Gentrack Group FY21 Half Year Update

27 May 2021

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 unaudited financial information for the half year ended 31 March 2021.

All figures are shown in NZ$.

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CEO Commentary

Gary Miles
Chief Executive Officer

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HY 2021 - CEO Commentary

- Performance is improving, cash is strong and the business is functioning in a much more efficient and impactful way. Delivery and throughput have accelerated and the leadership team is working well together.
- Overall revenue is up which is a result of us effectively repositioning Gentrack with our customers as the go to partner for innovation and cleantech.
- The turnaround will take time to complete but is continuing at pace. We see material room for further operational improvement.
- We have headwinds from customer attrition from prior year losses and continued SoLRs. We have however, moved the business back to growth despite this revenue drag.
- We are committed to our technology journey and increasing our investment in billing and beyond
- This presentations focuses on the last 6 months – we will cover our three-year strategy on June 16th at our Investor Strategy Session.
- Today we will cover our financial highlights and look at four themes:
    - Utility business momentum
    - Utility delivery & execution
    - Technology focus
    - Veovo status update

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H1 FY21 Financial Headlines

REVENUE
$51.0m
Up 0.7% on H1'20

ARR
$40.4m
Up 1.5% on H1'20

EBITDA[1]
$7.0m
Up 63.2% on H1'20

NPAT
Statutory
-$1.1m
Down 8.8% on H1'20 (adjusted)

NET CASH
$22.4m
Up 33.5% vs 30 Sept 2020

- EBITDA of $7.0m, up 63.2% from H1'20
- Continued strong cash generation, net cash is up $5.6m in H1'21
- Utilities Revenue up 6%:
  - Utilities ARR up 0.9% absorbing customer revenue losses from prior periods
- Airports business ('Veovo') remains profitable despite industry downturn:
  - Airports NRR impacted by Covid
  - Airports ARR robust
- Operating costs down 5% H1'21 vs H1'20
- Nil capitalisation of R&D costs

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1 Underlying EBITDA being earnings before depreciation, amortisation, impairments and non-operating expenses related to acquisitions. EBITDA is a non-GAAP measure – refer to slide 17 for a reconciliation to reported net profit.

Business Momentum

- ✓ We have strengthened our client facing teams in all regions and are driving a strong customer centric program.
- ✓ We have new wins with CNG and a water supplier in the UK. New logo pipeline is building in Utilities across Australia and the UK.
- ✓ Revenue is up as customers turn to Gentrack more and more to deliver TCO, regulatory and cleantech innovations.
- ● Two customers entered Supplier of Last Resort (SoLR) process in the UK during the period.
- ● We are not currently selected for Genesis Energy's renewal. Genesis represents approximately 1% of GTK's global revenues; we expect the relationship to continue for 2+ years.

Delivery & Execution

- ✓ Our global delivery organization is in place and customer success is moving into a much healthier, high performance state.
- ✓ Major transformation programs are on track and under control.
- ✓ Our operational throughput metrics are improving – providing the foundation for better top line and bottom line results.
- ✓ We established our Indian Delivery Centre which now has ~ 50 dev ops professionals improving operational and financial metrics.
- – Our vision for delivery excellence is in early stages and with considerable scope to further improve both efficiency and effectiveness.

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Technology Update

- ✓ Committed to having the latest cloud technology solutions and accelerating this investment
- ✓ On boarded key technology partners to fast-track innovation – AWS, Contino, Snowflake and Qlik are latest relationships
- ✓ New innovations are helping our customers and providing growth – (Time of Use Pricing, PAYG, Demand Forecasting, Profitability, Faster Switching, Data Analytics, etc…)
- – Focus is on ramping up technology resources

Veovo Update

- – The airline and airport Industry is still facing headwinds and we continue to have revenue pressure.
- ✓ Major projects have been delivered successfully including new transformations in Perth and Mexico
- ✓ For Passenger Flow management, we have had two recent US wins and more than10 customers migrated to our nextgen cloud platform
- ✓ Veovo remains profitable despite the very challenging state of the industry
- ✓ We are bullish about Veovo's value when the industry turns around. We are therefore investing in tech to emerge stronger.

