SiteMinder

SiteMinder

Investor Briefing

Full year results to 30 June 2022

23 August 2022

*SiteMinder customer Bawah Reserve, Indonesia

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Business Update

Sankar Narayan
CEO & Managing Director

*SiteMinder customer Zannier Hotels Bãi San Hô, Vietnam

Agenda

Business and Key Initiatives Update

Outlook

Financial results

Q&A

Sankar Narayan
CEO & Managing Director

Jonathan Kenny
CFO

Sankar & Jonathan

Total annual recurring revenue (ARR)

$129.7M

25.3% growth y/y (cc)

Subscription properties

34.7K

7% growth in FY22

Total FY22 revenue

$116.0M

15.0% growth y/y (cc)

Q4FY22 growth of 23.4% y/y (cc)

Monthly ARPU

$291

13.2% growth y/y (cc) in FY22.

LTV/CAC

3.2x

Up from 2.1x in FY21.

3.9x in Q4FY22

Q4FY22 LTV 30% above pre-COVID

Churn

1.0%

Monthly revenue churn inline with pre-COVID levels

Transaction product uptake

13k

Increasing 51% y/y in FY22

Free cash outflow

30%

of FY22 revenue

SiteMinder accelerates across key metrics

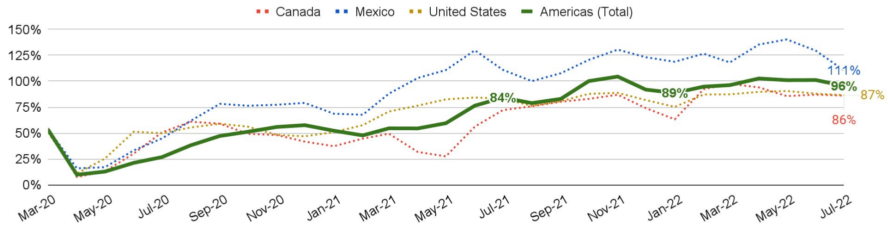
- **FY22 ARR grew 25.3% y/y (cc) to $129.7m**, which is 27% (cc) higher than the pre-COVID ARR at the end of FY19.
- **FY22 revenue of $116.0m, up 15.0% y/y (cc), and exited the year growing 23.4% y/y (cc) in Q4FY22.** Americas grew 27.3%, EMEA grew 21.4%, and APAC grew 0.4% y/y (cc) in FY22.
- **Property count grew 7% to 34.7k in FY22** with the additions weighted towards Q4FY22 due to Omicron impacts earlier in the financial year. Americas grew 13.7%, EMEA grew 9.1% and APAC grew 1.4% y/y.
- Improving SaaS economics with **LTV/CAC increasing from 2.1x in FY21 to 3.2x in FY22, and exited FY22 at 3.9x in Q4**. Churn normalised to 1.0% and ARPU grew substantively. CAC impacted by GTM investments and scaling digital acquisition.
- **Expanded total ARPU to $291, up 13.2% y/y (cc) in FY22.** Subscription ARPU grew 2% y/y (cc), while Transaction ARPU grew 68.6% y/y (cc). **Transaction products subscribed by our customers increased 51% y/y to 13k products in FY22.**
- **Underlying FY22 free cash outflow* of 30% of revenue** following investments in rebuilding GTM and new products.
- **Available Liquidity of $117.7m.**
- **Signed agreement to acquire GuestJoy for initial payment of €3.25m in equity and earn-out payment of up to €1.75m in equity .** Highly rated suite of customer relationship management tools that will deepen and broaden the platform offering.
- **Reiterates growth guidance of 31%**.** Expectation to **become free cash flow neutral by Q4FY24** on a quarterly basis.**

cc = constant currency
* Underlying free cash outflow = the sum of underlying operating cash flows and underlying investment cash flows
** Realisation of SiteMinder's growth and free cash flow guidance will depend on many factors outside of the Company's control, including the substantial abatement of COVID-19 related influences on the accommodation and travel industry and the continued recovery of travel.

The Travel Environment (Hotel bookings from Mar 2020 to Jul 2022 vs 2019)

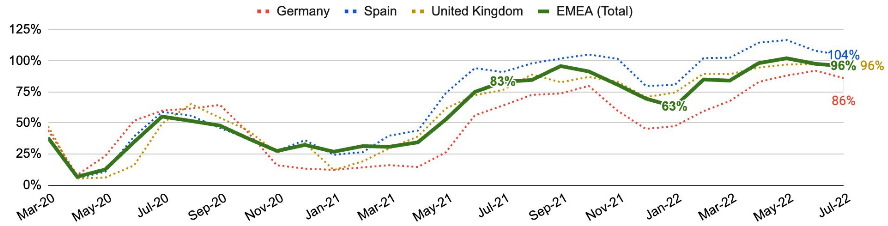
Americas

- US bookings improved from 75% to 87% of 2019 levels since Jan-22
- Mexico bookings remains strong at 111% of 2019 levels
- Canada eased entry requirements from Feb-22.
- Americas bookings improved from 89% to 96% of 2019 levels since Jan-22



