------------------------|
| Sankar Narayan  | 01/07/2020 | 80,000            | \$3.45            | 01/07/2024         | 01/07/2030  | 40,000                 | 40,000                   | \$1.1085                               |
|                 | 08/11/2021 | 25,983            | \$5.57            | 08/11/2022         | 08/11/2025  | 25,983                 | -                        | \$1.6100                               |
|                 | 08/11/2021 | 31,691            | \$6.69            | 08/11/2023         | 08/11/2025  | -                      | 31,691                   | \$1.3200                               |
|                 | 08/11/2021 | 37,687            | \$7.70            | 08/11/2024         | 08/11/2025  | -                      | 37,687                   | \$1.1100                               |
| Jonathan Kenny* | 01/07/2020 | 80,000            | \$3.45            | 01/07/2024         | 01/07/2030  | n/a                    | n/a                      | \$1.1085                               |
|                 | 08/11/2021 | 23,840            | \$5.57            | 08/11/2022         | 08/11/2025  | n/a                    | n/a                      | \$1.6100                               |
|                 | 08/11/2021 | 29,078            | \$6.69            | 08/11/2023         | 08/11/2025  | n/a                    | n/a                      | \$1.3200                               |
|                 | 08/11/2021 | 34,579            | \$7.70            | 08/11/2024         | 08/11/2025  | n/a                    | n/a                      | \$1.1100                               |
|                 | 08/11/2021 | 400,000           | \$5.57            | 08/11/2022         | 08/05/2024  | n/a                    | n/a                      | \$1.6100                               |
|                 | 08/11/2021 | 200,000           | \$5.57            | 08/05/2023         | 08/05/2024  | n/a                    | n/a                      | \$1.6100                               |

\* As Jonathan Kenny ceased to be a member of the Executive KMP effective 8 January 2023, the balance of vested/unvested number of Options at 30 June 2023 are shown as n/a.

##### 4.6.2 Legacy Executive KMP Shares

| Participant     | Grant date | Number of shares \$ | Acquisition price \$ | Limited recourse loan | Vested at 30 June 2023 | Unvested at 30 June 2023 |
|-----------------|------------|---------------------|----------------------|-----------------------|------------------------|--------------------------|
| Sankar Narayan  | 07/01/2019 | 7,095,320           | \$17,603,876         | \$17,603,876          | 7,095,320              | -                        |
| Jonathan Kenny* | 01/10/2018 | 1,032,360           | \$1,659,519          | \$1,659,519           | n/a                    | n/a                      |

\* As Jonathan Kenny ceased to be a member of the Executive KMP effective 8 January 2023, the balance of vested/unvested number of shares at 30 June 2023 are shown as n/a.

##### 4.6.3 Legacy Executive KMP Performance Rights

| Participant     | Grant date | Number of performance rights | Exercise price \$ | Vesting date | Expiry date | Vested at 30 June 2023 | Unvested at 30 June 2023 | Fair value per option at grant date |
|-----------------|------------|------------------------------|-------------------|--------------|-------------|------------------------|--------------------------|-------------------------------------|
| Sankar Narayan  | 08/11/2021 | 5,167                        | \$0.00            | 08/11/2022   | 08/11/2025  | 5,167                  | -                        | \$5.0600                            |
|                 | 08/11/2021 | 5,167                        | \$0.00            | 08/11/2023   | 08/11/2025  | -                      | 5,167                    | \$5.0600                            |
|                 | 08/11/2021 | 5,167                        | \$0.00            | 08/11/2024   | 08/11/2025  | -                      | 5,167                    | \$5.0600                            |
| Jonathan Kenny* | 08/11/2021 | 4,741                        | \$0.00            | 08/11/2022   | 08/11/2025  | n/a                    | n/a                      | \$5.0600                            |
|                 | 08/11/2021 | 4,741                        | \$0.00            | 08/11/2023   | 08/11/2025  | n/a                    | n/a                      | \$5.0600                            |
|                 | 08/11/2021 | 4,741                        | \$0.00            | 08/11/2024   | 08/11/2025  | n/a                    | n/a                      | \$5.0600                            |
|                 | 10/05/2022 | 23,941                       | \$0.00            | 30/04/2024   | 01/06/2026  | n/a                    | n/a                      | \$4.6900                            |

\* As Jonathan Kenny ceased to be a member of the Executive KMP effective 8 January 2023, the balance of vested/unvested number of Performance Rights at 30 June 2023 are shown as n/a.

## 5. Executive KMP Statutory Remuneration Disclosure

### 5.1 Share-based compensation for the Executive KMP

#### FY23 Options

KMPs' interests under the 2023 LTIP Options Plan are shown below.

| Participant    | Grant date | Number of options | Exercise price | Vesting date | Expiry date | Vested at 30 June 2023 | Unvested at 30 June 2023 | Fair value per option at grant date |
|----------------|------------|-------------------|----------------|--------------|-------------|------------------------|--------------------------|-------------------------------------|
| Sankar Narayan | 01/01/2023 | 164,340           | \$3.84         | 01/07/2024   | 22/11/2027  | -                      | 164,340                  | \$1.0500                            |
|                | 01/01/2023 | 164,340           | \$3.84         | 01/07/2025   | 22/11/2027  | -                      | 164,340                  | \$1.0500                            |
| Tim Howard     | 31/01/2023 | 69,294            | \$3.84         | 01/07/2024   | 22/11/2027  | -                      | 69,294                   | \$1.4800                            |
|                | 31/01/2023 | 69,293            | \$3.84         | 01/07/2025   | 22/11/2027  | -                      | 69,293                   | \$1.4800                            |
|                | 31/01/2023 | 700,000           | \$3.84         | 01/07/2026   | 22/11/2027  | -                      | 700,000                  | \$1.6300                            |

#### FY23 Performance Rights

KMPs' interests under the TSR Performance Rights are shown in the table below.

| Participant    | Grant date | Number of performance rights | Exercise price | Vesting date | Expiry date | Vested at 30 June 2023 | Unvested at 30 June 2023 | Fair value per performance rights at grant date |
|----------------|------------|------------------------------|----------------|--------------|-------------|------------------------|--------------------------|-------------------------------------------------|
| Sankar Narayan | 01/01/2023 | 14,437                       | \$0.00         | 01/07/2024   | 01/01/2099  | -                      | 14,437                   | \$2.2000                                        |
|                | 01/01/2023 | 14,437                       | \$0.00         | 01/07/2025   | 01/01/2099  | -                      | 14,437                   | \$2.2000                                        |
| Tim Howard     | 31/01/2023 | 4,566                        | \$0.00         | 01/07/2024   | 01/06/2099  | -                      | 4,566                    | \$2.9800                                        |
|                | 31/01/2023 | 4,565                        | \$0.00         | 01/07/2025   | 01/06/2099  | -                      | 4,565                    | \$2.9800                                        |

## 6. Executive KMP Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are shown in the table below.

|                      |                                                                                                                                                                                                                               |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name:                | Sankar Narayan                                                                                                                                                                                                                |
| Title:               | Managing Director and Chief Executive Officer                                                                                                                                                                                 |
| Agreement commenced: | 2 January 2019                                                                                                                                                                                                                |
| Term of agreement:   | No fixed term                                                                                                                                                                                                                 |
| Details:             | Base salary for the year ended 30 June 2023 of \$416,000 plus superannuation, and entitled to participate in the Group's STIP and LTIP. 6 month termination notice by either party, non-solicitation and non-compete clauses. |
| Name:                | Jonathan Kenny                                                                                                                                                                                                                |
| Title:               | Chief Financial Officer                                                                                                                                                                                                       |
| Agreement commenced: | 16 October 2018 until 8 January 2023                                                                                                                                                                                          |
| Term of agreement:   | No fixed term                                                                                                                                                                                                                 |
| Details:             | Base salary for the year ended 30 June 2023 of \$456,144 plus superannuation and entitled to participate in the Group's STIP and LTIP. 3 month termination notice by either party, non-solicitation and non-compete clauses.  |

Name: Tim Howard  
Title: Chief Financial Officer  
Agreement commenced: 9 January 2023  
Term of agreement: No fixed term  
Details: Base salary for the year ended 30 June 2023 of \$440,000 plus superannuation and entitled to participate in the Group's STIP and LTIP. 6 month termination notice by either party, non-solicitation and non-compete clauses.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

#### 7. Non-executive Director Remuneration

Non-Executive Directors receive fees within an aggregate Directors' fee pool limit, which is periodically proposed for approval by shareholders. The maximum fee pool to be shared by all Non-Executive Directors currently stands at \$1,500,000 per annum. Fees and payments to Non-Executive Directors are determined by the demands that are made on their time, as well as their responsibilities.

| Role                              | FY23<br>Fees per annum<br>(including<br>superannuation)<br>\$ | FY22<br>Fees per annum<br>(including<br>superannuation)<br>\$ |
|-----------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|
| Chairperson                       | 210,000                                                       | 210,000                                                       |
| Non-executive Directors           | 110,000                                                       | 110,000                                                       |
| Audit & Risk Committee Chair      | 20,000                                                        | 20,000                                                        |
| People & Culture Committee Chair  | 20,000                                                        | 20,000                                                        |
| Audit & Risk Committee Member     | 10,000                                                        | 10,000                                                        |
| People & Culture Committee Member | 10,000                                                        | 10,000                                                        |

Details of remuneration of Non-Executive Directors

|                      |      | Short-term<br>benefits<br>Cash salary<br>including fees<br>and annual<br>leave* | Post-<br>employment<br>benefits<br>Superannuation | Share-based payments |                               | Total   |
|----------------------|------|---------------------------------------------------------------------------------|---------------------------------------------------|----------------------|-------------------------------|---------|
|                      |      | \$                                                                              | \$                                                | Options<br>\$        | IPO Equity<br>settled**<br>\$ | \$      |
| Pat O'Sullivan       | FY23 | 190,045                                                                         | 19,955                                            | -                    | -                             | 210,000 |
|                      | FY22 | 174,996                                                                         | 17,500                                            | -                    | -                             | 192,496 |
| Michael Ford***      | FY23 | 138,750                                                                         | -                                                 | -                    | -                             | 138,750 |
|                      | FY22 | 532,044                                                                         | 11,784                                            | 14,264               | 64,852                        | 622,944 |
| Jennifer Macdonald   | FY23 | 126,697                                                                         | 13,303                                            | -                    | -                             | 140,000 |
|                      | FY22 | 98,338                                                                          | 9,834                                             | -                    | -                             | 108,172 |
| Kim Anderson         | FY23 | 126,697                                                                         | 13,303                                            | -                    | -                             | 140,000 |
|                      | FY22 | 23,637                                                                          | 2,364                                             | -                    | -                             | 26,001  |
| Paul Wilson          | FY23 | 130,000                                                                         | -                                                 | -                    | -                             | 130,000 |
|                      | FY22 | 106,583                                                                         | -                                                 | -                    | -                             | 106,583 |
| Leslie Szekely       | FY23 | 99,548                                                                          | 10,452                                            | -                    | -                             | 110,000 |
|                      | FY22 | 70,910                                                                          | 7,091                                             | -                    | -                             | 78,001  |
| Dean A. Stoecker**** | FY23 | 99,306                                                                          | -                                                 | -                    | -                             | 99,306  |
|                      | FY22 | -                                                                               | -                                                 | -                    | -                             | -       |

\* For Directors joining the Board during the year the amount represents from the date of appointment to 30 June 2023.

\*\* The equity was granted prior to the IPO and vested upon a liquidity event (the IPO).

\*\*\* Michael Ford performed the role of Managing Director up until IPO on 5 November 2021, then became Non-Executive Director until retired on 14 February 2023.

\*\*\*\* The remuneration amount for Dean A. Stoecker is in USD.

## 8. Additional disclosures relating to key management personnel

### 8.1 Shareholding

The number of shares in the Group held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is shown in the table below.

|                    | Balance at<br>the start of<br>the year | Received as<br>part of<br>remuneration | Additions      | Disposals          | Other*             | Balance at<br>the end of the<br>year** |
|--------------------|----------------------------------------|----------------------------------------|----------------|--------------------|--------------------|----------------------------------------|
| Ordinary shares    |                                        |                                        |                |                    |                    |                                        |
| Pat O'Sullivan     | 49,407                                 | -                                      | 16,569         | -                  | -                  | 65,976                                 |
| Sankar Narayan     | 7,147,691                              | -                                      | -              | -                  | -                  | 7,147,691                              |
| Michael Ford***    | 12,453,770                             | -                                      | -              | (4,000,000)        | (8,453,770)        | n/a                                    |
| Jennifer Macdonald | 49,525                                 | -                                      | 5,000          | -                  | -                  | 54,525                                 |
| Kim Anderson       | 15,000                                 | -                                      | -              | -                  | -                  | 15,000                                 |
| Paul Wilson        | 16,760,807                             | -                                      | -              | -                  | -                  | 16,760,807                             |
| Leslie Szekely     | 15,284,882                             | -                                      | 264,190        | -                  | -                  | 15,549,072                             |
| Jonathan Kenny**** | 1,032,360                              | -                                      | -              | -                  | (1,032,360)        | n/a                                    |
| Dean A. Stoecker   | -                                      | -                                      | 20,000         | -                  | -                  | 20,000                                 |
|                    | <u>52,793,442</u>                      | <u>-</u>                               | <u>305,759</u> | <u>(4,000,000)</u> | <u>(9,486,130)</u> | <u>39,613,071</u>                      |

\* Other represents the number of shares held at the date when individuals retired from the Board or ceased to be a member of KMP, not necessarily a disposal of a holding.

\*\* As an individual ceases to be a KMP at the end of the year, the balance of vested/unvested number of performance rights are shown as 'n/a'.

\*\*\* Michael Ford performed the role of Managing Director up until IPO on 5 November 2021, then became Non-Executive Director until retired on 14 February 2023.

\*\*\*\* Jonathan Kenny ceased to be a member of KMP effective 8 January 2023.

The number of options over ordinary shares in the Group held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is shown in the table below:

|                                     | Balance at<br>the start of<br>the year | Granted          | Exercised | Balance at<br>the end of the<br>year* | Vested but<br>not exercised* |
|-------------------------------------|----------------------------------------|------------------|-----------|---------------------------------------|------------------------------|
| <i>Options over ordinary shares</i> |                                        |                  |           |                                       |                              |
| Sankar Narayan                      | 175,361                                | 328,680          | -         | 504,041                               | 40,000                       |
| Tim Howard                          | -                                      | 838,587          | -         | 838,587                               | -                            |
| Jonathan Kenny**                    | 767,497                                | -                | -         | -                                     | n/a                          |
| Mike Ford***                        | 80,000                                 | -                | -         | -                                     | n/a                          |
|                                     | <u>1,022,858</u>                       | <u>1,167,267</u> | <u>-</u>  | <u>1,342,628</u>                      | <u>40,000</u>                |

\* As individuals cease to be director and KMP at the end of the year, the balance of the number of options are shown as n/a.

\*\* Jonathan Kenny ceased to be a member of KMP effective 8 January 2023.

\*\*\* Michael Ford ceased to be a non-executive director effective 14 February 2023.

### Performance rights holding

The number of performance rights over ordinary shares in the Group held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

|                                                | Balance at<br>the start of<br>the year | Granted       | Expired/forfeit<br>ed/other | Balance at<br>the end of the<br>year* | Vested but<br>not exercised |
|------------------------------------------------|----------------------------------------|---------------|-----------------------------|---------------------------------------|-----------------------------|
| <b>Performance rights over ordinary shares</b> |                                        |               |                             |                                       |                             |
| Sankar Narayan                                 | 15,501                                 | 28,874        | -                           | 44,375                                | 5,167                       |
| Tim Howard                                     | -                                      | 9,131         | -                           | 9,131                                 | -                           |
| Jonathan Kenny**                               | 38,164                                 | -             | -                           | -                                     | n/a                         |
|                                                | <u>53,665</u>                          | <u>38,005</u> | <u>-</u>                    | <u>53,506</u>                         | <u>5,167</u>                |

\* As individuals cease to be director and KMP at the end of the year, the balance of the number of performance rights are shown as n/a.

\*\* Jonathan Kenny ceased to be a member of KMP effective 8 January 2023.

#### **Other transactions with key management personnel and their related parties**

During the financial year, payments for consulting services from Michael Ford were made to Reach Ventures Pty Ltd, an entity controlled by Michael Ford for \$102,000 (ex GST) (2022: \$144,917). The current trade payable balance as at 30 June 2023 was \$nil (2022: \$nil). All transactions were made on normal commercial terms and conditions and at market rates.