Further updates will be provided at the Investor Strategy session on the 16th June.

Financial Results

For the 6 months ending 31 March 2021

James Spence
Chief Financial Officer

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Group Profit and Loss

NZ$m	Utilities H1'20	Utilities H1'21	Veovo H1'20	Veovo H1'21	Group H1'20	Group H1'21
REVENUE	**40.0**	**42.5**	**10.6**	**8.5**	**50.6**	**51.0**
Personnel Costs	29.2	30.6	6.0	5.7	35.2	36.3
Other Costs	8.1	6.4	3.0	1.3	11.1	7.7
TOTAL COSTS	**37.3**	**37.0**	**9.0**	**7.0**	**46.3**	**44.0**
EBITDA[1]	**2.7**	**5.5**	**1.6**	**1.5**	**4.3**	**7.0**
Depreciation and Amortisation					(6.4)	(5.4)
Acquisition and related costs					(0.1)	0.0
Impairment of goodwill and intangible assets					(12.2)	0.0
Net Finance Expense					0.9	(1.3)
Income Tax					0.7	(1.4)
REPORTED NET PROFIT/(LOSS) AFTER TAX[2]					**(12.8)**	**(1.1)**

- ✓ EBITDA up 63.2% in H1'21 vs PCP
- ✓ Revenue growth in Core Utilities business driven by new customers and increases from existing customers
- ✓ Continued focus on cost management driving efficiency
- ✓ No R&D capitalisation in H1'21
- ● Veovo project revenues impacted by industry downturn
- ● Previous UK Utilities losses resulting in reduced ARR upside

1 Underlying EBITDA being earnings before depreciation, amortisation, impairments and non-operating expenses related to acquisitions. EBITDA is a non-GAAP measure – refer to slide 17 for a reconciliation to reported net profit.
2 Adjusted NPAT (H1'20) - Underlying NPAT adjusted for the impairment of Goodwill and intangible assets. No adjustments to Statutory NPAT in H1'21.