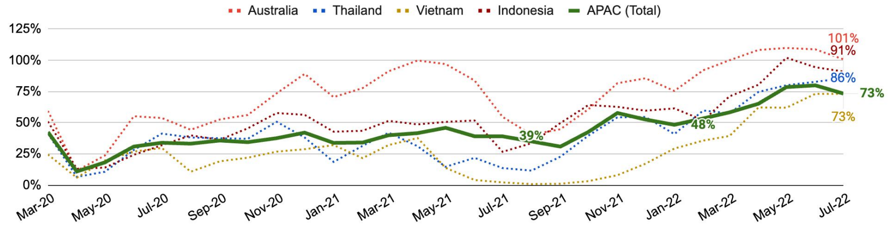
EMEA

EMEA bookings improved from 63% to 96% of 2019 levels since Jan-22, as the impact of the Omicron variant eased and COVID restrictions were lifted in most countries



Asia Pacific

- Chinese travel remain restricted and will contribute to the recovery when restrictions are eased
- APAC bookings improved from 48% to 73% of 2019 levels since Jan-22, with a number of countries easing entry requirements from Mar-22.



Source: SiteMinder World Hotel Index

SiteMinder's growth increasing across all regions

Americas	1H22	2H22	FY22
Revenue	14.0m	15.9m	29.9m
y/y (cc)	24.9%	**29.6%**	27.3%
Properties ('000)	6.2	6.6	6.6
y/y	9.8%	**13.7%**	

EMEA	1H22	2H22	FY22
Revenue	24.1m	25.4m	49.4m
y/y (cc)	16.0%	**26.8%**	21.4%
Properties ('000)	15.6	16.4	16.4
y/y	6.5%	**9.1%**	

APAC	1H22	2H22	FY22
Revenue	17.0m	19.8m	36.7m
y/y (cc)	(5.3%)	**5.9%**	0.4%
Properties ('000)	11.5	11.7	11.7
y/y	(5.3%)	**1.4%**	

Group	1H22	2H22	FY22
Revenue	55.0m	61.0m	116.0m
y/y (cc)	10.2%	**19.7%**	15.0%
Properties ('000)	33.4	34.7	34.7
y/y	2.7%	**7.2%**	

FY22 ARR growth 25.3% y/y (cc), ahead of H2FY22 revenue growth of 19.7%

Key Initiatives Update

Sankar Narayan
CEO & Managing Director

SiteMinder Platform - Automation and Intelligence Driven Revenue Maximisation

Data & Intelligence

Backed by **one of the world's largest database of independent hoteliers**

- **100m reservations per year** pre-COVID
- Insights into market performance
- Optimisation of distribution
- Optimisation of pricing

Indirect & 3rd Party Distribution

Broadest connectivity provider for hoteliers

- **Leading** channel manager connecting hotels to 425+ distribution channels
- Connecting hotels to the **right channel** around the world to maximise revenue
- Demand Plus helping hotels optimise meta search management
- GDS for corporate travel

Direct to Customers

Helping hoteliers build deep customer relationships

- **Industry-leading booking engine**
- Website building tool designed for hoteliers
- Digital marketing services through partners
- **Guest Communications**

Distribution Tools & Automation

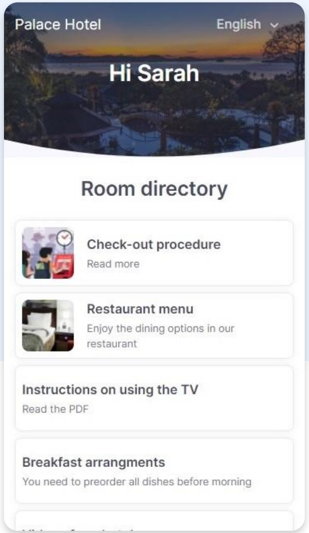
- Multi-Property for groups
- **Guest Communications**
- Hotel App Store

Operational Tools & Automation

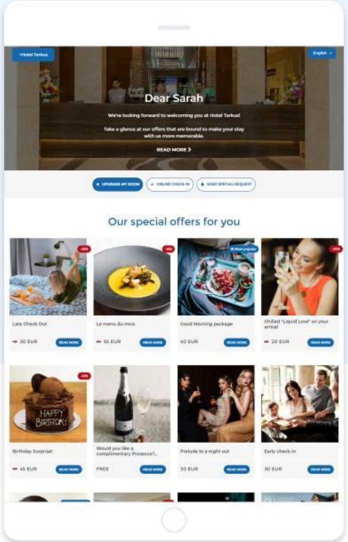
- SiteMinder Pay
- **Guest Communications**
- Hotel App Store

