

26 February 2020

Annual Meeting of Shareholders Presentations

Please find attached a copy of the presentations that will be delivered at Gentrack Group Limited's (NZX/ASX: GTK) annual meeting of shareholders today at 4pm NZT in Auckland.

Gentrack will provide a link to the audio recording from the annual meeting when the results of the formal business of the meeting are announced tomorrow.

ENDS

Contact:

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About Gentrack

Gentrack provides essential software for essential services, pairing powerful platforms with deep market knowledge to help utilities and airports lower service costs, foster innovation and confidently navigate market reform. It employs over 550 people in offices across New Zealand, Australia, the UK, Singapore, USA and Europe and services over 200 utility and airport sites globally with its leading solutions.

Gentrack Cloud is a subscription-based billing, customer information, market interaction and portfolio analytics solution for energy and water utilities in markets where flexibility, uniqueness and compliance are essential. Its meter-to-cash capabilities and managed services offering are designed to enable utilities to differentiate their businesses in competitive markets, to deliver great customer service experiences, achieve lower service costs, launch innovative products and stay compliant with market regulations.

More information: www.gentrack.com

Veovo is Gentrack's world-class solution for airports, enabling them to unlock operational, revenue, concession and passenger insights across the airport ecosystem. Over 100 airports globally are using Veovo to operate more efficiently, uncover new growth opportunities and deliver outstanding guest experiences.

More information: www.veovo.com



Gentrack

Gentrack Group Ltd (GTK)

Annual Meeting 2020

26 February 2020

DISCLAIMER

This presentation may contain forward-looking statements. Forward-looking statements often include words such as 'anticipate', 'expect', 'plan' or similar words in connection with discussions of future operating or financial performance.

The forward-looking statements are based on management's and directors' current expectations and assumptions regarding Gentrack's business and performance, the economy and other future conditions, circumstances and results. As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances. Gentrack's actual results may vary materially from those expressed or implied in its forward-looking statements.

This presentation includes audited financial information for the full year ended 30 September 2019.

All figures are shown in NZ\$.



INTRODUCTIONS

Directors



John Clifford
Chairman (2007)



Nick Luckock
Non-executive Director (2018)



Fiona Oliver
Non-executive Director (2019)



Andy Coupe
Non-executive Director (2014)



Leigh Warren *
Non-executive Director (2008)



Darc Rasmussen **
Non-executive Director (2019)