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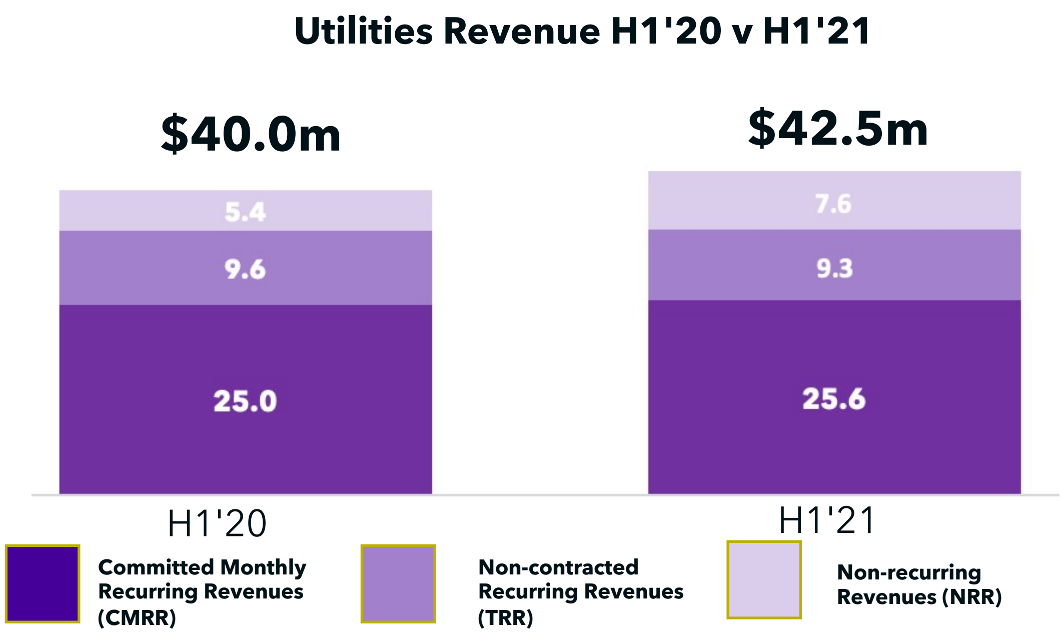
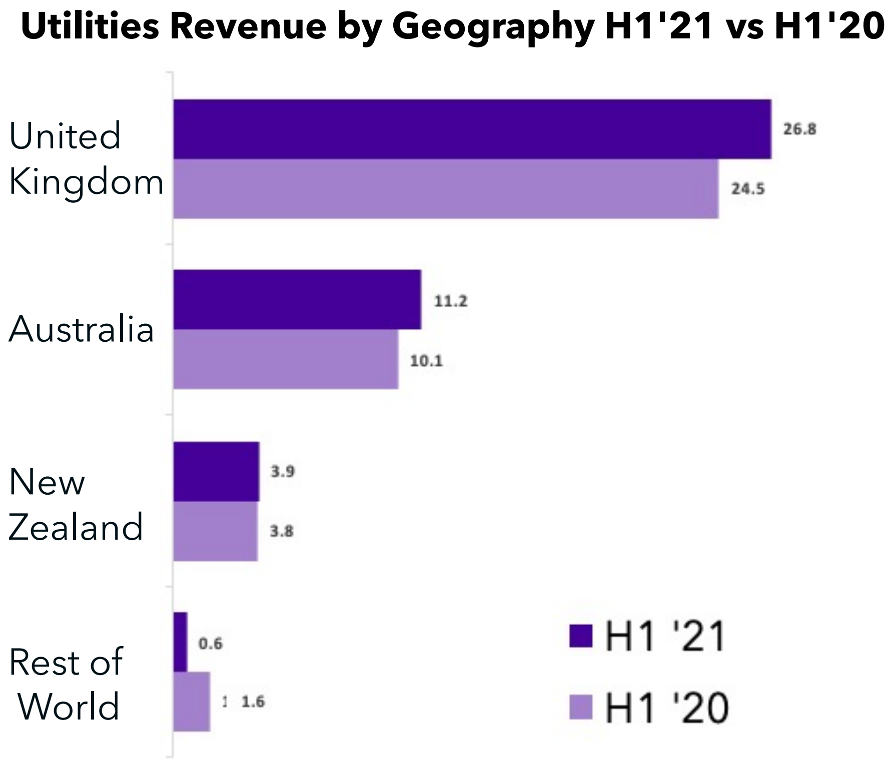
Utilities Revenue Analysis



Total Revenue
Up 6.3% on H1'20

Annual Recurring Revenue
$34.9m
Up 0.9% on H1'20 - 82.1% of total utilities revenue



- Utilities growth in Committed Monthly Recurring Revenue (CMRR), up 2.4% on H1'20, driven by new business wins in the UK and Australia, and increases in meter points for existing UK customers
- Growth continues to be offset by prior customer SoLR and previous years customer losses in the UK (approx $2m impact in period)
- Non-recurring Revenues up due to delivery of key projects in Australia and UK