GuestJoy - strengthening the platform’s capabilities

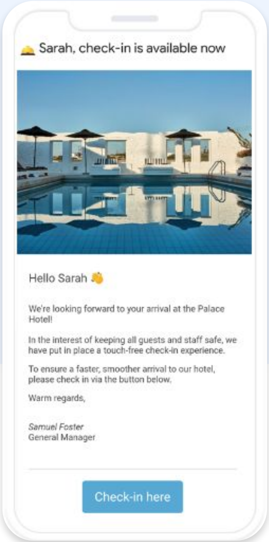
Digital Directory



Upselling Engine



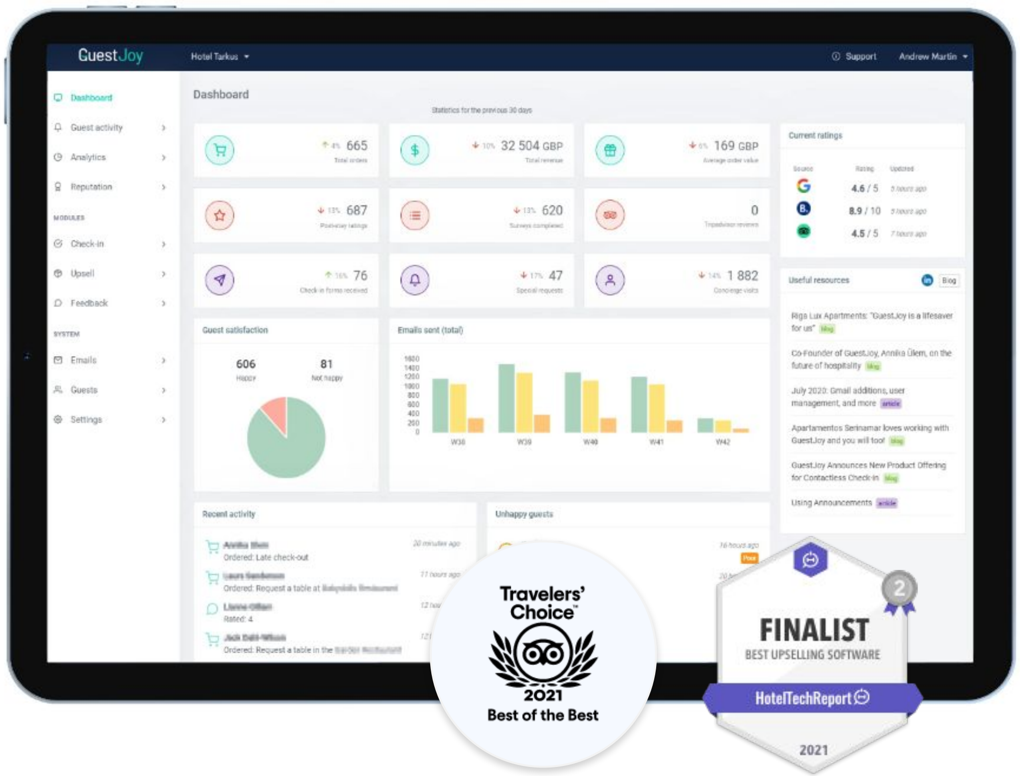
Contactless Check-In



Feedback Management

Automating guest engagement tasks to drive revenues and reduce effort for hoteliers

Acquisition of GuestJoy



Highly rated suite of customer relationship management tools. Automating key tasks at all stages of the guest journey

Intuitive, simple, beautifully designed customer experience. Designed from the ground-up to deliver **high ROI for independent hoteliers**

SiteMinder Partner - modern compatible technology supporting **smooth integration** into SiteMinder Platform

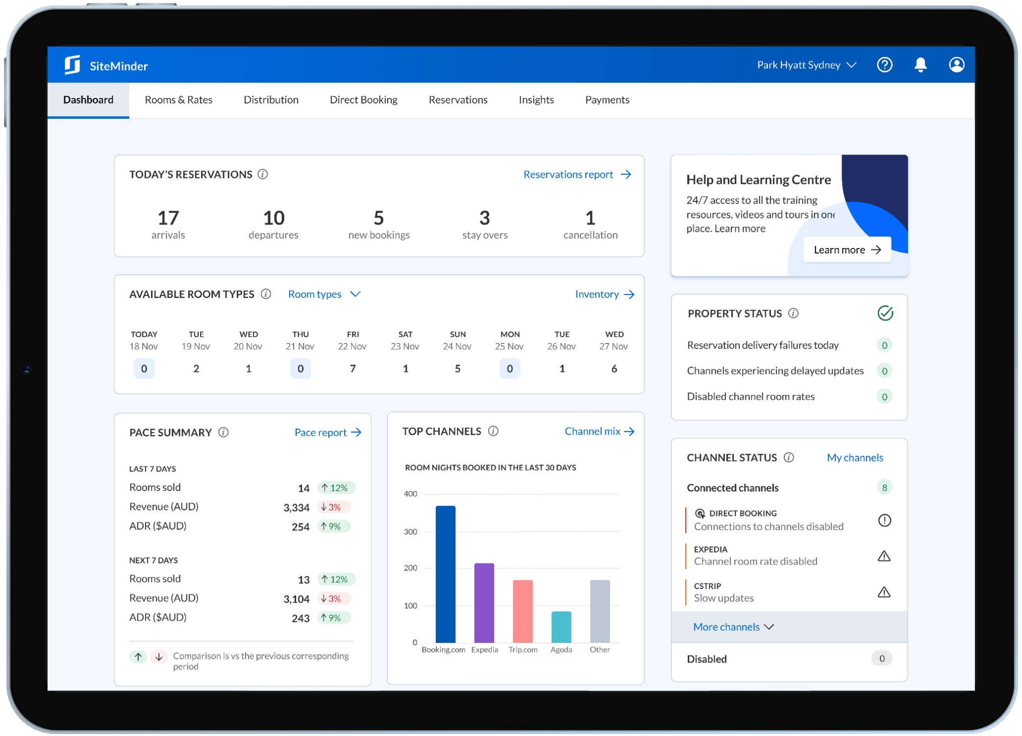
Founders Alar Ülem and Annika Ülem and their exceptional **team will be joining SiteMinder**

