

TrueNZ

Technology + Tourism

Commercial in Confidence. Property of TrueNZ 2017

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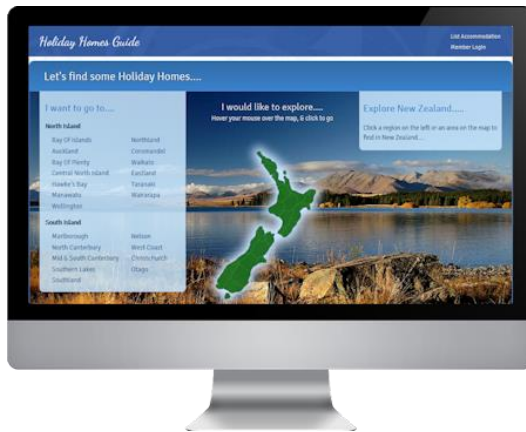
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Executive Summary

Putting Technology into Tourism

Today TrueNZ consists of 2 distinct but intertwined tourism technology businesses:

TrueNZ



TrueNZ Guides

We publish a set of online tourism guides primarily focused on accommodation, particularly small accommodation establishments like Bed & Breakfasts, Farmstays, Small Lodges and more.

These guides provide an important online marketing role for listed properties creating an effective 'Front Door' for each property enabling them to be found by prospective guests.

Our intuitive technology makes this happen efficiently and effectively.



TrueNZ SMART

SMART is our proprietary online reservation & guest management system. This is a real time system for managing online bookings, guests and their payments. SMART is designed and built completely by TrueNZ specifically for New Zealand Bed & Breakfast style accommodation.

SMART provides accommodation properties with an entire integrated package that takes their guests 'From Looking to Booking', and for the accommodation property looks after everything 'From Staying to Paying'.

Executive TEAM

Putting Technology into Tourism

TrueNZ is a formal partnership between the two founders:

Technology



Chief Technology Officer

Murray Ward is a highly qualified and experienced software engineer and developer. Murray makes the websites he builds, the software he writes and the computers it runs on do extraordinary things.

Now focused solely on TrueNZ Murray is the designer & builder of our websites and systems.

Tourism



Chief Operating Officer

Mike Raymer moved from a successful career in sales and marketing to tourism some 25 years ago. After owning various successful tourism businesses, including a motel. Mike & his wife Julia also recently operated a Bed & Breakfast.

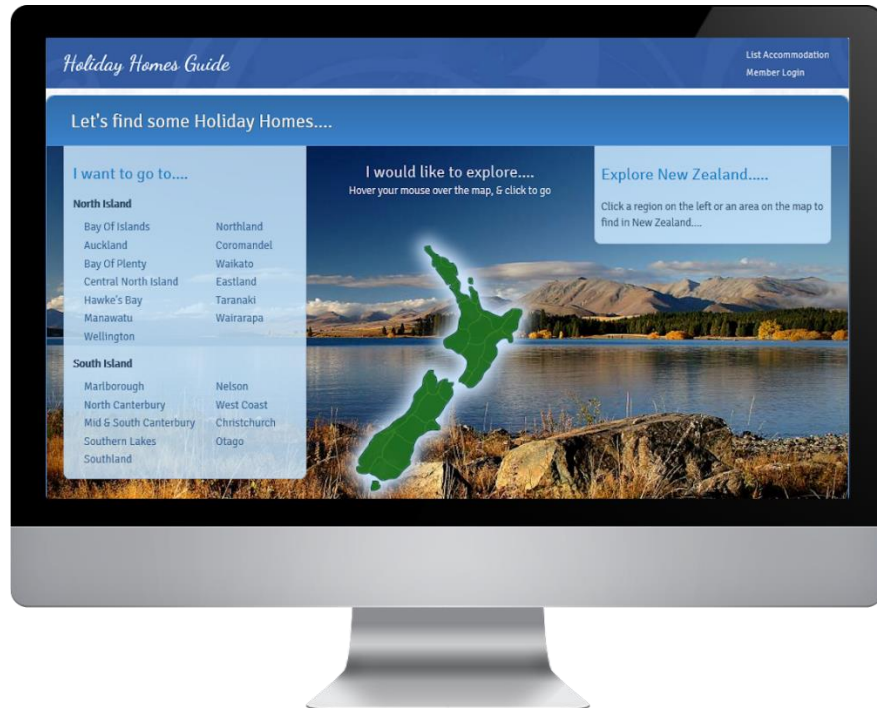
Mike looks after marketing, sales and administration for TrueNZ.