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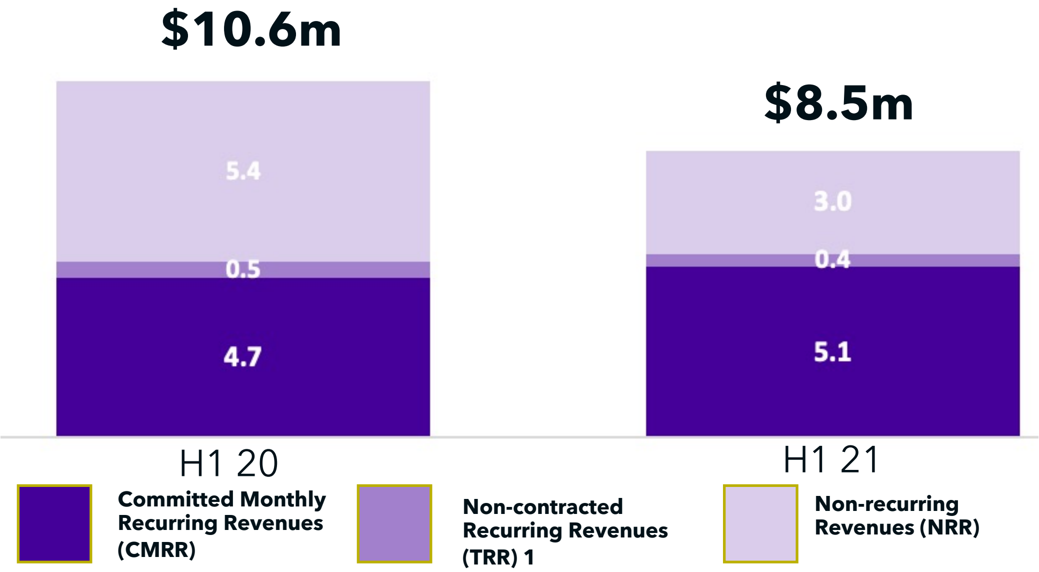
Veovo Revenue Analysis

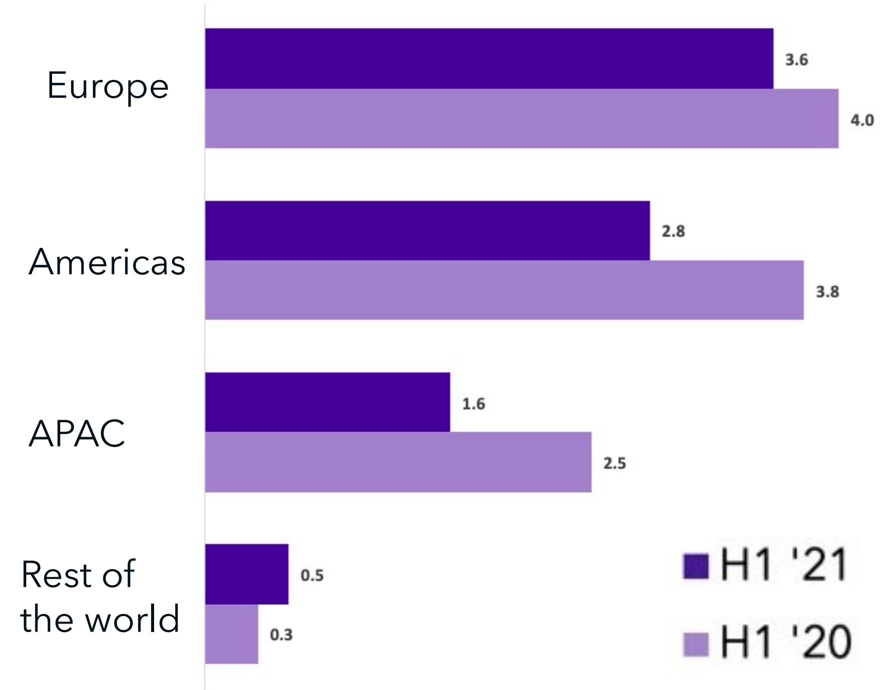
Veovo Revenue H1'20 VS H1'21



Total Revenue
Down -19.8% on H1'20

Annual Recurring Revenue
$5.5m
Up 5.8% on H1'20 - 64.7% of total Veovo revenue

Veovo Revenue by Geography H1'21 VS H1'20[1]



- ARR up 5.8% despite industry downturn reflecting critical software provided
- NRR reduction as Covid impact remains significant on Veovo projects
- New business impacted by further customer driven delays and re-evaluations