Initial consideration of €3.25m with an additional €1.75m subject to specified performance milestones being met within 24 months. **100% equity funded**.

Additional module in our subscription offering helping drive new business, ARPU growth, and reduce churn

Transaction completion expected during H1FY23. GuestJoy is not expected to have a material impact on our financial performance in FY23

Next Gen SiteMinder Platform - positive customer feedback



Launched in April at our first ever global event, Sync, which was attended by thousands of customers & partners from 150+ countries

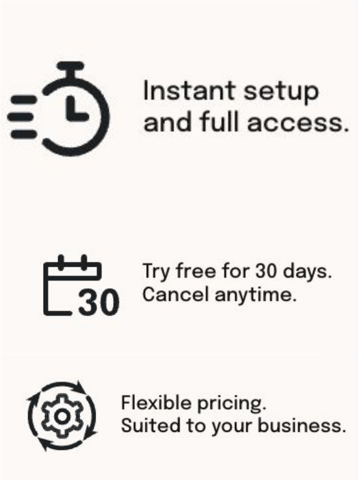
Transition currently underway

SiteMinder Platform's enhanced capabilities:

- Guided setup engine supports self-paced setups, and ensures hoteliers make full use of the Platform
- In-app guidance and self-support tools helping reduce ongoing support effort
- Single dashboard promoting upgrade opportunities to drive ARPU expansion
- Payments and Demand services fully integrated
- Centralised data - helping reduce duplication of set-up tasks for customers
- Access to more advanced intelligence

LITTLE HOTELIER.

Making Little Hotelier even more accessible…



Little Hotelier Basics

Released in all of our major English speaking markets on 28-June

Introduction of digital sales and customer on-boarding - helping **lower CAC and friction in customer acquisition process**

Customer purchase and self set-up completed in as little as 15 minutes

Hybrid pricing model makes Little Hotelier more accessible

Little Hotelier App

Little Hotelier's updated mobile app launched in February 2022

Rated 4.5 stars out of 5 on the Apple App Store. Customers highlight the app's improved user interface, ease of use, and new features

Majority of new and existing customers have adopted the app

Building Global Talent

Growing teams and their capabilities

Labour market conditions have began easing towards the end of FY22

Global staff engagement significantly above external benchmarks

Focus on improving effectiveness of global teams in a hybrid environment

Building global teams

Manila employees to be brought in-house from Jan-23 to improve alignment with SiteMinder’s culture and growth ambitions. No material impact on costs.

Expanding our R&D capabilities in Eastern Europe.

Expanding capabilities in our existing operations in Bangkok, Bangalore and Barcelona.

Transaction Products

Growing through attachment, utilisation, and harnessing the recovery

Demand Plus

Net customer additions increased in each quarter during FY22 as hoteliers looked to drive increased bookings.

Demand Plus' effectiveness doubled in H2FY22 compared to H2FY21 reflecting expansion of meta channels, improvements to the bidding engine, and travel recovery.

Further opportunity to increase bookings for hotels and expand gross margins with bid automation in H1FY23.

SiteMinder Pay

Net customer additions accelerated into Q4FY22

Significant opportunity for growth with Pay GMV representing ~1% of system GMV in FY22

Launched AutoPay in H2FY22 for Platform customers, which automates payment processing for current and future travel activity.

Global Distribution System (GDS)

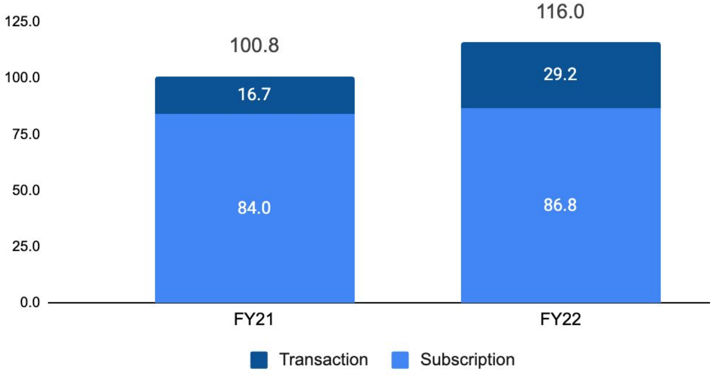
GDS benefitting from the strong recovery in corporate travel and product optimisation efforts.

