

25 September 2020

Updated Outlook

Gentrack Group Limited (NZX/ASX: GTK), a leading provider of software solutions for utilities and airports, today informs the market that consistent with expectations provided at the Half Year update in May 2020, trading in H2 FY20 has been ahead of H1 FY20.

As a result, EBITDA¹ for FY20 is expected to be ahead of the top end of analysts' forecasts of around \$11m for FY20 (post IFRS 16). Cash generation in H2, also in line with comments made at the Half Year update in May 2020, is expected to be positive. Profitability in H2 has been driven by reduced costs partly as a result of the reduction in workforce programme in February/March 2020, and other cost reductions from further employee attrition and COVID-19 related cost savings.

The business plan will be reviewed further with Gary Miles, CEO, joining Gentrack on 1st October 2020. As a result, and with the current uncertainty in the economic environment, Gentrack does not intend to provide guidance at this stage for FY21. However, the company continues to see market opportunities and will invest in product against a backdrop of increased competition as well as the need for on-going investment in people. With this upward pressure on costs and competitive intensity it is expected that the FY21 EBITDA¹ run-rate will be well below the H2 FY20 run rate, potentially reducing FY21 profitability (EBITDA¹) closer to break-even depending on levels of future product investment and other factors.

Full year FY20 results will be announced on 26th November 2020.

¹ EBITDA: Earnings before depreciation, amortisation, impairments and non-operating expenses related to acquisitions

ENDS

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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 450 people in offices across New Zealand,

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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