1. Veovo geographies aligned with operating countries and continents and therefore not aligned with Financial Statement.

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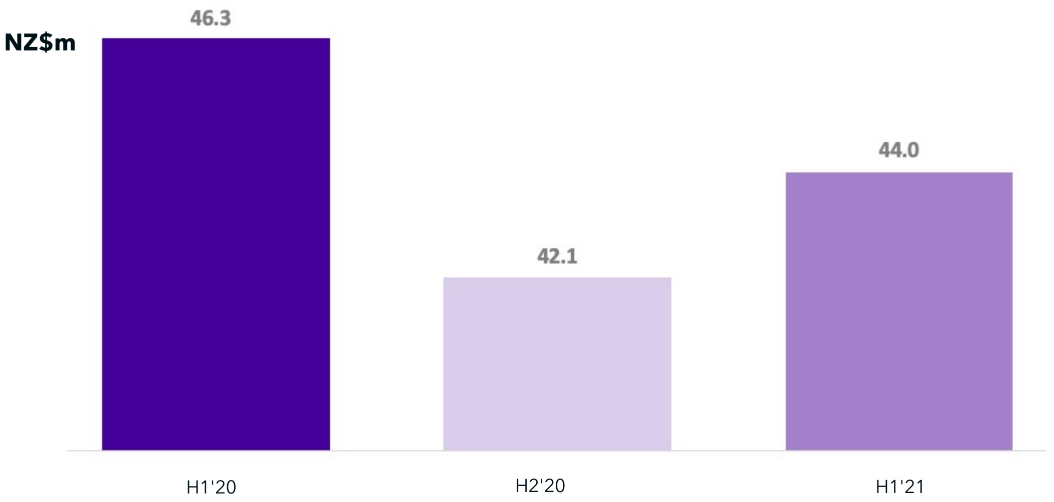
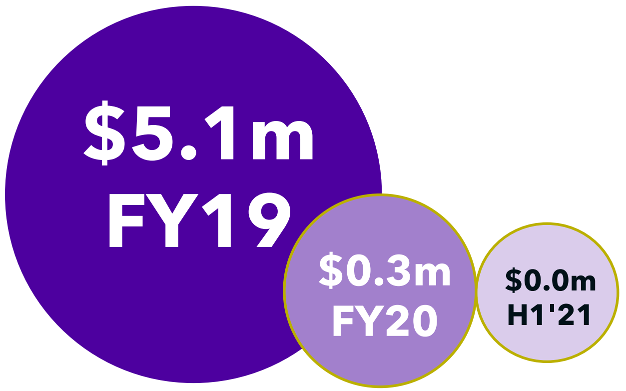
EXPENDITURE ANALYSIS



Capitalised Development Costs (NZ$m)



- Investment in Human capital has seen personnel costs increase in H1'21 vs prior periods
- Direct Costs reductions, predominantly in Veovo due to fall in project revenue
- Continued cost savings due to travel/other spend + cost saving measures
- No R&D capitalisation in H1'21 – conservative approach