Executives



Jon Kershaw
Company Secretary & GM
Commercial and Legal



Jan Behrens
CTO



Phil Eustace
Interim CFO



James Williamson
CEO - Veovo



Tony McGlennon
VP
NZ/Asia Pacific



Paul Muscat
Regional VP and GM
Europe



Mark Humphreys
Country Manager
Australia

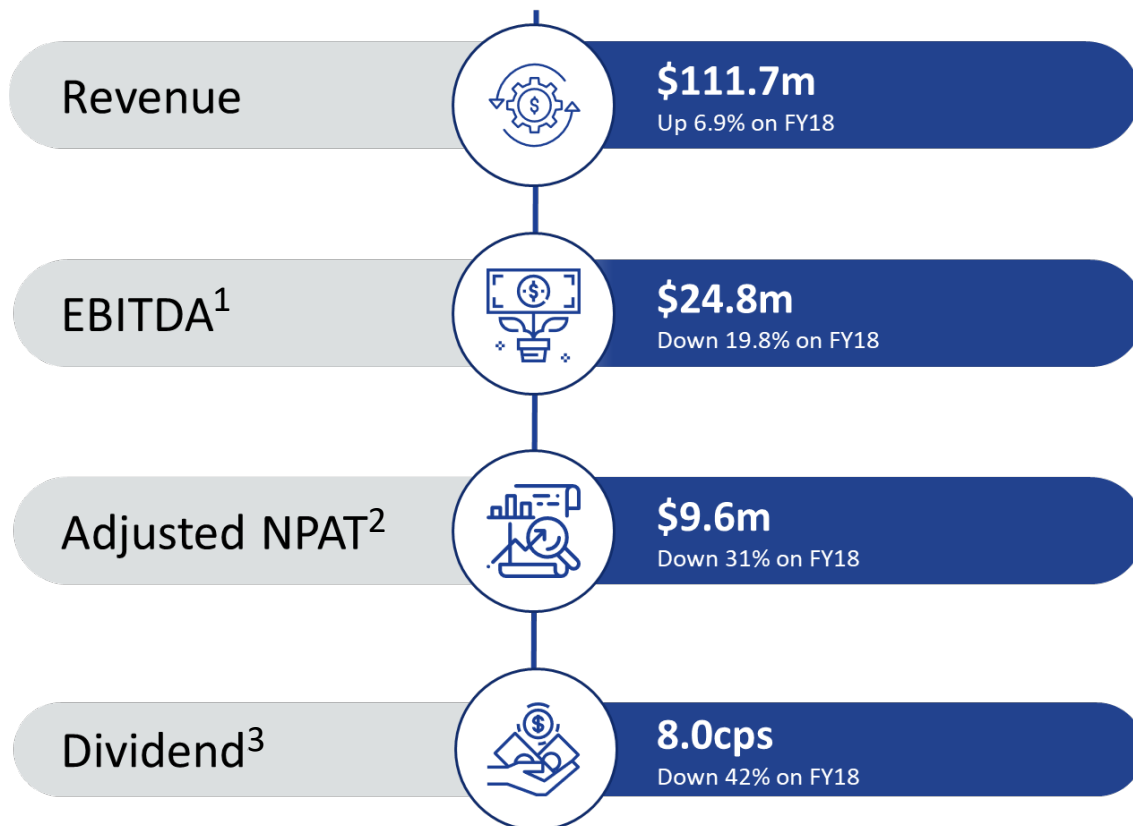
* Resolution for re-election
** Resolution for election



CEO AND CFO CHANGES

- Announced this week that Ian Black has resigned as CEO
- John Clifford taking over as executive chairman
- A global search has commenced for a new CEO
- An interim CFO is in place - Phil Eustace

FY19 SUMMARY



- **Utilities Revenue**
NZ\$88.2m (up 3.6% on FY18)
- **Veovo Revenue**
NZ\$23.5m (up 22% on FY18)
- **Group Recurring Revenue**
NZ\$78.2m (up 22% year on year)
- **Annualised Committed Revenue**
NZ\$59.7m (up 12% year on year based on month 12 run rate)
- **Customer wins**
7 new utilities and 3 new airports

¹ EBITDA: Earnings before net finance expense, tax, depreciation and amortisation and other non-operating expenses. Non-operating expenses are costs relating to acquisition.

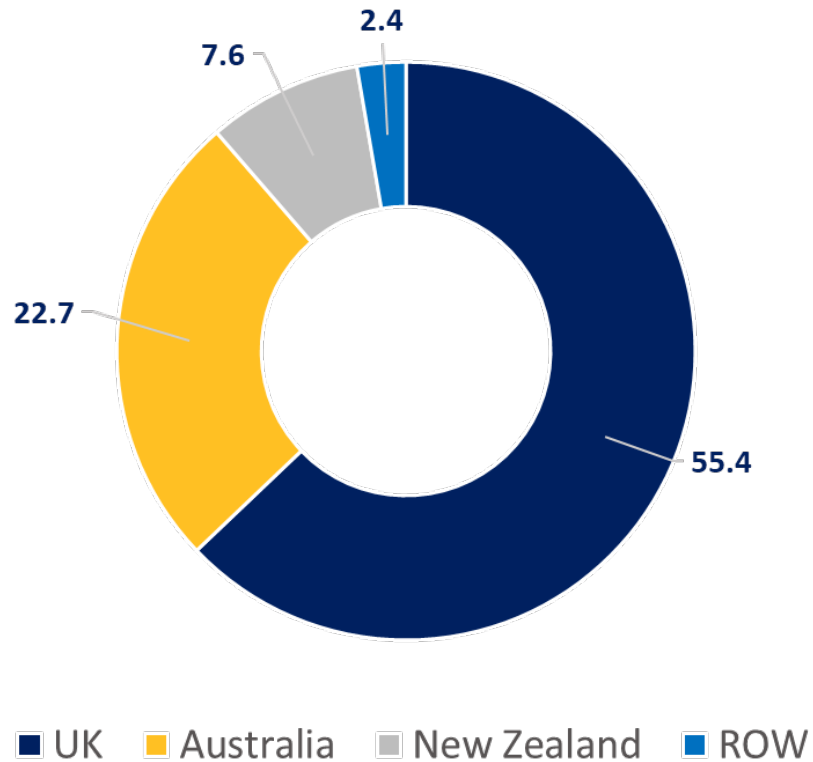
² Adjusted NPAT – Underlying NPAT before non cash charges related to impairment