Financial Results

Jonathan Kenny
Chief Financial Officer

Revenue growth accelerated through FY22

Recurring Revenue Composition (A$m)



% growth (cc)	H1 FY22	H2 FY22	FY22
Subscription revenue	0.7%	6.1%	3.4%
Transaction revenue	63.2%	79.5%	72.3%
Total revenue	10.2%	19.7%	15.0%

Total Revenue

Grew 15.0% y/y (cc) in FY22 and grew 23.4% y/y (cc) in Q4. Driven by increased attachment of transaction products, and recovery in global travel.

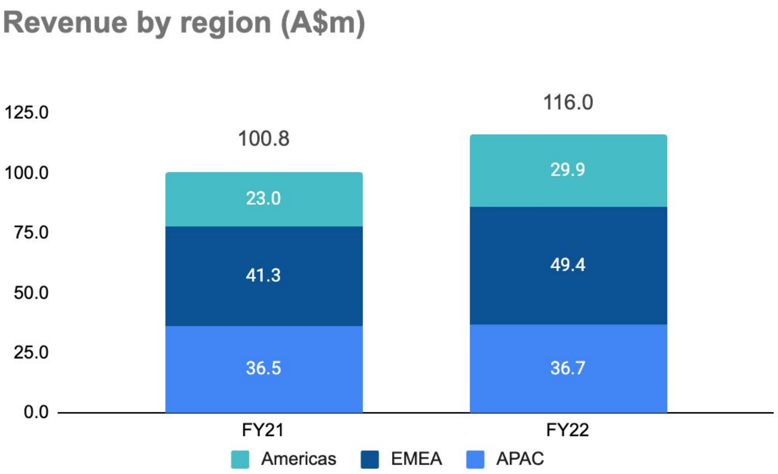
Subscription Revenue

Grew 3.4% y/y (cc) in FY22 and grew 9.7% y/y (cc) in Q4. Benefitted from improved subscriber growth in H2FY22 and increased attachment of subscription products. Closing subscription ARPU grew 2%.

Transaction revenue

Grew 72.3% y/y (cc) with the number of transaction products increasing 51% in FY22 to 13k. Transaction revenues grew 86.3% y/y (cc) in Q4FY22.

Resilience and strength from a global footprint



% total	FY20	FY21	FY22
APAC	39%	36%	32%
EMEA	40%	41%	43%
Americas	21%	23%	26%

% growth (cc)	FY20	FY21	FY22
APAC			0%
EMEA			21%
Americas			27%
Group	11%	-6%	15%

Global diverse revenue portfolio with strong revenue growth in EMEA and Americas offsetting weakness in APAC which was heavily impacted by COVID-19 restrictions for most of FY22.

EMEA and Americas comprise 69% of global revenue, up from 61% in FY20.

Asia has stabilised with H2FY22 revenues growing 5.9% y/y (cc) after falling (5.3%) y/y (cc) in H1FY22, as a number of key markets eased COVID-19 restrictions.

Asia remains in the **early stages of re-opening**. The return of Chinese tourism would provide further support, though we don't take a view on timing.

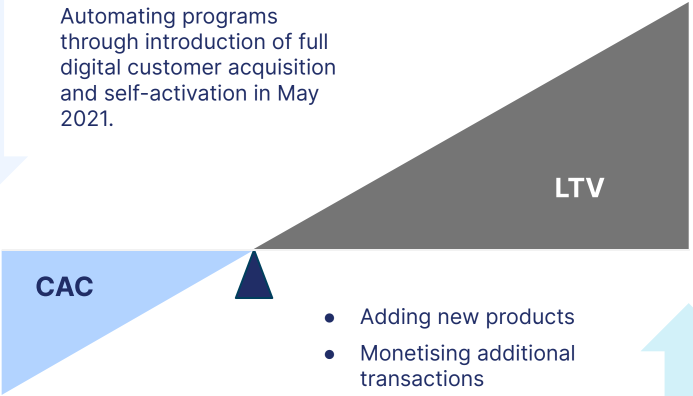
Improving SaaS Economics

SiteMinder initiatives to improve efficiency and LTV/CAC

Improving customer acquisition cost:

Introduced new GTM processes to improve scalability in Jun 2020.

Automating programs through introduction of full digital customer acquisition and self-activation in May 2021.



- Adding new products
- Monetising additional transactions

Expanding customer lifetime value

Unit economics breakdown

	FY21	FY22	Q4 FY22	
Properties ('000s)	32.4	34.7	34.7	
Monthly ARPU (A$)	257	291	313	1
Monthly revenue churn (%)	1.6%	1.0%	0.9%	2
LTV per sub (A$)	12,145	20,347	24,370	
CAC (A$)	5,739	6,386	6,290	3
LTV / CAC	2.1x	3.2x	**3.9x**	4

1 ARPU increased over FY22 driven by partial travel recovery and increased attachment of transaction products by 51%.

Transaction ARPU on total customers increased to $73 from $43 in FY21. For customers with transaction products, this increases to $221 from $183 in FY21.