***This concludes the remuneration report, which has been audited.***

#### **Shares under option**

Unissued ordinary shares of SiteMinder Limited under option at the date of this report are as follows:

| Grant date      | Exercise<br>price | Number<br>under option |
|-----------------|-------------------|------------------------|
| 3 June 2019     | \$1.61            | 1,000,000              |
| 21 August 2019  | \$1.61            | 160,000                |
| 1 July 2020     | \$3.45            | 1,470,000              |
| 2 August 2021   | \$4.19            | 720,000                |
| 8 November 2021 | \$5.57            | 1,433,750              |
| 8 November 2021 | \$6.69            | 285,108                |
| 8 November 2021 | \$7.70            | 339,049                |
| 14 April 2022   | \$6.48            | 9,844                  |
| 14 April 2022   | \$7.79            | 11,932                 |
| 14 April 2022   | \$8.96            | 13,983                 |
| 24 October 2022 | \$3.84            | 328,680                |
| 31 January 2023 | \$3.84            | 3,180,077              |
| 30 April 2023   | \$3.84            | 2,280,775              |
|                 |                   | <u>11,233,198</u>      |

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Group or of any other body corporate.

### Shares under performance rights

Unissued ordinary shares of SiteMinder Limited under performance rights at the date of this report are as follows:

| Grant date       | Exercise price | Number under rights |
|------------------|----------------|---------------------|
| 8 November 2021  | \$0.00         | 1,061,594           |
| 1 January 2022   | \$0.00         | 31,719              |
| 1 February 2022  | \$0.00         | 80,249              |
| 14 April 2022    | \$0.00         | 1,917               |
| 10 May 2022      | \$0.00         | 741,888             |
| 10 August 2022   | \$0.00         | 1,234,683           |
| 28 February 2023 | \$0.00         | 779,093             |
|                  |                | <u>3,931,143</u>    |

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Group or of any other body corporate.

### Shares under TSR performance rights

Unissued ordinary shares of SiteMinder Limited under TSR performance rights at the date of this report are as follows:

| Grant date      | Exercise price | Number under rights |
|-----------------|----------------|---------------------|
| 24 October 2022 | \$0.00         | 28,874              |
| 31 January 2023 | \$0.00         | 203,790             |
| 30 April 2023   | \$0.00         | 4,662               |
|                 |                | <u>237,326</u>      |

No person entitled to exercise the performance rights had or has any right by virtue of the TSR performance right to participate in any share issue of the Group or of any other body corporate.

### Shares issued on the exercise of options

There were no ordinary shares of SiteMinder Limited issued on the exercise of options during the year ended 30 June 2023 and up to the date of this report.

### Shares issued on the exercise of performance rights

The following ordinary shares of SiteMinder Limited were issued during the year ended 30 June 2023 and up to the date of this report on the exercise of performance rights granted:

| Date shares issued | Exercise price | Number of shares issued |
|--------------------|----------------|-------------------------|
| 1 January 2022     | \$0.00         | 263,649                 |

### Indemnity and insurance of officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

### Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.



During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

#### Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

#### Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 30 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 30 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

#### Officers of the Company who are former partners of Deloitte Touche Tohmatsu

There are no officers of the Company who are former partners of Deloitte Touche Tohmatsu.

#### Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

#### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Pat O'Sullivan  
Chairman



Sankar Narayan  
Managing Director and Chief Executive Officer

23 August 2023  
Sydney

The Board of Directors  
SiteMinder Limited  
Bond Store 3  
30 Windmill St  
Sydney NSW 2000  
Australia

23 August 2023

Dear Board Members,

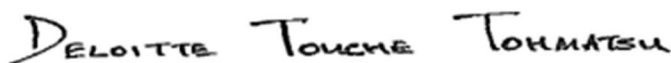
**Auditor's Independence Declaration to SiteMinder Limited and its controlled entities**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of SiteMinder Limited and its controlled entities.

As lead audit partner for the audit of the financial statements of SiteMinder Limited and its controlled entities for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully,



DELOITTE TOUCHE TOHMATSU



Sandeep Chadha  
Partner  
Chartered Accountants

|                                                                         |    |
|-------------------------------------------------------------------------|----|
| Consolidated statement of profit or loss and other comprehensive income | 41 |
| Consolidated statement of financial position                            | 42 |
| Consolidated statement of changes in equity                             | 43 |
| Consolidated statement of cash flows                                    | 44 |
| Notes to the consolidated financial statements                          | 45 |
| Directors' declaration                                                  | 91 |
| Independent auditor's report to the members of SiteMinder Limited       | 92 |
| Shareholder information                                                 | 96 |

For personal use only

**SiteMinder Limited and its controlled entities**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2023**



|                                                                                                              |             | <b>Consolidated</b> |                     |
|--------------------------------------------------------------------------------------------------------------|-------------|---------------------|---------------------|
|                                                                                                              | <b>Note</b> | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                                                                                                              |             | <b>\$'000</b>       | <b>\$'000</b>       |
| <b>Revenue</b>                                                                                               | 5           | 151,384             | 116,016             |
| Other income                                                                                                 | 6           | 193                 | 439                 |
| Interest revenue calculated using the effective interest method                                              |             | 716                 | 215                 |
| <b>Expenses</b>                                                                                              |             |                     |                     |
| Direct transaction costs                                                                                     |             | (32,115)            | (19,307)            |
| Employee benefits expense                                                                                    | 7           | (109,251)           | (93,175)            |
| Depreciation and amortisation expense                                                                        | 7           | (23,636)            | (17,465)            |
| Marketing and related expense                                                                                |             | (8,200)             | (8,047)             |
| Technology costs                                                                                             |             | (10,616)            | (9,221)             |
| Professional fees                                                                                            |             | (5,597)             | (4,215)             |
| Occupancy expense                                                                                            |             | (3,823)             | (3,108)             |
| Fair value movement on embedded derivative                                                                   | 29          | -                   | (61,759)            |
| Transaction costs related to IPO and capital raise                                                           |             | -                   | (5,826)             |
| Transaction costs related to acquisition                                                                     |             | (640)               | -                   |
| Net foreign exchange loss                                                                                    |             | (286)               | 1,224               |
| Other expenses                                                                                               |             | (7,130)             | (5,135)             |
| Finance costs                                                                                                | 7           | (895)               | (842)               |
| <b>Loss before income tax benefit/(expense)</b>                                                              | 7           | (49,896)            | (110,206)           |
| Income tax benefit/(expense)                                                                                 | 8           | 600                 | (189)               |
| <b>Loss after income tax benefit/(expense) for the year attributable to the owners of SiteMinder Limited</b> |             | (49,296)            | (110,395)           |
| <b>Other comprehensive income/(loss)</b>                                                                     |             |                     |                     |
| <i>Items that will not be reclassified subsequently to profit or loss</i>                                    |             |                     |                     |
| Gain on the revaluation of financial assets at fair value through other comprehensive income, net of tax     |             | 1,173               | 899                 |
| <i>Items that may be reclassified subsequently to profit or loss</i>                                         |             |                     |                     |
| Foreign currency translation                                                                                 |             | 355                 | (1,487)             |
| Other comprehensive income/(loss) for the year, net of tax                                                   |             | 1,528               | (588)               |
| <b>Total comprehensive loss for the year attributable to the owners of SiteMinder Limited</b>                |             | <b>(47,768)</b>     | <b>(110,983)</b>    |
|                                                                                                              |             | <b>\$</b>           | <b>\$</b>           |
| Basic loss per share                                                                                         | 31          | (0.19)              | (0.55)              |
| Diluted loss per share                                                                                       | 31          | (0.19)              | (0.55)              |

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

## Assets

### Current assets

| Note | 30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|------|------------------------|------------------------|
| 9    | 51,285                 | 26,598                 |
| 10   | 5,518                  | 3,872                  |
| 11   | 3,609                  | 2,495                  |
|      | 1,191                  | 2,681                  |
| 12   | 1,446                  | 62,123                 |
|      | <u>63,049</u>          | <u>97,769</u>          |

### Non-current assets

|                                                                            |    |               |               |
|----------------------------------------------------------------------------|----|---------------|---------------|
| Financial assets at fair value through other comprehensive income (FVTOCI) | 13 | -             | 3,333         |
| Other financial assets                                                     | 14 | 2,789         | 1,337         |
| Property, plant and equipment                                              | 15 | 1,776         | 1,554         |
| Right-of-use assets                                                        | 16 | 9,698         | 9,727         |
| Intangibles                                                                | 17 | 48,993        | 37,912        |
| Deferred tax asset                                                         | 8  | 729           | 32            |
| Total non-current assets                                                   |    | <u>63,985</u> | <u>53,895</u> |

### Total assets

127,034      151,664

## Liabilities

### Current liabilities

|                           |    |               |               |
|---------------------------|----|---------------|---------------|
| Trade and other payables  | 18 | 19,802        | 20,366        |
| Contract liabilities      | 19 | 6,184         | 3,907         |
| Lease liabilities         | 20 | 4,092         | 2,717         |
| Provision for income tax  | 8  | 143           | 2             |
| Employee benefits         | 21 | 8,027         | 7,065         |
| Total current liabilities |    | <u>38,248</u> | <u>34,057</u> |

### Non-current liabilities

|                               |    |               |               |
|-------------------------------|----|---------------|---------------|
| Lease liabilities             | 22 | 8,487         | 9,913         |
| Deferred tax liability        | 8  | 144           | -             |
| Employee benefits             | 23 | 826           | 671           |
| Provision                     |    | 166           | 156           |
| Other non-current liabilities | 24 | 2,045         | -             |
| Total non-current liabilities |    | <u>11,668</u> | <u>10,740</u> |

### Total liabilities

49,916      44,797

### Net assets

77,118      106,867

### Equity

|                    |    |                  |                  |
|--------------------|----|------------------|------------------|
| Issued capital     | 25 | 248,795          | 234,014          |
| Reserves           | 26 | 436,481          | 436,137          |
| Accumulated losses |    | <u>(608,158)</u> | <u>(563,284)</u> |

### Total equity

77,118      106,867

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

**Consolidated**

|                                                                                 | Issued<br>capital<br>\$'000 | Reserves<br>\$'000 | Accumulated<br>losses<br>\$'000 | Total equity<br>\$'000 |
|---------------------------------------------------------------------------------|-----------------------------|--------------------|---------------------------------|------------------------|
| Balance at 1 July 2021                                                          | 53,544                      | 24,162             | (452,802)                       | (375,096)              |
| Loss after income tax expense for the year                                      | -                           | -                  | (110,395)                       | (110,395)              |
| Other comprehensive loss for the year, net of tax                               | -                           | (588)              | -                               | (588)                  |
| Total comprehensive loss for the year                                           | -                           | (588)              | (110,395)                       | (110,983)              |
| <i>Transactions with owners in their capacity as owners:</i>                    |                             |                    |                                 |                        |
| Contributions of equity, net of transaction costs (note 25)                     | 106,730                     | -                  | -                               | 106,730                |
| Conversion of preference shares (note 26)                                       | 65,941                      | 401,703            | -                               | 467,644                |
| New shares issued on options exercised                                          | 625                         | (538)              | (87)                            | -                      |
| Exercise of shares issued under management loan funded share based payment plan | 7,174                       | -                  | -                               | 7,174                  |
| Share-based payments, net of tax                                                | -                           | 11,398             | -                               | 11,398                 |
| Balance at 30 June 2022                                                         | 234,014                     | 436,137            | (563,284)                       | 106,867                |

**Consolidated**

|                                                                                                                | Issued<br>capital<br>\$'000 | Reserves<br>\$'000 | Accumulated<br>losses<br>\$'000 | Total equity<br>\$'000 |
|----------------------------------------------------------------------------------------------------------------|-----------------------------|--------------------|---------------------------------|------------------------|
| Balance at 1 July 2022                                                                                         | 234,014                     | 436,137            | (563,284)                       | 106,867                |
| Loss after income tax benefit for the year                                                                     | -                           | -                  | (49,296)                        | (49,296)               |
| Other comprehensive income for the year, net of tax                                                            | -                           | 1,528              | -                               | 1,528                  |
| Total comprehensive income/(loss) for the year                                                                 | -                           | 1,528              | (49,296)                        | (47,768)               |
| <i>Transactions with owners in their capacity as owners:</i>                                                   |                             |                    |                                 |                        |
| Contributions of equity, net of transaction costs (note 25)                                                    | 5,229                       | -                  | -                               | 5,229                  |
| Exercise of shares issued under management loan funded share based payment plan                                | 2,238                       | -                  | -                               | 2,238                  |
| Share-based payments, net of tax                                                                               | 7,314                       | 3,238              | -                               | 10,552                 |
| Transfer of financial assets at fair value reserve upon disposal of equity instruments designated as at FVTOCI | -                           | (4,422)            | 4,422                           | -                      |
| Balance at 30 June 2023                                                                                        | 248,795                     | 436,481            | (608,158)                       | 77,118                 |

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes



|                                                                    |             | <b>Consolidated</b> |                     |
|--------------------------------------------------------------------|-------------|---------------------|---------------------|
|                                                                    | <b>Note</b> | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                                                                    |             | <b>\$'000</b>       | <b>\$'000</b>       |
| <b>Cash flows from operating activities</b>                        |             |                     |                     |
| Receipts from customers (inclusive of GST)                         |             | 155,029             | 117,988             |
| Payments to suppliers and employees (inclusive of GST)             |             | (169,118)           | (131,661)           |
| Transaction costs in relation to IPO and capital raise             |             | -                   | (6,080)             |
| Payment for employee incentives on IPO                             |             | -                   | (9,844)             |
| Interest and other finance costs paid                              |             | (779)               | (833)               |
| Income taxes paid                                                  |             | (760)               | (75)                |
| Net cash used in operating activities                              | 37          | (15,628)            | (30,505)            |
| <b>Cash flows from investing activities</b>                        |             |                     |                     |
| Acquisition of a subsidiary, net of cash acquired                  | 35          | 165                 | -                   |
| Interest received                                                  |             | 829                 | 40                  |
| Payments for property, plant and equipment                         | 15          | (1,033)             | (883)               |
| Payments for intangibles                                           | 17          | (23,345)            | (22,023)            |
| (Placement of)/repayment from security deposits                    |             | (679)               | 100                 |
| Proceeds from disposal of property, plant and equipment            |             | 48                  | 20                  |
| Proceeds on disposal of equity instruments designated as at FVTOCI |             | 4,506               | -                   |
| Repayment from/(placement) of term deposits                        |             | 60,000              | (62,123)            |
| Net cash provided by/(used in) investing activities                |             | 40,491              | (84,869)            |
| <b>Cash flows from financing activities</b>                        |             |                     |                     |
| Proceeds from issue of shares                                      |             | -                   | 110,000             |
| Proceeds from management share loan and options                    |             | 2,238               | 6,773               |
| Payments for transaction costs related to IPO and capital raise    |             | -                   | (3,622)             |
| Payments for transaction costs related to borrowing and loan       |             | (78)                | (90)                |
| Repayment of lease liabilities                                     | 22          | (3,229)             | (1,642)             |
| Net cash (used in)/provided by financing activities                |             | (1,069)             | 111,419             |
| Net increase/(decrease) in cash and cash equivalents               |             | 23,794              | (3,955)             |
| Cash and cash equivalents at the beginning of the financial year   |             | 26,598              | 30,970              |
| Effects of exchange rate changes on cash and cash equivalents      |             | 893                 | (417)               |
| Cash and cash equivalents at the end of the financial year         | 9           | 51,285              | 26,598              |

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

## Note 1. General information

The financial statements cover SiteMinder Limited as a Group consisting of SiteMinder Limited (referred to as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year (referred to as the 'Group').

SiteMinder Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Bond Store 3  
30 Windmill Street  
Millers Point  
Sydney NSW 2000  
Australia

SiteMinder's hotel commerce platform encompasses solutions in the spaces of direct and third-party distribution, analytics and market insights, guest communication and upselling, property management, payments, and website design and creation. SiteMinder's solutions are designed to support accommodation providers of all types and sizes in managing every stage of their customers' journey. During the financial year, the Group's principal activities consisted of the development, sales and marketing of its online guest acquisition platform and commerce solutions to accommodation providers, delivered via a software-as-a-service ('SaaS') subscription model.

No significant change in the nature of these activities occurred during the financial year.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 23 August 2023.

## Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

### Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The Group's accounting policy in FY23 remain consistent with FY22.

### Historical cost convention

The financial statements have been prepared under the historical cost convention, except for financial assets at fair value through other comprehensive income and derivatives measured at fair value through profit or loss.

### Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

## Note 2. Significant accounting policies (continued)

### Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 34.

### Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of SiteMinder Limited as at 30 June 2023 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

### Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance. Refer to note 4 for further details.