³ Full year FY19 including final dividend 3.0cps

UTILITIES – FY19 SUMMARY



UTILITIES REVENUE (NZ\$'m)



\$88.2m

FY19 Revenue
Up 3.6% on FY18

\$20.0m

FY19 EBITDA¹
Down 23% on FY18

7

New utilities

3

Evolve Assurance upsells

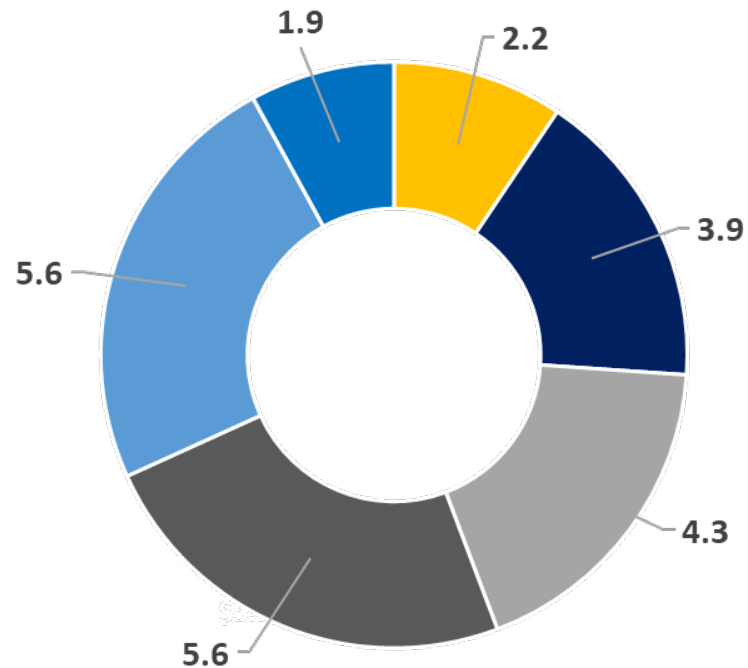
¹ EBITDA: Earnings before net finance expense, tax, depreciation and amortisation and other non-operating expenses. Non-operating expenses are costs relating to acquisition.



VEOVO – FY19 SUMMARY



AIRPORTS REVENUE (NZ\$'m)



■ North America ■ Europe ■ New Zealand ■ Australia ■ UK ■ ROW

\$23.5m

FY19 Revenue
Up 22% on FY18

\$4.8m

FY19 EBITDA¹
Down 4% on FY18

3

New airports

20

of Top 100 busiest
airports as customers

¹ EBITDA: Earnings before net finance expense, tax, depreciation and amortisation and other non-operating expenses. Non-operating expenses are costs relating to acquisition.