Ably assisted by our support team

Our Products **TrueNZ Guides**

Guiding the World to New Zealand Accommodation

TrueNZ has been publishing online guides for New Zealand accommodation & activities since 1999.



Currently targeted primarily at an international audience of people looking and booking their trip of a lifetime to New Zealand, TrueNZ offers a selection of over 500 properties nationwide to choose from.

We cater for a range of speciality small accommodation properties, particularly:

- **Bed & Breakfast**
- **Farmstays**
- **Small luxury lodges**
- **Vineyard stays**
- **Hosted self-catering accommodation, and more**

We also provide a number of activity guides to complement our accommodation guides.

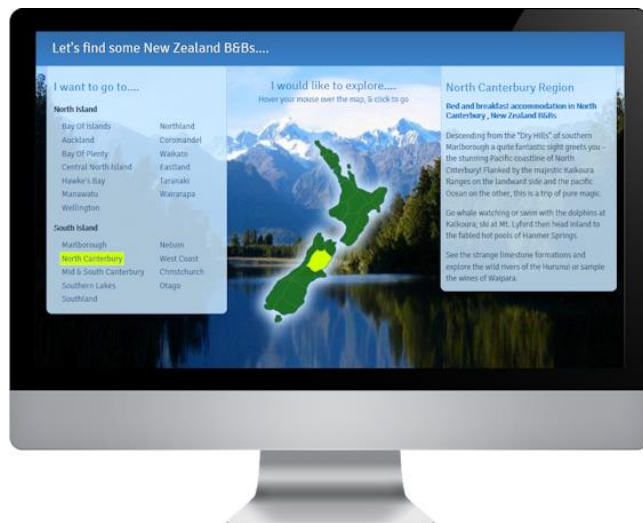
In April 2017, we released the TrueNZ Holiday Homes Guide as we saw a gap in that market for a holiday home guide with channel management capability. Neither of the 2 main New Zealand online guides currently have that capability. TrueNZ does.

Our Products TrueNZ Guides

Guiding the World to New Zealand Accommodation

The TrueNZ Guides are easily found as they hold prominent positions in response to key search strings on all major search engines all around the world. All our accommodation guides work in the same, intuitive and user-friendly way, ensuring the best experience for both guests and accommodation providers.

Unlike other guides available today, with TrueNZ you do not need to know specific destination place names or specify dates of stay. The reality is that our target audience generally do not know these fully yet and simply want to explore. This is where TrueNZ excels.



Once a region is selected a user can use our filter tools to refine their search for specific accommodation types, towns and regions, or they can use our mapping tool which shows where each accommodation option is located. Depending on what the property has made available, the opportunity is often there to read the property's reviews and, for even more information, go directly to the property's own website.

Our Products **TrueNZ Guides**

Guiding the World to New Zealand Accommodation

Our TrueNZ online guides are proven to work, and we keep detailed activity logs on all our guides.



In the **12 months ended 31 March 2019**, for just our Bed & Breakfast Guide, **listings were seen over 4.5 MILLION times**.