### Foreign currency translation

The financial statements are presented in Australian dollars, which is SiteMinder Limited's functional and presentation currency.

#### *Foreign currency transactions*

Foreign currency transactions are translated into the entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

#### *Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

## Note 2. Significant accounting policies (continued)

### Revenue recognition

The Group recognises revenue as follows:

#### *Revenue from contracts with customers*

SiteMinder is a SaaS (Software as a Service) business, providing software and online licensing via subscriptions. Specifically, SiteMinder is a cloud-based platform that provides a comprehensive product suite of marketing and management solutions for customers (hotel chains, individual hotel owners, and partners). It provides software solutions to help reach, attract, and convert guests.

For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the services promised.

Contracts entered into take one of the following four forms:

- (a) Standard Terms and Conditions
- (b) Independent Hotel User Agreement
- (c) Standard Group User Agreement (Single Entity)
- (d) Standard Group User Agreement (Multiple Entity)

These terms outline the facets of the contract such as the parties to the contract, product(s) required by the customer, amount of the fees, the duration of the contract (including start and end dates), variable aspects (e.g. trial periods), and conditions relating to cancellations, to name a few.

Contracts with customers can include various products and services, depending on customers' needs. All SaaS products can be sold individually or together with other SaaS products as a bundled solution to the customer. Where multiple SaaS products are provided to a customer as a bundle of services, each SaaS product is deemed to be a separate performance obligation as they are capable of being distinct and distinct in the context of the contract. In contracts where each SaaS product is a separate performance obligation, the revenue associated with each obligation is calculated by allocating the transaction price to the products on a relative stand-alone selling price basis.

The Group recognises sales revenue related to the transfer of promised services when control of the services passes to the customer, which is as the customer receives access to SiteMinder's online products. Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring services to a customer.

The Group's principal revenue-generating activities involve the provision of access to online guest acquisition platform and commerce solutions to accommodation providers across the world.

#### *Recurring subscription revenue (online guest acquisition platform)*

Online guest acquisition platform products are as follows:

| No | Product         | Description                                                                                                                                                                                                                                                                                                                                                                                              | Performance obligation                                                             | Timing of recognition                            |
|----|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------|
| 1  | Channel manager | Channel manager allows customers to sell their rooms on all connected booking sites (e.g. Booking.com, Expedia, the GDS, wholesale, the customer's direct channel), at the same time. It automatically updates the customers' availability in real-time on all sites and the customers' property management systems (PMS), when a booking is made, or when changes are made to the customers' inventory. | Provision of access to the online platform and ongoing provision of data exchange. | Over the time of the contract with the customer. |

**Note 2. Significant accounting policies (continued)**

| No | Product                     | Description                                                                                                                                                                                                                                                                                           | Performance obligation                                                             | Timing of recognition                            |
|----|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------|
| 2  | Online booking engine       | Direct hotel booking service ('booking button').<br><br>This is an online booking engine that allows customers to take direct reservations from guests via their website, social media channels, and metasearch.                                                                                      | Provision of access to the online platform and ongoing provision of data exchange. | Over the time of the contract with the customer. |
| 3  | Hotel Website Builder       | The hotel website builder is an online tool that enables customers to create professional and easy to manage websites by leveraging pre-built templates and designs.                                                                                                                                  | Provision of access to online platform and ongoing hosting services                | Over the time of the contract with the customer. |
| 4  | Hotel business intelligence | Hotel business intelligence refers to software that delivers data analytics and insights to help customers make strategic decisions, both for the short and long term. It will track market fluctuations, competitor rates, and the customers' own data to let customers closely analyse performance. | Provision of access to the online platform.                                        | Over the time of the contract with the customer. |
| 5  | Little Hotelier             | Little Hotelier is a Property Management System (PMS), which is the front desk and central hub of hotels' operations. This software processes everything from reservations, check-ins and check-outs and guest information.                                                                           | Provision of access to the online platform and ongoing provision of data exchange. | Over the time of the contract with the customer. |
| 6  | SiteMinder Exchange         | SiteMinder Exchange is a hotel app store which offers a seamless connection of over 100+ hotel apps with SiteMinder's Channel Manager or PMS data.                                                                                                                                                    | Provision of access to the online platform and ongoing provision of data exchange. | Over the time of the contract with the customer. |
| 7  | Multi-Property              | SiteMinder Multi-Property gives hotel groups and chains the power to deploy new campaigns and distribution strategies, make informed decisions and rapidly create and configure rate plans across multiple properties, channel managers and their property management systems, at scale.              | Provision of access to the online platform and ongoing provision of data exchange. | Over the time of the contract with the customer. |

- Recurring subscription revenue is primarily comprised of a fixed monthly subscription fee from subscribers to SiteMinder's online software products and an associated set up fee and incentive fee.
- For some Channel Manager and Little Hotelier customers, a transaction-based fee may also be charged, which is a fixed percentage of the guest booking value on guest's checkout. This is variable consideration and in applying the constraint on variable consideration in AASB 15, the Group fully constrains this at contract inception and will only recognise this fee as revenue as and when the guest successfully checks out of a booking, and the Group is entitled to revenue.
- The set-up service is deemed not to be a contract promise under AASB 15 as it does not transfer a benefit to the customer. Therefore, revenue is not recognised in association with set up activities. Any fees collected for set up activities is deferred on the balance sheet as a contract liability.
- The subscription fee and set up fee are recognised over time (typically monthly), being the subscription period agreed with the customer, as the customer simultaneously receives and consumes the benefits of accessing the product.

## Note 2. Significant accounting policies (continued)

### Recurring transaction revenue (commerce solutions)

Commerce solutions products are as follows:

| No | Product                    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Performance obligation                                                             | Timing of recognition           |
|----|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------------------------|
| 1  | Global distribution system | A GDS, or global distribution system, is a network that enables travel agencies and others within the travel industry to access and book travel products such as hotel rooms, airline tickets, or car rentals – all in one centralised place using a single PNR (passenger name record) number. As the price and availability of these products is subject to regular change, the GDS provides a real-time updated view so that travel agents can see the most up-to-date inventory. | Provision of access to marketing service.                                          | At the time of guest check out. |
| 2  | SiteMinder Pay             | Hotel payment processing refers to software that will allow customers to process secure online payments from guests. It is designed to be completely contactless.                                                                                                                                                                                                                                                                                                                    | Provision of funds transfer service.                                               | At the time of guest payment.   |
| 3  | Demand Plus                | Demand Plus is a hotel metasearch. Metasearch is a way for travellers to see rates and inventory for hotels from a number of different booking sites in one easy-to-digest place. It makes it easy for travellers to find hotels and compare price and availability. Examples of metasearch sites are Google Hotel Ads and Trivago.                                                                                                                                                  | Provision of access to the online platform and ongoing provision of data exchange. | At the time of guest check out. |

- Revenue from these products are primarily comprised of monthly fees based on usage by customers to SiteMinder's commerce solutions. This is variable consideration and in applying the constraint on variable consideration in AASB 15, the Group fully constrains this at contract inception.
- The Group recognise fees charged to customers using these products on a gross basis as recurring transaction revenue when the Group is the principal to provide the SaaS products. As a principal to the transaction, the Group controls the services on SiteMinder platform. The group bears primary responsibility for fulfilment of the performance obligations. Further, the Group has full discretion in determining the fee charged to the customers, which is independent of the costs incurred where the Group utilize third party to perform the services. These fees paid to third party are recognized as direct transaction costs.
- SiteMinder Pay revenue is earned and recognised when the processing service is performed at the time of transaction. A refund liability is recognised for expected cancellations.
- Demand Plus charges customers a fixed percentage per completed booking. Revenue is earned and recognised at the time of guest check out, which is when the customer is obliged to pay for completed bookings as per the contract with SiteMinder.
- GDS charges hotels either a fixed percentage or a fixed amount per completed booking. Revenue is earned and recognised at the time of guest check out when the customer is obliged to pay for completed bookings as per the contract with SiteMinder.

### Contract assets

Recurring transaction revenue is invoiced monthly in arrears. Unbilled revenue is recognised as contract assets in the statement of financial position. Contract assets are released to trade receivables in the following month. Contract assets are treated as financial assets for impairment purposes.

### Contract liabilities

Contract liabilities represent the Group's obligation to transfer services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the services to the customer.



## Note 2. Significant accounting policies (continued)

### *Refund liabilities*

Refund liabilities are recognised in relation to SiteMinder Pay, where the Group receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. An example of such an instance is where the hotel has agreed to refund their guests' payments if they cancel their bookings, and the guests exercise the option to cancel their booking. A refund liability is measured at the amount of consideration received or receivable for which the Group does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used to estimate such returns at the time of sale based on an expected value methodology.

### *Interest*

Interest revenue is recognised as interest accrues using the effective interest method.

### **Other income**

Other income is recognised when it is received or when the right to receive payment is established.

### **Government grants**

Grants from the government are recognised at their fair value when there is reasonable assurance that the grant will be received and that the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

### **Software-as-a-Service (SaaS) arrangements**

SaaS arrangements are service contracts providing the Group, as the customer, with the right to access the cloud provider's application software over the contract period. As such the Group does not receive a software intangible asset at the contract commencement date. A right to receive future access to the supplier's software does not, at the contract commencement date, give the customer the power to obtain the future economic benefits flowing from the software itself and to restrict others' access to those benefits.

Fees for use of application software, including customisation costs are recognised as expenses as the service is received. However, hosting fees related to development activities are capitalised as intangible assets, which have a finite life of four years.

Configuration costs, data conversion and migration costs, testing costs and training costs are recognised as an expense as the service is received.

### **Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

An income tax benefit will arise for the financial year where an income tax loss is incurred and, where permitted to do so, is carried-back against a qualifying prior period's tax payable to generate a refundable tax offset.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.



## Note 2. Significant accounting policies (continued)

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

### Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

- Deferred tax assets and liabilities are always classified as non-current.

### Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

### Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

- Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

#### *Financial assets at amortised cost*

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

#### *Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

## Note 2. Significant accounting policies (continued)

### *Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in profit or loss with a corresponding entry to other comprehensive income. In all other cases, including equity investments measured at fair value through other comprehensive income, the loss allowance is recognised through profit or loss and reduces the asset's carrying value.

### **Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

|                        |                    |
|------------------------|--------------------|
| Leasehold improvements | one to six years   |
| Furniture and fittings | one to seven years |
| Office equipment       | one to four years  |

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

### **Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. The Group has depreciated the right-of-use assets over lease terms of three years. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### **Business combinations**

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

## Note 2. Significant accounting policies (continued)

The consideration transferred is the sum of the acquisition date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

### Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

### Goodwill

Goodwill is initially recognised and measured as set out above. Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating unit expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

### Customer contracts

Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of five years.

## Note 2. Significant accounting policies (continued)

### *Software*

Significant costs associated with software the Group controls are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite useful life of three years.

### *Research and development*

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised when it can be demonstrated that the project will be a success considering its commercial and technical feasibility, the Group is able to use or sell the asset, the Group has sufficient resources and intent to complete the development and its costs can be measured reliably. SiteMinder's internal generated intangible assets are primarily derived from investment in building new or additional features on existing SiteMinder products or creating new applications and tools to existing and potential customers, which is intended to generate incremental revenue by expanding SiteMinder's product range. Capitalised development costs are amortised, commencing from the time the asset's development reaches the condition necessary for it to be capable of operation in the manner intended by management.

Capitalised development costs, including internal salary and on-costs that are directly attributable to developments of the Group's products and acquired product development, have a finite life of four years and are amortised on a systematic basis over the useful life of the project.

### *Brand*

Brand acquired in a business combination is not amortised on the basis that it has an indefinite life. Management considers that the useful life of brand is indefinite because there is no foreseeable limit to the cash flows this asset can generate. This is reassessed every year. Instead, it is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

### **Impairment of property, plant and equipment and intangible assets excluding goodwill**

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life and that are not yet ready for use are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

## Note 2. Significant accounting policies (continued)

### Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

### Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The incremental borrowing rate is derived from key external market based rates, the Group's credit margin, and the length of the lease. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

### Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

### Employee benefits

#### *Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

#### *Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high-quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

#### *Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

#### *Share-based payments*

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.



## Note 2. Significant accounting policies (continued)

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions are brought to fair market value at all vesting and reporting date and recognised as an expense with a corresponding increase in liability over the vesting period. All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, they are treated as if they had vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

### Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques used to measure fair value are those that are appropriate in the circumstances and which maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

### Preference shares

Preference shares are classified as a host debt financial liability at fair value when redemption is contingent on a future event of a trade sale being outside the control of the Group. The preference share conversion feature into ordinary shares is treated as an embedded financial liability derivative due to its down round anti-dilutive clauses, and separated from the host contract at fair value through profit or loss. The host debt financial liability was converted to embedded derivative conversion reserve and no gain or loss was recognised through profit or loss when the preference shares were converted to ordinary shares on IPO.

## Note 2. Significant accounting policies (continued)

### Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### Earnings per share

#### Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of SiteMinder Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

#### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming conversion of all dilutive potential ordinary shares.

### Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

### Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

### New Accounting Standards and Interpretations not yet mandatory or early adopted

At the date of authorisation of these financial statements, the Group has not applied the following new and revised Australian Accounting Standards and Interpretations that have been issued but are not yet effective:

| Standard                                             | Standard name                                                                    | Applicability to the Group |
|------------------------------------------------------|----------------------------------------------------------------------------------|----------------------------|
| Amendments to AASB 101                               | Classification of Liabilities as Current or Non-current                          | 1 July 2023                |
| Amendments to AASB 101 and AASB Practice Statement 2 | Disclosure of Accounting Policies                                                | 1 July 2023                |
| Amendments to AASB 108                               | Definition of Accounting Estimates                                               | 1 July 2023                |
| Amendments to AASB 112                               | Deferred Tax related to Assets and Liabilities arising from a Single Transaction | 1 July 2023                |

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.



### Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### *Share-based payment transactions*

The Group measures the cash-settled and equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The measurement of share-based payment transactions takes into account estimates of achieving targets for grants where applicable. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

#### *Capitalised software development costs*

Software development costs have been capitalised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale. Key judgements are applied in considering costs to be capitalised which includes determining costs directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant software. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

#### *Useful life of capitalised development costs*

The Group regularly considers the useful life of development costs, which is currently estimated to be four to five years. In determining the appropriate useful life for these assets a range of factors is taken into account including the specific nature of the asset created, risk of technical obsolescence, business performance and market conditions. To the extent that there is a change to the useful life of these assets (not related to impairment) the amortisation charge is changed prospectively.

#### *Income tax*

Management's judgement is applied in determining the recognition of deferred tax assets for tax losses, unused tax credits and temporary differences based on the probability of generating sufficient taxable profits in the foreseeable future that will be available against which those temporary differences will be utilised.

#### *Revenue recognition*

The Group's contracts with customers can include more than one SaaS product. Contracts with multiple SaaS products require the Group to apply judgment in identifying and evaluating any terms and conditions in contracts which may impact revenue recognition. Determining whether each SaaS product are distinct performance obligations that should be accounted for separately, or not distinct and thus accounted for together, requires significant judgment. The Group has concluded each SaaS product is distinct from each other.

Judgment is required to determine stand-alone selling prices (SSP) for each distinct performance obligation. SSP is determined by considering multiple factors including, but not limited to, prices the Group charges for product when sold separately, market conditions and pricing practices.

The determination of whether the Group is a principal to transaction or an agent can also require considerable judgment. Management's judgment is applied in identifying the specified services to be provided to the customer. A specified service is a distinct service (or a distinct bundle of services) to be provided to the customer; and assessing whether the Group controls each specified service before that service is transferred to the customer.

#### *Impairment of goodwill and other assets*

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions. All other assets are reviewed for indicators or object evidence of impairment. If indicators or objective evidence exists, the recoverable amount is reviewed.

#### Note 4. Operating segments

##### Identification of reportable operating segments

The Group operates within one business segment, being the operation of an online hotel booking platform assisting worldwide accommodation providers in gaining more online bookings and managing their online room distribution and reports to the Board of Directors (who are identified as the CODM) on the performance of the Group as a whole. While the Group generates revenue in a number of countries including APAC (Major countries: Australia, Thailand and New Zealand), EMEA (Major countries: United Kingdom, Spain and Germany) and AMER (Major countries: United States and Canada), these geographic operations are considered, based on internal management reporting and the allocation of resources by the Group's CODM, as one geographic segment.

Based on the information provided to and reviewed by the CODM, the nature, amount, timing, and uncertainty of revenue and cash flow and how they are affected by economic factors are most appropriately depicted through the types of revenue categories (recurring subscription revenue and recurring transaction revenue), but not types of products. Revenues recorded within these categories are earned from similar products for which the nature of associated fees and the related revenue recognition models are substantially the same.