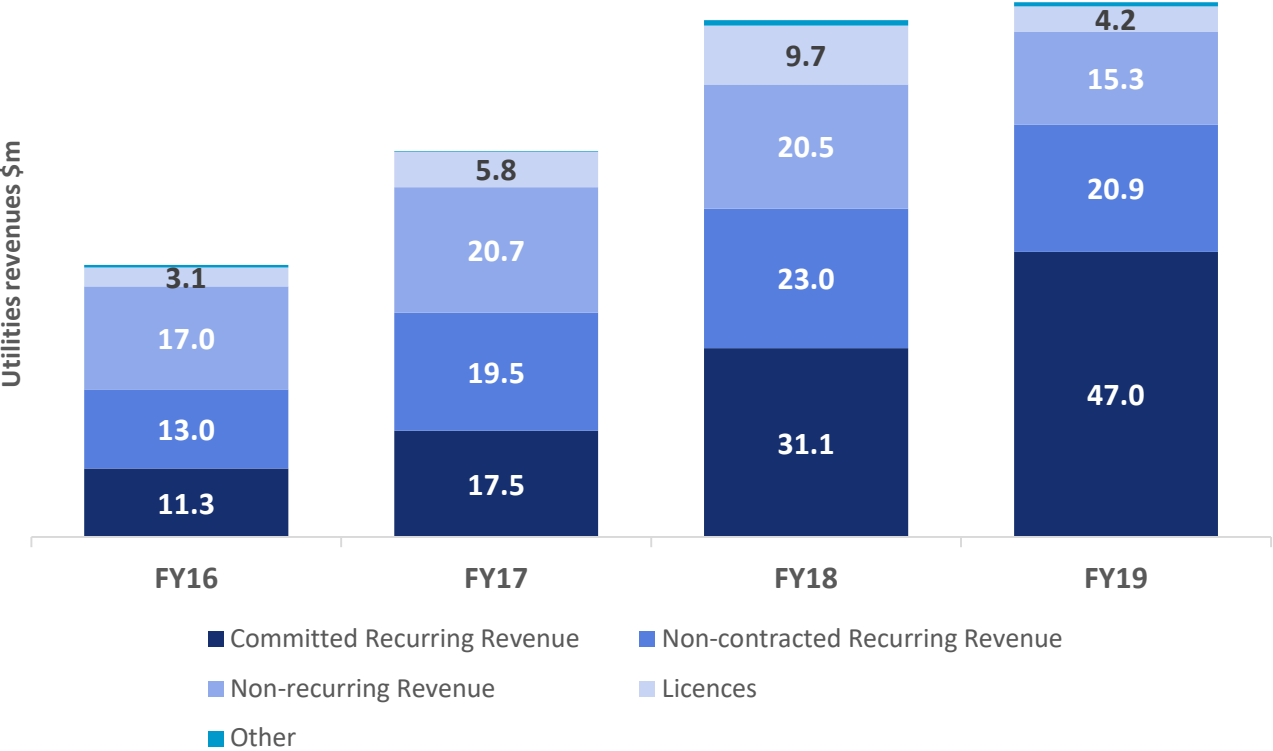


UTILITIES – SHIFT TOWARDS RECURRING REVENUE

- ▶ Changing our revenue mix
- ▶ Increasing annual recurring revenues

▶

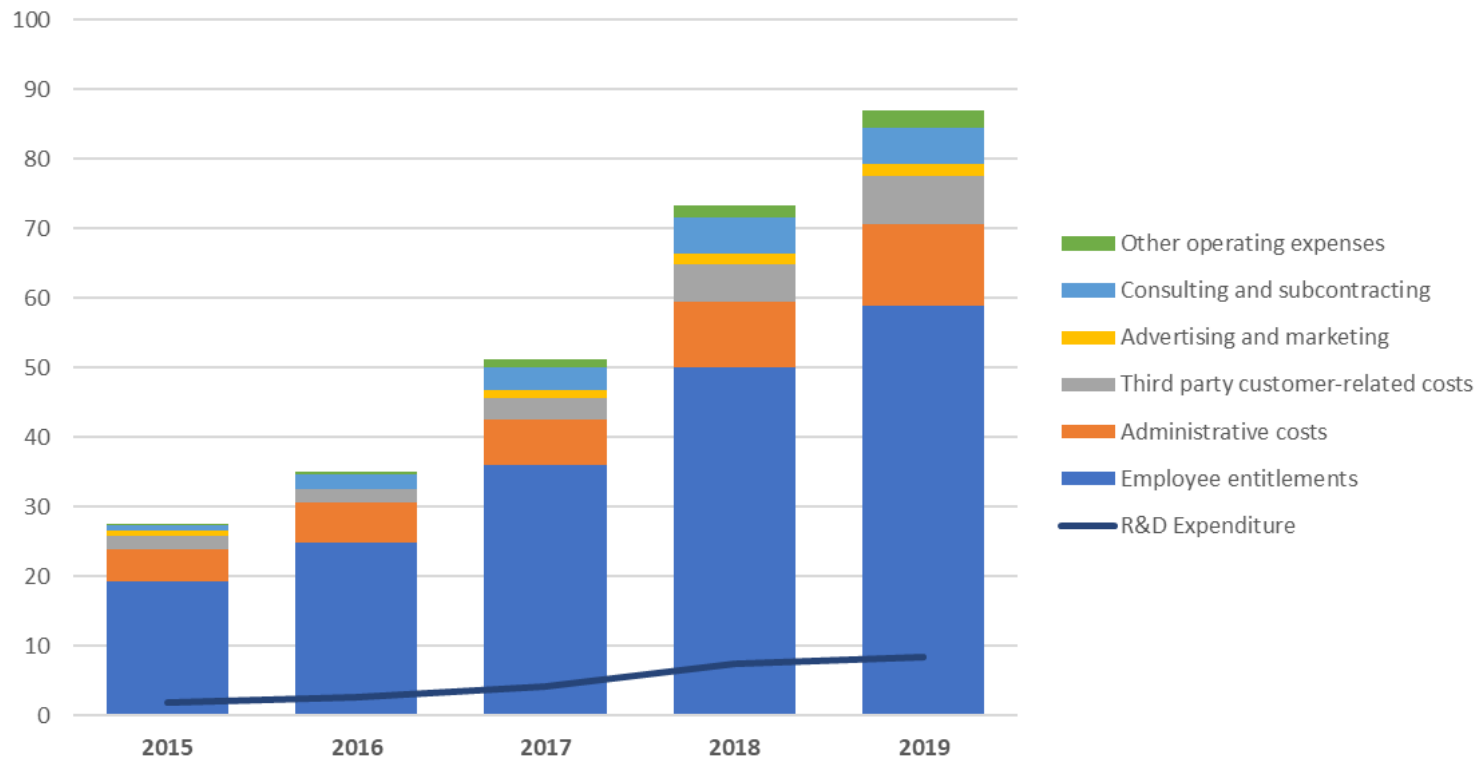
- Utilities CRR is up 51% on FY18
- Non-recurring revenue is down 35% on FY18
- Licence revenue down 57% on FY18



- **SaaS first**
All new business is based on a SaaS recurring revenue model