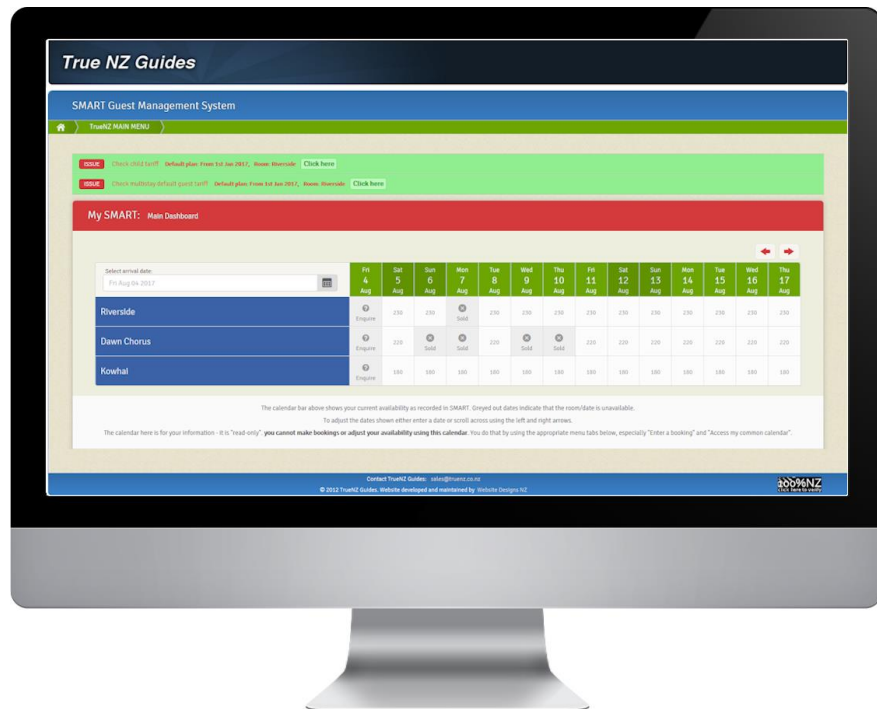
More significantly **the average listing scored 980 views per month**; and caused 110.6 users to click to see more information about the property; and **referred 42.5 potential guests** to the property's own website per month.

These results keep our subscribers happy and loyal.

Our Products SMART

Online Reservation & Guest Management System

SMART was designed and built by TrueNZ specifically for New Zealand Bed & Breakfast type accommodation.



In 2015, we came to the realisation that with the growing dominance of the Online Travel Agents (OTAs) in the accommodation booking space, such as Booking.com and Expedia, there was a significant gap in the market for an online product for small accommodation properties to suit their needs and requirements.

The more we looked at it, the more it became obvious to us that the systems being used by small scale accommodation providers in New Zealand were actually never intended for that market. We formed the view that they had been designed, built and priced primarily for large scale accommodation and were in the main, an overpriced mismatch for our target market.

Our specific experience and expertise provided the right understanding of what a typical small-scale accommodation provider needed in the way of tools so as to maximise both online presence and bookings.

Very importantly for our target market of small scale accommodation properties, their online tools need to be easy, non-technically demanding, and suitable for a variety of age groups.

We could find no such integrated, easy to use, and cost-effective product available, so we decided to design and build our own. Therefore we built and launched SMART.

Our Products SMART

Online Reservation & Guest Management System

SMART was launched in December 2015, and since then constant refinements and enhancements have been made, making SMART one of the best products available in New Zealand (and internationally) for small & medium accommodation providers.

Many features of SMART are completely unique and it is an entirely seamlessly joined system to which absolutely no add-ons or accessories (or costs) are needed.

From Looking to Booking and from Staying to Paying

The essential elements of SMART are made up of the following modules:

Guest & Property
Management

Availability &
Calendar System

Instant Booking
System

Channel Manager
System

Payment
Gateway

Travel Trade
System

SMART Guest Management System

Forward bookings report

Arrival date from: Sun Aug 06 2017

Arrival date to:

Aug 2017

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Forward bookings between 6th August 2017 and 6th September 2017

	Guest	Arrival Date	Departure Date	Booking Id	Tariffs	Comments
View	Mary Smith	6 Aug 2017	8 Aug 2017	#207639	\$440.00	\$0.00
View	Joe Smith	7 Aug 2017	8 Aug 2017	#124967	\$230.00	\$0.00
View	Mike Raymer	9 Aug 2017	11 Aug 2017	#230726	\$440.00	\$0.00
View	Mary Smith	6 Aug 2017	8 Aug 2017	#207639	\$440.00	\$0.00
View	Joe Smith	7 Aug 2017	8 Aug 2017	#124967	\$230.00	\$0.00
View	Mike Raymer	9 Aug 2017	11 Aug 2017	#230726	\$440.00	\$0.00

Our Products SMART

Online Reservation & Guest Management System

SMART is automatically displayed and linked to a property's TrueNZ Guide listing, and is easily added onto a property's own website. SMART will automatically set up a guest record for check-in and help manage a guest's accounts ready for checkout. It will store guest details and transactions allowing for quick and easy access for guest management and to retrieve reports to help with GST returns and accounts.