The amount of revenue disaggregated by categories and geographical regions is disclosed in note 5. The CODM does not review or assess financial performance on a geographical basis or by product categories.

Unless stated otherwise, all amounts reported to the Board of Directors are determined in accordance with accounting policies that are consistent with those adopted in these financial statements.

The Group has identified a single operating segment, which is the whole of the consolidated operation. This single operating segment represents a reporting segment. The segment disclosure for the reporting segment is consistent to those amounts present in the primary statements and notes.

Non-current assets by geographical area, being Australia (the country of domicile) and other countries are outlined below:

|                 | <b>Geographical non-current assets</b> |                     |
|-----------------|----------------------------------------|---------------------|
|                 | <b>30 June 2023</b>                    | <b>30 June 2022</b> |
|                 | <b>\$'000</b>                          | <b>\$'000</b>       |
| Australia       | 50,243                                 | 39,173              |
| Other countries | 526                                    | 293                 |
|                 | <u>50,769</u>                          | <u>39,466</u>       |

The geographical non-current assets above are exclusive of, where applicable, financial assets, right-of-use assets and deferred tax asset, and predominately relates to intangible assets.

#### Note 5. Revenue

|                                                        | <b>Consolidated</b> |                     |
|--------------------------------------------------------|---------------------|---------------------|
|                                                        | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                                                        | <b>\$'000</b>       | <b>\$'000</b>       |
| <i>Revenue from contracts with customers</i>           |                     |                     |
| Recurring subscription revenue - over a period of time | 103,020             | 86,807              |
| Recurring transaction revenue - at a point in time     | 48,364              | 29,209              |
| Total revenue                                          | <u>151,384</u>      | <u>116,016</u>      |

## Note 5. Revenue (continued)

### Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

|                                         | Consolidated   |                |
|-----------------------------------------|----------------|----------------|
|                                         | 30 June 2023   | 30 June 2022   |
|                                         | \$'000         | \$'000         |
| <i>Geographical regions</i>             |                |                |
| Asia Pacific ('APAC')                   | 49,767         | 36,736         |
| Europe, Middle East and Africa ('EMEA') | 61,245         | 49,428         |
| Americas ('AMER')                       | 40,372         | 29,852         |
|                                         | <u>151,384</u> | <u>116,016</u> |

### Major customers

During the years ended 30 June 2023 and 30 June 2022, there were no major customers that represent greater than 10% of the Group's revenue.

## Note 6. Other income

|                                                       | Consolidated |              |
|-------------------------------------------------------|--------------|--------------|
|                                                       | 30 June 2023 | 30 June 2022 |
|                                                       | \$'000       | \$'000       |
| Net gain on disposal of property, plant and equipment | 19           | 2            |
| Other income                                          | <u>174</u>   | <u>437</u>   |
| Other income                                          | <u>193</u>   | <u>439</u>   |

**Note 7. Loss before income tax expense**

**Consolidated**  
**30 June 2023 30 June 2022**  
**\$'000 \$'000**

Loss before income tax includes the following specific expenses:

*Depreciation and amortisation expense*

|                                                         |        |        |
|---------------------------------------------------------|--------|--------|
| Depreciation of property, plant and equipment (note 15) | 818    | 794    |
| Depreciation of right-of-use assets (note 16)           | 3,187  | 2,530  |
| Amortisation of intangible assets (note 17)             | 19,631 | 14,141 |

|                                             |        |        |
|---------------------------------------------|--------|--------|
| Total depreciation and amortisation expense | 23,636 | 17,465 |
|---------------------------------------------|--------|--------|

*Finance costs*

|                                                                |     |     |
|----------------------------------------------------------------|-----|-----|
| Interest and finance charges paid/payable on lease liabilities | 779 | 833 |
| Interest on insurance premium fundings                         | 106 | -   |
| Unwinding of the discount on lease make good provision         | 10  | 9   |

|                        |     |     |
|------------------------|-----|-----|
| Finance costs expensed | 895 | 842 |
|------------------------|-----|-----|

*Leases (included in occupancy expense)*

|                                 |       |     |
|---------------------------------|-------|-----|
| Short-term lease payments       | 1,255 | 821 |
| Low-value assets lease payments | 9     | 10  |
|                                 | 1,264 | 831 |

*Superannuation expense*

|                                             |       |       |
|---------------------------------------------|-------|-------|
| Defined contribution superannuation expense | 6,040 | 5,281 |
|---------------------------------------------|-------|-------|

*Employee benefits expense*

|                                                     |          |          |
|-----------------------------------------------------|----------|----------|
| Employee benefits*                                  | 119,755  | 101,762  |
| Capitalised employee benefits expense**             | (21,665) | (20,888) |
| Expense associated with shared-based payment plans  | 11,115   | 9,596    |
| Expense associated with cash tenure incentive bonus | 46       | 2,721    |
| Government grants received                          | -        | (16)     |

|                                 |         |        |
|---------------------------------|---------|--------|
| Total employee benefits expense | 109,251 | 93,175 |
|---------------------------------|---------|--------|

\* Employee benefits include \$6,040,000 (30 June 2022: \$5,281,000) defined contribution superannuation expense.

\*\* Costs incurred in relation to employee benefits that are directly attributable to development activities and therefore capitalised in intangible assets.

**Note 8. Income tax**

|                                                                                               | <b>Consolidated</b> |                     |
|-----------------------------------------------------------------------------------------------|---------------------|---------------------|
|                                                                                               | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                                                                                               | <b>\$'000</b>       | <b>\$'000</b>       |
| <i>Income tax (benefit)/expense</i>                                                           |                     |                     |
| Current tax                                                                                   | (90)                | 108                 |
| Deferred tax - origination and reversal of temporary differences                              | (864)               | (74)                |
| Adjustments in respect of income tax for the under-provision in prior year                    | 354                 | 155                 |
| Aggregate income tax (benefit)/expense                                                        | <u>(600)</u>        | <u>189</u>          |
| Deferred tax included in income tax (benefit)/expense comprises:                              |                     |                     |
| Increase in deferred tax assets                                                               | (662)               | (29)                |
| Decrease in deferred tax liabilities                                                          | (202)               | (45)                |
| Deferred tax - origination and reversal of temporary differences                              | <u>(864)</u>        | <u>(74)</u>         |
| <i>Numerical reconciliation of income tax (benefit)/expense and tax at the statutory rate</i> |                     |                     |
| Loss before income tax benefit/(expense)                                                      | <u>(49,896)</u>     | <u>(110,206)</u>    |
| Tax at the statutory tax rate of 30%                                                          | (14,969)            | (33,062)            |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income:          |                     |                     |
| Non-deductible expenses                                                                       | 3,485               | 1,928               |
| Foreign exchanges fluctuation                                                                 | 67                  | 66                  |
| Current year tax benefit not recognised                                                       | 11,459              | 13,970              |
| Fair value movement on embedded derivative                                                    | -                   | 18,528              |
| Utilisation of carry forward tax losses not previously recognised                             | -                   | (594)               |
| Recognition of temporary differences previously not brought to account                        | (881)               | (334)               |
| Adjustments in respect of income tax for the under-provision in prior year                    | 355                 | 155                 |
| Difference in overseas tax rates                                                              | (116)               | (468)               |
| Income tax (benefit)/expense                                                                  | <u>(600)</u>        | <u>189</u>          |
|                                                                                               | <b>Consolidated</b> | <b>Consolidated</b> |
|                                                                                               | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                                                                                               | <b>\$'000</b>       | <b>\$'000</b>       |
| <i>Tax losses not recognised</i>                                                              |                     |                     |
| Unused tax losses for which no deferred tax asset has been recognised                         | <u>70,950</u>       | <u>51,786</u>       |
| Potential tax benefit at statutory tax rates                                                  | <u>21,285</u>       | <u>15,255</u>       |

The Group has only recognised deferred tax assets for all deductible temporary differences, unused tax losses and any unused tax credits to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilised. The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. The Group has deductible temporary differences of \$27,187,462 (30 June 2022: \$3,827,505) that are unrecognised. The potential tax benefit at the applicable tax rates is \$8,156,239 (30 June 2022: \$1,123,858). There is no expiry of the unused tax losses.

Note 8. Income tax (continued)

*Deferred tax asset*

Deferred tax asset comprises temporary differences attributable to:

Amounts recognised in profit or loss:

|                                       | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|---------------------------------------|----------------------------------------|------------------------|
| Property, plant and equipment         | 2                                      | 22                     |
| Employee benefits                     | 88                                     | 45                     |
| Other provisions                      | 47                                     | 72                     |
| Other                                 | -                                      | 90                     |
| Carry forward tax losses recognised   | 592                                    | -                      |
| Offset against deferred tax liability | -                                      | (197)                  |
| Deferred tax asset                    | <u>729</u>                             | <u>32</u>              |

Movements:

|                              |            |           |
|------------------------------|------------|-----------|
| Opening balance              | 32         | 3         |
| Credited to profit or loss   | 662        | 29        |
| Foreign exchange differences | 35         | -         |
| Closing balance              | <u>729</u> | <u>32</u> |

*Deferred tax liability*

Deferred tax liability comprises temporary differences attributable to:

Amounts recognised in profit or loss:

|                                         |            |          |
|-----------------------------------------|------------|----------|
| Property, plant and equipment           | 23         | -        |
| Intangibles                             | 46         | -        |
| Unrealised foreign exchange fluctuation | 75         | 197      |
| Offset against deferred tax assets      | -          | (197)    |
| Deferred tax liability                  | <u>144</u> | <u>-</u> |

Movements:

|                                                   |            |          |
|---------------------------------------------------|------------|----------|
| Opening balance                                   | -          | 45       |
| Credited to profit or loss                        | (202)      | (45)     |
| Additions through business combinations (note 35) | 346        | -        |
| Closing balance                                   | <u>144</u> | <u>-</u> |

*Provision for income tax*

|                          |            |          |
|--------------------------|------------|----------|
| Provision for income tax | <u>143</u> | <u>2</u> |
|--------------------------|------------|----------|

Consolidated  
30 June 2023 30 June 2022  
\$'000 \$'000

Consolidated  
30 June 2023 30 June 2022  
\$'000 \$'000

Consolidated  
30 June 2023 30 June 2022  
\$'000 \$'000



**Note 9. Current assets - cash and cash equivalents**

|              | <b>Consolidated</b> |                     |
|--------------|---------------------|---------------------|
|              | <b>30 June 2023</b> | <b>30 June 2022</b> |
|              | <b>\$'000</b>       | <b>\$'000</b>       |
| Cash at bank | 51,285              | 26,598              |

For the purposes of the consolidated statement of cash flows, cash and cash equivalents includes cash on hand and at banks. Cash and cash equivalents at the end of the reporting date as shown in the statement of cash flows are reconciled to the related items in the consolidated statement of financial position as above.

**Note 10. Current assets - trade and other receivables**

|                                            | <b>Consolidated</b> |                     |
|--------------------------------------------|---------------------|---------------------|
|                                            | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                                            | <b>\$'000</b>       | <b>\$'000</b>       |
| Trade receivables                          | 4,277               | 3,771               |
| Less: Allowance for expected credit losses | (360)               | (438)               |
|                                            | 3,917               | 3,333               |
| Other receivables                          | 1,601               | 394                 |
| GST, VAT and sales tax receivables         | -                   | 145                 |
|                                            | 5,518               | 3,872               |

Trade receivables are non-interest bearing and are generally on terms of 7 to 90 days.

**Allowance for expected credit losses**

The Group has recognised a loss of \$1,353,000 (2022: \$1,575,000) in profit or loss in respect of the expected credit losses for the year ended 30 June 2023.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

|                     | <b>Expected credit loss rate</b> |                     | <b>Carrying amount</b> |                     | <b>Allowance for expected credit losses</b> |                     |
|---------------------|----------------------------------|---------------------|------------------------|---------------------|---------------------------------------------|---------------------|
|                     | <b>30 June 2023</b>              | <b>30 June 2022</b> | <b>30 June 2023</b>    | <b>30 June 2022</b> | <b>30 June 2023</b>                         | <b>30 June 2022</b> |
| <b>Consolidated</b> | <b>%</b>                         | <b>%</b>            | <b>\$'000</b>          | <b>\$'000</b>       | <b>\$'000</b>                               | <b>\$'000</b>       |
| not overdue         | 5%                               | 4%                  | 3,158                  | 2,456               | 160                                         | 102                 |
| 0-30 days           | 7%                               | 8%                  | 715                    | 849                 | 48                                          | 69                  |
| 31-60 days          | 28%                              | 24%                 | 210                    | 190                 | 59                                          | 45                  |
| 61-90 days          | 47%                              | 45%                 | 121                    | 98                  | 57                                          | 44                  |
| over 90 days        | 50%                              | 100%                | 73                     | 178                 | 36                                          | 178                 |
|                     |                                  |                     | 4,277                  | 3,771               | 360                                         | 438                 |

**Note 10. Current assets - trade and other receivables (continued)**

Movements in the allowance for expected credit losses are as follows:

|                                                          | <b>Consolidated</b> |                     |
|----------------------------------------------------------|---------------------|---------------------|
|                                                          | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                                                          | <b>\$'000</b>       | <b>\$'000</b>       |
| Opening balance                                          | 438                 | 729                 |
| Net provisions recognised                                | 1,467               | 1,576               |
| Receivables written off during the year as uncollectable | (1,568)             | (1,861)             |
| Exchange differences                                     | 23                  | (6)                 |
|                                                          | <u>360</u>          | <u>438</u>          |
| Closing balance                                          |                     |                     |

**Note 11. Current assets - contract assets**

|                                                                                                                                  | <b>Consolidated</b> |                     |
|----------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
|                                                                                                                                  | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                                                                                                                                  | <b>\$'000</b>       | <b>\$'000</b>       |
| Contract assets                                                                                                                  | <u>3,609</u>        | <u>2,495</u>        |
| <i>Reconciliation</i>                                                                                                            |                     |                     |
| Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below: |                     |                     |
| Opening balance                                                                                                                  | 2,495               | 1,308               |
| Additions                                                                                                                        | 35,990              | 20,006              |
| Transfer to trade receivables                                                                                                    | (34,969)            | (18,814)            |
| Exchange differences                                                                                                             | 93                  | (5)                 |
|                                                                                                                                  | <u>3,609</u>        | <u>2,495</u>        |
| Closing balance                                                                                                                  |                     |                     |

Contract assets are recognised for recurring transaction revenue to be billed in next month.

**Note 12. Current assets - other financial assets**

|                                | <b>Consolidated</b> |                     |
|--------------------------------|---------------------|---------------------|
|                                | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                                | <b>\$'000</b>       | <b>\$'000</b>       |
| Term deposits held to maturity | -                   | 62,123              |
| Security deposits              | <u>1,446</u>        | <u>-</u>            |
|                                | <u>1,446</u>        | <u>62,123</u>       |

Term deposits are held for 4-12 months during the period.

**Note 13. Non-current assets - Financial assets at fair value through other comprehensive income (FVTOCI)**

|                                                               | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|---------------------------------------------------------------|----------------------------------------|------------------------|
| Investment - at fair value through other comprehensive income | -                                      | 3,333                  |

Investment refers to a 5.8% interest in Rezdy Pty Ltd (ACN: 153 242 632) purchased on 30 April 2012. It was subsequently disposed on 2 June 2023 for a cash consideration of \$4,506,063. The fair value of the investment at disposal date is \$4,506,063. The net cumulative gain upon disposal is \$4,422,728 (note 26). Refer to note 29 for further information on fair value measurement.