- **Reduced implementation effort**
SaaS productised solutions are reducing implementation effort – providing a competitive advantage but reducing NRR
- **Recurring SaaS revenues are more predictable**
- **Transitioning customer base to SaaS**
New functionality is being delivered in the cloud on a subscription basis as opportunity arises

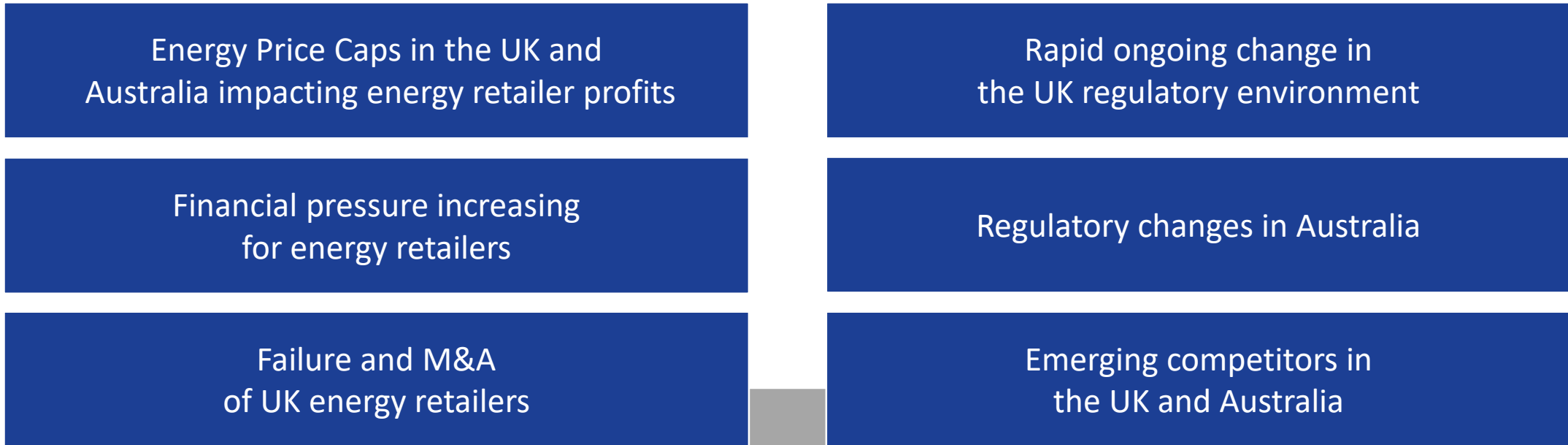
COST REDUCTION AND OPERATIONAL REORGANISATION