SMART provides automated alerting for upcoming stays and is able to request the balance due from guests as a cancellation 'lock in' period approaches (we call this 'Arrival Assured'), or to ask for a further confirming part payment, whatever a property wishes. They can set and define their own rules.

SMART has an integrated database for each property owner to customise and use with travel agents and other third parties that may accept bookings from. This lets a property owner set special tariffs and commission rates for individual travel agents and limit availability for them if they wish. For example, if a property does not want a travel agent(s) to be able to book at peak times SMART lets them restrict that.

TrueNZ developed the Availability & Calendar System to exactly suit the needs of small property management. This functionality is exclusive and proprietary to us. By design the availability calendar and booking engine uses the conventional and familiar user experience with 'smart' touches, and our system has several major and distinctive features that are unique outside of OTAs.

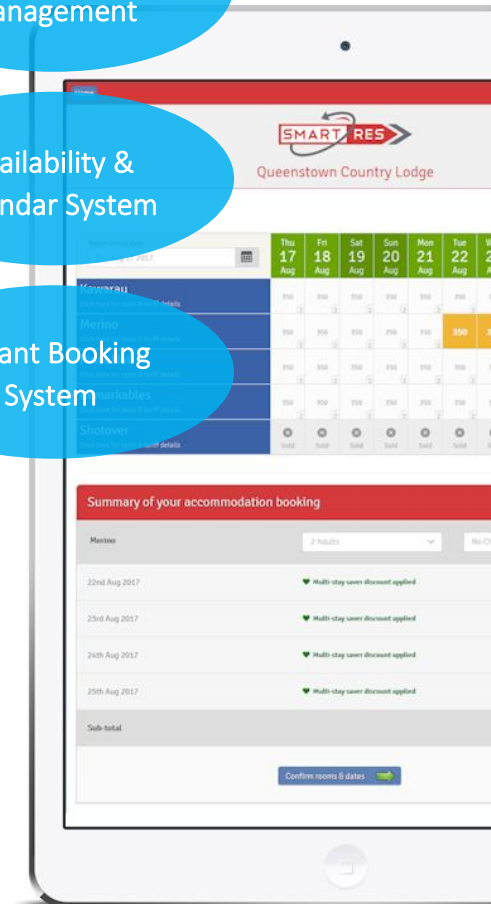
Using SMART, each 'Booker' automatically creates a unique identity within SMART allowing them to make multiple bookings without the need to re-establish credentials; and they are provided with login access to the guest side of SMART for managing their own bookings and, importantly, have the ability to make secure online credit card payments to their accommodation hosts.

SMART will allow guests to book available accommodation with instant confirmation. Each property is able to set their own parameters for an immediate online deposit payment on advance bookings, and take full payment for short notice bookings. This allows property managers to get the booking commitment from their guests without requiring full payment for their whole stay months in advance.

Guest & Property
Management

Availability &
Calendar System

Instant Booking
System



Our Products SMART

Online Reservation & Guest Management System

Channel Manager System

Booking.com

Expedia®

airbnb

bookit

agoda

Bed
&
Breakfast
Association
NEW ZEALAND

Select a
B&B

Our Channel Manager System functions to connect and synchronise a property's calendar, and a range of availability and tariff settings, with that of other distribution outlets the property uses for selling its available room nights. For example, a property might distribute through both their own website (and calendar) plus a number of OTAs such as Booking.com, Expedia and AirBnB etc. There are literally hundreds of options available today.

With the current market dominance of OTAs any property not making use of them will simply not reach its true potential for bookings.

Given the time zone New Zealand resides in, it is essential for any property accepting bookings from more than one of these outlets to have synchronised calendars at a minimum. Most OTAs operate on a confirmed booking basis only, with quite severe penalties for overbooking. Without a channel manager overbookings and double bookings become inevitable.

In the early design stages of SMART, we considered building a proprietary channel manager. While we assessed that we could do so, as an alternative option we decided to explore partnering with existing channel managers. In this we were successful in securing an agreement with one of the world's leading channel manager exponents, STAAH. We seamlessly 'white labelled' a modified version of their channel manager into our SMART product.

STAAH is a New Zealand business operating globally and ranks as a preferred partner with some of the most prominent OTAs. STAAH were recently awarded the Prime Minister's Award for Excellence in Innovation.