2 Churn has fallen back to pre-COVID levels

3 FY22 CAC is temporarily elevated due to investment in GTM and scaling of digital acquisition channel

4 LTV/CAC improved in Q4FY22 with falling churn and ARPU expansion.

*LTV = [(subscription monthly ARPU x subscription gross margin + transaction monthly ARPU x transaction gross margin) / monthly revenue churn] x 12

Gross Margins - Delivering on Scale Benefits

	FY21	H1 FY22	H2 FY22	FY22
Subscription gross margins				
Subscription revenue	84,014	42,699	44,108	86,807
Subscription related expenses	14,858	8,115	7,954	16,069
Subscription gross margin (%)	**82%**	**81%**	**82%**	**81%**
Transaction gross margins				
Transaction revenue	16,747	12,294	16,917	29,211
Transaction related expenses	11,600	8,326	11,690	20,016
Transaction gross margin (%)	**31%**	**32%**	**31%**	**31%**
Underlying transaction gross margin (%)			**33%**	**33%**
Group gross margins				
Gross profit	74,304	38,551	41,380	79,931
Gross margin (%)	74%	70%	68%	69%
Subscription revenue (% total)	83%	78%	72%	75%
Transaction revenue (% total)	17%	22%	28%	25%

Subscription gross margins continue to be impacted by **the platform migration** efforts.

Subscription gross margins in FY21 benefitted from COVID-related wage subsidies of $0.5 million.

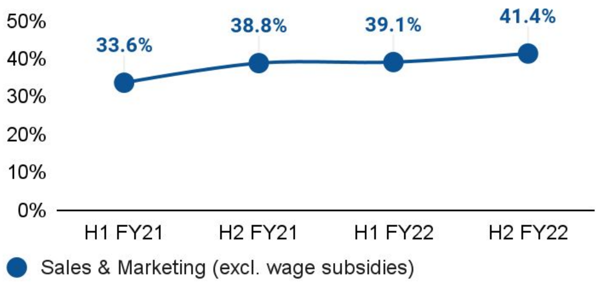
Transaction gross margins in H2FY22 improved y/y reflecting the benefits of operating leverage, which was diluted by the timing mismatch of revenues and the upfront costs related to performance marketing of the Demand Plus product.

Excluding the impact of the timing mismatch, FY22 transaction gross margin would have been 32.6%.

Subscription and transaction gross margins are expected to improve with scale, automation and completion of platform migration.

Investment in GTM and platform innovation

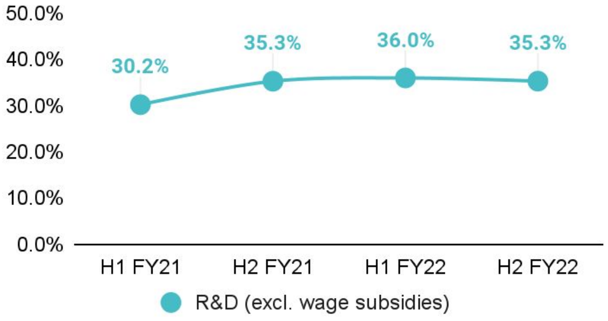
CAC as a % of revenue



Sales and marketing headcount growth y/y with the forward investment required to rebuild scale and capacity in GTM to support growth.

Investment to scale up the digital acquisition channel.

Product cost including opex and capex as a % of revenue



Continued product investment to support longer term product strategies for growth.

During FY22 we launched the next generation SiteMinder Platform, new Little Hotelier App, Little Hotelier Basics, and made enhancements to our transaction products.

Capitalisation rate remains consistent at 48%.

Underlying financial performance – expanding GTM

	FY22	FY21	YoY (%)
Revenue	116,016	100,761	15%
Cost of Sales	(36,085)	(27,039)	33%
Gross Profit	79,931	73,722	8%
Sales & Marketing	(46,746)	(36,509)	28%
Research & Development	(21,606)	(18,297)	18%
General & Administration	(24,891)	(18,565)	34%
Share based payment expenses	(10,822)	(8,966)	21%
Operating costs	(104,065)	(82,338)	26%
Other income	439	107	310%
Other expenses	1,267	(4,452)	(128%)
Underlying EBITDA	**(22,428)**	**(12,962)**	**73%**
Interest revenue calculated using the effective interest method	215	151	43%
Fair value movement on derivatives	-	-	n.a
Depreciation, amortisation and impairment expense	(17,465)	(14,142)	23%
Finance costs	(842)	(997)	(16%)
Income tax expense	(189)	(278)	(32%)
Underlying loss after income tax	**(40,709)**	**(28,228)**	**44%**

Sales and marketing costs include costs incurred onboarding new customers to the business. This has increased by $10.2 million as the Group rebuilt capacity in line with improving market conditions, invested in local and regional marketing events, and invested in scaling the digital acquisition engine.

Research and development expenditure increased by $3.3 million driven by the Group's product development plans.

General and administration expenditure increased by $6.3 million due to resumption of growth and costs related to being a public company.