Gentrack Costs (2015-2019)
\$NZ Millions



- We have reduced our costs by c NZ\$8m run rate, c NZ\$4m in FY20, principally head count reduction, without reducing key product investment
- We have restructured our customer delivery and support functions to achieve higher productivity, improved product quality and customer responsiveness

PRESSURE ON ENERGY RETAILERS IN THE UK AND AUSTRALIA



UNCERTAINTY WILL CONTINUE

- Further government intervention – lowering price caps and encouraging easier switching
 - Further energy retailer failures likely in the UK
 - No sign yet of up turn in energy retailer confidence

STRONG FUNDAMENTALS

- A market leader in energy and water utilities billing and customer management in the UK, Australia and New Zealand
- A large sticky customer base
- Extensive IP:
 - Meter-to-cash solutions for utilities
 - Revenue and operations solutions for airports
- Significant barriers to market entry for competition
 - but new competitors have emerged in Australia and the UK
- Gentrack remains a profitable, cash generative business with a strong balance sheet



OUR PATHWAY BACK TO GROWTH

1. Continued investment in SaaS products to maintain competitive advantage
 - 100+ people in product development
2. Focus on migrating existing customers to our new SaaS capabilities
 - accelerating the uptake of our Gentrack Cloud product offering
3. Focus on our existing markets – UK, Australia and NZ
 - UK and Australia are long term growth markets despite current regulatory uncertainty, with opportunities to follow our customers into Europe
4. Develop the SE Asia opportunity from a starting point
 - Building on Singapore success and local expertise
5. Synergistic acquisitions
 - We target synergistic products with cross sell opportunities



OUTLOOK

- Guidance unchanged for FY20 EBITDA¹ expected to be between NZ\$8m – \$12m
- 1H FY20 EBITDA¹ expected to be between NZ\$2m – \$3m (1H FY19 \$12.8m)
 - Cost reductions benefit 2H
- UK and Australia energy market conditions remain unpredictable
- Expect 5% growth in Contractually Recurring Revenue from existing customers:
- We will continue to invest in our products to meet market requirements
- Results depend on timing of projects and contracts
- We will update the outlook with the half year results

¹ EBITDA: Earnings before net finance expense, tax, depreciation and amortisation and other non-operating expenses. Non-operating expenses are costs relating to acquisition. References to FY20 EBITDA do not reflect changes resulting from the implementation of IFRS16 that became effective for FY20 reporting.



APPENDIX - GAAP TO NON-GAAP PROFIT RECONCILIATION

Period NZ\$'000	12 Months 30-Sep-19	12 Months 30-Sep-18
Reported net profit/(loss) for the period (GAAP)	(3,315)	13,870
Add back: net finance expense/(income)	763	1,820
Add back: income tax expense	3,758	6,863
Add back: depreciation and amortisation	9,440	6,987
Add back: acquisition costs	--	1,268
Less: revaluation of acquisition related financial liability	(384)	(3,835)
Add back: Impairment of goodwill	14,551	3,984
EBITDA	24,813	30,957



APPENDIX - ADJUSTED NPAT RECONCILIATION

Period NZ\$'000	12 Months 30-Sep-19
NPAT reported	(3,315)
Add back: CA+ Intangibles Impairment	14,551
Add back: Associated Deferred Tax Adjustment	(1,210)
Add back: Blip Systems Option Revaluation	(384)
Adjusted NPAT	9,642