This gives SMART one of the most reliable and innovative channel managers maintaining the nuts and bolts of SMART channel connections. Communication between the two systems for availability and tariffs is by custom built automated electronic exchange of data between SMART and STAAH (API).

We recognise that a rapidly growing number of small & medium accommodation properties are also doing business direct with retail (and to a lesser extent, wholesale) travel agents. As we saw this trend developing we decided to build our own custom 'channel manager' for these outlets.

The SMART system for this sector is unique and entirely proprietary to TrueNZ.

Our Products SMART

Online Reservation & Guest Management System

Today an essential for even the smallest accommodation provider is to have a means of accepting credit card payments from guests. For small accommodation providers cost and perceived complexity has been a major barrier. The traditional solutions range from leasing an EFTPOS terminal, along with associated software and fees, through to PayPal, all complex and confusing for both guests and hosts. Even the relatively common online systems such as Payment Express incur what are, for small accommodation providers, quite substantial standing costs in terms of bank merchant accounts and other fees.

SMART revolutionises this by providing users with a secure and efficient online credit card processing system with no standing costs at all for the property. This suddenly makes accepting credit card payments easy and affordable for even the smallest accommodation provider.

Payment
Gateway

The SMART system is what we term a 'Dual Function' payment gateway. It accepts advance online payments from guests at the time of booking *and* onsite payments from guests at the time of stay.

The SMART credit card payments gateway utilises the ANZ eGate system in a unique manner. ANZ eGate is seamlessly joined into SMART with transactions automatically linked to and imported into each individual guest record by way of electronic data exchange. This provides SMART users (both host and guest) with an instantaneously updated guest ledger integrating credit card receipts into the record automatically. The effect of our contract with the ANZ Bank is there are no individual property merchant account (or other) fees.

To our knowledge no other similar system available in New Zealand does this in the seamless way that SMART does.

Our Products SMART

Online Reservation & Guest Management System

Recognising the growing interest within the retail and wholesale travel trade in booking accommodation with New Zealand small accommodation, we have recently added a unique Travel Trade module to SMART.

Our Travel Trade module allows each property to construct its own in-house database of travel agencies it does business with, and for each agency they can define their own:

- Negotiated commission rates
- Negotiated tariffs
- Availability restrictions

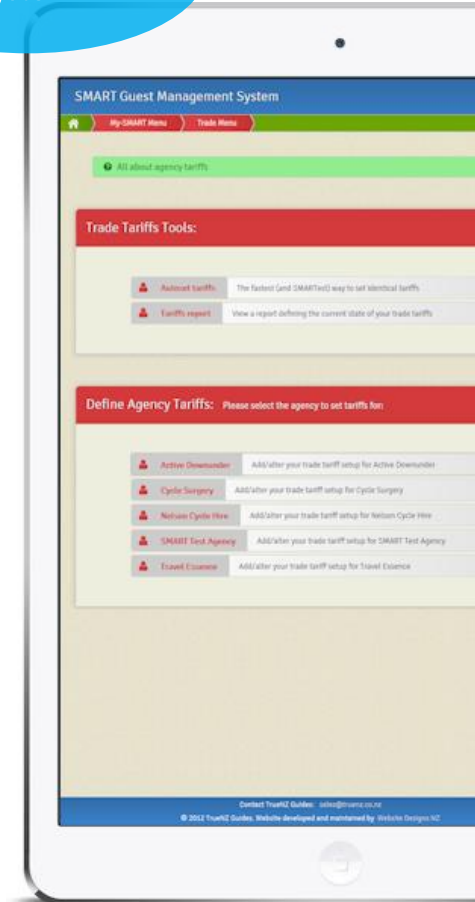
In addition, our Travel Trade module allows each agency to login directly to the SMART reservations system and for each property it has arrangements with allows them to:

- See the availability and rates as negotiated with the property
- Make instantly confirmed bookings
- Make payments for the booked accommodation
- Allow its clients to make payments for booked accommodation

Each agency can see at a glance all the properties it has arrangements with throughout New Zealand. Our Travel Trade module is seamlessly joined to all other parts of SMART, and all linked calendars are instantly and automatically updated.

Our Travel Trade module is another strong example of the modules that make TrueNZ and SMART unique to the New Zealand industry.

