

**19 May 2025**

## **Market Announcement**

Gentrack Group Limited (NZX/ASX: GTK), a leading provider of software solutions for utilities and airports, today released its results for the half-year to 31 March 2025.

### Results Summary

- **Revenue: \$112m - up 9.8% on H1 24, with the Group's recurring revenues 16.7% higher at \$76.4m.**
- **EBITDA: \$13m - up 5.1% on H1 24 as we invest more in sales and g2.0. For the full year we expect EBITDA to grow faster than revenue.**
- **Statutory NPAT: \$7.2m profit - up 34.7% on H1 24.**
- **Cash: \$70.7m v \$39.3m at H1 24 and \$4m higher since the start of the year.**

### Financial performance

For the Group, revenues increased 9.8% over the prior period to \$112m. In our Utilities business, total revenue grew by 7.2% to \$92.8m. Our recurring revenues grew strongly, by 17% as prior periods wins and upgrades flowed through into recurring revenue. This uplift was partially offset by lower non-recurring revenues (12% lower than in H1 24), a reflection of the high level of project work last year and the variable nature of such revenues. We continue to expect strong levels of non-recurring revenues going forward.

Revenues at Veovo grew by 24% over the prior period to \$19.2m. This was driven by customer wins last year in the UK and the Middle East and from upgrades in APAC. Growth includes both higher recurring revenues, (up 14% over H1 24) alongside more project work (non-recurring revenues were 34% higher than H1 24). Our non-recurring revenues included \$3.6m (\$3.8m in H1 24) of revenue from sales of hardware sourced from our supplier network.

EBITDA at \$13m was 5.1% higher than H1 24. We are investing more into our Product (all expensed) including landing our first deployment of g2.0 in Genesis Energy. We have also increased investment into sales to support the high levels of activity we are seeing in our current pipeline.

Our NPAT of \$7.2m is an increase of 34.7% over the prior period (\$5.3m in H1 24). This increase in profits includes a \$1.1m loss being our share (10%) of the

losses of Amber Energy (we account for our investment in Amber as an associate company in our financial statements). Also excluded from EBITDA but within our NPAT, when we consolidate intercompany balances we benefit from \$2.1m of foreign exchange gains arising from the appreciation of some of the currencies, principally Sterling, used by subsidiary companies, within the Group.

The Group's tax charge fell by 33.7% against the prior period to \$1.9m in spite of the 10.4% increase in profit before tax to \$9.1m. Our effective income tax rate of 21.3% is lower than the statutory rates of our main operating companies and far lower than the 35.5% effective rate booked in the prior year. This low tax charge mainly reflects the tax relief received from the vesting of share based payments in the half year.

We continue to generate cash and maintain a strong balance sheet. Our cash as of 31 March 2025 was \$70.7m, a \$4m increase over the start of the year and compares to \$39.3m at the end of H1 24.

Gentrack's Utilities and Veovo businesses both operate in high growth and consolidating markets. The Board believes that the best use of the company's capital is to continue to invest in growth. We have therefore decided not to pay a dividend. We will keep the use of capital under regular review.

### Bringing value to our Energy and Water customers

In addition to global expansion, we also see promising growth in our core markets. In the UK we contracted with Utility Warehouse, who supply energy and telecom products to nearly two million meter points, to combine Gentrack's billing software with their multi service delivery platform. They are one of the fastest growing retailers in the UK and currently hold the top spot for Energy Retail Customer Experience in the UK according to Citizens Advice.

We also signed several, long term billing renewals including Wave, Castle Water, So Energy and Marble Power in the UK, Vector in New Zealand and Singapore's Pacific Light. We have signed several innovative solutions across our base including for battery services at Ecotricity with Amber Electric and for heat cylinder optimization and grid stability with Mercury in New Zealand.

### Veovo's Leading Technology Capabilities

Veovo has continued to grow as we deliver to our backlog of new customers and on upgrades to existing customers.

We have achieved significant milestones recently, including major "go-lives" in Edinburgh with our Airport Operational Suite, the operational launch of our

first Saudi Arabian airport, and the successful completion of an important part of the first phase of our contract with the Manchester Airports Group. Additionally, we have delivered Gen8 upgrades to two major Australasian airports. Over the past six months, we have delivered and transitioned more capabilities into operation than ever before.

In Europe, we are excited to have won London Gatwick's Integrated Airport Control project following a highly competitive process. This is a first of its type and is the enabler for Gatwick's journey to airport 4.0 and will support expansion of Veovo's AI/ML capabilities. This is a significant development in our relationship with Gatwick who currently use our Queue Management capabilities.

As we look forward to H2 25, delivery will continue to be a key focus with many projects planned for operational transition. We also expect a further tranche of Gen8 upgrades in both Europe and Australia.

### Global Economic Trends

Three global macro-economic trends have developed which we analyse below in relation to Gentrack.

First, Gentrack provides essential services with little direct impact from global tariff uncertainties. In case of a global downturn, we do not expect the rate of transformation of utility companies to slow however, passenger travel numbers could slow the rate of airport transformations.

Second, there is some pull back against net-zero targets which could potentially affect change programs for utilities. We do not see this as a current risk in our target utility markets of Europe, the Middle East and Asia. Rather, we see the pace of change accelerating as the energy transition picks up pace, and the move to the cloud and adoption of AI gain momentum.

Finally, the weakening of the New Zealand and Australian dollars has benefited Gentrack due to our global customer base and operating theatres.

### Looking Forward

Both the utilities and airports industries are transforming at pace. They are dynamic markets in a state of change, and we are confident in our ability to lead these markets globally over time.

We would like to thank our customers and shareholders for their continued support, and the entire Gentrack team for their achievements and for their commitment to Gentrack's future.

## **FY25 Outlook**

For FY25, we expect revenue to be at or above \$230m and our EBITDA margin to be above 12%.

This is a year of transition as we expand into Asia, the Middle East and Europe, building on early wins and a maturing pipeline.

With our global leadership ambitions, our proven track record and the market potential, we remain confident of our mid-term guidance of growing revenue more than 15% CAGR and an EBITDA margin of 15-20% after expensing all development costs.

## **Presentation Results**

Investors are invited to join the presentation of the Half Year Results on Monday 19th May at 10.30am NZT/ 8.30am AEST via webcast:

[www.virtualmeeting.co.nz/gtkhy25](http://www.virtualmeeting.co.nz/gtkhy25)

It is advised that attendees allow ten minutes prior to the start time to register and download any necessary webcast software.

## **ENDS**

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## **About Gentrack**

We are entering a new era, with utilities worldwide transforming to meet business and sustainability targets. For over 35 years Gentrack has been partnering with the world's leading utilities, and more than 60 energy and water companies rely on us.

Gentrack, with our partners Salesforce and AWS, are leading today's transformation with g2.0, an end-to-end product-to-profit solution. Using low code / no code, and composable technology, g2.0 allows utilities to launch new propositions in days, reduce cost-to-serve and lead in total experience.

<https://www.gentrack.com>