**Note 14. Non-current assets - other financial assets**

|                    | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|--------------------|----------------------------------------|------------------------|
| Security deposits  | -                                      | 840                    |
| Long term deposits | 2,789                                  | 497                    |
|                    | <u>2,789</u>                           | <u>1,337</u>           |

**Note 15. Non-current assets - property, plant and equipment**

|                                  | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|----------------------------------|----------------------------------------|------------------------|
| Leasehold improvements - at cost | 1,384                                  | 1,183                  |
| Less: Accumulated depreciation   | (878)                                  | (697)                  |
|                                  | <u>506</u>                             | <u>486</u>             |
| Fixtures and fittings - at cost  | 424                                    | 379                    |
| Less: Accumulated depreciation   | (392)                                  | (352)                  |
|                                  | <u>32</u>                              | <u>27</u>              |
| Office equipment - at cost       | 4,186                                  | 3,418                  |
| Less: Accumulated depreciation   | (2,948)                                | (2,380)                |
|                                  | <u>1,238</u>                           | <u>1,038</u>           |
| Work in progress - at cost       | -                                      | 3                      |
|                                  | <u>1,776</u>                           | <u>1,554</u>           |

**Note 15. Non-current assets - property, plant and equipment (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

| <b>Consolidated</b>     | Leasehold<br>improvements<br>\$'000 | Fixtures and<br>fittings<br>\$'000 | Office<br>equipment<br>\$'000 | Work in<br>progress<br>\$'000 | Total<br>\$'000 |
|-------------------------|-------------------------------------|------------------------------------|-------------------------------|-------------------------------|-----------------|
| Balance at 1 July 2021  | 611                                 | 45                                 | 807                           | 21                            | 1,484           |
| Additions               | 70                                  | 2                                  | 793                           | -                             | 865             |
| Disposals               | -                                   | -                                  | (2)                           | -                             | (2)             |
| Exchange differences    | 1                                   | -                                  | -                             | -                             | 1               |
| Transfers in/(out)      | -                                   | -                                  | 18                            | (18)                          | -               |
| Depreciation expense    | (196)                               | (20)                               | (578)                         | -                             | (794)           |
| Balance at 30 June 2022 | 486                                 | 27                                 | 1,038                         | 3                             | 1,554           |
| Additions               | 162                                 | 25                                 | 845                           | -                             | 1,032           |
| Exchange differences    | -                                   | -                                  | 8                             | -                             | 8               |
| Transfers in/(out)      | -                                   | -                                  | 3                             | (3)                           | -               |
| Depreciation expense    | (142)                               | (20)                               | (656)                         | -                             | (818)           |
| Balance at 30 June 2023 | <u>506</u>                          | <u>32</u>                          | <u>1,238</u>                  | <u>-</u>                      | <u>1,776</u>    |

**Note 16. Non-current assets - right-of-use assets**

|                                   | <b>Consolidated</b><br><b>30 June 2023</b><br><b>\$'000</b> | <b>30 June 2022</b><br><b>\$'000</b> |
|-----------------------------------|-------------------------------------------------------------|--------------------------------------|
| Land and buildings - right-of-use | 18,604                                                      | 15,418                               |
| Less: Accumulated depreciation    | <u>(8,906)</u>                                              | <u>(5,691)</u>                       |
|                                   | <u>9,698</u>                                                | <u>9,727</u>                         |

The Group leases buildings for its offices under agreements of three years with, in some cases, options to extend. The leases have various escalation clauses.

**Note 16. Non-current assets - right-of-use assets (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

| <b>Consolidated</b>     | <b>Land and buildings<br/>\$'000</b> |
|-------------------------|--------------------------------------|
| Balance at 1 July 2021  | 12,257                               |
| Remeasurement of leases | 2                                    |
| Exchange differences    | (2)                                  |
| Depreciation expense    | (2,530)                              |
| Balance at 30 June 2022 | 9,727                                |
| Additions               | 2,666                                |
| Remeasurement of leases | 508                                  |
| Exchange differences    | (16)                                 |
| Depreciation expense    | (3,187)                              |
| Balance at 30 June 2023 | <u>9,698</u>                         |

For other lease disclosures, refer to the following:

- note 7 for details of depreciation on right-of-use assets, interest on lease liabilities and other lease payments;
- note 20 and note 22 for lease liabilities at year end;
- note 28 for maturity analysis of lease liabilities; and
- consolidated statement of cash flows for repayment of lease liabilities.

**Note 17. Non-current assets - intangibles**

|                                         | <b>Consolidated<br/>30 June 2023<br/>\$'000</b> | <b>30 June 2022<br/>\$'000</b> |
|-----------------------------------------|-------------------------------------------------|--------------------------------|
| Goodwill - at cost                      | 4,974                                           | 632                            |
| Less: Impairment                        | -                                               | (632)                          |
|                                         | <u>4,974</u>                                    | <u>-</u>                       |
| Customer relationships - at cost        | 248                                             | -                              |
| Less: Accumulated amortisation          | (17)                                            | -                              |
|                                         | <u>231</u>                                      | <u>-</u>                       |
| Software - at cost                      | 2,986                                           | 932                            |
| Less: Accumulated amortisation          | (1,308)                                         | (901)                          |
| Less: Impairment                        | -                                               | (3)                            |
|                                         | <u>1,678</u>                                    | <u>28</u>                      |
| Capitalised development costs - at cost | 98,923                                          | 75,525                         |
| Less: Accumulated amortisation          | (56,847)                                        | (37,014)                       |
| Less: Impairment                        | -                                               | (627)                          |
|                                         | <u>42,076</u>                                   | <u>37,884</u>                  |
| Brand - at cost                         | <u>34</u>                                       | <u>-</u>                       |
|                                         | <u>48,993</u>                                   | <u>37,912</u>                  |

**Note 17. Non-current assets - intangibles (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

| <b>Consolidated</b>                               | <b>Goodwill<br/>\$'000</b> | <b>Customer<br/>relationships<br/>\$'000</b> | <b>Software<br/>\$'000</b> | <b>Capitalised<br/>development<br/>costs*<br/>\$'000</b> | <b>Brand<br/>\$'000</b> | <b>Total<br/>\$'000</b> |
|---------------------------------------------------|----------------------------|----------------------------------------------|----------------------------|----------------------------------------------------------|-------------------------|-------------------------|
| Balance at 1 July 2021                            | -                          | -                                            | 56                         | 29,975                                                   | -                       | 30,031                  |
| Additions                                         | -                          | -                                            | -                          | 22,023                                                   | -                       | 22,023                  |
| Exchange differences                              | -                          | -                                            | (1)                        | -                                                        | -                       | (1)                     |
| Amortisation expense                              | -                          | -                                            | (27)                       | (14,114)                                                 | -                       | (14,141)                |
| Balance at 30 June 2022                           | -                          | -                                            | 28                         | 37,884                                                   | -                       | 37,912                  |
| Additions                                         | -                          | -                                            | -                          | 23,399                                                   | -                       | 23,399                  |
| Additions through business combinations (note 35) | 4,974                      | 248                                          | 2,057                      | -                                                        | 34                      | 7,313                   |
| Amortisation expense                              | -                          | (17)                                         | (407)                      | (19,207)                                                 | -                       | (19,631)                |
| Balance at 30 June 2023                           | <u>4,974</u>               | <u>231</u>                                   | <u>1,678</u>               | <u>42,076</u>                                            | <u>34</u>               | <u>48,993</u>           |

\* Capitalised development costs includes work-in-progress.

*Impairment testing*

Goodwill associated with the Group arose when GuestJoy OÜ was acquired on 30 September 2022. Goodwill is allocated to the Group as the only cash generating units (CGU). The recoverable amount of the CGU is determined based on a value in use calculation which uses cash flow projections based on the most recent five-year financial plan updated for current performance and is discounted at a post-tax discount rate of 16.2%, taking into account the Group's weighted average cost of capital adjusted for any risks specific to the CGU.

Terminal growth rate applied in the discounted cash flow has been set as 2.5%, which is based on estimates of long term inflation and weighted average GDP growth across the countries in which the CGU primarily operates.

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for the CGU. Management believe that any reasonably possible change in the key assumptions on which the recoverable amount of the CGU is based would not cause the carrying amount to exceed the recoverable amount of the CGU.

The value-in-use model assumes a post-tax discount rate of 16.2%. If the post tax discount rate was 22% higher while all other variables were held constant, an impairment of the goodwill may be required. If the projected EBITDA was underperformed by 50%, while all other variables were held constant, an impairment of the goodwill may be required.



**Note 18. Current liabilities - trade and other payables**

|                                    | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|------------------------------------|----------------------------------------|------------------------|
| Trade payables                     | 7,321                                  | 5,351                  |
| GST, VAT and sales tax liabilities | 590                                    | -                      |
| Employment taxes payable           | 3,661                                  | 3,417                  |
| Other provisions                   | 3,085                                  | 4,346                  |
| Accrued expenses                   | 3,501                                  | 5,044                  |
| Other payables                     | 1,644                                  | 2,208                  |
|                                    | <u>19,802</u>                          | <u>20,366</u>          |

Refer to note 28 for further information on financial instruments.

**Note 19. Current liabilities - contract liabilities**

|                      | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|----------------------|----------------------------------------|------------------------|
| Contract liabilities | <u>6,184</u>                           | <u>3,907</u>           |

*Reconciliation*

Reconciliation at the beginning and end of the current and previous financial year are set out below:

|                                                       |              |              |
|-------------------------------------------------------|--------------|--------------|
| Opening balance                                       | 3,907        | 4,020        |
| Payments received in advance                          | 103,155      | 83,264       |
| Transfer to revenue - included in the opening balance | (3,907)      | (4,020)      |
| Transfer to revenue - other balances                  | (97,046)     | (79,384)     |
| Exchange differences                                  | 75           | 27           |
|                                                       | <u>6,184</u> | <u>3,907</u> |
| Closing balance                                       | <u>6,184</u> | <u>3,907</u> |

*Unsatisfied performance obligations*

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$6,184,000 as at 30 June 2023 (2022: \$3,907,000) and is expected to be recognised within 1 year of the financial year end.

**Note 20. Current liabilities - lease liabilities**

|                   | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|-------------------|----------------------------------------|------------------------|
| Lease liabilities | <u>4,092</u>                           | <u>2,717</u>           |

Refer to note 22 and note 28 for further information on lease liabilities.

**Note 21. Current liabilities - employee benefits**

|                       | <b>Consolidated</b> |                     |
|-----------------------|---------------------|---------------------|
|                       | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                       | <b>\$'000</b>       | <b>\$'000</b>       |
| Annual leave          | 4,345               | 4,318               |
| Long service leave    | 863                 | 723                 |
| Cash tenure liability | 103                 | -                   |
| Other                 | 2,716               | 2,024               |
|                       | <u>8,027</u>        | <u>7,065</u>        |

**Note 22. Non-current liabilities - lease liabilities**

|                   | <b>Consolidated</b> |                     |
|-------------------|---------------------|---------------------|
|                   | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                   | <b>\$'000</b>       | <b>\$'000</b>       |
| Lease liabilities | <u>8,487</u>        | <u>9,913</u>        |

Refer to note 28 for further information on financial instruments.

*Reconciliation*

Reconciliation of the lease liabilities (current and non-current) at the beginning and end of the current financial year are set out below:

|                                                     |               |               |
|-----------------------------------------------------|---------------|---------------|
| Opening balance                                     | 12,630        | 14,282        |
| Additions                                           | 2,666         | -             |
| Remeasurement of leases                             | 508           | 2             |
| Interest expense                                    | 779           | 833           |
| Repayment of lease liabilities and interest expense | (4,008)       | (2,475)       |
| Rent relief                                         | -             | (10)          |
| Exchange movements                                  | 4             | (2)           |
| Closing balance                                     | <u>12,579</u> | <u>12,630</u> |
| Representing:                                       |               |               |
| Lease liabilities (current) (note 20)               | 4,092         | 2,717         |
| Lease liabilities (non-current)                     | <u>8,487</u>  | <u>9,913</u>  |
|                                                     | <u>12,579</u> | <u>12,630</u> |

**Note 23. Non-current liabilities - employee benefits**

|                       | <b>Consolidated</b> |                     |
|-----------------------|---------------------|---------------------|
|                       | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                       | <b>\$'000</b>       | <b>\$'000</b>       |
| Cash tenure liability | 302                 | 266                 |
| Long service leave    | 524                 | 383                 |
| Other                 | -                   | 22                  |
|                       | <u>826</u>          | <u>671</u>          |

**Note 24. Non-current liabilities - other non-current liabilities**

|                          | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|--------------------------|----------------------------------------|------------------------|
| Contingent consideration | 2,045                                  | -                      |

Contingent consideration payable relates to the acquisition of GuestJoy OÜ. Refer to note 29 and note 35 for further details.

**Note 25. Equity - issued capital**

|                                                             | 30 June 2023<br>Shares | 30 June 2022<br>Shares | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|-------------------------------------------------------------|------------------------|------------------------|----------------------------------------|------------------------|
| Ordinary shares                                             | 275,066,106            | 271,793,707            | 271,097                                | 258,679                |
| Shares issued under management loan funded share based plan | (10,176,287)           | (12,508,677)           | (22,302)                               | (24,665)               |
| Treasury shares issued for other share based payment plans  | (1,746,452)            | (1,294,291)            | -                                      | -                      |
|                                                             | <u>263,143,367</u>     | <u>257,990,739</u>     | <u>248,795</u>                         | <u>234,014</u>         |

*Movements in ordinary share capital*

| Details                                                                                             | Shares             | \$'000         |
|-----------------------------------------------------------------------------------------------------|--------------------|----------------|
| Balance at 1 July 2021                                                                              | 2,522,692          | 1,721          |
| Issue of shares                                                                                     | 112,356,747        | 157,309        |
| Issue of shares - treasury shares                                                                   | 1,500,000          | -              |
| New shares issued on options exercised                                                              | 611,586            | 625            |
| Forfeiture of shares issued under management loan funded share based plan                           | -                  | (317)          |
| Exercise of performance rights and options from existing treasury shares*                           | -                  | 70             |
| Share issuance costs                                                                                | -                  | (4,156)        |
| Share split**                                                                                       | 98,584,122         | -              |
| Share split for A class shares**                                                                    | 35,808,640         | 71,540         |
| Share split for management loan funded share based plan**                                           | 20,409,920         | 31,887         |
| Balance at 1 July 2022                                                                              | 271,793,707        | 258,679        |
| Issue of shares - acquisition of GuestJoy OÜ                                                        | 1,461,165          | 4,515          |
| Issue of shares - 1st deferred consideration - GuestJoy OÜ                                          | 211,234            | 714            |
| Issue of shares - treasury shares                                                                   | 1,600,000          | -              |
| Impact of transfer from loan funded share based plan to treasury shares                             | -                  | (125)          |
| Transfer from share based payments reserve on vesting of performance rights and exercise of options | -                  | 7,314          |
| Closing balance at 30 June 2023                                                                     | <u>275,066,106</u> | <u>271,097</u> |

\* In June 2022, 20,000 shares were released from the treasury shares with consideration of \$70,000 from the exercise of options.

\*\* With effect immediately before the IPO on the 8th November 2021, the Group restructured its capital so that A class shares, management loan funded shares and preference shares were converted to ordinary shares, followed by a share split on 1 to 40 basis.

**Note 25. Equity - issued capital (continued)**

*Movements in shares issued under management loan funded share based plan*

**Details**

|                                                                                                           | Shares       | \$'000   |
|-----------------------------------------------------------------------------------------------------------|--------------|----------|
| Balance at 1 July 2021                                                                                    | (515,495)    | (32,156) |
| Exercise of shares issued under loan funded management share based payment plan                           | 7,714,049    | 7,174    |
| Forfeiture of shares issued under management loan funded share based plan and transfer to ordinary shares | 80,940       | 317      |
| Share split                                                                                               | (19,788,171) | -        |
| Balance at 30 June 2022                                                                                   | (12,508,677) | (24,665) |
| Exercise of shares issued under loan funded management share based payment plan                           | 2,254,440    | 2,238    |
| Forfeiture of shares issued under management loan funded share based plan and transfer to treasury shares | 77,940       | 125      |
| Balance at 30 June 2023                                                                                   | (10,176,297) | (22,302) |

*Movements in treasury shares issued for other share based payment plans\**

**Details**

|                                                                                                       | Shares      | \$'000 |
|-------------------------------------------------------------------------------------------------------|-------------|--------|
| Balance at 1 July 2021                                                                                | -           | -      |
| Treasury shares issued                                                                                | (1,500,000) | -      |
| Treasury shares released on exercise of performance rights                                            | 263,649     | -      |
| Transfer from treasury shares issued under management loan funded share based plan to treasury shares | (77,940)    | -      |
| Treasury shares released (options exercised)                                                          | 20,000      | -      |
| Balance at 30 June 2022                                                                               | (1,294,291) | -      |
| Treasury shares issued                                                                                | (1,600,000) | -      |
| Treasury shares released on exercise of performance rights and options                                | 1,147,839   | -      |
| Balance at 30 June 2023                                                                               | (1,746,452) | -      |

\* For the year ended 30 June 2023, 1,600,000 (FY22: 1,500,000) shares were issued by the Company to the Employee Share Trust. The shares were not acquired on market therefore no value has been prescribed. Shares released from the trust relate to the exercise of performance rights and options and are valued at their fair value recognised in the share based payment reserve.