Travel Trade System



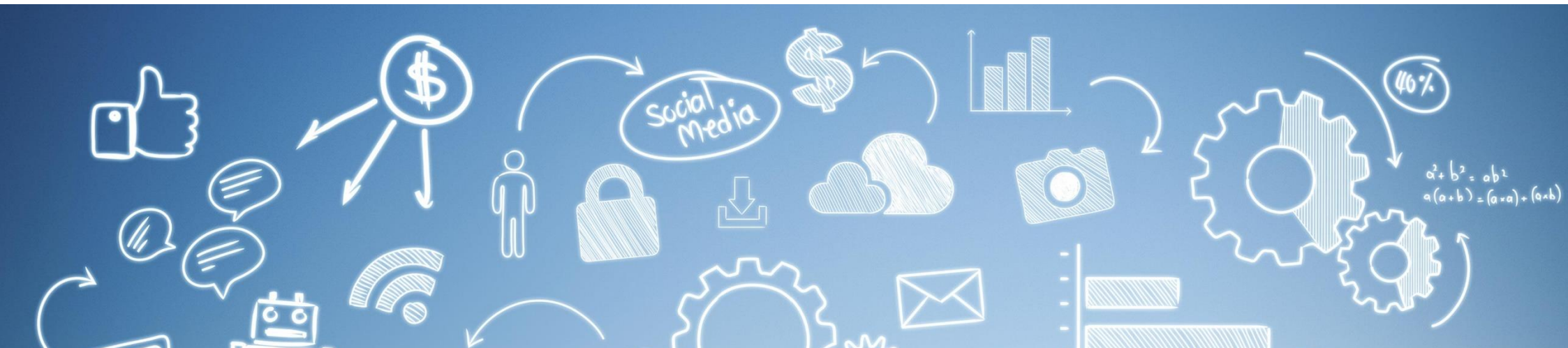
Our Products SMART

Moving into the Future

We are constantly investing and growing our SMART product and have a number of new initiatives under way.

We have recently completed successful negotiations with the giant Chinese Online Travel Agent Ctrip. We are now in the unique position of being able to offer SMART users an easy online method of joining Ctrip to access bookings from this giant market. SMART users can join Ctrip via our website with minimal information required with the whole process being able to be performed in English.

This offers SMART users a significant edge in accessing this huge market of growing importance to all New Zealand accommodation providers.



Most significantly, in November 2018 we released our very own booking site – <https://SMARTdirect.co.nz>

This competes directly with the likes of Booking.com, AirBnB etc BUT it is different! **SMARTdirect** is exclusively there for people to book small scale New Zealand accommodation **DIRECT** with the properties, **COMMISSION FREE**. SMARTdirect is an integral, and free, part of our SMART package.

Listings Costs

Putting Technology into Tourism

Both our products are positioned to the market using a highly competitive and successful pricing model:



TrueNZ Guides

Our TrueNZ online guide listings are now FREE! Truly, appropriate small scale accommodation properties in New Zealand can now get excellent world wide exposure to the booking public FREE. Suitable properties are:

- Bed & Breakfasts;
- Farmstays;
- Homestays;
- Hosted self catering accommodation (cottages etc with the hosts nearby;
- Small scale lodges;
- Holiday Homes; and
- Motels



TrueNZ SMART

SMART is subscription based. The subscription for SMART is \$820 per annum or \$69 per month (plus GST).

No Bank merchant account fees or other add on costs are necessary. The ONLY additional cost to using SMART is a credit card processing fee of 3.25% on card transactions made through the SMART system.

We are confident in saying that SMART is currently the best priced option on the market by a considerable margin.

We Are TrueNZ

Putting Technology into Tourism

TrueNZ is proven and the future is vast, and we look forward to working with you to realise this incredible potential.



For more information please refer to:

TrueNZ	www.TrueNZ.co.nz
New Zealand Bed & Breakfast Guide	www.TrueNZ.co.nz/bed-and-breakfast
SMART Guest Management Information	www.SMARTgms.co.nz
SMARTdirect booking site	https://SMARTdirect.co.nz
SMART Travel Trade information	www.SMARTres.co.nz
SMART Endorsements	www.SMARTgms.co.nz/endorsements

Or contact Mike Raymer on 03 4233565 or email sales@TrueNZ.co.nz