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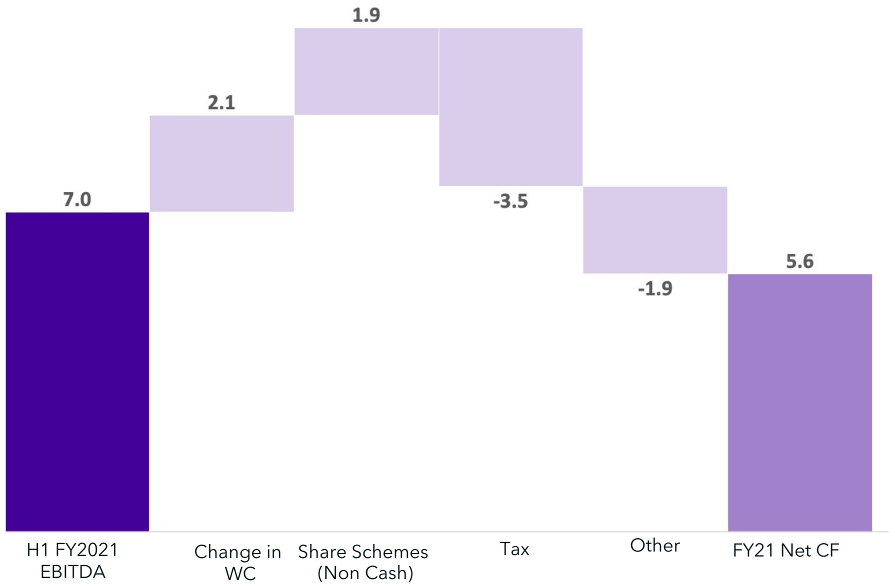
Cashflow/Balance Sheet

(NZ$m)

	30 September 2020	31 March 2021
Cash	$19.3m	$25.0m
Debt	$2.5m	$2.6m
Net Cash	$16.8m	$22.4m

EBITDA to Net Cashflow H1'21 (NZ$m)



"other" includes lease and interest costs

- H1'21 net cash generation of $5.6m driven by EBITDA + focus on costs and working capital
- Low utilisation of $20m debt facility
- Further improvement in collections, primarily from UK business
- Increased utilisation of share-based incentives
- H1'21 end net cash position of $22.4m provides liquidity and scope for investment

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Outlook update

In February 2021 Gentrack Group Limited (NZX/ASX: GTK) ("Gentrack") advised that it expected full year EBITDA to be around $5m and revenues in line with FY20 of $100.5m.

With the turnaround accelerating, Gentrack now provides the following outlook update:

- FY21 revenues are expected to be slightly ahead of FY20 revenues of $100.5m
- FY21 EBITDA is expected to be around $10m for the year on the basis that research and development (R&D) costs are expensed
- Incremental R&D costs are expected to be at an exit rate of ~$3m/quarter by the end of the financial year
- The company expects to be net cashflow positive in FY21, building on the $16.8m of net cash reported at 30th September 2020. H2'21 cash generation is expected to be neutral or better.

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Next Steps

- Our Investor Strategy Session is being held on the 16th June – we'll share our forward looking plan there. Please do join us.
- We won't be taking analyst calls from today's presentations – please do ask questions at the end of the presentation.
- Happy to deal with any further clarifications separately via email.
- More than ever we're seeing the interest and the pace/need to change the industry picking up at pace – very confident that the market/industry will go through global transformation and we are there to support them.

Gentrack is committed to leading the way in taking the industry into a sustainable era.

Q & A

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GAAP to Non-GAAP Profit Reconciliation

NZ$m	6 Months 31 Mar 21 Unaudited	6 Months 31 Mar 20 Unaudited	Full Year 30 Sept 20 Audited
Reported net (loss)/profit for the period (GAAP)	**(1.1)**	**(12.8)**	**(31.7)**
Add: Net finance Expense	1.3	(0.9)	0.4
Add: Income Tax expense	1.4	(0.7)	(2.6)
Add: Depreciation and amortisation	5.4	6.4	12.4
Add: Revaluation of acquisition related financial liabilities	-	0.1	(0.9)
Add: Impairment of goodwill and intangible assets	-	12.2	34.5
EBITDA	**7.0**	**4.3**	**12.1**

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FY 21 on a Constant Currency Basis

NZ$m	H1'20	H1'21	H1'21 Constant Currency	Difference	▲ %
Revenue	50.6	51.0	52.2	1.2	2.4%
Operating Costs	46.4	44.0	45.2	1.2	2.7%
EBITDA	4.3	7.0	7.0	0.0	0.0%
Statutory NPAT	(12.8)	(1.1)	(1.4)	(0.3)	(27.3%)

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EBITDA Constant Currency difference is $14 thousand