**Ordinary shares**

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

## Note 25. Equity - issued capital (continued)

### *Shares issued under management loan funded share based plan*

In FY2017 a Loan Funded Share Plan was established to align the interests of eligible employees more closely with the interests of shareholders by providing an opportunity for eligible employees to receive an equity interest in the Company. Under the plan, participants were issued fully paid L Class Shares in the Company and given a limited recourse loan from the Company to fund the acquisition of those L Class Shares ("Limited Recourse Loan"). Since the IPO, the L Class Shares were converted to Ordinary shares. Voluntary repayments of a Limited Recourse Loan can be made at any time with compulsory repayment required when exercised upon which participants will receive ordinary shares. Shares under the plan confer no voting rights, however they carry rights to dividends. The loan to participants for the shares issued has been deducted from equity as the scheme is treated as an in substance share option.

### *Treasury shares*

Treasury shares are ordinary shares issued to employee share trust to satisfy future exercises that occur in the SiteMinder Equity Performance Rights Plan and SiteMinder Options Plan. Ordinary shares will be released from employee share trust and provided to permanent staff members at the time of satisfying time vesting conditions of up to 3 years.

### *Capital risk management*

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2022 Annual Report.

## Note 26. Equity - reserves

|                                           | <b>Consolidated</b> |                     |
|-------------------------------------------|---------------------|---------------------|
|                                           | <b>30 June 2023</b> | <b>30 June 2022</b> |
|                                           | <b>\$'000</b>       | <b>\$'000</b>       |
| Foreign currency translation reserve      | (2,537)             | (2,892)             |
| Share-based payments reserve (net of tax) | 23,161              | 19,923              |
| Share buy-back reserve                    | (6,399)             | (6,399)             |
| Financial assets at fair value reserve    | -                   | 3,249               |
| Embedded derivative conversion reserve    | 422,256             | 422,256             |
|                                           | <u>436,481</u>      | <u>436,137</u>      |

**Note 26. Equity - reserves (continued)**

*Movements in reserves*

Movements in each class of reserve during the current and previous financial year are set out below:

| <b>Consolidated</b>                                                                                                           | Foreign<br>currency<br>translation<br>reserve<br>\$'000 | Share-based<br>payment<br>reserve<br>\$'000 | Share buy-<br>back reserve<br>\$'000 | Financial<br>assets at fair<br>value reserve<br>\$'000 | Embedded<br>derivative<br>conversion<br>reserve*<br>\$'000 | Total<br>\$'000 |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------|--------------------------------------|--------------------------------------------------------|------------------------------------------------------------|-----------------|
| Balance at 1 July 2021                                                                                                        | (1,405)                                                 | 9,063                                       | (6,399)                              | 2,350                                                  | 20,553                                                     | 24,162          |
| Foreign currency translation                                                                                                  | (1,487)                                                 | -                                           | -                                    | -                                                      | -                                                          | (1,487)         |
| Share-based payments                                                                                                          | -                                                       | 11,398                                      | -                                    | -                                                      | -                                                          | 11,398          |
| Gain on the revaluation of<br>financial assets                                                                                | -                                                       | -                                           | -                                    | 899                                                    | -                                                          | 899             |
| Conversion of preference<br>shares                                                                                            | -                                                       | -                                           | -                                    | -                                                      | 401,703                                                    | 401,703         |
| New shares issued on options<br>exercised                                                                                     | -                                                       | (538)                                       | -                                    | -                                                      | -                                                          | (538)           |
| Balance at 30 June 2022                                                                                                       | (2,892)                                                 | 19,923                                      | (6,399)                              | 3,249                                                  | 422,256                                                    | 436,137         |
| Foreign currency translation                                                                                                  | 355                                                     | -                                           | -                                    | -                                                      | -                                                          | 355             |
| Share-based payments                                                                                                          | -                                                       | 10,552                                      | -                                    | -                                                      | -                                                          | 10,552          |
| Transfer from share based<br>payments reserve on vesting of<br>performance rights and exercise<br>of options to share capital | -                                                       | (7,314)                                     | -                                    | -                                                      | -                                                          | (7,314)         |
| Gain on the revaluation of<br>financial assets                                                                                | -                                                       | -                                           | -                                    | 1,173                                                  | -                                                          | 1,173           |
| Cumulative gain on equity<br>instruments designated as at<br>FVTOCI transferred to<br>accumulated losses upon<br>disposal     | -                                                       | -                                           | -                                    | (4,422)                                                | -                                                          | (4,422)         |
| Balance at 30 June 2023                                                                                                       | <u>(2,537)</u>                                          | <u>23,161</u>                               | <u>(6,399)</u>                       | <u>-</u>                                               | <u>422,256</u>                                             | <u>436,481</u>  |

*Foreign currency translation reserve*

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

*Share-based payments reserve*

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

*Share buy-back reserve*

The reserve is used to recognise contributions made by the Company to buy-back issued capital.

*Financial assets at fair value reserve*

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

*Embedded derivative conversion reserve*

The embedded derivative conversion reserve represents the excess of the derivative fair value on conversion over the preference share capital initially contributed. On IPO, all preference shares were converted to ordinary shares.

\* Accumulated losses include \$422,256,000 (FY22: \$422,256,000) accumulated losses resulting from fair value through profit or loss of embedded derivative movement of preference shares and \$185,902,000 (FY22: \$141,028,000) accumulated losses from operations.

## Note 27. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

## Note 28. Financial instruments

### Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Audit and Risk Committee, a sub-committee of the Board, has responsibility for managing risk. The Committee reports to the Board on its activities.

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

### Market risk

#### Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group's foreign exchange risk is managed to ensure sufficient funds are available to meet foreign currency commitments in a timely and cost-effective manner. The Group will continually monitor this risk and consider entering into forward foreign exchange, foreign currency swap and foreign currency option contracts if appropriate.

Creditors and debtors were reviewed to assess currency risk at year end. The value of transactions denominated in a currency other than the functional currency of the respective subsidiary was insignificant and therefore the risk was determined as immaterial.

The carrying amount of the Group's foreign currency denominated cash balances at the reporting date were as follows:

|                     | Assets        |               | Liabilities    |              |
|---------------------|---------------|---------------|----------------|--------------|
|                     | 30 June 2023  | 30 June 2022  | 30 June 2023   | 30 June 2022 |
| Consolidated        | \$'000        | \$'000        | \$'000         | \$'000       |
| Canadian dollar     | 282           | 134           | -              | -            |
| Euro                | 4,569         | 6,590         | (310)          | 218          |
| Great British pound | -             | -             | (7)            | 26           |
| Indonesian rupiah   | 378           | 53            | (1)            | -            |
| Malaysian ringgit   | 91            | 42            | -              | -            |
| Mexican peso        | 24            | 26            | -              | -            |
| New Zealand dollar  | 1,573         | 1,055         | (2)            | -            |
| Philippine peso     | -             | -             | (953)          | 350          |
| Thai baht           | 370           | 173           | (1)            | -            |
| US dollar           | 3,664         | 2,006         | (4,142)        | 843          |
| South African Rand  | -             | -             | (1)            | -            |
|                     | <u>10,951</u> | <u>10,079</u> | <u>(5,417)</u> | <u>1,437</u> |



**Note 28. Financial instruments (continued)**

*Sensitivity analysis*

Based on the Group's foreign exchange exposure, had the Australian dollar weakened by 10%/strengthened by 10% against these foreign currencies with all other variables held constant, the Group's loss before tax for the year would have been impacted as follows:

| Consolidated - 30 June 2023 | % change | AUD strengthened                |                     | % change | AUD weakened                    |                     |
|-----------------------------|----------|---------------------------------|---------------------|----------|---------------------------------|---------------------|
|                             |          | Effect on<br>loss before<br>tax | Effect on<br>equity |          | Effect on<br>loss before<br>tax | Effect on<br>equity |
| Canadian dollar             | 10%      | (26)                            | -                   | 10%      | 31                              | -                   |
| Euro                        | 10%      | (387)                           | -                   | 10%      | 473                             | -                   |
| Great British pound         | 10%      | 1                               | -                   | 10%      | (1)                             | -                   |
| Indonesian rupiah           | 10%      | (34)                            | -                   | 10%      | 42                              | -                   |
| Malaysian ringgit           | 10%      | (8)                             | -                   | 10%      | 10                              | -                   |
| Mexican peso                | 10%      | (2)                             | -                   | 10%      | 3                               | -                   |
| New Zealand dollar          | 10%      | (143)                           | -                   | 10%      | 174                             | -                   |
| Philippine peso             | 10%      | 87                              | -                   | 10%      | (106)                           | -                   |
| Thai baht                   | 10%      | (34)                            | -                   | 10%      | 41                              | -                   |
| US dollar                   | 10%      | 43                              | -                   | 10%      | (53)                            | -                   |
|                             |          | (503)                           | -                   |          | 614                             | -                   |

| Consolidated - 30 June 2022 | % change | AUD strengthened                |                     | % change | AUD weakened                    |                     |
|-----------------------------|----------|---------------------------------|---------------------|----------|---------------------------------|---------------------|
|                             |          | Effect on<br>loss before<br>tax | Effect on<br>equity |          | Effect on<br>loss before<br>tax | Effect on<br>equity |
| Canadian dollar             | 10%      | (12)                            | -                   | 10%      | 15                              | -                   |
| Euro                        | 10%      | (579)                           | -                   | 10%      | 708                             | -                   |
| Great British pound         | 10%      | 2                               | -                   | 10%      | (3)                             | -                   |
| Indonesian rupiah           | 10%      | (5)                             | -                   | 10%      | 6                               | -                   |
| Malaysian ringgit           | 10%      | (4)                             | -                   | 10%      | 5                               | -                   |
| Mexican peso                | 10%      | (2)                             | -                   | 10%      | 3                               | -                   |
| New Zealand dollar          | 10%      | (96)                            | -                   | 10%      | 117                             | -                   |
| Philippine peso             | 10%      | 32                              | -                   | 10%      | (39)                            | -                   |
| Thai baht                   | 10%      | (16)                            | -                   | 10%      | 19                              | -                   |
| US dollar                   | 10%      | (106)                           | -                   | 10%      | 129                             | -                   |
|                             |          | (786)                           | -                   |          | 960                             | -                   |

*Price risk*

The Group is not exposed to any significant price risk.

*Interest rate risk*

The Group is 100% funded by equity, therefore is not exposed to any significant interest rate risk. The Group has a credit facility of US\$20,000,000 from First-Citizens Bank & Trust Company (successor by purchase to the Federal Deposit Insurance Corporation as Receiver for Silicon Valley Bridge Bank, N.A. (as successor to Silicon Valley Bank)) to it. The undrawn portion of the credit facility is subject to fixed interest rates. If the Group withdraws from the credit facility, then the Group may be subject to interest rate risk in the current environment with rising interest rates.

## Note 28. Financial instruments (continued)

### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any expected credit losses on those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These expected credit losses are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than one year.

The Group does not have any significant credit risk exposure to any single customer. The carrying amount of financial assets recorded in the statement of financial position, net of any allowances for losses, represents the Group's maximum exposure to credit risk.

### Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

### Credit facilities

The Group has a credit facility of US\$20,000,000 (2022: US\$20,000,000) from First-Citizens Bank & Trust Company (successor by purchase to the Federal Deposit Insurance Corporation as receiver for Silicon Valley Bridge Bank, N.A. (as successor to Silicon Valley Bank)) available to it. As at 30 June 2023, and up to the date of signing of this report, the facility is undrawn.

In July 2023, the Group signed a new US\$20m credit facility with HSBC VENTURES USA INC., supplanting the facility previously provided by Silicon Valley Bank (SVB).

### Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

|                                      | Weighted<br>average<br>interest rate<br>% | 1 year or less<br>\$'000 | Between 1<br>and 2 years<br>\$'000 | Between 2<br>and 5 years<br>\$'000 | Over 5 years<br>\$'000 | Remaining<br>contractual<br>maturities<br>\$'000 |
|--------------------------------------|-------------------------------------------|--------------------------|------------------------------------|------------------------------------|------------------------|--------------------------------------------------|
| <b>Consolidated - 30 June 2023</b>   |                                           |                          |                                    |                                    |                        |                                                  |
| <b>Non-derivatives</b>               |                                           |                          |                                    |                                    |                        |                                                  |
| <i>Non-interest bearing</i>          |                                           |                          |                                    |                                    |                        |                                                  |
| Trade payables                       | -                                         | 7,321                    | -                                  | -                                  | -                      | 7,321                                            |
| Other payables                       | -                                         | 1,644                    | -                                  | -                                  | -                      | 1,644                                            |
| <i>Interest-bearing - fixed rate</i> |                                           |                          |                                    |                                    |                        |                                                  |
| Lease liabilities                    | 5.77%                                     | 4,799                    | 4,646                              | 4,342                              | -                      | 13,787                                           |
| Total non-derivatives                |                                           | 13,764                   | 4,646                              | 4,342                              | -                      | 22,752                                           |

**Note 28. Financial instruments (continued)**

| Consolidated - 30 June 2022          | Weighted<br>average<br>interest rate<br>% | 1 year or less<br>\$'000 | Between 1<br>and 2 years<br>\$'000 | Between 2<br>and 5 years<br>\$'000 | Over 5 years<br>\$'000 | Remaining<br>contractual<br>maturities<br>\$'000 |
|--------------------------------------|-------------------------------------------|--------------------------|------------------------------------|------------------------------------|------------------------|--------------------------------------------------|
| <b>Non-derivatives</b>               |                                           |                          |                                    |                                    |                        |                                                  |
| <i>Non-interest bearing</i>          |                                           |                          |                                    |                                    |                        |                                                  |
| Trade payables                       | -                                         | 5,351                    | -                                  | -                                  | -                      | 5,351                                            |
| Other payables                       | -                                         | 2,208                    | -                                  | -                                  | -                      | 2,208                                            |
| <i>Interest-bearing - fixed rate</i> |                                           |                          |                                    |                                    |                        |                                                  |
| Lease liabilities                    | 6.25%                                     | 3,410                    | 3,462                              | 7,398                              | -                      | 14,270                                           |
| Total non-derivatives                |                                           | 10,969                   | 3,462                              | 7,398                              | -                      | 21,829                                           |

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

**Note 29. Fair value measurement**

*Fair value hierarchy*

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

| Consolidated - 30 June 2023 | Level 1<br>\$'000 | Level 2<br>\$'000 | Level 3<br>\$'000 | Total<br>\$'000 |
|-----------------------------|-------------------|-------------------|-------------------|-----------------|
| <i>Liabilities</i>          |                   |                   |                   |                 |
| Contingent consideration    | -                 | -                 | 2,045             | 2,045           |
| Total liabilities           | -                 | -                 | 2,045             | 2,045           |

| Consolidated - 30 June 2022                                 | Level 1<br>\$'000 | Level 2<br>\$'000 | Level 3<br>\$'000 | Total<br>\$'000 |
|-------------------------------------------------------------|-------------------|-------------------|-------------------|-----------------|
| <i>Assets</i>                                               |                   |                   |                   |                 |
| Investment at fair value through other comprehensive income | -                 | -                 | 3,333             | 3,333           |
| Total assets                                                | -                 | -                 | 3,333             | 3,333           |

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

*Valuation techniques for fair value measurements categorised within level 2 and level 3*

Unquoted investments have been valued using a discounted cash flow model.

The contingent consideration payable relates to acquisition of subsidiaries, refer to note 35 for further details. The contingent consideration is calculated based on probability of achievements on post-acquisition deliverables.