Other expenses included FX translation gain and loss.

A reconciliation of Underlying EBITDA and NPAT to our Reported Financial Statements are available in the appendix.

Cash flow – investing for future growth

$'000s	FY22	FY21
Underlying EBITDA	(22,428)	(12,962)
Non-cash items in EBITDA	9,555	8,966
Changes in working capital	537	1,912
Underlying operating cash flows	**(12,336)**	**(2,084)**
Interest received	40	151
Capital expenditure	(883)	(932)
Capitalised development cost	(22,023)	(16,315)
Other	120	1,241
Underlying investment cash flows	**(22,746)**	**(15,855)**
Underlying Free cash flow	**(35,082)**	**(17,939)**

SiteMinder's underlying free cash outflow for FY22 was ($35.1)m, representing 30% of revenue

Underlying operating cash outflows of ($12.3)m in FY22 reflected the Company's investment in rebuilding GTM capacity and scaling the digital acquisition engine to support future growth.

Underlying investment cash outflows in FY22 of ($22.7)m was primarily related to the R&D product portfolio and development of the next generation platform and mobile applications.

SiteMinder ended FY22 with available **liquidity of $117.7 million**, including debt facilities.

A reconciliation of underlying free cash flow is available in the Appendix.

Multiple levers underpin strong, sustained organic growth

Reacceleration as travel recovers

Property growth

Continued momentum in key growth markets of Americas and EMEA with significant TAM opportunities.

APAC recovery to gain momentum in FY23 and beyond, with added support from Chinese tourism when COVID related restrictions in China are eased.

Segment expansion through new products (Little Hotelier Basic, GuestJoy).

Transaction products

Opportunity to overlay and optimise transaction products with over 100m bookings (pre-COVID) flowing through our systems, valued in excess of $45 billion per year.

Customer uptake of our transaction products increased 51% in FY22 to 13k products.

Usage rate of our transaction products, particularly for Demand Plus, is expanding

Travel environment

International travel reopening and its continued growth will boost subscription and transaction activities.

Outlook

SiteMinder is targeting pre-COVID-19 revenue growth rates (31% from FY17-FY19) in the future but realisation of this target will depend on many factors outside of SiteMinder's control, including the substantial abatement of COVID-19 related influences on the accommodation and travel industry.

SiteMinder, with a substantive global opportunity and market leadership, continues to invest in its go-to-market capacity, and expand the platform with a strong focus on unit economics.

SiteMinder expects to become free cash flow neutral by Q4FY24 on a quarterly basis as it reaches the necessary scale to self-fund its organic growth plans, subject to the continued recovery of travel and other factors outside SiteMinder's control.

Q&A

Sankar Narayan
CEO & Managing Director

Jonathan Kenny
Chief Financial Officer

Appendix

Reported financial statements

$'000s	FY22	FY21	YoY (%)
Revenue	**116,016**	**100,761**	**15%**
Other income	439	107	310%
Interest revenue calculated using the effective interest method	215	151	43%
Expenses			
Direct transaction costs	(19,307)	(10,522)	83%
Employee benefits expense	(93,175)	(76,690)	21%
Marketing and related expense	(8,047)	(3,929)	105%
Technology costs	(9,221)	(7,308)	26%
Professional fees	(4,215)	(1,781)	137%
Occupancy expense	(3,108)	(2,724)	14%
Fair value movement on derivatives	(61,759)	(96,313)	(36%)
Transaction costs related to IPO and capital raise	(5,826)	(172)	3287%
Other expenses	(5,135)	(5,276)	(3%)
Depreciation, amortisation and impairment expense	(17,465)	(14,142)	23%
Net foreign exchange gain/loss	1,224	(2,657)	(146%)
Finance costs	(842)	(997)	(16%)
Loss before income tax	**(110,206)**	**(121,492)**	**(9%)**
Income tax expense	(189)	(278)	(32%)
Reported loss after income tax	**(110,395)**	**(121,770)**	**(9%)**

Notes

1. Direct transaction costs increased by $8.8 million or 83% y/y to $19.3 million in FY22. The increase is in line with the growth in transaction revenue, which increased 74% y/y, with most of the growth coming from the Demand Plus and Siteminder Pay products which have a lower margin than GDS revenue.
2. Employee benefits increased by $16.5m or 21% y/y to $93.2 million in FY22 as a result of increased headcount as the Group ramped up the business and expanded its go-to-market functions.

   During FY21 the Group also received wage subsidies related to COVID-19 which were not repeated in FY22.
3. Marketing expenses increased by $4.1 million or 105% y/y in FY22 to $8.0 million. The increase reflects the Group's expanded go-to-market expenditure in relation to local and regional marketing events, and the scaling of the digital acquisition engine.