## Note 29. Fair value measurement (continued)

### Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

| Consolidated                                                         | Investment<br>\$'000 | Derivative<br>liability<br>\$'000 | Contingent<br>liability<br>\$'000 | Total<br>\$'000 |
|----------------------------------------------------------------------|----------------------|-----------------------------------|-----------------------------------|-----------------|
| Balance at 1 July 2021                                               | 2,434                | (339,944)                         | -                                 | (337,510)       |
| Losses recognised in profit or loss                                  | -                    | (61,759)                          | -                                 | (61,759)        |
| Conversion of preference shares (note 26)                            | -                    | 401,703                           | -                                 | 401,703         |
| Gains recognised in other comprehensive income                       | 899                  | -                                 | -                                 | 899             |
| Balance at 30 June 2022                                              | 3,333                | -                                 | -                                 | 3,333           |
| Gain on the revaluation of equity instrument designated as at FVTOCI | 1,173                | -                                 | -                                 | 1,173           |
| Disposal of equity instrument designated as at FVTOCI                | (4,506)              | -                                 | -                                 | (4,506)         |
| Settlement of 1st deferred consideration - GuestJoy OÜ               | -                    | -                                 | 714                               | 714             |
| Acquisition                                                          | -                    | -                                 | (2,481)                           | (2,481)         |
| Unwind of interest - GuestJoy OÜ deferred consideration              | -                    | -                                 | (278)                             | (278)           |
| Balance at 30 June 2023                                              | -                    | -                                 | (2,045)                           | (2,045)         |

The level 3 assets and liabilities unobservable inputs and sensitivity are as follows:

| Description                                                  | Valuation technique<br>and key inputs                                                                                                       | Significant<br>unobservable inputs                                                                                     | Sensitivity                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Contingent consideration in a business combination (note 35) | Discounted cash flow method was used to capture the present value of the earnouts based on the probabilities of meeting performance hurdles | Discount rate of 4.5% determined based on cost of debt for GuestJoy.<br><br>100% probabilities of meeting the hurdles. | The higher the discount rate, the lower the fair value.<br>If the discount rate was 5% higher while all other variables were held constant, the carrying amount would decrease by \$116,060.<br><br>The lower the probability, the lower the fair value.<br>If the probability was 10% lower while all other variables were held constant, the carrying amount would decrease by \$204,520. |

## Note 30. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the Company, and unrelated firms:

**Note 30. Remuneration of auditors (continued)**

|                                                                                     | Consolidated<br>30 June 2023<br>\$ | 30 June 2022<br>\$ |
|-------------------------------------------------------------------------------------|------------------------------------|--------------------|
| <i>Audit services - Deloitte Touche Tohmatsu</i>                                    |                                    |                    |
| Half-year review of the financial statements                                        | 118,500                            | 189,000            |
| Full year audit of the financial statements                                         | 284,875                            | 250,000            |
|                                                                                     | <u>403,375</u>                     | <u>439,000</u>     |
| <i>Other services - Deloitte Touche Tohmatsu</i>                                    |                                    |                    |
| Investigating Accountants Report and other related services with respect to the IPO | -                                  | 974,005            |
| Taxation advisory and compliance service                                            | 8,545                              | 26,750             |
|                                                                                     | <u>8,545</u>                       | <u>1,000,755</u>   |
|                                                                                     | <u>411,920</u>                     | <u>1,439,755</u>   |
| <i>Audit services - unrelated firms</i>                                             |                                    |                    |
| Audit or review of the financial statements                                         | 173,483                            | 86,023             |
| <i>Other services - unrelated firms</i>                                             |                                    |                    |
| Other services*                                                                     | 353,463                            | 1,117,515          |
|                                                                                     | <u>526,946</u>                     | <u>1,203,538</u>   |

\* Other services include taxation advisory and compliance service and IPO advisory services.

**Note 31. Earnings per share**

|                                                                                           | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|-------------------------------------------------------------------------------------------|----------------------------------------|------------------------|
| Loss after income tax attributable to the owners of SiteMinder Limited                    | <u>(49,296)</u>                        | <u>(110,395)</u>       |
|                                                                                           | <b>Number</b>                          | <b>Number</b>          |
| Weighted average number of ordinary shares used in calculating basic earnings per share   | 260,838,310                            | 201,863,041            |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | <u>260,838,310</u>                     | <u>201,863,041</u>     |
|                                                                                           | <b>\$</b>                              | <b>\$</b>              |
| Basic loss per share                                                                      | (0.19)                                 | (0.55)                 |
| Diluted loss per share                                                                    | (0.19)                                 | (0.55)                 |

Share options, unpaid management loan funded shares and preference shares have been excluded from the above calculation as they were anti-dilutive.

## Note 32. Key management personnel disclosures

### Compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

|                              | Consolidated     |                  |
|------------------------------|------------------|------------------|
|                              | 30 June 2023     | 30 June 2022     |
|                              | \$               | \$               |
| Short-term employee benefits | 2,257,045        | 2,123,438        |
| Long-term benefits           | 107,598          | 95,709           |
| Share-based payments         | 618,813          | 950,958          |
|                              | <u>2,983,456</u> | <u>3,170,105</u> |

## Note 33. Related party transactions

### Parent entity

SiteMinder Limited is the parent entity.

### Subsidiaries

Interests in subsidiaries are set out in note 36.

### Key management personnel

Disclosures relating to key management personnel are set out in note 32 and the remuneration report included in the directors' report.

### Transactions with related parties

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

### Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

### Loans to/from related parties

During the current financial year, the Company agreed to discharge an intercompany loan by converting the loan to a contribution of capital to SiteMinder Hospitality Corporation, for which there is no impact to the consolidated group results.

## Note 34. Parent entity information

Set out below is the supplementary information about the parent entity.

### Statement of profit or loss and other comprehensive income

|                                                     | Parent          |                  |
|-----------------------------------------------------|-----------------|------------------|
|                                                     | 30 June 2023    | 30 June 2022     |
|                                                     | \$'000          | \$'000           |
| Loss after income tax                               | (69,633)        | (140,156)        |
| Other comprehensive income for the year, net of tax | -               | -                |
| Total comprehensive loss                            | <u>(69,633)</u> | <u>(140,156)</u> |

**Note 34. Parent entity information (continued)**

*Statement of financial position*

|                               | Parent<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|-------------------------------|----------------------------------|------------------------|
| Total current assets          | 45,709                           | 81,452                 |
| Total non-current assets      | 44,661                           | 56,381                 |
| Total assets                  | 90,370                           | 137,833                |
| Total current liabilities     | 28,182                           | 24,390                 |
| Total non-current liabilities | 9,828                            | 10,727                 |
| Total liabilities             | 38,010                           | 35,117                 |
| Net assets                    | 52,360                           | 102,716                |
| Equity                        |                                  |                        |
| Issued capital                | 248,795                          | 234,014                |
| Reserves                      | 439,569                          | 439,497                |
| Accumulated losses            | (636,004)                        | (570,795)              |
| Total equity                  | 52,360                           | 102,716                |

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2023 and 30 June 2022.

*Contingent liabilities*

The parent entity had no contingent liabilities as at 30 June 2023 and 30 June 2022.

*Loans to/from related parties*

During the current financial year, the Company agreed to discharge an intercompany loan by converting the loan to a contribution of capital to SiteMinder Hospitality Corporation, for which there is no impact to the consolidated group results.

*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2023 and 30 June 2022.

*Significant accounting policies*

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

**Note 35. Business combinations**

On 30 September 2022, SiteMinder Limited acquired 100% of the ordinary shares of GuestJoy OÜ for the total consideration of \$6,996,000. GuestJoy is a customer relationship management suite of tools that helps hoteliers automate and digitise their guest communication, drive upsell revenues, and strengthen direct guest acquisition. GuestJoy will help strengthen the capabilities of SiteMinder's platform which will aid new business acquisition, and reduce churn. The goodwill of \$4,974,000 represents the expected synergies from integrating this business with SiteMinder's software product offerings.



**Note 35. Business combinations (continued)**

The acquired business contributed revenues of \$0.6 million and loss after tax of \$16,028 to the Group for the period from 30 September 2022 to 30 June 2023. If the acquisition occurred on 1 July 2022, the contributions for the period would have been revenues of \$0.8 million and loss after tax of \$37,436. The values identified in relation to the acquisition of GuestJoy OÜ include contingent consideration of \$2,481,000 (€1.75 million) subject to the completion of specified performance milestones within 24 months. The fair value of contingent consideration has been included in assessing the fair values of the assets identified in relation to the acquisition of GuestJoy OÜ. The fair value of the assets identified are final at 30 June 2023.

Details of the acquisition are as follows:

|                                                                    | Fair value<br>\$'000 |
|--------------------------------------------------------------------|----------------------|
| Cash and cash equivalents                                          | 165                  |
| Trade receivables                                                  | 70                   |
| Customer relationships                                             | 248                  |
| Software                                                           | 2,057                |
| Brand                                                              | 34                   |
| Trade payables                                                     | (157)                |
| Deferred tax liability                                             | (346)                |
| Employee benefits                                                  | (49)                 |
|                                                                    | <hr/>                |
| Net assets acquired                                                | 2,022                |
| Goodwill                                                           | 4,974                |
|                                                                    | <hr/>                |
| Acquisition-date fair value of the total consideration transferred | 6,996                |
|                                                                    | <hr/>                |
| Representing:                                                      |                      |
| SiteMinder Limited shares issued to vendor                         | 4,515                |
| Contingent consideration*                                          | 2,481                |
|                                                                    | <hr/>                |
|                                                                    | 6,996                |
|                                                                    | <hr/>                |
| Cash used to acquire business, net of cash acquired:               |                      |
| Acquisition-date fair value of the total consideration transferred | 6,996                |
| Less: cash and cash equivalents                                    | (165)                |
| Less: contingent consideration                                     | (2,481)              |
| Less: shares issued by Company as part of consideration            | (4,515)              |
|                                                                    | <hr/>                |
| Net cash received                                                  | (165)                |
|                                                                    | <hr/>                |

\* Payment of the first earnout component of the contingent consideration is satisfied by way of issue 211,234 ordinary shares to the sellers on 12 April 2023.

### Note 36. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

| Name                                | Principal place of business /<br>Country of incorporation | Ownership interest |                   |
|-------------------------------------|-----------------------------------------------------------|--------------------|-------------------|
|                                     |                                                           | 30 June 2023<br>%  | 30 June 2022<br>% |
| SiteMinder Distribution Limited     | United Kingdom                                            | 100%               | 100%              |
| SiteMinder Hospitality Corporation  | United States of America                                  | 100%               | 100%              |
| Online Ventures Hospitality Limited | Ireland                                                   | 100%               | 100%              |
| Online Ventures Limited             | New Zealand                                               | 100%               | 100%              |
| Online Ventures (Thailand) Limited  | Thailand                                                  | 100%               | 100%              |
| SiteMinder (India) Private Limited  | India                                                     | 100%               | 100%              |
| SiteMinder Philippines, Inc.        | Philippines                                               | 100%               | 100%              |
| SiteMinder Germany GMBH             | Germany                                                   | 100%               | 100%              |
| GuestJoy OÜ*                        | Estonia                                                   | 100%               | -                 |
| SiteMinder Spain S.L.**             | Barcelona                                                 | 100%               | -                 |

\* Acquired on 30 September 2022.

\*\* Incorporated on 4 October 2022.

There is no significant restriction on the ability of the Group to access or use subsidiaries' assets and settle liabilities.

### Note 37. Reconciliation of loss after income tax to net cash used in operating activities

|                                                                      | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|----------------------------------------------------------------------|----------------------------------------|------------------------|
| Loss after income tax benefit/(expense) for the year                 | (49,296)                               | (110,395)              |
| Adjustments for:                                                     |                                        |                        |
| Depreciation and amortisation                                        | 23,636                                 | 17,465                 |
| Net gain on disposal of non-current assets                           | (19)                                   | (19)                   |
| Other income                                                         | (174)                                  | -                      |
| Share-based payments                                                 | 11,028                                 | 11,359                 |
| Foreign exchange differences                                         | 28                                     | (1,031)                |
| Net allowance for expected credit losses                             | 1,467                                  | 1,575                  |
| Interest income received                                             | (716)                                  | (125)                  |
| Rent relief                                                          | -                                      | (10)                   |
| Lease remeasurements                                                 | 107                                    | 2                      |
| Net fair value movement on embedded derivative                       | -                                      | 61,759                 |
| Change in operating assets and liabilities:                          |                                        |                        |
| Increase in trade receivables, other receivables and contract assets | (4,565)                                | (3,174)                |
| Decrease/(increase) in prepayments                                   | 1,506                                  | (1,179)                |
| Increase in deferred tax assets                                      | (598)                                  | (35)                   |
| Decrease in income tax refund due                                    | 22                                     | 3                      |
| Increase in trade and other payables                                 | 984                                    | 1,902                  |
| Increase/(decrease) in provision for income tax                      | 140                                    | (22)                   |
| Decrease in deferred tax liabilities                                 | (339)                                  | (42)                   |
| Increase/(decrease) in employee benefits                             | 878                                    | (7,190)                |
| Increase/(decrease) in contract liabilities                          | 2,178                                  | (1,091)                |
| Decrease in other liabilities                                        | (1,895)                                | (257)                  |
| Net cash used in operating activities                                | (15,628)                               | (30,505)               |

**Note 38. Non-cash investing and financing activities**

|                                                            | Consolidated<br>30 June 2023<br>\$'000 | 30 June 2022<br>\$'000 |
|------------------------------------------------------------|----------------------------------------|------------------------|
| Additions and remeasurement to the right-of-use assets     | 3,174                                  | 2                      |
| Shares issued under employee share plan                    | 11,115                                 | 9,596                  |
| Gain on revaluation of financial assets                    | -                                      | 899                    |
| Fair value loss on embedded derivative                     | -                                      | (61,759)               |
| Issue of shares - acquisition of GuestJoy OÜ               | 4,515                                  | -                      |
| Issue of shares - 1st deferred consideration - GuestJoy OÜ | 714                                    | -                      |
|                                                            | <u>19,518</u>                          | <u>(51,262)</u>        |

**Note 39. Changes in liabilities arising from financing activities**

| Consolidated                          | Convertible<br>preference<br>shares<br>financial<br>liability<br>\$'000 | Lease<br>liabilities<br>\$'000 | Derivative<br>liabilities<br>\$'000 | Total<br>\$'000 |
|---------------------------------------|-------------------------------------------------------------------------|--------------------------------|-------------------------------------|-----------------|
| Balance at 1 July 2021                | 65,941                                                                  | 14,282                         | 339,944                             | 420,167         |
| Net cash used in financing activities | -                                                                       | (1,642)                        | -                                   | (1,642)         |
| Exchange differences                  | -                                                                       | (2)                            | -                                   | (2)             |
| Other changes*                        | (65,941)                                                                | (8)                            | (339,944)                           | (405,893)       |
| Balance at 30 June 2022               | -                                                                       | 12,630                         | -                                   | 12,630          |
| Net cash used in financing activities | -                                                                       | (3,229)                        | -                                   | (3,229)         |
| Acquisition of leases                 | -                                                                       | 3,174                          | -                                   | 3,174           |
| Exchange differences                  | -                                                                       | 4                              | -                                   | 4               |
| Balance at 30 June 2023               | <u>-</u>                                                                | <u>12,579</u>                  | <u>-</u>                            | <u>12,579</u>   |

\* Other changes for convertible preference shares financial liability and derivative liabilities represent non-cash settlement of preference shares.

**Note 40. Share-based payments**

*SiteMinder Shadow Equity Plan*

The Board of Directors of the Group established the SiteMinder Shadow Equity Plan for the purpose of providing staff with an opportunity to share in the growth in value of the Company and to incentivise staff to further engage in the improvement of the Group's performance. The Plan provides for a cash bonus to be paid to permanent staff members at the time of a liquidity event, such as trade sale or initial public offering ('realisation event'), depending on the satisfaction of time vesting conditions which vary between 0 to 3 years. The plan is considered to be a cash settled share-based payment plan. The liability component of the cash-settled share-based payment plan is included in employee benefits (refer to note 23).

On 8 November 2021, the Company completed an IPO. The vested portion of Shadow Equity Plan has been paid out as cash bonus. The unvested portion has been converted to performance rights if applicable and ordinary shares will be provided at the time of employee satisfying time vesting conditions. For employees based in countries where performance rights are not applicable, they will continue to be paid a cash bonus upon satisfying time vesting conditions.

On 30 May 2022, the Shadow Equity Plan was terminated and replaced with a cash tenure bonus at a fixed dollar value based on a percentage of annual salary and not linked to the share price. The share-based payment expense is disclosed in note 7.

#### Note 40. Share-based payments (continued)

##### SiteMinder Option Plan

An option plan has been established by the Group and approved by the Board of Directors, whereby the Group may, at the discretion of the Board of Directors, grant options over ordinary shares in the Company to certain key management personnel of the Group. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board of Directors. The options are convertible to ordinary shares on the satisfaction of time vesting conditions which vary between 3 to 4 years and can be exercised up to 3 years after the vesting period.

The Group has undertaken a share split on a ratio of 40 for 1 during the IPO process. The beginning balance has been adjusted to reflect the share split for comparison.

Set out below are summary of options granted under the plan:

|                                                    | Number of<br>options<br>30 June 2023 | Weighted<br>average<br>exercise price<br>30 June 2023 | Number of<br>options<br>30 June 2022 | Weighted<br>average<br>exercise price<br>30 June 2022 |
|----------------------------------------------------|--------------------------------------|-------------------------------------------------------|--------------------------------------|-------------------------------------------------------|
| Outstanding at the beginning of the financial year | 6,226,240                            | \$4.24                                                | 4,305,880                            | \$2.31                                                |
| Granted                                            | 5,815,033                            | \$3.84                                                | 3,388,347                            | \$5.74                                                |
| Forfeited                                          | (808,075)                            | \$5.21                                                | (196,467)                            | \$5.77                                                |
| Exercised                                          | -                                    | \$0.00                                                | (1,271,520)                          | \$1.46                                                |
| Outstanding at the end of the financial year       | <u>11,233,198</u>                    | \$3.19                                                | <u>6,226,240</u>                     | \$4.24                                                |
| Exercisable at the end of the financial year       | <u>3,393,594</u>                     | \$1.00                                                | <u>1,090,000</u>                     | \$5.46                                                |

Set out below are the number of options exercisable at the end of the financial year:

| Grant date | 30 June 2023<br>Number | 30 June 2022<br>Number |
|------------|------------------------|------------------------|
| 03/06/2019 | 1,000,000              | 750,000                |
| 21/08/2019 | 80,000                 | -                      |
| 01/07/2020 | 690,000                | 340,000                |
| 02/08/2021 | 180,000                | -                      |
| 08/11/2021 | 1,433,750              | -                      |
| 14/04/2022 | 9,844                  | -                      |
|            | <u>3,393,594</u>       | <u>1,090,000</u>       |

The weighted average share price at the date of exercise of options during the financial year was \$nil (2022: \$1.46).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.61 years (2022: 1.46 years).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

| Grant date | Expiry date | Share price<br>at grant date | Exercise<br>price | Expected<br>volatility | Risk-free<br>interest rate | Fair value<br>at grant date |
|------------|-------------|------------------------------|-------------------|------------------------|----------------------------|-----------------------------|
| 24/10/2022 | 22/11/2027  | \$3.02                       | \$3.84            | 50.00%                 | 3.69%                      | \$1.05                      |
| 31/01/2023 | 20/11/2027  | \$3.75                       | \$3.84            | 50.00%                 | 3.17%                      | \$1.48                      |
| 31/01/2023 | 20/11/2028  | \$3.75                       | \$3.84            | 50.00%                 | 3.28%                      | \$1.63                      |
| 30/04/2023 | 20/11/2027  | \$3.67                       | \$3.84            | 50.00%                 | 3.00%                      | \$1.36                      |
| 30/04/2023 | 10/01/2028  | \$3.67                       | \$3.84            | 50.00%                 | 3.00%                      | \$1.43                      |
| 30/04/2023 | 03/04/2028  | \$3.67                       | \$3.84            | 50.00%                 | 3.00%                      | \$1.47                      |

**Note 40. Share-based payments (continued)**

*Equity Performance Rights*

The Board of Directors of the Group established the SiteMinder Equity Performance Rights Plan for the purpose of providing staff with an opportunity to share in the growth in value of the Company and to incentivise staff to further engage in the improvement of the Group's performance. The Plan provides for Ordinary shares to be paid to permanent staff members at the time of satisfying time vesting conditions of up to 3 years.

|                                                    | Number of<br>rights<br>30 June 2023 | Weighted<br>average<br>exercise price<br>30 June 2023 | Number of<br>rights<br>30 June 2022 | Weighted<br>average<br>exercise price<br>30 June 2022 |
|----------------------------------------------------|-------------------------------------|-------------------------------------------------------|-------------------------------------|-------------------------------------------------------|
| Outstanding at the beginning of the financial year | 3,634,608                           | \$0.00                                                | -                                   | \$0.00                                                |
| Granted                                            | 2,504,277                           | \$0.00                                                | 4,365,404                           | \$0.00                                                |
| Forfeited                                          | (941,505)                           | \$0.00                                                | (453,026)                           | \$0.00                                                |
| Vested and exercised                               | (1,266,237)                         | \$0.00                                                | (277,770)                           | \$0.00                                                |
|                                                    | <u>3,931,143</u>                    |                                                       | <u>3,634,608</u>                    |                                                       |
| Exercisable at the end of the financial year       | <u>27,002</u>                       | \$0.00                                                | <u>-</u>                            | \$0.00                                                |

Set out below are the number of equity performance rights exercisable at the end of the financial year:

| Grant date | 30 June 2023<br>Number | 30 June 2022<br>Number |
|------------|------------------------|------------------------|
| 08/11/2021 | 26,363                 | -                      |
| 14/04/2022 | 639                    | -                      |
|            | <u>27,002</u>          | <u>-</u>               |

The weighted average remaining contractual life of equity performance rights outstanding at the end of the financial year was 1.13 years (2022: 1.4 years).

*Total Shareholder Returns ('TSR') Performance Rights*

The Board of Directors of the Group established the SiteMinder TSR Performance Rights Plan for the purpose of providing staff with an opportunity to share in the growth in value of the Company and to incentivise staff to further engage in the improvement of the Group's performance.

The vesting of TSR Performance Rights is subject to:

- a relative TSR measure, reflecting shareholders' experience, tested over the performance period from 1 January 2023 to 30 June 2025 for both Tranches 1 and 2; and
- continued employment up to 1 July 2024 for Tranche 1 Performance Rights, and 1 July 2025 for Tranche 2 Performance Rights.

Broadly, TSR calculates the return shareholders would earn if they held a notional number of Shares over a period of time. It measures the change in the Company's share price, together with the value of dividends during the relevant period. Relative TSR compares the Company's TSR performance against the TSR of a bespoke peer group of companies.

The percentage of Performance Rights that vest, if any, will be determined with reference to the Company's TSR in comparison to that of companies in the bespoke peer group over the performance period (from 1 January 2023 to 30 June 2025).

**Note 40. Share-based payments (continued)**

|                                                    | Number of<br>rights<br>30 June 2023 | Weighted<br>average<br>exercise price<br>30 June 2023 | Number of<br>rights<br>30 June 2022 | Weighted<br>average<br>exercise price<br>30 June<br>2022 |
|----------------------------------------------------|-------------------------------------|-------------------------------------------------------|-------------------------------------|----------------------------------------------------------|
| Outstanding at the beginning of the financial year |                                     |                                                       |                                     |                                                          |
| Granted                                            | 241,806                             | \$0.00                                                | -                                   | \$0.00                                                   |
| Forfeited                                          | (4,480)                             | \$0.00                                                | -                                   | \$0.00                                                   |
| Expired                                            | -                                   | \$0.00                                                | -                                   | \$0.00                                                   |
| Outstanding at the end of the financial year       | <u>237,326</u>                      |                                                       | <u>-</u>                            |                                                          |

No TSR performance rights are exercisable as at 30 June 2023 and 30 June 2022.

The weighted average remaining contractual life of TSR performance rights outstanding at the end of the financial year was 1.47 years (2022: n/a)

For the TSR performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

| Grant date | Expiry date | Share price<br>at grant date | Exercise<br>price | Expected<br>volatility | Dividend<br>yield | Risk-free<br>interest rate | Fair value<br>at grant date |
|------------|-------------|------------------------------|-------------------|------------------------|-------------------|----------------------------|-----------------------------|
| 24/10/2022 | 22/11/2027  | \$3.02                       | \$3.84            | 50.00%                 | -                 | 3.69%                      | \$1.05                      |
| 31/01/2023 | 20/11/2027  | \$3.75                       | \$3.84            | 50.00%                 | -                 | 3.17%                      | \$1.48                      |
| 30/01/2023 | 20/11/2027  | \$3.67                       | \$0.00            | 50.00%                 | -                 | 3.04%                      | \$2.67                      |

**Management loan funded share plan**

A management loan funded share plan has been established by the Group and approved by the Board of Directors, whereby the Group may, at the discretion of the Board of Directors, grant management loan funded shares in the Company to certain key management personnel of the Group in accordance with performance guidelines established by the Board of Directors. The shares are provided with a non-recourse interest free loan by the Group to purchase those shares. The shares are released from treasury stock and treated as fully paid-up shares if the loan to the Company has been repaid and subject to satisfying any time vesting conditions.

Set out below are summary of the management loan funded share plan:

|                                                    | Number of<br>rights<br>30 June 2023 | Weighted<br>average<br>exercise price<br>30 June 2023 | Number of<br>rights<br>30 June 2022 | Weighted<br>average<br>exercise price<br>30 June 2022 |
|----------------------------------------------------|-------------------------------------|-------------------------------------------------------|-------------------------------------|-------------------------------------------------------|
| Outstanding at the beginning of the financial year | -                                   | \$0.00                                                | 20,734,160                          | \$1.56                                                |
| Granted                                            | -                                   | \$0.00                                                | -                                   | \$0.00                                                |
| Forfeited                                          | -                                   | \$0.00                                                | -                                   | \$0.00                                                |
| Exercised                                          | -                                   | \$0.00                                                | -                                   | \$0.00                                                |
| Converted                                          | -                                   | \$0.00                                                | (20,614,160)                        | \$1.56                                                |
| Expired/forfeited/other                            | -                                   | \$0.00                                                | (120,000)                           | \$1.61                                                |
| Outstanding at the end of the financial year       | <u>-</u>                            | <u>\$0.00</u>                                         | <u>-</u>                            | <u>\$0.00</u>                                         |
| Exercisable at the end of the financial year       | <u>-</u>                            | <u>\$0.00</u>                                         | <u>-</u>                            | <u>\$0.00</u>                                         |

The weighted average remaining contractual life of management loan funded share plan outstanding at the end of 30 June 2023 and 30 June 2022 was nil years.

**Note 41. Events after the reporting period**

In July 2023, the Group signed a new US\$20m credit facility with HSBC VENTURES USA INC, supplanting the facility previously provided by SiliconValleyBank (SVB).

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

For personal use only



In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



---

Pat O'Sullivan  
Chairman

23 August 2023  
Sydney



---

Sankar Narayan  
Managing Director and Chief Executive Officer

## Independent Auditor's Report to the members of SiteMinder Limited

### Report on the Audit of the Financial Report

#### *Opinion*

We have audited the financial report of SiteMinder Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2023 and of their financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | How the scope of our audit responded to the Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b><u>Capitalisation of internally generated software</u></b></p> <p>During the year, the Group capitalised internal software development project costs of \$23,399k (including external costs) as disclosed in Note 17.</p> <p>These projects were predominantly in relation to the development of the Group's key software platforms. The costs primarily comprise payroll and related expenses.</p> <p>Management judgement is required in respect of:</p> <ul style="list-style-type: none"> <li>• whether costs incurred qualify for capitalisation in accordance with AASB 138 Intangible Assets; and</li> <li>• the rate of capitalisation with respect to certain relevant payroll costs.</li> </ul> | <p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Through inquiries with management obtaining an understanding of the Group's capitalisation policy, including the rationale for the percentage of payroll and related costs capitalised;</li> <li>• Understanding the relevant controls over the capitalisation of software development costs;</li> <li>• Performing analytical review of capitalised software development costs as a percentage of payroll costs and year on year movement analysis;</li> <li>• On a sample basis, testing capitalised software development costs during the year through the following:             <ul style="list-style-type: none"> <li>(a) Assessing management's movement schedule of capitalised labour by agreeing the underlying salaries and related expenses to the respective payroll reports;</li> <li>(b) Understanding the significant development projects and activities undertaken during the year;</li> <li>(c) Challenging management's assumptions where a rate of capitalisation has been considered;</li> <li>(d) Enquiring with project managers involved in product development to understand and assess the basis and rationale for capitalising costs associated with the projects;</li> <li>(e) Obtaining confirmations and conducting direct interviews with employees including engineers and developers to corroborate the work they do on a day to day basis to support the timesheets; and</li> <li>(f) Assessing whether the costs incurred qualify for capitalisation in accordance with Group's accounting policy and AASB 138 <i>Intangible Assets</i>.</li> </ul> </li> </ul> <p>Assessing the appropriateness of the disclosures in Notes 2 and 17 to the financial statements.</p> |

#### Other Information

- The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## *Responsibilities of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

## *Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on the Remuneration Report

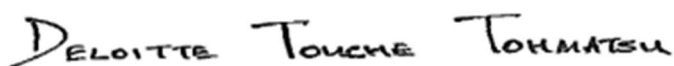
### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 20 to 36 of the Directors' Report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of SiteMinder Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

### *Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



DELOITTE TOUCHE TOHMATSU



Sandeep Chadha  
Partner  
Chartered Accountants

Sydney, 23 August 2023

The shareholder information set out below was applicable as at 4 August 2023.

### Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

|                                       | Ordinary shares   |                          | Options over ordinary shares |                           |
|---------------------------------------|-------------------|--------------------------|------------------------------|---------------------------|
|                                       | Number of holders | % of total shares issued | Number of holders            | % of total options issued |
| 1 to 1,000                            | 1,557             | 0.27                     | -                            | -                         |
| 1,001 to 5,000                        | 1,255             | 1.16                     | 25                           | 0.93                      |
| 5,001 to 10,000                       | 346               | 0.94                     | 38                           | 2.05                      |
| 10,001 to 100,000                     | 270               | 2.53                     | 52                           | 18.29                     |
| 100,001 and over                      | 35                | 95.10                    | 26                           | 78.73                     |
|                                       | <b>3,463</b>      | <b>100.00</b>            | <b>141</b>                   | <b>100.00</b>             |
| Holding less than a marketable parcel | <b>167</b>        | <b>-</b>                 | <b>-</b>                     | <b>-</b>                  |

### Equity security holders

#### Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

|                                                                  | Ordinary shares    |                          |
|------------------------------------------------------------------|--------------------|--------------------------|
|                                                                  | Number held        | % of total shares issued |
| HSBC Custody Nominees (Australia) Limited                        | 62,604,261         | 22.76                    |
| J P Morgan Nominees Australia Pty Limited                        | 60,869,091         | 22.13                    |
| Citicorp Nominees Pty Limited                                    | 51,251,398         | 18.63                    |
| Bailador Technology Investments Limited                          | 16,711,400         | 6.08                     |
| Bellite Pty Ltd                                                  | 15,549,072         | 5.65                     |
| National Nominees Limited                                        | 13,598,876         | 4.94                     |
| Solium Nominees (Australia) Pty Ltd (Bare Allocated A/C)         | 9,500,938          | 3.45                     |
| David & Ronit Tassie                                             | 8,039,233          | 2.92                     |
| Michael Gregory Ford                                             | 3,117,330          | 1.13                     |
| Citicorp Nominees Pty Limited (Colonial First State Inv A/C)     | 2,754,710          | 1.00                     |
| BNP Paribas Nominees Pty Ltd (Agency Lending DRP A/C)            | 2,612,714          | 0.95                     |
| BNP Paribas Noms Pty Ltd (DRP)                                   | 1,853,126          | 0.67                     |
| UBS Nominees Pty Ltd                                             | 1,695,929          | 0.62                     |
| NetWealth Investments Limited (Wrap Services A/C)                | 1,324,831          | 0.48                     |
| Solium Nominees (Australia) Pty Ltd (VSA A/C)                    | 1,296,566          | 0.47                     |
| Solium Nominees (AUS) Pty Ltd (Unallocated A/C)                  | 1,285,924          | 0.47                     |
| HSBC Custody Nominees (Australia) Limited - (GSCO Customers A/C) | 1,239,599          | 0.45                     |
| BNP Paribas Nominees Pty Ltd (IB AU Noms Retailclient DRP)       | 1,110,433          | 0.40                     |
| Warbont Nominees Pty Ltd (Unpaid Entrepot A/C)                   | 1,064,881          | 0.39                     |
| Flocolo 1 Pty Ltd (Flocolo Family A/C)                           | 731,400            | 0.27                     |
|                                                                  | <b>258,211,712</b> | <b>93.86</b>             |

#### Unquoted equity securities

|                                     | Number on issue | Number of holders |
|-------------------------------------|-----------------|-------------------|
| Options over ordinary shares issued | 11,233,198      | 141               |

### Substantial holders

Substantial holders in the Company, based on substantial holding notices lodged with the Australian Stock Exchange (ASX) as of 4 August 2023, are set out below:

|                                                          | Ordinary shares<br>% of total<br>shares<br>issued |       |
|----------------------------------------------------------|---------------------------------------------------|-------|
|                                                          | Number held                                       |       |
| AustralianSuper Pty Ltd                                  | 30,371,188                                        | 11.04 |
| BlackRock Group                                          | 26,257,622                                        | 9.55  |
| First Sentier Investors / Mitsubishi UFJ Financial Group | 22,389,702                                        | 8.14  |
| Bailador Technology Investments Limited                  | 16,711,400                                        | 6.08  |
| Bellite Pty Ltd                                          | 15,549,072                                        | 5.65  |
| Perpetual Limited                                        | 14,252,594                                        | 5.18  |
| Ellerston Capital Limited                                | 13,802,886                                        | 5.02  |

### Voting rights

The voting rights attached to ordinary shares are set out below:

#### Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

### Securities subject to voluntary escrow

| Class           | Expiry date | Number<br>of shares |
|-----------------|-------------|---------------------|
| Ordinary shares | n/a         | -                   |





A SiteMinder customer - Bawah Reserve in Indonesia