Underlying reconciliations to reported financial statements

$'000s	Notes	FY22	FY21
Reported loss after income tax		**(110,395)**	**(121,770)**
Transaction cost related to IPO and capital raise	1	5,826	172
Other costs related to IPO	2	606	-
Equity plan rebasement on IPO	3	1,495	-
Wage subsidies	4	-	(2,943)
Fair value movement on embedded derivative	5	61,759	96,313
Underlying loss after income tax		**(40,709)**	**(28,228)**

$'000s	Notes	FY22	FY21
Reported loss after income tax		**(110,395)**	**(121,770)**
Interest revenue calculated using the effective interest method		(215)	(151)
Fair value movement on derivatives		61,759	96,313
Depreciation, amortisation and impairment expense		17,465	14,142
Finance costs		842	997
Income tax expense		189	278
Reported EBITDA loss		**(30,355)**	**(10,191)**
Transaction cost related to IPO and capital raise	1	5,826	172
Other costs related to IPO	2	606	-
Equity plan rebasement on IPO	3	1,495	-
Wage subsidies	4	-	(2,943)
Underlying EBITDA loss		**(22,428)**	**(12,962)**

Notes

1. Total transaction costs related to the IPO and capital raise were $9.4 million of which $3.6 million is directly attributable to the issue of new shares by SiteMinder, and has been recognised directly in equity. The remaining balance of $5.8 million is treated as an operating expense and has been adjusted for underlying NPAT.
2. Other costs related to the IPO of $0.6m
3. Cash settled shadow equity rebased to the IPO share price of $1.5 million relates to the transition of legacy equity plans to a listed environment.
4. Wage subsidies of $2.9 million received in H1FY21 as part of government grants relating to Covid.
5. The fair value movements on embedded derivatives refers to the costs of 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.

Underlying cash flows – reconciliation to reported financial statements

$'000s	FY22	FY21
Underlying EBITDA	(22,428)	(12,962)
Non-cash items in EBITDA	9,555	8,966
Changes in working capital	537	1,912
Underlying operating cash flows	**(12,336)**	**(2,084)**
Interest received	40	151
Capital expenditure	(883)	(932)
Capitalised development cost	(22,023)	(16,315)
Other	120	1,241
Underlying investment cash flows	**(22,746)**	**(15,855)**
Underlying Free cash flow	**(35,082)**	**(17,939)**

Reconciliation to financial statements

$'000s	Notes	FY22	FY21
Operating cash flows		(30,505)	2,533
Investment cash flows		(84,869)	(15,855)
Reported Operating and Investment cash flows		**(115,374)**	**(13,322)**
Transaction costs relating to IPO and capital raise	1	7,763	-
Payment for employee incentives on IPO	2	9,844	-
Financial assets	3	62,123	-
Wage subsidies	4	-	(4,617)
Pre IPO historical commitments	5	562	-
Underlying free cash flow		**(35,082)**	**(17,939)**

Notes

1. Transaction costs paid relating to the IPO and capital raise of $7.8m.
2. Payment for employee incentive on IPO of $9.8 million.
3. Term deposits held of $62.1 million.
4. Wage subsidies of $4.6 million were received in FY21 as part of government grants relating to COVID
5. Payment of $0.6m related to pre-IPO historical commitments

Glossary

Monthly ARPU

Average revenue per user (or property) 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 number of properties for each respective month. The monthly ARPU is presented as the average of the last 12 months.

Annual Recurring Revenue (ARR)

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. Investors 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.

Monthly Revenue Churn (%)

The value of monthly recurring revenue attributed to subscribers who terminate their contract with us in a month, expressed as a percentage of the total monthly recurring revenue at the start of that month. Monthly Revenue Churn is used by management to assess customer retention. If Monthly Revenue Churn increases, then the Group LTV declines and vice versa, if the Group Monthly Revenue Churn decreases, the Group's LTV increases. It is a metric which relies on an average of past performance and isn't indicative of the churn at the current point in time or of future performance.

Monthly Net Revenue Churn is calculated by deducting the value of Upgrades in Recurring Revenue of existing subscribers from the churned revenue, before expressing as a percentage of the total monthly revenue Recurring Revenue.

Properties (Customers)

Properties means each unique property which subscribes to one or more of SiteMinder's products. Customers that have multiple products that are linked to the same property are counted as a single property.

Lifetime Value (LTV)

LTV is the recurring (subscription + transactional) gross margin expected from a property over the lifetime of that property. It is calculated by taking the monthly average ARPU over the last 12 months, multiplied by the gross margin percentage, divided by Monthly Revenue Churn. This is then annualised by multiplying by 12. Figures are on a rolling average, depending on the period covered i.e. six months for half-year or 12 months for full-year.

Customer Acquisition Cost (CAC)

Customer Acquisition Cost (CAC) is calculated by the total sales, marketing and onboarding expenses over a period, less any setup fees charged in the period, divided by the number of new billed properties in the period. Figures are on a rolling average depending on the period covered ie 6 months for half year or 12 months for full year.

Constant Currency (CC)

Constant currency comparisons for all metrics are based on budgeted exchange rates as per Prospectus. AUD/USD 0.72 | AUD/GBP 0.57 | AUD/EUR 0.67

World Hotel Index

Represents the current booking volumes of hoteliers who are SiteMinder customers. The index is limited to countries that have 30 or more hotels.

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